



**DICE**

Düsseldorf Institute for  
Competition Economics

## DICE-Newsletter 3/2012

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## Annual conference of the German Economic Association 2013 - keynote speakers confirmed

In 2013, the Düsseldorf Institute for Competition Economics (DICE) will host the annual conference of the German Economic Association. The conference will take place from 4-7 September 2013 at the Heinrich-Heine University of Düsseldorf.

The confirmed keynote speakers are:

[Michael Katz](#), Sarin Chair in Strategy and Leadership, University of California and Director of the Center for Telecommunications and Digital Convergence

[Michael D. Winston](#), Robert E. and Emily H. King Professor of Business Institutions, Northwestern University and Co-director of the Center for the Study of Industrial Organization

[Joe Harrington](#), Professor of Business Economics and Public Policy, Wharton School, University of Pennsylvania

[Patrick Rey](#), Professor of Economics, University of Toulouse, Member of the Toulouse School of Economics, and IDEI Researcher

[Mark Armstrong](#), Professor of Economics, University of Oxford

[Jorge Padilla](#), Senior Managing Director and Head of Compass Lexecon Europe

[Kai-Uwe Kühn](#), Chief Competition Economist at the DG Competition of the EU

The deadline for submissions is **Friday, 1 March 2013**.

For more information visit the [conference website](#).

## Bert Rürup and Dirk Heilmann on Germany's bright economic future

On 20 November 2012, Bert Rürup, one of Germany's most renowned economists, and Dirk Heilmann, the Chief Economist of Germany's leading business newspaper Handelsblatt, presented their book "Fette Jahre - Warum Deutschland eine glänzende Zukunft hat" (Years of plenty - Why Germany is facing a bright future) at the Düsseldorf Institute for Competition Economics (DICE).

In their book, Rürup and Heilmann argue that Germany is facing a bright future since its economy is to a large degree still based on the production of industrial goods - in contrast to the economies of many other developed countries. Hence, Germany will profit massively from the growth of developing countries and their hunger for investment goods and realize stable growth rates. However, Rürup and Heilmann also point at the reforms that are necessary to realize these future growth opportunities.

Click [here](#) for further information on Rürup and Heilmann's book.

## Günther Oettinger on future challenges for European energy policy

On 25 September 2012, the Energy Commissioner Günther Oettinger gave a talk on "Current Challenges for European Energy Policy" at the Düsseldorf Institute for Competition Economics (DICE). Oettinger's talk opened the first "Düsseldorfer

Forum Ordnungspolitik.”

In his talk, Commissioner Oettinger stressed that the change in the current energy regime to renewable energies can only succeed if the advantages of the European energy market are utilized. It would be inefficient if most of Europe’s solar plants were located in Germany rather than Spain where they could produce twice as much electricity. Moreover, Commissioner Oettinger called for a change of the current supporting scheme for renewables to include more competitive elements and a European perspective.

Following Oettinger’s talk, a panel of experts, consisting of Jürgen Kühling (University of Regensburg), Guido Hermeier (Clifford Chance), Tobias Paulun (European Energy Exchange Leipzig), and Justus Haucap (Director of DICE), discussed the possibilities for a more market-oriented supporting scheme for renewables.

The Düsseldorf Forum Ordnungspolitik is jointly organized by the Düsseldorf Institute for Competition Economics (DICE) and the Düsseldorf Chamber of Commerce and Industry. It takes place once a year and aims to bring together researchers and practitioners to share their views on current challenges in competition policy.

### **Florian Baumann, new Professor of Applied Microeconomics**

Since October 2012, Florian Baumann has been a Professor of Applied Microeconomics at the Düsseldorf Institute for Competition Economics (DICE).

Florian Baumann, born on 16 April 1976, holds a degree in economics from the Eberhard Karls University Tübingen, where he also received his PhD in Economics in 2007. Before Prof. Baumann joined the Düsseldorf Institute for Competition Economics (DICE), he was a visiting scholar at the Rotterdam Institute of Law and Economics and an Interim Professor of Public Finance at the University of Tübingen. His research focuses on the Economic Analysis of Law, Labor Economics, and Public Finance.

Click [here](#) for Prof. Baumann's personal website.

### **Justus Haucap, visiting scholar at the New Zealand Institute for the Study of Competition and Regulation**

In January and February 2013, Justus Haucap, Director of the Düsseldorf Institute for Competition Economics (DICE), will be a visiting scholar at the New Zealand Institute for the Study of Competition and Regulation (ISCR).

