

FEMM - Working Paper Series - 2008

08038

Sergii Arkhiereiev, Gerhard Schwödiauer:

> The Equity-Efficiency Relationship: the Double Criterion versus Pareto-Efficiency

Abstract:

The paper is devoted to the analysis of the equity-efficiency relationship from the standpoint of the proposed double criterion of efficiency as opposed to the criterion of Pareto-efficiency. The equity-efficiency relationship with an extremum, obtained in the paper exceeds the boundaries of the traditional approach to this problem. Empirical verification of the proposed model shows that it corresponds to the facts much better than the traditional equity-efficiency trade-off model.

JEL:

D31, D63

Keywords:

equity-efficiency trade-off, Pareto-efficiency, double criterion of efficiency.

08037

Klaus Abbink, Abdolkarim Sadrieh:

> The Pleasure of Being Nasty

Abstract:

Many laboratory experiments show that people are often altruistic or care for fairness. We present data that reveal a darker side of human nature. We introduce the joy-of-destruction game. Two players each receive an endowment and simultaneously decide on how much of the other player's endowment to destroy. Subjects play this game repeatedly. In one treatment, subjects can hide their destruction behind random destruction. In this treatment, money is destroyed in almost 40% of all decisions. We attribute this behavior to a visceral pleasure of being nasty. Under full information destruction is also observed, but rare. In this treatment, acts of destruction are followed by immediate retaliation.

JEL:

C72, C90, D82

Keywords:

Spite, nastiness, money-burning, anti-social behavior

08036

Nadine Möhring-Lotsch, Thomas Spengler:

> Zur Ökonomie von Bildungsnetzwerken

Abstract:

Unternehmensnetzwerke (vielfach auch als Netzwerkorganisationen oder schlicht als Netzwerke bezeichnet) werden als moderne Organisationsformen in den letzten Jahren im wissenschaftlichen Schrifttum intensiv diskutiert sowie in der Wirtschaftspraxis zunehmend praktiziert. Sie zählen zu den sog. hybriden Organisationsformen im Williamsonschen Sinne, sind somit zwischen rein marktlicher (Stichwort: Fremdbezug) und rein hierarchischer (Stichwort: Eigenfertigung) Koordination angesiedelt. Man unterscheidet u.a. interne von externen (unternehmensübergreifenden) Netzwerken. Der vorliegende Beitrag fokussiert den letztgenannten Netzwerktypus, und zwar in einem spezifischen Feld: den sog. Bildungsnetzwerken. Die Organisationsform des Bildungsnetzwerkes hat im Bereich der Berufsaus- und Weiterbildung in den letzten Jahren zunehmend an Popularität gewonnen. In einschlägigen Publikationen finden sich einige Beschreibungen von Bildungsnetzwerken, bei denen vornehmlich die Bedeutung dieser Organisationsform für die Vermittlung von Wissen und den Erwerb beruflicher Handlungskompetenz herausgestellt wird. Bisher vernachlässigt wurde jedoch die

Betrachtung der ökonomischen Effizienz von Bildungsnetzwerken. Deshalb wird neben Ausführungen zur Historie sowie zu Arten und Anlässen der Gründung von Bildungsnetzwerken ein Leitfaden für deren Effizienz vorgestellt. Dieser besteht aus acht notwendigen (nicht hinreichenden) Effizienzbedingungen.

JEL: D02, I29, L14

Keywords: Bildungsnetzwerk, ökonomische Effizienz

08035 Vera Neidlein, Andréa C. G Vianna, Marcos N. Arenales, Gerhard Wäscher :
> The Two-Dimensional, Rectangular, Guillotineable-Layout Cutting Problem with a Single Defect

Abstract: In this paper, a two-dimensional cutting problem is considered in which a single plate (large object) has to be cut down into a set of small items of maximal value. As opposed to standard cutting problems, the large object contains a defect, which must not be covered by a small item. The problem is represented by means of an AND/OR-graph, and a Branch & Bound procedure (including heuristic modifications for speeding up the search process) is introduced for its exact solution. The proposed method is evaluated in a series of numerical experiments that are run on problem instances taken from the literature, as well as on randomly generated instances.

