



# CONFERENCE IN TRIBUTE TO JEAN-JACQUES LAFFONT

TOULOUSE – FRANCE  
June 30 - July 1-2, 2005

Programme



**Thursday, June 30**  
(Université Toulouse I - Sciences Sociales, Arsenal)

**WELCOME ADDRESS**  
**Amphi A – 8:45 – 9:00**

**Bruno Sire**, Vice-Président, Université Toulouse I – Sciences Sociales

**PLENARY LECTURE**  
**Amphi A - 9:00 – 10:00**

Chair: **Elhanan Helpman**, Harvard University Cambridge

*Multicontracting Mechanism Design: Towards a Theory of Transaction Costs*  
**David Martimort**, University of Toulouse (IDEI) and Institut Universitaire de France

**10:00 – 10:30 Coffee Break in Mainlobby**

**PARALLEL SESSIONS 10:30 - 12:00**

**PS1 – POLITICAL INSTITUTIONS**  
**Room 136**

Chair: **Gilles Saint-Paul**, Université de Toulouse (IDEI)

*On Robust Constitution Design*

**Robert Gary-Bobo**, Université Paris 1 Panthéon-Sorbonne  
E. Auriol

*Political Competition when Parties Represent Constituents. An Application to Environmental Policy*

**Philippe De Donder**, Université de Toulouse (IDEI)  
H. Cremer and F. Gahvari

*Critical Decisions and Constitutional Rules*

**Francesco Giovannoni**, University of Bristol  
T. S. Aidt

**PS4 – INFORMATION COMMUNICATION**  
**Room 137**

Chair: **Fabrice Collard**, Université de Toulouse (IDEI)

*Sequential Communication with Ex post Participation*  
**Stefan Ambec**, INRA-GAEL, University of Grenoble

*Why Lying Pays: Truth Bias in the Communication with Conflicting Interests*

**Toshiji Kawagoe**, Future University - Hakodate  
H. Takizawa

*Information Exchange and Competition in Communications Networks*

**Tommaso M. Valletti**, Imperial College London and CEPR  
C. Cambini

**PS2 – POLITICAL ECONOMY 1**  
**Room 124**

Chair: **Bernard Belloc**, Université de Toulouse (IDEI)

*Essential and Weak Single-Peakness*

**Bernardo Moreno**, Universidad de Málaga  
S. Barberà

*Information Transmission in the Absence of Commitment*

**Carlos Maravall Rodriguez**, Universidad Carlos III de Madrid

*Information, Polarization and Accountability in Democracy*

**Christian Schultz**, University of Copenhagen

**PS5 – REPEATED AUCTIONS**  
**Room 122**

Chair: **Franck Portier**, Université de Toulouse (IDEI)

*Sequential Vs. Single-Round Uniform-Price Auctions*

**Claudio Mezzetti**, University of North Carolina,  
A. Pekec and I. Tsetlin

*Repeated Common Value Auctions*

**Gábor Virág**, University of Rochester

*Auctions Versus Negotiations in Procurement: An Empirical Analysis*

**Steve Tadelis**, Stanford University  
P. Bajari and R. McMillan

**PS3 – ECONOMETRIC THEORY**  
**Room 316**

Chair: **Christian Bontemps**, LEEA et GREMAQ, University of Toulouse

*Finite and large sample distribution-free inference in linear median regressions under heteroskedasticity and non linear dependence of unknown form*

**Elise Coudin**, CREST and Université de Montréal  
J.M. Dufour

*Testing Distributional Assumptions: A GMM Approach*

**Nour Meddahi**, CIRANO, CIREQ, Université de Montréal  
C. Bontemps

*Spectral method for deconvolving a density*

**Marine Carrasco**, University of Rochester  
J.P. Florens

**PS6 – EDUCATION**  
**Room 222**

Chair: **Guido Friebel**, Université de Toulouse (IDEI)

*Competition between Public and Private Universities: Quality, Prices and Exams*

**Laura Romero**, Universidad Carlos III de Madrid,  
E. del Rey

*Grading Standards under Monopolistic Provision of Education*

**Darió Maldonado**, CORE, University of Louvain and GREMAQ, University of Toulouse

*Efficient Tuition & Fees, Examinations, and Subsidies*

**Alain Trannoy**, EHESS, GREQAM  
R. Gary-Bobo

**PS7 – CORPORATE GOVERNANCE 1**  
**Room 163 Bis**

Chair: **Catherine Casamatta**, Université de Toulouse (CRG)

