



NETWERK ALGEMENE EN KWANTITATIEVE ECONOMIE

NETHERLANDS NETWORK OF ECONOMICS

NAKE DAY 2000

Programme

13 October 2000

Dutch Central Bank Amsterdam

Netwerk Algemene en Kwantitatieve Economie
Netherlands Network of Economics

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General Information

Location of conference

The conference will take place at the Dutch Central Bank (DNB) in Amsterdam. The best way to get to DNB is by train. Elsewhere in this booklet you find various recipes to get to DNB as well as a map of the area.

Please use the **entrance Oosteinde**. From there you will be guided through the hall and up the stairs to the first floor where the conference will mainly take place.

Registration

On the first floor you will find the registration desk where you can pick up your conference badge and last-minute information. Please pay the exact amount of the conference fee (Dfl 20 for members of the Royal Netherlands Economic Association ; Dfl 50 for others) cash at the registration desk.

Location of sessions

Consult this programme booklet for the exact location of each session. The first letter of a room number

refers to the side of the building (W=west, Z=south, S=anex). The first figure indicates the floor number. So, for example, Z1-76

stands for room number 76 on the first floor on the south side of the building. Coffee in the morning and lunch will be served in the hall in front of this room. Afternoon tea, the Tinbergen Lecture and the drinks will take place in the restaurant.

Organisation of sessions

Each speaker has 30 minutes in total to sell the audience his/her ideas. The speaker must include time for discussion. The initial presentation should not take longer than 20 minutes. Each discussant should not spend more than 5 minutes and only highlight the main comments.

Session shopping

The Chairpersons have been advised to adhere to a strict time table and to keep the presentations in the order in which they appear in

the programme. In principle, this allows conference participants to swap between sessions. However, as there may be a considerable distance between the conference rooms, we advise you to swap as little as possible. Conference etiquette requires the speakers in a session to stick to their own session.

Final presentations towards the NAKE Diploma

A number of participants will present a paper in partial fulfilment of the requirements of the NAKE Diploma. These so-called 'final presentations' have been starred (*) in the programme and discussants have been allocated to most of these presentations.

Special contributed theme sessions

As we did last year, we have asked a number of people to organise special sessions dealing with a particular theme. Several people have responded to this call and have organised such a session. These theme sessions have been marked with (☒) in the programme. Anyone interested in organising such a theme session next year should contact the director (a.c.meijdam@kub.nl).

Last-minute changes

There may be some last-minute changes in the programme. You are therefore urged to consult the programme on the NAKE home-page (<http://few.kub.nl/nake/>) to get the most up-to-date information.

Policy regarding chairpersons

All sessions have been allocated

chairpersons, usually a NAKE Fellow acting as a discussant or the last speaker in the session. In the unfortunate event that your allocated chairperson has gone missing, please appoint the *de facto* last speaker of your session as stand-in.

Lex Meijdam

Director, NAKE

Getting to the NAKE Day

The NAKE Day takes place at the Dutch Central Bank in Amsterdam.

To get to the Dutch Central Bank by public transport you have the following options (see the map on the next page):

From *Amsterdam Central Station* or *Amsterdam Amstel Station* you can take the metro to Weesperplein. Take the exit Amstel/Sarphatistraat and walk to DNB via the Sarphatistraat.

From *Amsterdam Central Station* or *RAI Station* you can take the tram line 4, stop Frederiksplein.

You will get pretty close to the conference site either way.

Please use the **entrance Oosteinde**. From there you will be guided through the hall and up the stairs to the first floor where the conference will mainly take place.

Overview of the programme

	Room Z1-76	Room Z1-156	Room S1-2	Room S1-17	Room S1-12	Ro
9.00 - 9.15	Registration and coffee / tea (hall in front of room					
9.15 - 9.30	Opening of the NAKE Day (room Z1-76)					
9.30 - 11.00	<i>International Aspects of Taxes</i> A1	<i>Value at Risk</i> A2	<i>Search Models and the Labour Market</i> A3	<i>Technology Diffussion</i> A4	<i>Labour Economics</i> A5	<i>Ap Ec</i>
11.00 - 11.30	Coffee / tea (hall in front of room Z1-76)					
11.30 - 13.00	<i>Transport Economics</i> B1	<i>Econometrics of Markov Trends</i> B2	<i>Labour Economics</i> B3	<i>Skill-Biased Technical Change</i> B4	<i>Game Theory</i> B5	<i>Ec</i>
13.00 - 14.00	Lunch for participants (hall in front of room Z1 13.30 - 14.00 NAKE Annual Meeting of Members (in roc					
14.00 - 15.30	<i>Issues in Competition Policy</i> C1	<i>Social Interaction</i> C2	<i>Transfers</i> C3	<i>Financial Markets</i> C4	<i>Labour Economics</i> C5	<i>Mc Bu</i>
15.30 - 16.00	Coffee / tea (restaurant)					
16.00 - 17.40	Tinbergen Lecture (restaurant)					
17.40 - 18.30	Drinks (restaurant)					

☒ = *theme session*

* = final presentation NAKE student

Parallel sessions A: 9.30-11.00

A1. *International Aspects of Taxes* ☒

Room: Z1-76

Chair: *Roel Beetsma*

Joeri Gorter and Ashok Parikh

"Is capital mobile within the European Union?"