JEL:

Keywords: Two-dimensional cutting, defect, AND/OR-graph, Branch & Bound

08034 Tobias Schulz, Ivan Ferretti:
> On the alignment of lot sizing decisions in a remanufacturing system in the presence of random yield

Abstract: In the area of reverse logistics, remanufacturing has been proven to be a valuable option for product recovery. In many industries, each step of the products' recovery is carried out in lot sizes which leads to the assumption that for each of the different recovery steps some kind of fixed costs prevail. Furthermore, holding costs can be observed for all recovery states of the returned product. Although several authors study how the different lot sizes in a remanufacturing system shall be determined, they do not consider the specificity of the remanufacturing process itself. Thus, the disassembly operations which are always neglected in former analyses are included in this contribution as a specific recovery step. In addition, the assumption of deterministic yields (number of reworkable components obtained by disassembly) is extended in this work to study the system behavior in a stochastic environment. Three different heuristic approaches are presented for this environment that differ in their degree of sophistication. The least sophisticated method ignores yield randomness and uses the expected yield fraction as certainty equivalent. As a numerical experiment shows, this method already yields fairly good results in most of the investigated problem instances in comparison to the other heuristics which incorporate yield uncertainties. However, there exist instances for which the performance loss between the least and the most sophisticated heuristic amounts to more than 6%.

JEL:

Keywords: reverse logistics, remanufacturing, lot sizing, disassembly, random yield

08033 Franziska Rumpel, Michael Knuth, Michael Schaefer:
> Neural correlates for price involvement in purchase decisions with regards to fast-moving-consumer-goods

Abstract: Some customers are loyal to their favorite brands, others easily switch between them. A new technique is available to assess differences in brand related behavior. We assume that price and brand-conscious participants show nearly the same activations in emotionally associated brain areas. Price-conscious participants also show an activation of cognitive associated regions. We employed functional magnet resonance imaging during a preference judgment task for fast moving consumer goods. We discuss the results with differences in product and price specific involvement and advance that involvement of price conscious participants is higher because of a higher price interest.

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| JEL: | |
| Keywords: | Neuro market research, Involvement, Price Interest, Reward Circuitry |
| 08032 | Tim Hoppe: > Just a small delay? Bidding Behavior and Efficiency in overlapping multiple auctions |
| Abstract: | <p>Online auction platforms like eBay provide a wide range of auctions containing substitutable goods. Some of these auctions exhibit parallel elements which means that two or more auctions run side by side for a certain time. Experiments have shown that multiple auctions ending at the same time, result in significantly lower efficiency due to the coordination failure of the buyers. I introduce an experimental setup with three sellers and four buyers in an overlapping multiple second price auction environment, where every seller runs one auction with a homogeneous good and the buyers are confronted with single unit demand. Furthermore, I vary the degree of the overlap between the successive auctions. One main result is that sellers revenue is significantly higher in overlapping multiple auctions than in parallel multiple auctions. Moreover, I observe a lower coordination failure of the buyers in overlapping auctions than in parallel multiple auctions. Due to these results, efficiency in overlapping multiple auctions is higher compared to the efficiency in parallel multiple auctions.</p> |
| JEL: | D44, C92 |
| Keywords: | internet auctions, cross bidding, market design, electronic business |
| 08031 | Tim Hoppe: > An Experimental Analysis of Parallel Multiple Auctions |
| Abstract: | <p>At online auction platforms we often observed that substitutable goods are auctioned concurrently with auctions ending at the same time. I introduce an experimental setup of three sellers and four buyers in an ascending second price auction environment where every seller runs one auction with a homogeneous good and the buyers are confronted with single unit demand. I find that sellers revenue is significantly lower than theory predicts due to the fact that some auctions did not receive bids whereas other auctions concentrated the bids of all bidders. Moreover, I observe a statistically higher revenue of sellers setting the minimum starting price. Furthermore, my study shows that the buyers submit bids which are significantly lower than the private valuation every buyer receives. Comparing the efficiency of the parallel multiple auction setup to a double auction control experiment, I find a significant lower efficiency in parallel multiple auctions due to the coordination failure of the buyers.</p> |
| JEL: | D44, C92 |
| Keywords: | simultaneous auctions, internet auctions, market design, electronic business |
| 08030 | Harald Jansen: > Asymmetrische Besteuerung unter Ausschüttungsbeschränkungen |
| Abstract: | <p>Besides the importance of tax accounting rules for the corporation's tax burden, reporting conventions determine the shareholders' personal tax payments for the dividends received. Taxation may affect investment or financing decisions under different tax accounting and financial reporting rules. There are for example different depreciation schedules or different accruals shifting the tax base over time. Further capital formation will differ under uniform or separate reporting. Under uncertainty loss offsetting rules are very important for defining a tax base which is neutral according to investment decisions. Constraint for loss offsetting cause tax law asymmetries and may disturb investment decisions. Most tax laws set constraints for loss offsetting when abandoning an investment project. The paper shows for three different reporting conventions that the risk for tax law asymmetries is not the same under these reporting conventions at the time of abandonment.</p> |
| JEL: | G31, G33, H 25, M 41 |

Keywords:

08029

Holger Müller:

› Empirische Untersuchung zur Messung der Preiswahrnehmung mittels Pricesensitivity-Meter