*Firm Size and the Quality of Entrepreneurs*

**Hans K. Hvide**, Norwegian School of Economics and Business, and CEPR

*Shareholder Access to Manager-Biased Courts and the Monitoring/Litigation Tradeoff*

**Sergei Stepanov**, ULB, ECARES

*Globalization and the Empowerment of Talent*

**Dalia Marin**, University of Munich

T. Verdier

**PS10 – REGULATION THEORY**  
**Room 326**

Chair: **François Ortalo-Magné**, University of Wisconsin

*Government Outsourcing: Contracting with Natural Monopoly*

**Emmanuelle Auriol**, Université de Toulouse (IDEI)

P. M. Picard

*Regulating a Multiutility Firm with Scope Economies: All that Glitters is not Gold*

**Giacomo Calzolari**, Università di Bologna

C. Scarpa

*Endogenous Price Mechanisms, Capture and Accountability*

*Rules: Theory and Evidence*

**Carmine Guerriero**, London School of Economics

**PS13 – FINANCIAL ECONOMICS**  
**Room 240**

Chair: **Fany Declerck**, Université de Toulouse (CRG)

*A Historical Perspective on the Microstructure of the Bond Market*

**Bruno Biais**, Université de Toulouse and IDEI

R. Green

*Thinking Ahead: The Decision Problem Efficient*

**Patrick Bolton**, Princeton University

A. Faure-Grimaud

*Efficient Derivative Pricing by the Extended Method of Moments*

**Eric Renault**, Université de Montréal

P. Gagliardini and C. Gourieroux

**PS8 – THE DETERMINANTS OF PREFERENCES**  
**Room 234**

Chair: **Michel Lebreton**, Université de Toulouse (GREMAQ-IDEI)

*The Brain as a Hierarchical Organization*

**Isabelle Brocas**, USC and CEPR

J. D. Carillo

*The Welfare Economics of Adaptive Preferences*

**C. Christian von Weizsäcker**, University of Cologne

*A Consumption CAPM with a Reference Level*

**René Garcia**, CIREQ, CIRANO and Université de Montréal

E. Renault and A. Semenov

**PS11 – LAW AND ECONOMICS**  
**Room 112**

Chair: **Patrick Rey**, Université de Toulouse (IDEI)

*Reputations, Relationships and the Enforcement of Incomplete Contracts*

**W. Bentley MacLeod**, Columbia University and University of Southern California

*Realistic Standards. Optimal Negligence Rule under Limited Liability*

**Juan José Ganuza**, Universitat Pompeu Fabra

F. Gomez

*The Public Management of Environmental Risk: Separating Ex ante and Ex post Monitors*

**Jérôme Pouyet**, CREST-LEI & CERAS-ENPC

Y. Hiriart and D. Martimort

**PS9 – LABOUR ECONOMICS**  
**Room 242**

Chair: **Javier Ortega**, Université de Toulouse (GREMAQ)

*Money, Fame and the Allocation of Talent: Brain Drain, the Matthew Effect and the Institution of Science*

**Doh-Shin Jeon**, Universitat Pompeu Fabra and CREA

D. Menicucci

*Estimation of Causal Effects on Wage Inequality Using IV Methods and Sample Selection Models*

**Stacey H. Chen**, SUNY at Albany

S. Khan

*A Model of Mixed Signals with Applications to Countersignaling and The Ged?*

**Humberto Moreira**, Getulio Vargas Foundation

A. Araujo and D. Gottlieb

**PS12 – PERSPECTIVES IN THE POSTAL SECTOR**  
**Room Gabriel Marty**

Chair: **Jean-Pierre Florens**, Université de Toulouse (IDEI)

*The structure of the postal network : sunk cost and contestability*

**Martin Hellwig**, Max Planck Institute,

*Universal service obligation in the postal sector: economics learning for cross comparison*

**Bernard Roy**, La Poste

X. Ambrosini and F. Boldron

*Competition and the structure of prices in the postal sector*

**Helmuth Cremer**, Université de Toulouse, IDEI

12:00 – 13:30 Lunch – Centre de Congrès Pierre Baudis (Room Caravelle)