Mila Todorova

"Taxation, cross-border capital movements and development of the labour income share in industrial countries"

Roel Beetsma and Erik Bartelsman

"Why pay more? Corporate tax avoidance through transfer pricing in OECD countries"

A2. *Value at Risk* ☒

Room: Z1-156

Chair: *Casper de Vries*

André Lucas, S.T.M. Straetmans, P. Klaassen and P. Spreij

"Tail behavior of credit loss distributions"

Rachel Campbell, Kees Koedijk and Paul Korfman

"Increased correlation in Bear Markets: A Downside Risk Phenomena"

Peter Vlaar and Rob van den Goorbergh

"Value-at-risk analysis of stock returns --- Historical simulation, variance techniques or tail index estimation?"

A3. Search Models and the Labour Market ☐

Room: S1-2

Chair: Lans Bovenberg

Gijsbert van Lomwel

"Part-time work in general equilibrium"

Jan Boone and Jan van Ours

"Modeling financial incentives to get unemployed back to work"

Peter Broer

"Ages, wages, and unemployment"

A4. Technology Diffusion

Room: S1-17

Chair: Ruud de Mooij

Henri de Groot, Marjan Hofkes and Peter Mulder

"A vintage model of energy-efficient technology diffusion: The effects of learning-by-doing and returns to diversity"

Ewa Mendys

"Adoption of superior technology in markets with heterogeneous network externalities and price competition"

Maarten Cornet and Sjoerd Beugelsdijk

"Does proximity matter for knowledge spillovers in the Netherlands?"

A5. Labour Economics

Room: S1-12

Chair: Aico van Vuuren

Loek Groot

"Tax level and tax internalization effects on unions' wage bargaining strategy"

Ib Waterreus and Simone Dobbelsteen

"Wages and teachers' hours of labor supply"

Aico van Vuuren and Gerard van den Berg

"The effects of labor market frictions on wages"

A6. Applied Econometrics

Room: S2-17

Chair: Jan Fidrmuc

Daniël van Vuuren*

"The off-peak demand for train kilometres and train tickets: A microeconomic analysis"

Jaap de Vries, Peter Nijkamp and Piet Rietveld

"Estimation of Alonso's general theory of movement by means of instrumental variables"

Jan Fidrmuc

"Forecasting growth in transition economies: A reassessment"

A7. Regulation

Room: W1-360

Chair: Fieke van der Lecq

Joyce Nijkamp and Martin Carree

"Deregulation in retailing: "The Dutch experience"

Joulia Ossokina*, R. Aalbers, H. de Groot and H. Vollebergh

"Analysing efficiency of energy subsidy regulations: the free-rider effect"

Arnald Kanning

"The Process of Unifying the Law in 19th-Century Germany; Co-ordination of Legal Systems and Power Positions – a Law-and-Economics Approach"

A8. Development Economics

Room: W1-361

Chair: Michiel Keyzer

Marrit van de Berg*

"Risk, credit constraints, and agricultural employment in India's SAT"

Discussant: Michiel Keyzer

Hans Hoogeveen

"For better and for worse: How unpaid bride wealth provides security"

Nico Polman* and Louis Slangen

"Self-organising and self-governing environmental co-operatives for preserving wildlife and landscape"

Parallel sessions B: 11.30-13.00

B1. Transport Economics

Room: Z1-76

Chair: Piet Rietveld

Jan Rouwendal, Erik Verhoef and Piet Rietveld

"Speed choice, traffic safety and congestion"

Erik Verhoef and Kenneth Small

"Product differentiation on roads: Constrained congestion pricing with heterogeneous users"

Joseph Daniel

"Congestion pricing in highway networks"

B2. Econometrics of Markov Trends and Varying Time Structures

Room: Z1-156

Chair: Herman van Dijk

Siem-Jan Koopman and Eugenie Hol

"The stochastic volatility model and implied volatility: Forecasting the variability of stock index returns"

Richard Paap and Herman van Dijk

"Bayes estimates of Markov trends in possibly cointegrated series: An application to US consumption and income"

Herman van Dijk, Charles Bos and Ronald Mahieu

"Daily exchange rate behaviour and hedging of currency risk"

B3. Labour Economics

Room: S1-2

Chair: Jan van Ours

Ben Kriechel *

"A look into displacement wage losses"

Thomas Dohmen* and Gerard Pfann

"Worker separations in a nonstationary corporate environment"

Discussant: Jan van Ours

Thomas de Graaff *, Cees Gorter and Peter Nijkamp

"Estimating the effect of labor market absorption of ethnic minorities"

Discussant: Joan Muysken

B4. Skill-Biased Technical Change

Room: S1-17

Chair: Gijsbert van Lomwel

Lex Borghans and Bas ter Weel

"What happens when agent T gets a computer?"