Abstract:

Das Pricesensitivity-Meter (PSM) ist ein in der praktischen Preisforschung weit verbreitetes Instrument zur Erfassung der Preiswahrnehmung sowie zur Identifikation von Preisschwellen und Referenzpreisen. In der wissenschaftlichen Literatur wird das PSM jedoch insbesondere infolge seiner direkten Abfragetechnik kritisiert und von einem Einsatz prinzipiell abgeraten. Gleichwohl fehlen bislang sowohl produktgruppenübergreifende Erfahrungsberichte als auch aussagekräftige Langzeitstudien zu diesem Thema. Vor diesem Hintergrund untersucht der vorliegende Beitrag die grundsätzliche Qualität und Konsistenz von PSM-Messungen. Hierzu wurde über einen Zeitraum von insgesamt sechs Jahren eine aus vier äquidistanten Wellen bestehende Längsschnittmessung im nationalen Markt für Zigaretten realisiert. Die PSM-Ergebnisse bestätigen dabei die theoretisch zu erwartenden dynamischen Anpassungsprozesse subjektiver Preisakzeptanzbereiche und Referenzpreise an objektive Marktpreise.

JEL:

Keywords:

Preiswahrnehmung, Referenzpreis, Pricesensitivity-Meter, PSM

08028

Eike B. Kroll, Bodo Vogt:

› Concavity and additivity in diversity measurement: Re-discovery of an unknown concept

Abstract:

Experimental economists have discovered various violations of expected utility theory and offered alternative models that can explain laboratory results. This study discovers a new violation in risky choices that cannot be explained by theories like Prospect Theory, Disappointment or Regret Theory. In an experimental setting using a between-subject design, the influence of a dominated alternative on certainty equivalents is shown. One group of subjects was offered a series of choices between a lottery ticket with a 50-50 chance of winning and a sure payoff. A second group was offered the same choice plus a third alternative, that as it turned out was not chosen by any participant. As a result, the average chosen sure payoff in the second group was higher than in the first group. That means, by adding a dominated alternative to a choice set, the certainty equivalent of a lottery is increased.

JEL:

Keywords:

08027

Eike B. Kroll, Bodo Vogt:

› Loss Aversion for time: An experimental investigation of time preferences

Abstract:

This paper investigates decisions about inter-temporal tradeoffs. The objective of the study is to explore the valuation of time itself without tradeoffs between time and consequences. In an experimental study subjects made decisions about waiting time, where the time was subject to risk. We find that subjects are risk-seeking for decisions about time, which leads to the conclusion that waiting time is experienced as a loss. Subjects in this experiment show similar choice patterns as can be seen in studies about money when losses are involved.

JEL:

Keywords:

08026

Karl Inderfurth, Rainer Kleber:

› Modellgestützte Flexibilitätsanalyse von Strategien zur Ersatzteilversorgung in der Nachserienphase

Abstract: Das Bestandsmanagement von Ersatzteilen stellt Hersteller langlebiger Industrie- und Konsumgüter insbesondere in der Nachserienphase vor große Herausforderungen, da nach Abschluss der Serienproduktion die zur einer effizienten Bedarfsbefriedigung notwendige Flexibilität nur noch in eingeschränktem Maße vorhanden ist. In diesem Beitrag werden Strategien, bestehend aus Kombinationen der am häufigsten genutzten Beschaffungsoptionen in Form von Abschlusslosbildung zu Serienbedingungen, Nachproduktion in kleineren Losen und Aufarbeitung von Altprodukten anhand eines mathematischen Planungsmodells bezüglich ihrer Flexibilitätseigenschaften untersucht. Unter praxisnahen Rahmenbedingungen zeigt sich, dass sowohl Nachproduktion als auch Aufarbeitung als Versorgungsoption - insbesondere aufgrund der ihnen innewohnenden Zeitflexibilität - eine hohe Kostenersparnis gegenüber einer reinen Abschlusslosbevorratung gewährleisten können, selbst wenn deren Stückkosten weit über diejenigen der Serienproduktion liegen. Weiter stellt sich heraus, dass die Nachproduktion das größte Flexibilitätspotenzial besitzt, soweit es nicht durch Vorgabe von Mindestproduktionsmengen zu stark eingeschränkt wird. Die aufgrund ihrer Abhängigkeit vom Altproduktrückfluss aus Flexibilitätssicht eigentlich weniger attraktive Aufarbeitung kann der Nachproduktion im Endeffekt jedoch überlegen sein, sofern ihr Stückkostenvorteil hinreichend hoch ist. Schließlich ergibt sich, dass eine kombinierte Nutzung beider Versorgungsoptionen in der Nachserienphase in der Regel nur noch einen vergleichsweise geringen zusätzlichen Erfolgsbeitrag liefert.