INVITED SESSIONS 13:30 - 15:30

SESSION 1: ECONOMETRIC ESTIMATION  
Amphi E

Chair: **Jerry Hausman**, MIT

*Estimating a Semi-Parametric Duration Model without Specifying Heterogeneity*

**Jerry Hausman**, MIT  
T. Woutersen

*Estimators for Discretely Sampled Levy Processes*

**Yacine Ait-Sahalia**, Princeton University  
J. Jacob

*Estimation with Weak Instruments and Many Instruments*

**Whitney Newey**, MIT  
C. Hansen and J. Hausman

SESSION 2: ECONOMICS AND PSYCHOLOGY:  
MICROFOUNDATIONS AND MACRO IMPLICATIONS  
Amphi A

Chair: **Roland Bénabou**, Princeton University

*Belief in a Just World and Redistributive Politics*

**Roland Bénabou**, Princeton University  
J. Tirole

*A Dual Self Model of Impulse Control*

**Drew Fudenberg** Harvard University  
D. Levine )

*The Neuroeconomics of Simple Choice*

**Antonio Rangel**, Stanford University  
D. Bernheim

SESSION 3: OPTIMAL DESIGN OF VOTING  
PROCEDURES: THEORY AND EXPERIMENTS  
Amphi C

Chair: **Thomas Palfrey**, Princeton University

*Efficiency, Equity, and Timing in Voting Mechanisms*

**Marco Battaglini**, Princeton University  
R. Morton and T. Palfrey

*Minorities and Storable Votes*

**Alessandra Casella**, Columbia University, EHESS,  
GREQAM  
T. Palfrey and R. Riezman

*Qualitative Voting in Conflict Resolution Situations: An Experimental analysis*

**Rafael Hortala-Vallve**, London School of Economics

15:30 – 16:00 Coffee Break in Mainlobby

PARALLEL SESSIONS 16:00 - 17:30

PS14 – RESEARCH AND DEVELOPMENT  
Room 242

Chair: **Farid Gasmî**, Université de Toulouse (IDEI)

*Moral Hazard and the Internal Organization of Joint Research*

**Simona Fabrizi**, Universidad del País Vasco, DFAEII  
S. Lippert

*The Organization of Inventive Activities in Science-Based Industries*

**Claudio Panico**, University of Toulouse  
A. Gambardella

*How Strong are Weak Patents?*

**Carl Shapiro**, University of California  
J. Farrell

PS15 – COLLUSION  
Room 112

Chair: **Carole Haritchabalet**, Université des Sciences Sociales (GREMAQ)

*Partial Communication and Collusion with Demand Uncertainty*

**Heiko Gerlach**, University of Auckland

*Corruption and Product Market Competition*

**Stéphane Straub**, University of Edinburgh

*The Impact of Leniency Programs on Cartels*

**Patrick Rey**, Université de Toulouse and IDEI

PS16 – AUCTION 1  
Room 124

Chair: **François Salanié**, Université de Toulouse (INRA)

*Stochastic Dynamic Programming in Space: An Application to British Columbia Forestry*

**Harry J. Paarsch**, University of Iowa  
J. Rust

*The Effect of Corruption on Bidding Behavior in First-Price Auctions*

**Leandro Arozamena**, Universidad Torcuato Di Tella  
F. Weinschelbaum

*Ebay 9/11*

**José Canals-Cerdá**, University of Colorado  
J. Pearcy

## PS17 – DEVELOPMENT ECONOMICS

Please, see PS35

*Intermediation by Aid Agencies*

**Paul Seabright**, Université des Sciences Sociales de Toulouse and CEPR

C. Rowat

*The Missing Ingredient in Aid Effectiveness: The Design Effect*

**Waly Wane**, World Bank

*The Paradox of Power Reconsidered: A Theory of Political Regimes in Africa*

**Jean-Paul Azam**, Université de Toulouse and IDEI

## PS20 – ECONOMETRICS AND INCOMPLETE INFORMATION Room 163 Bis

Chair: **Pierre Dubois**, Université de Toulouse (INRA-IDEI)

*Risk Aversion, Expected Earnings, and Opportunity Costs: A structural Econometric Model of Human Capital Investment*

**Thomas Brodaty**, THEMA Université Cergy Pontoise

R. Gary-Bobo and A. Prieto

*Asymmetric Information in Insurance*

**Bruno Jullien**, Université de Toulouse (IDEI)

B. Salanié and F. Salanié

*Can We Measure Hospital Quality from Physicians' Choices?*

**Mathilde P. Machado**, University Carlos III de Madrid

R. Mora and A. Romero-Medina

## PS23– COMMUNITY, IDENTITY AND SOCIAL CAPITAL Room316

Chair: **Roberta Dessi**, Université de Toulouse (IDEI)

*A Cognitive Theory of Identity*

**Roland Bénabou**, Princeton University

J. Tirole

*Globalization and the dynamics of cultural identity*

**Thierry Verdier**, Delta

M. Thoenig and J. Olivier

*Collective memory, identity and cultural investments*

**Roberta Dessi**, Université de Toulouse and IDEI

## PS18 – PUBLIC ECONOMICS 1

Room 136

Chair: **Helmuth Cremer**, Université de Toulouse (IDEI)

