



ALFRED-WEBER-INSTITUT FÜR WIRTSCHAFTSWISSENSCHAFTEN
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AWI This Week

Monday, 7. 12. 09

Departmental Seminar

17.15-18.45

Ansgar Wohlschlegel, RWTH Aachen

AWI 00.010

"Rent Shifting, Lagged Entry, and Simple Vertical Restraints"

Tuesday, 8.12.09

Job Talk

17.15-18.45

Xenia Matschke

AWI 01.034

(Bibliothek)

"Trade Policy in Majoritarian Systems: The Case of the U.S."

Wednesday, 9.12.09

Internal Seminar (attention: starts earlier)

16.00-17.30

Daniel Rittler

AWI 00.010

"Price Discovery, Causality and Volatility Spillovers in European Union Allowances Phase II: A High Frequency Analysis"

Wednesday, 9.12.09

5th Alfred-Weber-Lecture

18.15

Gesine Schwan

Alte Aula der Universität
Grabengasse 1

"Globalisierung gestalten und gemeinsam gewinnen"

Departmental Seminar

Ansgar Wohlschlegel

"Rent Shifting, Lagged Entry, and Simple Vertical Restraints"

Wholesale contracts with long-term pricing schemes are of particular concern in legal cases of abuse of market power. Competition authorities complain that an incumbent manufacturer may use the lock-in effect of such long-term contracts with a retailer to make subsequent entry difficult or even prevent it. This paper analyzes an incumbent manufacturer using a long-term contract to shift rent from an entrant who can produce only in later periods. If contracts can only be made contingent on total own quantities, the incumbent's pre-entry (post-entry) quantity will be excessive (inefficiently small) even under the otherwise most general set of contracts. The model permits the analysis of simple vertical restraints widely used in practice. In particular, I show that all-unit discounts outperform two-part tariffs both from the incumbent's and a social point of view, although competition authorities tend to take a more skeptical view towards the former.

Internal Seminar

Daniel Rittler

"Price Discovery, Causality and Volatility Spillovers in European Union Allowances Phase II: A High Frequency Analysis"

The paper deals with the modeling of the relationship of European Union Allowance spot- and futures-prices within the second commitment period of the European Union Emission Trading Scheme. Based on high frequency data, we analyze causality in the first and the second conditional moments. To reveal long run price discovery we compute the common factor weights proposed by Schwarz and Szakmary (1994) and the information share proposed by Hasbrouck (1995) based on the estimated coefficients of a vector error correction model. To analyze the short run dynamics we perform Granger causality tests. The GARCH-BEKK model introduced by Engle and Kroner (1995) is employed to analyze the volatility transmission structure. We identify the futures market to be the leader of the long run price discovery process whereas a bidirectional short run causality structure is observed. Furthermore, we detect unidirectional volatility transmission from the futures to the spot market at highest frequencies.

Talks and Research Visits

Hans Diefenbacher presented a paper on "Concept and results of the project 'National Welfare Index' (NWI)" during the Expert Workshop „New Growth and progress measurement discussions – state, perspectives and implications for sustainable policies" organized by the Federal Ministry for the Environment, Berlin on November 24.

Hans Diefenbacher gave a lecture "Zur Messung von Wachstum und Wohlstand" as part of the lecture series on „Postwachstumsökonomie" at the University of Oldenburg on November 25.

New Working Papers

Daniel Rittler: *Price Discovery, Causality and Volatility Spillovers in European Union Allowances Phase II: A High Frequency Analysis*, November 2009

Hans-Christian Krcal: *Das Management des (un)erwünschten Ressourcenüberschusses Teil II. Die Messbarkeit des organizational slack*, November 2009

Jürgen Eichberger, Simon Grant, and Jean-Philippe Lefort: *Neo-additive capacities and updating*, November 2009

New Publications

Andreas Irmen and Johanna Kuehnel: *Productive Government Expenditure and Economic Growth*, Journal of Economic Surveys, Vol. 23(4), 2009, pp. 692-733.

Hans Diefenbacher, Roland Zieschank, unter Mitarb. v. Dorothee Rodenhäuser: *Wohlfahrtsmessung in Deutschland – ein Vorschlag für einen nationalen Wohlfahrts-index*. Heidelberg/Berlin: FEST/FFU, 142 S.; englisch unter dem Titel „Measuring Welfare in Germany – a suggestion for a new welfare index". Heidelberg/Berlin: FEST/FFU

Hans Diefenbacher, Rike Schweizer und Marta Wachowiak: *Dekada ONZ edukacja dla zrównoważonego rozwoju w Niemczech – mocne i słabe strony (Die UN Dekade Bildung für nachhaltige Entwicklung in Deutschland – Stärken und Schwächen)*, in: Problemy ekologii (Białystok), No. 5, 2009.

**Editorial deadline for issue 30/2009 of the newsletter:
Wednesday, December 9, 2009, 12 o'clock
newsletter@awi.uni-heidelberg.de**

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please contact the address above.