JEL: C61, M11

Keywords: Spare Parts, Inventory Management, Flexibility

08025 Karl Inderfurth, Peter Kelle:
> Capacity Reservation under Spot Market Price Uncertainty

Abstract: The traditional way of procurement, using long-term contract and capacity reservation, is competing with the escalating global spot market. Considering the variability of the spot prices, the flexibility of combine sourcing can be used to benefit from occasional low short-term spot price levels while the long-term contract is a means to hedge the risk of high spot market price incidents. This contribution focuses on the cost-effective management of the combined use of the above two procurement options. The structure of the optimal combined purchasing policy is complex. In this paper we consider the capacity reservation - base stock policy to provide a simple implementation and comparison to single sourcing options. Our analysis shows that in case of large spot market price variability the combined sourcing is superior over spot market sourcing even in case of low average spot market price and also superior over long-term sourcing even in case of high average spot market price.

JEL:

Keywords: Capacity reservation; spot market; purchasing policy; supply chain contracts; stochastic inventory contr

08024 Jens Robert Schöndube:
> Top-Manager-Entlohnung, Arbeitsanreize und endogene Outside Options.

Abstract: Die Literatur über Corporate Governance und Top-Manager-Entlohnung (executive compensation) hat gezeigt, dass das klassische Prinzipal-Agenten-Modell die tatsächlich beobachteten Gehälter und Entlohnungsverträge für Top-Manager nur sehr eingeschränkt erklären kann. In jüngerer Zeit ist die Höhe der Entlohnung für Top-Manager in der Bundesrepublik stark diskutiert und zum Teil heftig kritisiert worden. Gerechtfertigt wird die Höhe der Gehälter fast ausschließlich über den Marktwert der Top-Manager. Der vorliegende Beitrag greift diese Diskussion auf und präsentiert ein Modell, in dem sich - abweichend von dem klassischen Agency-Problem - der gleichgewichtige Entlohnungsvertrag vollständig aus den alternativen Beschäftigungsmöglichkeiten (Outside Options) des Managers ergibt. Wesentliches Element des Modells ist, dass ein Manager nicht mehr hinreichend motiviert ist, sofern er während seiner Beschäftigung feststellt, dass er den Wert seiner Outside Options nicht erreicht. Um sicherzustellen, dass der Manager über die gesamte Dauer der Beziehung motiviert arbeitet, muss der

Entlohnungsvertrag so ausgestaltet sein, dass der Manager über den gesamten Zeitraum - insbesondere nach dem Zugang neuer Information - mindestens den Wert seiner Outside Option erzielt. Damit werden sowohl fixe als auch variable Komponenten der Entlohnungsfunktion vollständig aus seinem Marktwert abgeleitet. Wir vergleichen die resultierende Entlohnungsfunktion mit den Ergebnisse der Analyse klassischer Anreizprobleme.

JEL:

Keywords: Top-Manager-Entlohnung, Outside Option, Anreize, Motivation

08023 Sönke Hoffmann:
› Generalized distribution based diversity measurement: Survey and unification

Abstract: Social and natural sciences employ a number of different measures of diversity. The presents paper surveys those depending on the distribution of abundances among a given set of categories. Characteristic properties of the measures are generalized and a unifying notation is derived. It is argued that such unification enables scientists and decision makers to measure distribution based diversity in a new, more flexible manner, and represents a useful complement to models of generalized feature based diversity, such as Nehring and Puppe's (2002) theory of diversity.

JEL: Q20, C65

Keywords: Diversity measurement; Generalization; Non-additivity; Concavity; Numbers equivalence

08022 Michael Janocha:
› Marketing-Mix-Controlling mit dem Dorfman-Steiner-Theorem: Eine Anwendung aus dem Bereich langlebiger Gebrauchsgüter

Abstract:

- ▶ Dieser Beitrag zeigt anhand eines Beispiels aus dem Bereich langlebiger Gebrauchsgüter, wie das Dorfman-Steiner-Theorem dazu genutzt werden kann Budgets und die Profitabilität einzelner Marketinginstrumente zu verbessern.
- ▶ Der verwendete Ansatz unterstellt, dass in einer Umgebung des aktuellen Instrumenteneinsatzes eine glatte multidimensionale Absatzreaktionsfunktion existiert.
- ▶ Der Ansatz ermöglicht, den aktuellen Marketing-Mix auf Optimalität zu testen. Im Anwendungsfall zeigt die Analyse zwar keine Abweichung des Gesamtbudgets für den betrachteten Marketing-Mix von einem Optimum, jedoch hätten Umschichtungen zwischen Marketinginstrumenten die Profitabilität verbessert.
- ▶ Der entwickelte Ansatz erweitert die Möglichkeiten der Abweichungsanalyse um Abweichungen vom lokalen Optimum. Kann man unterstellen, dass Responsefunktion zeitlich stabil ist, liefert das der Budgetierungspraxis im Unternehmen ein Instrument zur Anpassung der Budgets für Marketinginstrumente in Richtung auf das Optimum.
- ▶ Die vorliegende Arbeit ist eine praktische Implementierung dieser bereits im Jahre 1954 von Dorfman und Steiner publizierten Idee