*Optimal Taxation and Public Good Provision in a Two-Class Economy*

**Félix Bierbrauer**, Max Planck Institute for Research on Collective Goods, Bonn and CDSEM, University of Mannheim

*Optimal Policy to Influence Individual Choice Probabilities*

**Eytan Sheshinski**, The Hebrew University of Jerusalem

*The Provision and Pricing of Excludable Public Goods: Ramsey-Boiteux Pricing versus Bundling*

**Martin F. Hellwig**, Max Planck Institute for Research on Collective Goods

## PS21 – INDUSTRIAL ORGANIZATION 1 Room 326

Chair: **Michel Moreaux**, Université de Toulouse (IDEI)

*Durable Goods Monopoly with Quality Improvements Over Time*

**Gary Biglaiser**, University North Carolina

J.J. Anton

*Shrouded Attributes and Information Suppression in Competitive Markets*

**Xavier Gabaix**, MIT

D. Laibson

*Getting a Smaller Slice... Yet Baking a Larger Pie*

**Joao Vieira-Montez**, University of Lausanne

## PS24 – REGULATION AND COMPETITION Room 240

Chair: **Thomas Mariotti**, Université de Toulouse (IDEI)

*The Relationship between Regulation and Competition Policy for Network Utilities*

**David Newbery**, University of Cambridge

*The Impact of Regulation on Market Risk*

**Paul A. Grout**, University of Bristol

A. Zalewska

*Competing with Advertising Resources*

**Claude Crampes**, Université de Toulouse and IDEI

C. Haritchabalet and B. Jullien

## PS19 – GENERAL EQUILIBRIUM WITH ASYMMETRIC INFORMATION Room 137

Chair: **Etienne B. de Villemeur**, Université de Toulouse (IDEI)

*Crises and Capital Requirements in Banking*

**Lucy White**, Harvard Business School

Alan D. Morisson

*Informational and Economic Efficiency in REE with Asymmetric Information*

**Xavier Vives**, INSEAD and ICREAD-UPF

S. Messner

*Efficiently Regulated Competition in Insurance Economies with Adverse Selection*

**Peter J. Hammond**, Stanford University

## PS22 – BANKRUPTCY AND RESTRUCTURING REGULATIONS Room 234

Chair: **Jean-Charles Rochet**, Université de Toulouse (IDEI)

*Optimal Debt Design and the Role of Bankruptcy*

**Gérard Roland**, University of California, CEPR and WDI

E. Berglof and E.-L. von Thadden

*Structuring and Restructuring Sovereign Debt: The role of Seniority*

**Patrick Bolton**, Princeton University

O. Jeanne

*Debt Restructuring and Voting Rules*

**Philip Bond**, University of Pennsylvania

H. Eraslan

**PLENARY LECTURE**  
**Amphi A - 17:30 – 18:30**

Chair: **Patrick Fève**, University of Toulouse (IDEI)

*Risk Sharing within and between Households: New Theoretical Results and Empirical Applications*  
**Pierre-André Chiappori**, Columbia University

**WELCOME COCKTAIL**  
**Mayor of Toulouse – 18h45**

**Friday, July 1**

(Centre des Congrès Pierre Baudis)

**PLENARY LECTURE**  
**9:00 – 10:00**

Chair: **Marc Ivaldi**, Université de Toulouse (IDEI)

*The Empirical Analysis of Market Outcomes in Imperfectly Competitive Industries:  
An Overview of Recent Developments*  
**Ariel Pakes**, Harvard University

**10:00 – 10:25 Coffee Break**

## **Friday, July 1**

### **TOULOUSE ROUNDTABLES ON ECONOMIC POLICY** (Centre des Congrès Pierre Baudis)

#### **OPENING ADDRESS**

**10:25 – 10:30**

**Jean Tirole**, Research Director Institut D'Economie Industrielle

#### **RISK SHARING AND THE WELFARE STATE**

**10:30 – 12:30**

Chair **Philippe Douste-Blazy**, *Minister of Foreign Affairs (TBC)*

Moderator **Martin Wolf**, *Associate Editor, Financial Times*

Panelists **Tony Atkinson**, *Professor of Economics, Warden of Nuffield College*

**Peter Diamond**, *Professor of Economics, MIT*

**Guy Laroque**, *Head of the Macroeconomics Laboratory, INSEE-CREST*

**Jacques Drèze**, *Professor of Economics, University of Louvain*

**12:30 – 14:00 Lunch (Room Caravelle)**

#### **DEVELOPMENT AND WORLD INEQUALITIES**

**13:30 – 15h30**

Chair **Dominique Strauss-Kahn**, *Professor of Economics, Institute of Political Studies, Paris*