Founded in 1998, the New Zealand Institute for the Study of Competition and Regulation is an independent, nonprofit research institute located at Victoria University of Wellington. The primary objectives of ISCR research are to assist in understanding how markets and organizations operate, how markets provide appropriate incentives and disciplines for organizations, the limitations of markets and the role of regulation in addressing these limitations, and the importance of property rights and institutional structures in facilitating effectiveness of markets, organizations, competition, and regulation in New Zealand. (Text from ISCR website)

Click [here](#) for further information on the New Zealand Institute for the Study of Competition and Regulation (ISCR).

## Second Cohort of the Düsseldorf Graduate School in Economics (DGSE) arrives

The second cohort of the Düsseldorf Graduate School in Economics has arrived. During the next three years, the six doctoral students, who started in October 2012, will receive intensive training in analytical methods and quantitative analysis which will prepare them to become successful researchers.

The members of the second intake are:

Hamid Aghadashli, who holds a master's degree in Economics from the University of Bonn and a bachelor degree in Economic Cybernetics from the Baku State University

Kevin Fabian Grollmuss, who holds a master's and a bachelor degree in Economics from the University of Hohenheim

Anna Lu, who holds a master's degree in Public Economics from the University of York and a bachelor degree in Economics from the University of Bonn

Claudia Möllers, who holds a master's and a bachelor degree in Mathematics from the University of Düsseldorf

Amela Saric, who holds a master's degree in Economics & Finance from the University of Prague and a bachelor degree in Economics from the University of Sarajevo

Lars Zeigermann, who holds a master's degree in Economics from the University of Edinburgh and a bachelor degree in Economics and Law from the University of Erfurt

Click [here](#) for further information on the Düsseldorf Graduate School in Economics.

## Dragan Jovanovic and Holger Rau finished their PhD

On 19 September, Dragan Jovanovic, post-doctoral researcher at the Düsseldorf Institute for Competition Economics (DICE), finished his PhD. His dissertation, entitled "Four Essays on Industrial Organization," analyzes the interplay between managerial incentives and product market competition as well as the success of certain regulatory changes and antitrust rules in creating and ensuring efficiency and competition in the respective markets.

Holger Rau, post-doctoral researcher at the Düsseldorf Institute for Competition Economics (DICE), completed his PhD on 20 December with a dissertation on "The Impacts of Social Preferences and Biases on Individual and Group Decision Making: Four Essays in Experimental Economics." In his dissertation, Rau explores the consequences of other-regarding preferences and decision heuristics in market settings.

Click [here](#) for Dragan Jovanovic's personal website.

Click [here](#) for Holger Rau's personal website.

## Research Grant for Hans-Theo Normann and Christian Wey

Hans-Theo Norman, Professor of Economics (Game Theory and Experimental Economics) at the Düsseldorf Institute for Competition Economics (DICE), and Christian Wey, Professor of Economics (Regulation and Competition Economics) at the DICE, have received a three-year research grant funded by the binational DFG-ANR program.

The French collaborators are mainly from the universities of Paris (INRA) and Toulouse. The topic of the research collaboration is "Competition and Bargaining in Vertical Chains."

## Research Grant for Tobias Wenzel and Torben Stühmeier

Torben Stühmeier and Tobias Wenzel, both post-doctoral researchers at the Düsseldorf Institute for Competition Economics, received a research grant from the Rolf-Schwarz-Schütte-Foundation to fund their project on "The searching behavior of consumers in response to price regulation - Experimental evidence."

The Rolf-Schwarz-Schütte-Foundation was founded in 2001 by Dr. h.c. Rolf Schwarz-Schütte and the Schwarz Pharma AG. The foundation aims at promoting scientific research with a focus on the business and economic department of the Heinrich-Heine-University of Düsseldorf.

## Keynote and invited session by Hans-Theo Normann

On Friday 14 September 2012, Hans-Theo Normann, Professor of Economics (Game Theory and Experimental Economics) at the Düsseldorf Institute for Competition Economics (DICE), chaired an invited session on market experiments at the XXVII Jornadas de Economía Industrial.

Furthermore, Prof. Normann held a keynote on "Collusion in Oligopoly Experiments" at the 12th annual meeting of the "Gesellschaft für experimentelle Wirtschaftsforschung" ("Society for Experimental Economic Research"). In his talk, Prof. Normann stressed the importance of hysteresis effects: cartels may maintain a higher price level even after they have been detected.