JEL:

Keywords: Marketing-Mix-Optimization, Sales Promotion, Budgeting, Consumer Durables, Sales Variances

08021 Roland Kirstein:
› Effizienzaspekte alternativer Streitbeilegung

Abstract: The paper compares the Nash bargaining solution of a simple settlement game (with perfect and complete information and imperfect decision making judges) to the equilibrium results of a trial game without settlement stage. The comparison allows for an evaluation of the efficiency of settlement with regard to primary and secondary cost.

Das Paper stellt die Nash-Verhandlungslösung eines Vergleichsspiels (mit perfekter, vollständiger Information und imperfekten Gerichten) neben die Gleichgewichtslösungen eines Klagespiels ohne Vergleichsstufe. Die Ergebnisse erlauben Aussagen zu primären und tertiären Kosten (mithin zur Effizienz) von Prozessvergleichen.

JEL: K41, C78

Keywords: Zivilprozess, Vergleich, trial, efficiency, Nash bargaining solution

08020 Ola Andersson, Matteo M. Galizzi, Tim Hoppe, Sebastian Kranz, Karen van der Wiel, Erik Wengström:
> Persuasion in Experimental Ultimatum Games

Abstract:

This paper experimentally studies persuasion effects in ultimatum games and finds that Proposers' payoffs significantly increase if, along with offers, they can send messages which Responders read before their acceptance decision. Higher payoffs are due to higher acceptance rates as well as more aggressive offers by Proposers.

JEL: C72, C91, D83

Keywords: Communication in Games; Cheap Talk

08019 Alisher Aldashev, Johannes Gernandt, Stephan L. Thomsen:
> The Immigrant Wage Gap in Germany

Abstract:

Immigrants consist of foreigners and citizens with migration background. We analyze the wage gap between natives and these two groups in Germany. The estimates show a substantial gap for both groups with respect to natives. Discarding immigrants who completed education abroad reduces much of the immigrants' wage gap. This implies educational attainment in Germany is an important component of economic integration and degrees obtained abroad are valued less

JEL: J61, J31, J15

Keywords: Immigration, wage gap, decomposition, Germany

08018 Stephan L. Thomsen:
> Explaining the Employability Gap of Short-term and Long-term Unemployed Persons

Abstract:

This paper analyzes the determinants of employability differences between short-term and long-term unemployed persons. Knowing these differences could help to address active labor market policy programs more adequately to the needs of the job-seekers in order to increase integration rates into employment. Based on merged survey and register data differences in job finding chances of these groups are decomposed into a part due to differences in attributes and a part due to differences in valuing the attributes. The estimates clarify that current active labor market programs do not address important factors of employment. Particularly, health of the job seekers, limitations in the working ability and obstacles to employment comprising drug abuse, financial debts or care obligations for children or frail elderly play a significant role for successful placement. The conclusion is that policy makers should integrate these issues in the placement process.

JEL: J64, J68, C50

Keywords: unemployment, employability, self-reported job chances, active labor market policy, decomposition, Germany

08017 Christian Lukas, Jens Robert Schöndube:
> Trust and Adaptive Learning in Implicit Contracts

Abstract: We study effects of trust in implicit contracts. Trust changes whenever the principal honors or dishonors an implicit contract. Usually a higher discount rate lowers the value of trade in an agency. We show that a sufficiently high level of (ex ante) trust can offset this effect. Strategies of principals representing unique equilibria are endogenously derived given different levels of agents.bounded rationality. These strategies mirror a subset of the class of trigger strategies which is exogenously entered into previous implicit contracting models. Therefore our results offer some justification for using that conventional approach. Implications for performance evaluation are discussed.

JEL: D8, D81, M12, M52

Keywords: trust, implicit contracts, bounded rationality, adaptive learning, trigger strategies, game theory

08016 Karl Inderfurth, Guido Voigt:
› Setup Cost Reduction and Supply Chain Coordination in Case of Asymmetric Information

Abstract: Screening contracts are a common approach to solve supply chain coordination problems under asymmetric information. Previous research in this area shows that asymmetric information leads to supply chain coordination deficits. We extend the standard framework of lotsizing decisions under asymmetric information by allowing investments in setup cost reduction. We find that asymmetric information leads to an overinvestment in setup cost reduction. Yet, the overall effect on supply chain performance is ambiguous. We show that these results holds for a wide variety of investment functions.