Moderator **Jean-Marc Vittori**, *Editorialist, Les Echos*

Panelists **François Bourguignon**, *Chief Economist and Senior Vice President, World Bank*

**Dani Rodrik**, *Professor of International Political Economy, Harvard University*

**Amartya Sen**, *Lamont University Professor, Harvard University*

**Nicholas Stern**, *Director, UK Treasury*

**15:30 – 16:00 Coffee Break**

#### **COMPETITION POLICY AND THE DYNAMISM OF OUR ECONOMIES**

**16:00 – 18:00**

Chair **Mario Monti**, *President, Bocconi University*

Moderator **Patrick Lane**, *Finance Editor, The Economist*

Panelists **Franklin Fisher**, *Professor of Economics, MIT*

**Martin Hellwig**, *Professor of Economics, Max Planck Institute*

**Michael Katz**, *Professor of Economics, University of California, Berkeley*

**John Vickers**, *Chairman of the Board, Office of Fair Trading*

#### **JEAN-JACQUES LAFFONT: RECOLLECTIONS**

**18:15 – 19:00**

**Colette Laffont,**

*and*

**Paul Champsaur, Jacques Crémer, Roger Guesnerie, Paul Joskow**

**OFFICIAL DINNER**  
Hôtel Dieu Saint-Jacques - 20:00

**Saturday, July 2**

(Université Toulouse I - Sciences Sociales, Arsenal)

**PLENARY LECTURE**  
**Amphi A - 9:00 – 10:00**

Chair: **Christian Gollier**

*Why Do We Procrastinate?*  
**Eric Maskin**, Princeton University

**10:00 – 10:30 Coffee Break in Mainlobby**

**PARALLEL SESSIONS 10:30 - 12:00**

**PS25 – POLITICAL ECONOMY 2**  
**Room 112**

Chair: **Philippe De Donder**, Université de Toulouse (IDEI)

*Electoral Rules and Government Spending in Parliamentary Democracies*  
**Gérard Roland**, University of California  
T. Persson and G. Tabellini

*A Protectionist Bias in Majoritarian Politics*  
**Elhanan Helpman**, Harvard University  
G. M. Grossman

*Populism*  
**Lars Frisell**, Sveriges Riksbank

**PS26 – CORPORATE GOVERNANCE 2**  
**Room 124**

Chair: **Bruno Biais**, Université de Toulouse (IDEI)

*Optimal Debt Contracts with Non-verifiable Cash Flow and Renegotiation*  
**Murat Usman**, Koc University

*Hold-up and Credit Rationing in Oligopoly*  
**Jian Tong**, University of Southampton

*Asset Diversion, Input Allocation and Capital Structure*  
**Annamaria C. Menichini**, Università di Salerno and CSEF  
D. Fabbri

**PS27 – DYNAMICS AND INCENTIVE THEORY**  
**Room 136**

Chair: **Nicolas Treich**, Université de Toulouse (INRA)

*Organizational Inertia and Dynamic Incentives*  
**Marcel Boyer**, CIRANO, CIREQ and Université de Montréal  
J. Robert

*Sequential Common Agency with Moral Hazard*  
**Cécile Aubert**, Université Paris Dauphine

*Regulation under Imperfect Observability: The Dynamics of Incentive Contracts Revisited*  
**T. D. Jeitschko**, Michigan State University

**PS28 – PUBLIC ECONOMICS 2**  
**Room 137**

Chair: **Jean-Marie Lozachmeur**, Université de Toulouse

~~*Voting and Efficient Public Good Mechanisms, and Efficiency*~~  
**John Ledyard**, Caltech- **CANCELLED**

*Pensions with Heterogenous Individuals and Endogenous Fertility*  
**Cremer H.**, Université de Toulouse and IDEI  
F. Gavhari and P. Pestiau

*Intergenerational risk-sharing and risk-taking of a pension fund*  
**Christian Gollier**, Université de Toulouse and IDEI

**PS29 – CONTRACT THEORY 1**  
**Room 163 Bis**

Chair: **Alban Thomas**, Université de Toulouse (INRA)

*Auction and the Informed Seller Problem*  
**T. Mariotti**, Université de Toulouse and IDEI  
B. Jullien

*Relationship Formation Under Asymmetric Information: The Role of Contractual Commitment*  
**Luis Vasconcelos**, Universidade Nova de Lisboa

