

Oligo 2013

Workshop on optimal firm behavior and the game-theoretic modeling of competition

February 1-2, 2013

Budapest, Hungary

**Organized by the
MTA-BCE “Lendület” Strategic Interactions
Research Group**



The workshop is sponsored by the Momentum Program of the Hungarian Academy of Sciences (LP2012-52/2012) and by the Faculty of Economics of the Corvinus University of Budapest.

Workshop Program¹

Friday, February 1, 2013

12:00 – 12:35. Registration and lunch snack²

12:35 – 12:45. Opening

12:45 – 13:45. Session 1: Game theory

Christian Ewerhart (University of Zurich)

Cournot oligopoly and biconcave demand

Discussant: Luis Corchón (Universidad Carlos III de Madrid)

Federico Quartieri (IULM University, Milan)

Existence of equilibria in Cournotian games with utility functions that are discontinuous at the origin

Discussant: Ferenc Forgó (Corvinus University of Budapest)

13:45 – 14:00. Coffee

14:00 – 15:30. Session 2: Product differentiation

Stefan Behringer (University of Bonn)

Equilibrium market and pricing structures in virtual platform duopoly: Coexistence on competing online auction sites revisited

Discussant: Björn Brand (University of Graz)

Rudy Colacicco (Marche Polytechnic University, Ancona)

The “average” within-sector firm heterogeneity in general oligopolistic equilibrium

Discussant: Romeo Balanquit (University of the Philippines)

Christiaan Behrens (Vrije Universiteit Amsterdam)

Vertical product differentiation in a multi-product duopolistic aviation market

Discussant: András Kálcz-Simon (Corvinus University of Budapest)

¹ Venue: Corvinus University of Budapest (Building C), 1093 Budapest, Közraktár utca 4-6, Rooms IX and X.

² The registration desk will be located in front of room IX. Opening, sessions, keynote lecture, and adjourn will all take place in room IX. Snacks and drinks will be made available in room X.

15:30 – 15:45. Coffee

15:45 – 16:45. Session 3: Competition with state-owned firms

Björn Brand (University of Graz)

Why do socially concerned firms provide low-powered incentives to their managers?

Discussant: Daniel Cracau (University of Magdeburg)

Marcella Scrimitore (University of Salento)

Quantity competition vs. price competition under optimal subsidy in a mixed duopoly

Discussant: Tamás Balogh (University of Zürich and University of Debrecen)

16:45 – 16:55. Coffee

16:55 – 17:55. Session 4: Innovation, patents, and licenses

Jorge Lemus (Northwestern University)

The direction of innovation

Discussant: Andrea Canidio (Central European University)

Chiara Conti (University of Milan)

Asymmetric information in a duopoly with spillovers: New findings on the effects of RJV

Discussant: Gergely Csorba (Hungarian Academy of Sciences, Institute of Economics)

18:00 – 19:00. Keynote lecture

Botond Kőszegi (UC Berkeley and Central European University)

20.00 Dinner

Saturday, February 2, 2013

8:45 – 10:15. Session 5: Management and governance

Andrea Canidio (Central European University)

Rewarding idleness

Discussant: Federico Quartieri (IULM University, Milan)

Guido Maretto (Nova School of Business and Economics, Lisbon)

Moral hazard, productivity, and volatility

Discussant: Carmen Beviá (Universitat Autònoma de Barcelona)

Aristotelis Boukouras (University of Edinburgh)

Separation of ownership and control: delegation as a commitment device

Discussant: Barna Bakó (Corvinus University of Budapest)

10:15 – 10:30. Coffee

10:30 – 12:00. Session 6: Timing and search

Jian Shen (Ohio State University)

Competitive pricing with ordered consumer search

Discussant: Aristotelis Boukouras (University of Edinburgh)

Daniel Cracau (University of Magdeburg)

Beating the equilibrium or sharing profits? An experimental study of a dual duopoly game with market entry decisions

Discussant: Gábor Neszveda (Corvinus University of Budapest)

Marco Marini (Sapienza Università di Roma and CREI)

Lead, follow or cooperate? Sequential vs. collusive payoffs in symmetric duopoly games

Discussant: Attila Tasnádi (Corvinus University of Budapest)

12:00 – 13:00. Lunch

13:00– 14:30. Session 7: Long-run competition

Luis Corchón (Universidad Carlos III de Madrid)

Oligopolistic equilibrium and financial constraints

Discussant: Christian Ewerhart (University of Zurich)

Romeo Balanquit (University of the Philippines)

Stable commitment in an intertemporal collusive trade

Discussant: Jorge Lemus (Northwestern University)

Patrick Leoni (EUROMED Management, Marseille)

Survival in Cournot games

Discussant: Guido Maretto (Nova School of Business and Economics, Lisbon)

14:30 – 14:45. Break

14:45 – 15:45. Session 8: Energy markets

Sherzod Tashpulatov (CERGE-EI, Prague)

Can producers apply a capacity cutting strategy to increase prices? The case of the England and Wales electricity market

Discussant: Orsolya Rétaillé (Corvinus University of Budapest)

Onur Cobanli (Humboldt-University, Berlin)

Pipeline power

Discussant: Miklós Pintér (Corvinus University of Budapest)

15:45 – 16:00. Adjourn

List of participants

Bakó, Barna (Corvinus University of Budapest)
Balanquit, Romeo (University of the Philippines)
Balogh, Tamás (University of Zürich and University of Debrecen)
Behrens, Christiaan (Vrije Universiteit Amsterdam)
Behringer, Stefan (University of Bonn)
Beviá, Carmen (Universitat Autònoma de Barcelona)
Boukouras, Aristotelis (University of Edinburgh)
Brand, Björn (University of Graz)
Canidio, Andrea (Central European University)
Cobanli, Onur (Humboldt-University, Berlin)
Colacicco, Rudy (Marche Polytechnic University, Ancona)
Conti, Chiara (University of Milan)
Corchón, Luis (Universidad Carlos III de Madrid)
Cracau, Daniel (University of Magdeburg)
Csorba, Gergely (Hungarian Academy of Sciences, Institute of Economics)
Ewerhart, Christian (University of Zurich)
Forgó, Ferenc (Corvinus University of Budapest)
Káleczi-Simon, András (Corvinus University of Budapest)
Kőszegi, Botond (UC Berkeley and Central European University)
Lemus, Jorge (Northwestern University)
Leoni, Patrick (EUROMED Management, Marseille)
Maretto, Guido (Nova School of Business and Economics, Lisbon)
Marini, Marco (Sapienza Università di Roma and CREI)
Neszveda, Gábor (Corvinus University of Budapest)
Pintér, Miklós (Corvinus University of Budapest)
Rétallér, Orsolya (Corvinus University of Budapest)
Quartieri, Federico (IULM University, Milan)
Scrimatore, Marcella (University of Salento)
Shen, Jian (Ohio State University)
Tashpulatov, Sherzod (CERGE-EI, Prague)
Tasnádi, Attila (Corvinus University of Budapest)

Workshop organizers

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Tasnádi, Attila (Corvinus University of Budapest)

Local organizing team

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