JEL:

Keywords:

08015 Vera Neidlein, Gerhard Wäscher:
› SLOPPGEN: A Problem Generator for the Two-Dimensional Rectangular Single Large Object Placement Problem With a Single Defect

Abstract: In this paper, a problem generator for the Two-Dimensional Rectangular Single Large Object Placement Problem is presented. The parameters defining this problem are identified and described. The features of the problem generator are pointed out, and it is shown how the program can be used for the generation of reproducible random problem instances.

JEL:

Keywords: two-dimensional cutting, defect, problem generator

08014 Sören Koch, Sebastian König, Gerhard Wäscher:
› Linear Programming for a Cutting Problem in the Wood Processing Industry - A Case Study

Abstract: In this paper the authors present a case study from the wood-processing industry. It focuses on a cutting process in which material from stock is cut down in order to provide the items required by the customers in the desired qualities, sizes, and quantities. In particular, two aspects make this cutting process special. Firstly, the cutting process is strongly interdependent with a preceding handling process, which, consequently, cannot be planned independently. Secondly, if the trim loss is of a certain minimum size, can be returned into stock and used as input to subsequent cutting processes. In order to reduce the cost of the cutting process, a decision support tool has been developed which incorporates a linear programming model as a central feature. The model is described in detail, and experience from the application of the tool is reported.

JEL:

Keywords: one-dimensional cutting, linear programming, wood-processing industry

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| 08013 | Andreas Knabe, Steffen Rätzel: › Scarring or Scaring? The Psychological Impact of Past Unemployment and Future Unemployment Risk |
| Abstract: | We reassess the "scarring" hypothesis by Clark et al. (2001) which states that unemployment experienced in the past reduces a person's current life satisfaction even after the person has become reemployed. Our results suggest that it is not the scar from past unemployment but the expectation to become unemployed in the future that makes people unhappy. Hence, the terminology should be changed by one letter: unemployment is not "scarring", but "scaring". |
| JEL: | J28, J60, D91 |
| Keywords: | unemployment, scarring, happiness, life satisfaction |
| 08012 | Marco Runkel: › Revenue Sharing, Competitive Balance and the Contest Success Function |
| Abstract: | This paper investigates revenue sharing in an asymmetric two team contest model of a sports league with Nash behavior of team owners. The innovation of the analysis is that it focuses on the role of the contest success function (CSF). In case of an inelastic talent supply, revenue sharing turns out to worsen competitive balance regardless of the shape of the CSF. For the case of an elastic talent supply in contrast, the effect of revenue sharing on competitive balance depends on the specification of the CSF. We fully characterize the class of CSFs for which revenue sharing leaves unaltered competitive balance and identify CSFs ensuring that revenue sharing renders the contest closer. |
| JEL: | D72, C72 |
| Keywords: | Revenue Sharing, Competitive Balance, Contest Success Function |
| 08011 | Sönke Hoffmann: › Non-uniqueness of non-extensive entropy under Rényi's recipe. |
| Abstract: | In this note I show that Tsallis entropy (Tsallis, 1988) is not unique in the class of non-additive, selfweighted and quasilinear means. A characterization is given which disproves a result in Dukkupati et al. (2005a,b) and Dukkupati et al. (2006) |
| JEL: | |
| Keywords: | Non-extensive entropy; Non-additivity; Quasilinear means 1 I |
| 08010 | Sascha Füllbrunn: › Information Revelation in an Online Auction with Common Values |
| Abstract: | The Hard Close auction has become a familiar auction format in online markets and in a private value framework this dynamic second-price auction format has experimentally been tested in recent studies. Considering a common value framework, Bajari and Hortaçsu (2003) demonstrate that in the Hard Close auction format bidders, using a sniping strategy, do not provide information during the auction. We provide contrary results from a laboratory experiment. Bidders provide information during the bidding process, resulting in different bid functions that depend on the bidders private information rank. |
| JEL: | C73, C9, D44 |
| Keywords: | auctions, electronic markets, experiments |
| 08009 | Christiane Clemens, Karen Pittel: › Labor Supply and Growth Effects of Environmental Policy under Technological Risk |

Abstract: This paper analyzes the effects of technological risk on long-run growth when labor supply is elastic and production gives rise to a pollution externality. For the social planner as well as for the market economy we show that the randomness of production as well as the endogeneity of labor supply matter with respect to the equilibrium solution. The direction in which changes in the model parameters as well as changes of policy instruments influence labor supply and growth depends crucially on the volatility of output.