*Bargaining under Incomplete Information, Fairness, and the Hold-up Problem*  
**Ferdinand von Siemens**, University of Munich

**PS30 – INDUSTRIAL ORGANIZATION 2**  
**Room 326**

Chair: **Claude Crampes**, Université de Toulouse (IDEI)

*Private Label and the Specific Retailers' Role*  
**Fabian Bergès-Sennou**, INRA and University of Toulouse  
P. Rey

*The Case for Econometrics in Merger Simulation: Hachette/Editis*  
**Jérôme Foncel**, Université de Lille 3  
M. Ivaldi

*Incentive to Encourage Downstream Competition under Bilateral Oligopoly*  
**Stéphane Caprice**, INRA-ESR Toulouse and University of



**Christian Gollier**, Université de Toulouse and IDEI

**PS31– TWO-SIDED MARKET  
Room 234**

Chair: **Bruno Jullien**, Université de Toulouse (IDEI)

*Platform Ownership*

**Konrad Stahl**,

V. Nocke and M. Peitz

*Two-Sided Network Effects, Bank Interchange Fees, and the Allocation of Fixed Costs*

**Mats Bergman**, Swedish Competition Authority & Södertörn University College

*The Welfare Consequences of Vertical Integration in the Securities Clearing and Settlement Industry*

**Jean-Charles Rochet**, Université de Toulouse and IDEI

**PS34 – ROUNDTABLE:  
THE FUTURE OF EUROPEAN  
ELECTRICITY MARKETS  
Room Gabriel Marty**

Chair: **J. Tirole**, Université de Toulouse (IDEI)

**B. Lescoeur**, EDF

**D. Newbery**, University of Cambridge

**P. Joskow**, MIT

**Ferdinand von Siemens**, University of Munich

**PS32 – SOCIAL INTERACTION  
Room 242**

Chair: **André Grimaud**, Université de Toulouse (IDEI)

*Social Embeddedness and Economic Governance : A Small World Approach*

**Raja Kali**, University of Arkansas

*Informal Insurance in Social Networks*

**Francis Bloch**, GREQAM

G. Genicot and D. Ray

*Social Networks as Substitutes for Markets*

**Gilles Saint-Paul**, Université de Toulouse (IDEI)

**PS35 – REGULATION AND DEVELOPMENT  
ECONOMICS  
Amphi E**

Chair: **François Bourguignon**, World Bank

*The Missing Ingredient in Aid Effectiveness: The Design Effect*  
**Waly Wane**, World Bank

*Translating Principles into Practice: The Experience of the Economic Regulation*

**Martin Rodriguez Pardina**, Macroconsulting, Argentina

*Intermediation by Aid Agencies*

**Paul Seabright**, Université des Sciences Sociales de Toulouse and CEPR

C. Rowat

**Stéphane Caprice**, INRA-ESR Toulouse and University of Warwick

**PS33 – ETHICS HETEROGENEITY IN HIDDEN  
INFORMATION MODELS  
ROOM 240**

Chair: **François Salanié**, Université de Toulouse (INRA)

*Asymmetric Information from Physician Agency: Optimal Payment and Healthcare Quantity*

**P. Choné**, CREST LEI

A. Ma

Discussant: C. Aubert

*Screening when not all consumers are strategic: Does a Monopoly need to Exclude?*

**Sergei Severinov**,

R. Deneckere

Discussant: Doh Shin Jeon

*Screening Ethics when Honest Agents Care about Fairness*

**Ingela Alger**, Boston College

R. Renault

Discussant: Antoine Faure-Grimaud

**12:00 – 13:30 Lunch – Centre de Congrès Pierre Baudis (Room Caravelle)**

**INVITED SESSIONS 13:30 - 15:30**

**SESSION 1: ORGANIZATIONS AND  
ECONOMIC PERFORMANCE  
Amphi A**

Chair: **Philippe Aghion**, Harvard University

*Contracts That Rule Out But Do Not Rule In*  
**Oliver Hart**, Harvard University  
J. Moore

*Contracts and the Division of Labor*  
**Elhanan Helpman**, Harvard University  
D. Acemoglu and P. Antras

*The Knowledge Economy*  
**Luis Garicano**, University of Chicago  
E. Rossi-Hansberg

*Academic Freedom, Private Sector Focus, and  
the Process of Innovation*  
**Mathias Dewatripont**, Université libre de  
Bruxelles  
P. Aghion and J. Stein

*Political Competition and Economic  
Performance: Theory and Evidence from United  
States*  
**Torsten Persson**, IIES, Stockholm  
T. Besley and D. Sturm