## 8th DIBOGS workshop on Health Economics held in Düsseldorf

The Düsseldorf Institute for Competition Economics hosted the 8th Workshop on Health Economics and Social Policy (DIBOGS) on Friday, 4 December 2012. Traditionally, the organizers invite young researchers in Health Economics to present and discuss their current work.

Among others, the workshop covered topics such as, for instance, payment schemes and the time management of physicians in the Statutory Health Insurance, the safety regulation of pharmaceuticals, regulations of the German pharmaceuticals market, and the effects of breast cancer prevention programs.

Moreover, the DIBOGS society elected a new board of directors, now consisting of Andreas Schmid (University of Bayreuth), Laura Birg (University of Göttingen), and Annika Herr (Düsseldorf Institute for Competition Economics).

Click [here](#) for further information on DIBOGS.



## Four DICE-researchers at the 19th Biennial Conference of the International Telecommunications Society

Four researchers of the Düsseldorf Institute for Competition Economics (DICE) presented their research at the 19th Biennial Conference of the International Telecommunications Society which took place from 18-21 November in Bangkok, Thailand. Generously funded by the Konrad Henkel Stiftung, the researchers were able to share their ideas and insights about the future of the telecommunications industry with the global telecoms research community.



The participants were:

[Anne-Katrin Barth](#) (doctoral researcher) with a talk on “How large is the magnitude of fixed-mobile call substitution? Empirical evidence from 16 European countries.”

[Julia Graf](#) (doctoral researcher) with a talk on “Irrationality rings! Experimental evidence on mobile tariff choices.”

[Gordon Klein](#) (senior researcher, not on photo) with a talk on “Network quality incentives in mobile telecommunications.”

[Johannes Muck](#) (doctoral researcher) with a talk on “The effect of on-net/off-net differentiation and heterogeneous consumers on network size in mobile telecommunications - An agent-based approach.”

## Job opening: Female Assistant Professor of Economics

The Düsseldorf Institute for Competition Economics (DICE) is currently offering a position for an Assistant Professor in Economics to an outstanding female post-doctoral candidate. The position is offered for six years and is partially funded by North Rhine-Westphalia’s Ministry for Innovation, Science, and Research.

The funding aims at promoting female junior researchers to reduce the gender inequality in science.

The official job advertisement will soon be available on [our website](#).

## New Publications

### Published:

- [Market Entry into Emerging Two-sided Markets.](#)  
Ralf Dewenter & Jürgen Rösch  
Economics Bulletin, 32 (2012), 2343-2352.
- [How Regulation Affects Network and Service Quality in Related Markets.](#)  
Justus Haucap & Gordon J. Klein  
Economics Letters, 117 (2012), 521-524.
- [Roaming and Investments in the Mobile Internet Market.](#)  
Torben Stühmeier  
Telecommunications Policy, 36 (2012), 595-607.
- [On File Sharing with Indirect Network Effects Between Concert Ticket Sales and Music Recordings.](#)  
Ralf Dewenter, Justus Haucap & Tobias Wenzel  
Journal of Media Economics, 25 (2012), 168-178.
- [Regulating Advertising in the Presence of Public Service Broadcasting.](#)  
Tobias Wenzel & Torben Stühmeier  
Review of Network Economics, 11 (2012), Article 1.
- [Do Women Behave More Reciprocally than Men? Gender Differences in Real Effort Dictator Games.](#)  
Matthias Heinz, Steffen Juranek & Holger A. Rau  
Journal of Economic Behavior and Organization, 83 (2012), 105-110.
- [On the Role of Consumer Expectations in Markets with Network Effects.](#)  
Irina Suleymanova & Christian Wey  
Journal of Economics, 105 (2012), 101-127.
- [The Impact of the Termination Rule on Cooperation in a Prisoner's Dilemma Experiment.](#)  
Hans-Theo Normann & Brian Wallace  
International Journal of Game Theory, 41 (2012), 707-718.

### Forthcoming:

- [Collusion through Joint R&D: An Empirical Assessment.](#)  
Tomaso Duso, Lars-Hendrik Röller & Jo Seldeslachts  
Forthcoming in: The Review of Economics and Statistics.
- More Bits - More Bucks? Measuring the Impact of Broadband Internet on Firm Performance.  
Irene Bertschek, Daniel Cerquera & Gordon Jochem Klein  
Forthcoming in: Information Economics and Policy.
- [Consumer Choice and Local Network Effects in Mobile Telecommunications in Turkey.](#)  
Justus Haucap, Mehmet Karacuka & A. Nazif Çatik  
Forthcoming in: Telecommunications Policy.
- [Explicit vs. Tacit Collusion - The Impact of Communication in Oligopoly Experiments.](#)  
Miguel A. Fonseca & Hans-Theo Normann  
Forthcoming in: European Economic Review.