Bas ter Weel and Lex Borghans

"Do we need computer skills to use a computer? Evidence from the U.K. "

Mark Sanders and Bas ter Weel

"Skill-biased technical change: Theoretical framework and a survey of the evidence"

B5. Game Theory

Room: S1-12

Chair: Jeroen Hinloopen

Jacco Thijssen*

"Strategic investment under uncertainty and information spillovers"

Xander Tieman and Oddvar Kaarboe

"Equilibrium selection in games with macroeconomic complementarities"

Jeroen Hinloopen

"Dynamic efficiency I: noncooperative R&D"

B6. Econometrics

Room: S2-17

Chair: Peter Kooreman

Maurice Bun*

"Bias correction in the dynamic panel data model with a nonscalar disturbance covariance matrix"

Frank Kleibergen

"Pivotal statistics for testing structural parameters in instrumental variables regression"

Federica Teppa*

"Hypothetical intertemporal consumption choices"

Discussant: Peter Kooreman

B7. Auctions

Room: W1-360

Chair: Marcel Canoy

Sander Onderstal *

"The chopstick auction"

Discussant: Marcel Canoy

Bert Schoonbeek and Marco Haan

"Auctions with rent seeking"

B8. Money, Credit and Banking

Room: W1-361

Chair: Clemens Kool

Jeanine Kippers and Philip Hans Franses

"A behavioral theory of currency use"

Linda Toolsema *

"Competition in the Dutch consumer credit market"

Discussant: Clemens Kool

Jaap Bos

"A revised SCP model applied to the Dutch banking market 1991-1998"

Parallel sessions C: 14.00-15.30

C1. *Issues in Competition Policy*

Room: Z1-76

Chair: Eric van Damme

Marcel Canoy, Jan Boone, Paul de Bijl and Jürgen Weigand

"Competition, entry, and welfare"

Saskia Lavrijssen

"Globalisation and the effective enforcement of national competition law"

Jan Kees Winters

"Some economic issues in competition law"

C2. *Social Interaction*

Room: Z1-156

Chair: Peter Broer

Eline van der Heijden and Erling Moxnes

"The effect of leadership in a public bad experiment"

Jeroen van de Ven *

"The economics of gifts"

Adriaan Soetevent and Peter Kooreman

"Estimation of a quadratic demand system with social interactions"

C3. Transfers

Room: S1-2

Chair: Maarten Lindeboom

Bas van Groezen * and Theo Leers

"The effects of asymmetric demographic shocks with perfect capital mobility"

Discussant: Ben Heijdra

Theo Leers, Lex Meijdam and Harrie Verbon

"Higher wages, lower welfare: lobbying for social security"

Koen Caminada and Kees Goudswaard

"Redistribution of income and social policy: a budget incidence analysis for the Netherlands in an international perspective"

C4. Financial Markets

Room: S1-17

Chair: Kees Koedijk

Alexei Goriaev *, Bas Werker and Theo Nijman

"How do investors react to mutual fund performance?"

Jean-Jacques Herings and Felix Kubler

"The CAPM-puzzle"

Philip Marey

"Exchange rate expectations: Evidence from an artificial economy"

C5. Labour Economics

Room: S1-12

Chair: Joan Muysken

Arnaud Dupuy and Andries de Grip

"Occupational reallocation in response to supply shocks"

Geert Woltjer

"Wage, interest rate and employment in the Netherlands, 1950 – 1997"

Joan Muysken

"Wage divergence and unemployment: The impact of insider power and training costs"

C6. Money and Business Cycles

Room: S2-17

Chair: Jacob de Haan

Erik Leertouwer* and Philipp Maier

"Who creates political business cycles? (Should central banks be blamed?)"

Elisabeth Ledrut and Lúcio Vinhas de Souza

"An optimal currency area estimation for the Accession Countries"

Masha Bogdanova

"Differentiated Goods cum Incomplete Asset Markets: A Solution to the Quantity Puzzle?"

C7. International Environmental Policy

Room: W1-360

Chair: Jan Rouwendal

Jan Tjeerd Boom* and Gert Tinggard Svendsen

"The political economy of international emissions trading scheme choice: Empirical evidence"

Discussant: Laura Marsiliani

Corjan Brink*

"Interrelations between environmental policies: a framework for cost-effectiveness analysis and an application to European agriculture"

Kim Hang Pham Do, Henk Folmer and Henk Norden

"Transboundary fishery resources management: A game theoretic approach"

C8. Trade

Room: W1-361

Chair: Lúcio Vinhas de Souza

Wolf Wagner

"Decentralized international risk sharing and governmental moral hazard"

Richard Nahuis and Arjan Lejour

"Trade and R&D spillovers: Uncovering the fuzzy link between openness and growth"

Vladimir Karamychev

"Continuous time trading in markets with adverse selection"

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