**15:30 – 16:00 Coffee Break in Mainlobby**

**SESSION 2: FRONTIERS IN  
DEVELOPMENT ECONOMICS  
Amphi C**

Chair: **Mark Rozenzweig**, Harvard  
University

*Property Rights, Political Power and  
Agricultural Investment in Ghana*  
**Christopher Udry**, Yale University  
M. Goldstein

*Agricultural Development, Industrialization  
and Rural Inequality*  
**Mark Rosenzweig**, Harvard University  
A. Foster

*Incentives and Nutrition for Rotten Kids:  
Intra-household food allocation in the  
Philippines*  
**Ethan Ligon**, Berkeley  
P. Dubois

**SESSION 3: ECONOMICS IN A  
SOCIAL ENVIRONMENT  
Amphi I**

Chair: **Andrew Postlewaite**, University of  
Pennsylvania

*On the Dynamics of Social Interactions*  
**Alberto Bisin**, NYU  
O. Ozgur

*A "Super" Folk Theorem for Dynastic  
Repeated Games*  
**Luca Anderlini**, Georgetown University  
D. Gerardi and R. Lagunoff

*Why Are the Wealthy Treated So Well?*  
**Philipp Kircher**, University of Bonn  
G. Mailath and A. Postlewaite

**SESSION 4: INFORMATION  
TECHNOLOGY AND THE WORLD  
ECONOMY  
Amphi E**

Chair: **Dale Jorgenson**, Harvard University

*Information Technology and the G7  
Economies*  
**Dale Jorgenson**, Harvard University

*ICT and Economic Growth in Spain 1985-  
2002*  
**Matilde Mas**, Universitat de Valencia & Ivie  
J. Quesada

*Catching-Up or Getting Stuck? Europe's  
Troubles to Exploit ICT's Productivity  
Potential*  
**Bart van Ark**, University of Groningen

**PARALLEL SESSIONS 16:00 - 17:30**

**PS36 – AUDIT  
Room 222**

Chair: **Martial Dupaigne**, GREMAQ

*Credibility of Auditors and Incentives to collude*  
**Lucía Quesada**, University of Wisconsin  
E. Peyrache

*Optimal Auditing Standards*  
**Giovanni Immordino**, Università di Salerno and CSEF  
M. Pagano

*Ownership of Ratings*  
**Eloïc Peyrache**, HEC School of Management, Paris  
A. Faure-Grimaud and L. Quesada

**PS37 – INFORMATION  
Room 136**

Chair: **Yolande Hiriart**, Université de Toulouse (IDEI)

*A Rationale for Searching (Imprecise) Health Information*  
**Francesca Barigozzi**, University of Bologna  
R. Levaggi

*Heterogeneous Information and the Benefits of Transparency*  
**Christian Hellwig**, University of California

*Information Dynamics and Equilibrium Multiplicity in Global  
Games of Regime Change*  
**Alessandro Pavan**, Northwestern University  
G. Angeletos and C. Hellwig

**PS38 – IMPERFECT COMPETITION  
Room 122**

Chair: **David Bardey**, Université de Toulouse (GREMAQ)

*Entry, Costs Reduction, and Competition in the Portuguese  
Mobile Telephony Industry*  
**Pedro Pereira**, Autoridade da Concorrência  
P. Gagnepain

*Oligopolistic Competition as a Common Agency Game*  
**Rodolphe Dos Santos Ferreira**, BETA-Theme, Université  
Louis Pasteur and Institut Universitaire de France  
C. d'Aspremont

*Bertrand, Cournot and Monopolistically Competitive Equilibria*  
**Richard Kihlstrom**, University of Minnesota

**PS39 – CONTRACT THEORY 2**  
**Room 137**

Chair: **Norbert Ladoux**, Université de Toulouse (IDEI)

*A Theory of Optimal Contract Duration with Application to Outsourcing*  
**Matthew Ellman**, UPF

*Contracting with Imperfect Commitment and Noisy Communication*  
**Roland Strausz**, Free University Berlin  
H. Bester

*On Screening*  
**François Salanié**, Université de Toulouse and INRA

**S42 – EXCLUSIVE DEALING**  
**Room 3**

Chair: **David Spector**, CNRS and Fédération Paris Jourdan.