JEL: Q5, O4, D8, D9

Keywords: stochastic growth, pollution, abatement, elastic labor supply

08008 Christiane Clemens, Maik Heinemann:
› Borrowing Constraints, Entrepreneurial Risks, and the Wealth Distribution in a Heterogeneous Agent Model

Abstract: This paper deals with credit market imperfections and idiosyncratic risks in a two-sector heterogeneous agent dynamic general equilibrium model of occupational choice. We focus especially on the effects of tightening financial constraints on macroeconomic performance, entrepreneurial risk-taking, and social mobility. Contrary to many models in the literature, our comparative static results cover the entire range of borrowing constraints, from complete markets to a perfectly constrained economy. In our baseline model, we find substantial gains in output, welfare, and wealth equality associated with relaxing the constraints, but argue that it might also prove worthwhile to examine the marginal gains from credit market improvements. Interestingly, the amount of entrepreneurial activity and social mobility increases borrowing constraints become more tight. These results can be attributed to the general equilibrium nature of our approach, where optimal firm sizes and the demand for credit are determined endogenously. The comparative static results on the entrepreneurship rate and social mobility respond sensitively to a change in income persistence.

JEL: C68, D3, D8, D9, G0, J24

Keywords: DSGE model, wealth distribution, occupational choice, borrowing constraints

08007 Tina Bensemann, Dirk Kiesewetter:
› Who has really paid for the Reconstruction of East Germany? Expected and Realized Returns on Real Estate Investments in East and West Germany in the 1990s

Abstract: The purpose of this paper is to challenge the wide-spread view that investment in residential property in East Germany after unification has turned out to be a financial disaster in most cases by calculating (1) the after-tax return an investor in real property might have expected at the beginning of the 1990s and (2) the after-tax return that has been realized ten years after. We compare investments by a high-income investor resident in Germany in an average individually-owned flat in three major cities in East Germany and two cities in West Germany. The result of our study is that tax subsidies have protected investors from losing money in a real estate investment. Therefore, it was indeed the taxpayers not the investors who have borne the cost of reconstructing East Germany. But taxpayers have spent a lot more on subsidising the much bigger West German housing market where property prices and tax subsidies per average investment were much higher.

JEL:

Keywords: real-estate investment, after-tax return on investment, tax subsidies, Assisted Area Law (Fördergebietsgesetz), empirical study, income tax reduction, loss offset, special depreciation, return on equity capital (ROE), property prices

08006 Eike B. Kroll, Bodo Vogt:
› Attraction to Chance in Germany and Australia. An experimental study of cultural differences

Abstract:

This paper explores cultural differences in risky choices between Australian and German students. The focus is not on risk itself, but on tension which is a positive attribute of risky choices. Furthermore, the effects of real versus hypothetical payoffs are analysed. The experiment of this paper shows that in a given set of tension creating choices, Australians do choose tension more often than Germans, while Germans prefer higher tension. Additionally it is shown that real payoffs do make a difference in the data, but the real payoff even increases the effect.

JEL:

Keywords:

08005

Thomas Spengler:

> Vielfalt auf dem Arbeitsmarkt: Personalplanerische und arbeitsmarkttheoretische Überlegungen zur "Erosion" des Normalarbeitsverhältnisses

Abstract:

Die Erkenntnis, dass Humankapitalinvestitionen (u.a. durch die Auslösung von Lohn- und Lohnnebenkosten) zu einer erfolgsschwächernden Wirkung haben und zum anderen positive Wirkungen auf den Unternehmenserfolg hervorrufen, hat sich in Wissenschaft und Wirtschaftspraxis bereits in der Vollbeschäftigungsphase der 1960er Jahre durchgesetzt und führt dazu, dass die Betriebe permanent ökonomisch legitimierbare Entscheidungen über das Humankapital zu treffen haben. Die korrespondierenden Entscheidungsfelder gestalten sich mittlerweile jedoch im Vergleich zu früheren Jahren (wie bereits oben skizziert) durch tiefgreifende Wandlungen ökonomischer, politischrechtlicher, sozio-kultureller und allgemein-technologischer Rahmenbedingungen komplexer und dynamischer.

Die vorliegende Arbeit ist den Auswirkungen solcher Wandlungen auf die Alternativen gewidmet, den Betrieb mit Personal auszustatten. Dabei wollen wir nicht der Frage nachgehen, ob die Rede von der sog. Erosion des Normalarbeitsverhältnisses tatsächlich gerechtfertigt ist, sondern wir wollen die Vielfalt der Gestaltungsmöglichkeiten von Beschäftigungsverhältnissen aufzeigen und diese systematisch und modellgestützt analysieren. Wir werden uns deshalb zunächst in der gebotenen Kürze mit arbeitsrechtlichen und empirischen Grundtatbeständen sowie mit arbeitsmarkttheoretischen (speziell: segmentationstheoretischen) Grundlagen auseinandersetzen. Darauf aufbauend werden dann betriebswirtschaftliche (speziell: personalplanerische) Überlegungen zur Strukturierung der Personalausstattung angestellt. Das Ziel der Überlegungen liegt in der Skizzierung eines Entscheidungsmodells, das u.a. Entscheidungen über die Zahl der einzustellenden, der zu entlassenden, der zu schulenden, der "outgesourcten" sowie der freien Mitarbeiter unterstützt.