- [Excess Capacity and Pricing in Bertrand- Edgeworth Markets: Experimental Evidence.](#)  
Miguel A. Fonseca & Hans-Theo Normann  
Forthcoming in: Journal of Institutional and Theoretical Economics.
- [Unionization Structures in International Oligopoly.](#)  
Beatrice Pagel & Christian Wey  
Forthcoming in: LABOUR: Review of Labour Economics and Industrial Relations.
- [The Strategic Use of Private Standards in Vertical Relations.](#)  
Vanessa Schlippenbach & Isabel Teichmann  
Forthcoming in: American Journal of Agricultural Economics.
- [One-Stop Shopping as a Cause of Slotting Fees: A Rent-Shifting Mechanism.](#)  
Vanessa Schlippenbach & Stéphane Caprice  
Forthcoming in: Journal of Economics & Management Strategy.

## New discussion papers

- DICE Discussion Paper No 79  
[Collusion through Joint R&D: An Empirical Assessment, December 2012.](#)  
Tomaso Duso, Lars-Hendrik Röller & Jo Seldeslachts  
Forthcoming in: The Review of Economics and Statistics.
- DICE Discussion Paper No 78  
[Innovation, Tort Law, and Competition, December 2012.](#)  
Florian Baumann & Klaus Heine
- DICE Discussion Paper No 77  
[Investment Behavior in a Constrained Dictator Game, November 2012.](#)  
Michael Coenen & Dragan Jovanovic
- DICE Discussion Paper No 76  
[Strategic Obfuscation and Consumer Protection Policy in Financial Markets: Theory and Experimental Evidence, November 2012.](#)  
Yiquan Gu & Tobias Wenzel
- DICE Discussion Paper No 75  
[Competition in Germany's Minute Reserve Power Market: An Econometric Analysis, November 2012.](#)  
Justus Haucap, Ulrich Heimeshoff & Dragan Jovanovic
- DICE Discussion Paper No 74  
[Do Buyer Groups Facilitate Collusion?, November 2012.](#)  
Hans-Theo Normann, Jürgen Rösch & Luis Manuel Schultz
- DICE Discussion Paper No 73  
[Heterogeneous Treatment Effects in Groups, November 2012.](#)  
Gerhard Riener & Simon Wiederhold
- DICE Discussion Paper No 72  
[Which Factors Drive the Decision to Boycott and Opt Out of Research Rankings? A Note, November 2012.](#)  
Michael Berlemann & Justus Haucap
- DICE Discussion Paper No 71  
[First Mover Advantages in Mobile Telecommunications: Evidence from OECD Countries, October 2012.](#)  
Johannes Muck & Ulrich Heimeshoff



- DICE Discussion Paper No 70  
[Consumer Choice and Local Network Effects in Mobile Telecommunications in Turkey, October 2012.](#)  
Mehmet Karaçuka, A. Nazif Çatik & Justus Haucap  
Forthcoming in: Telecommunications Policy.
- DICE Discussion Paper No 69  
Rebels without a Clue? Experimental Evidence on Explicit Cartels, October 2012.  
Georg Clemens & Holger A. Rau
- DICE Discussion Paper No 68  
[Motivational Cherry Picking, September 2012.](#)  
Tobias Regner & Gerhard Riener
- DICE Discussion Paper No 67  
[Excess Capacity and Pricing in Bertrand- Edgeworth Markets: Experimental Evidence, September 2012.](#)  
Miguel A. Fonseca & Hans-Theo Normann  
Forthcoming in: Journal of Institutional and Theoretical Economics.
- DICE Discussion Paper No 66  
[Team Building and Hidden Costs of Control, September 2012.](#)  
Gerhard Riener & Simon Wiederhold
- DICE Discussion Paper No 65  
[Explicit vs. Tacit Collusion - The Impact of Communication in Oligopoly Experiments, August 2012.](#)  
Miguel A. Fonseca & Hans-Theo Normann  
Forthcoming in: European Economic Review.
- DICE Discussion Paper No 64  
[An Equilibrium Analysis of Efficiency Gains from Mergers, July 2012.](#)  
Dragan Jovanovic & Christian Wey

Newsletter of the Düsseldorf Institute for Competition Economics (DICE)  
Director: Prof. Dr. Justus Haucap (responsible according to the press law)

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