*Exclusive dealing, Entry, and Mergers*  
**Massimo Motta**, European University Institute, Florence  
C. Fumagalli and L. Persson

*Deconstructing Chicago on Exclusive Dealing*  
**Joseph Farrell**, University of California

*Exclusive Contracts and Demand Foreclosure*  
**David Spector**, CNRS and Fédération Paris Jourdan

**PS45 – TRADE**  
**Room 242**

Chair: **Georges Molins-Ysal**, Université de Toulouse (ARQADE)

*Price-Channel Effects of North-South Trade on The Direction of Technological Knowledge and Wage Inequality*  
**Alvaro Aguiar**, Faculdade de Economia, Universidade do Porto  
O. Afonso

*Access Regulation and Cross-Border Mergers: Is International Policy Coordination Beneficial?*  
**Trond E. Olsen**, Norwegian School of Economics and BA  
K E. Lommerud and O. R. Straume

*The Impact of Trade Liberalization on Market Structures*  
**Marie-Françoise Calmette**, Université de Toulouse

**PS40 – AUCTION 2**  
**Room 163 Bis**

Chair: **Jean-Pierre Florens**, Université de Toulouse (IDEI)

*How to Buy a Differentiated Product*  
**John Asker**, Leonard N. Stern School of Business  
E. Cantillon

*Managing Switching Costs in Multiperiod Procurements with Strategic Buyers*  
**Huseyin Yildirim**, Duke University  
T. R. Lewis

*Comparisons of Alternative Payment Mechanisms for French Treasury Auctions*  
**Erwann Sbai**, The University of Auckland  
O. Armantier

**PS43 – AUTHORITY, INFORMATION AND INCENTIVES**  
**Room 234**

Chair: **Wouter Dessein**, University of Chicago

*Organizing for synergies: Allocating Control to Manage the Coordination Incentive Trade-off.*  
**Wouter Dessein**, University of Chicago  
L. Garicano and R. Gertner

*Optimal Delegation*  
**Niko Matouschek**, Northwestern University  
R. Alonso

*Technology, Information and the Decentralization of the Firm*  
**Philippe Aghion**, Harvard University  
D Acemoglu, C. Lelarge, J. van Reenen, and F. Zilibotti

**PS46 – AGRICULTURAL AND RESOURCE ECONOMICS**  
**Room 244**

Chair: **Vincent Requillart**, Université de Toulouse (INRA-IDEI)

*Hedging Reconsidered Again*  
**Robert Chambers**, University of Maryland

*Isolation and Subjective Welfare*  
**Marcel Fafchamps**, University of Oxford  
F. Shilpi

*Governance Structures and Multilateral Bargaining in Natural Resource Systems*  
**Léo Simon**, University of California  
G. Rausser

**PS41 – EMPIRICAL TESTS ON INCENTIVE THEORY**  
**Room 326**

Chair: **Thierry Magnac**, Université de Toulouse (INRA-IDEI)

*Does Fertility Respond to Financial Incentives?*  
**Bernard Salanié**, CREST-INSEE, GRECSTA and CEPR.  
G. Laroque

*Incentive Changes in a Multitasking Setting: Evidence from a Natural Experiment*  
**Ignacio Palacios-Huerta**, Brown University  
L. Garicano

*Formal and Informal Risk Sharing in LDCs: Theory and Empirical Evidence*  
**Pierre Dubois**, Université de Toulouse and IDEI-INRA  
T. Magnac and B. Jullien

**P44 – ECONOMETRICS OF SCIENCE, R & D AND INNOVATION**  
**Room 240**

Chair: **Jacques Mairesse**, CREST

*Top Research Productivity and its Persistency: A Survival Time Analysis for a Panel of Belgian Scientists*  
**Reinhilde Veugelers**, Katholieke Universiteit Leuven  
S Kelchtermans

*R&D and the Patent Premium*  
**Marco Ceccagnoli**, INSEAD  
A. Arora and W. Cohen

*Does Innovation Stimulate Employment? A Firm-Level Analysis Using Comparable Micro Data from Four European Countries*  
**J. Mairesse**, CREST  
R. Harrison, J. Jaumandreu and B. Peters

**PS47 - COMPETITION AND REGULATION OF NETWORK INDUSTRIES**  
**Room 112**

Chair: **David Newbery**, University of Cambridge

*Prices Fluctuations, Investment Incentives and Supply Security – The Nordic Experience*  
**Nils-Henrik M. von der Fehr**,

*Incentive Regulation in Practice*  
**Paul Joskow**, MIT

*Investment Incentives and Electricity Market Design: The British Experience*  
**F. Roques**,  
D. Newberry and W. Nuttall

**PLENARY LECTURE**  
**Amphi A - 17:30 – 18:30**

Chair: **Jacques Crémer**, Université de Toulouse (IDEI)

*Robust Mechanism Design*  
**Steve Morris**, Yale University