JEL:

J10, J20, M12

Keywords:

Normalarbeitsverhältnis, atypische Beschäftigung, Personalplanung, Segmentationstheorien

08004

Anne Chwolka, Matthias Raith:

Der Businessplan als institutionalisiertes Informationssystem im Gründungsprozess

Abstract:

Der Businessplan spielt bei der Gründung eines Unternehmens eine zentrale Rolle und erfüllt mehrere Funktionen. Einerseits dient er als Planungsinstrument für den Entrepreneur und als Informationsgrundlage für den potenziellen Kapitalgeber. Gleichzeitig versuchen beide, mit dem Businessplan das Verhalten des anderen zu steuern. Aus informationsökonomischer Sicht würde man daher verschiedene Businessplantypen erwarten. Stattdessen werden in der Praxis jedoch zunehmend einheitliche Standards gefordert und durchgesetzt. Ziel des vorliegenden Beitrags ist es, die Rolle des Businessplans als institutionalisiertes Informationssystem im Gründungsprozess zu analysieren. Mit Hilfe eines entscheidungstheoretischen Modells wird gezeigt, dass gute Businessplanung, deren Hauptzweck die Entscheidungsunterstützung des Entrepreneurs ist, in erster Linie dazu dient, schlechte Gründungsprojekte zu verhindern. Mit steigender Qualität der Planung sinkt dementsprechend die Gründungsquote. Die Beteiligung von Kapitalgebern senkt den Informationswert der Planung und damit den Anreiz des Entrepreneurs, in Qualität zu investieren. Das erhöht zwar die Gründungsquote, wirkt sich aber negativ auf die Zielerreichung der Kapitalgeber aus, da weniger schlechte Projekte im Vorfeld

ausscheiden. Wir zeigen, wie eine Businessplanaufgabe diesem Effekt entgegenwirkt.

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| JEL: | C11, D81, G11, M13 |
| Keywords: | Informationswert, Informationssystem, Businessplan, Investitionsentscheidungen, Unsicherheit |
| 08003 | Roland Kirstein: › Bayesianische Steuerbehörden und das Tax Payer Puzzle |
| Abstract: | |
| JEL: | |
| Keywords: | |
| 08002 | Roland Kirstein, Annette Kirstein, Hans Gerhard: › The "Rainmaker's Dilemma:" Bad Debt Loss Insurance in Settlement and Litigation |
| Abstract: | In this paper, we analyze the impact of Bad Debt Loss Insurance on settlement outcomes. A huge success in a settlement or trial can turn into a disaster when the defendant goes bankrupt before paying the plaintiff's claim. "Rainmakers" face the following dilemma: the greater the success, the greater the defendant's bankruptcy risk. The starting point of our paper is a simple trial and litigation model with perfect and complete information. We add the possibility of a defendant's bankruptcy, and of buying Bad Debt Loss Insurance for both the settlement and the trial stage. We demonstrate that trial insurance and settlement insurance have different impacts on the predicted outcome of settlement negotiations. Trial insurance tends to increase the settlement result; therefore, it generates a contract rent for the insurer and the insured. Settlement insurance, however, may have the opposite effect, as it decreases the settlement result. |
| JEL: | K41, C78, G22 |
| Keywords: | Strategic Insurance, British Cost Allocation Rule, Nash Bargaining Solution. |
| 08001 | Karl Inderfurth, Abdolkarim Sadrieh, Guido Voigt: › The Impact of Information Sharing on Supply Chain Performance in Case of Asymmetric Information |
| Abstract: | The use of screening contracts is a common approach to solve supply chain coordination problems under asymmetric information. One major assumption in this context is that subjects will rather use their private information strategically than to reveal them truthfully, if they do not get any incentives to do this. This harms supply chain performance. This paper investigates the influence of costless pre-game communication (i.e. communication without any direct incentives) between a supplier and a buyer in a lot-sizing framework. A laboratory experiment was conducted to test, whether this costless pre-game communication has (in contradiction to standard game-theory) an influence on supply chain coordination |
| JEL: | M11, C92 |
| Keywords: | experimental economics, screening contracts, supply chain coordination |

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