

# **Paul Heidhues**

## **Address**

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## **Current employment**

Full Professor, Lufthansa Chair in Competition and Regulation, and Director of PhD Studies, ESMT European School of Management and Technology, Berlin, Germany, September 2010–present.

## **Education**

Habilitation, Humboldt Universität zu Berlin, Berlin, Germany, 2005.

PhD in Economics, Rice University, Houston, Texas, USA, 2000.

Masters in Economics, The Australian National University, Canberra, Australia, 1993.

## **Past employment**

Associate Professor, Universität Bonn, Bonn, Germany, 2005–2010.

Visiting Scholar, University of California, Berkeley, USA, 2009-2010.

Visiting Associate Professor, Universität Bonn, Bonn, Germany, 2005.

Research Fellow, Social Science Research Center Berlin (WZB), Berlin, Germany, 1999–2005.

Visiting Scholar, Massachusetts Institute of Technology, Cambridge, USA, Spring 2003.

Visiting Faculty, University of Pittsburgh, Pittsburgh, Pennsylvania, USA, Fall 2002.

Junior Research Fellow, Social Science Research Center Berlin (WZB), Berlin, Germany, 1998–1999.

## **Teaching experience**

### **ESMT:**

MBA Class on Markets and Regulations.

### **Berlin Doctoral Program in Economics & Management Science (BDPEMS):**

Behavioral Economics, Microeconomic Theory II, Industrial Organization, Organization Theory and Industrial Organization, Research Class in Behavioral Economics.

### **Bonn University:**

Graduate classes on Behavioral Economics, Behavioral Economic Theory, Industrial Organization, The Economics of Mergers and Merger Control, Topics in Behavioral Economics, Topics in Behavioral Industrial Organization, Topics in

Industrial Organization; Undergraduate classes on Game Theory (in German), Theory of Industrial Organization (in German), Theory of Regulation (in German), Introductory Microeconomics (in German), Bonn, Germany.

**University of Arizona:**

Mini-Course on *Behavioral Industrial Organization*, Institute for Behavioral Economics, Tucson, Arizona, USA, 2010.

**Scottish Graduate Programme in Economics Training Course:**

Behavioral Economics, Edinburgh, Scotland, 2007.

**University of Pittsburg:**

Graduate Class on Topics in Microeconomic Theory: Political Economy, Pittsburgh, Pennsylvania, USA.

**Rice University:**

Undergraduate: Principles in Microeconomics, Houston, Texas, USA.

### ***Consulting experience***

European Commission on State Aid, and various companies on issues in competition policy and regulation.

### ***Affiliations and memberships***

American Economic Association, Econometric Society, Verein für Socialpolitik, Board Member of the Berlin Doctoral Program in Economics and Management Science (BDPEMS).

### ***Honors and awards***

Research Professor, DIW Berlin.

Ceslfo Fellow in Behavioral Economics.

CEPR Research Fellow in Industrial Organization.

Elected Member of the Theoretischer Ausschuss of the Verein für Socialpolitik.

Elected Member of the Industrieökonomischer Ausschuss of the Verein für Socialpolitik.

Member of the Arbeitskreis Kartellrecht of the Bundeskartellamt.

Rice University Fellowship, Rice University, Houston, Texas, USA, 1994–1998.

### ***Editorial services***

Associate Editor, *European Economic Review*, 2012–present.

Associate Editor, *The BE Journals in Theoretical Economics*, 2006–2013.

Associate Editor, *Journal of Industrial Economics*, 2005–2010.

Associate Editor, *Economic Theory*, 2007–2009.

## **Major research grants**

Team Member, ERC Grant on 'Behavioral Theory' (Project Leader: Botond Köszegi), 2012-2017.

Project Leader of the SFB GESY TR-15 project on "Strategic Information Acquisition and Transmission" (with Sven Rady), 2008–2010.

Project Leader of the SFB GESY TR-15 project on "Behavioral Implications for the Functioning of Markets and Institutions" (with Armin Falk), 2008–2010.

## **Conference organization**

Berlin IO Day (with Michał Grajek, Özlem Bedre-Defolie, Tomaso Duso, Georg Weizsäcker, Dorothea Kübler, Steffen Huck, Radosveta Ivanova-Stenzel, Roland Strausz), Berlin 2013.

European Behavioral Economics Meeting (with Armin Falk, Botond Köszegi, Adam Szeidl, Georg Weizsäcker), Berlin 2013.

Berlin Behavioral Economics Workshop (semiannual, with Frank Heinemann, Steffen Huck, Dorothea Kübler, Radosveta Ivanova-Stenzel, Georg Weizsäcker), Berlin, Germany, 2011, 2012 and 2013.

IO Workshop (with Christian Wey, Justus Haucap), Berlin, Germany, 2010.

Genes, Brains, and the Labor Market (with Steffen Altmann, Armin Falk, Martin Reuter), IZA Bonn, Germany, 2009.

Behavioral Models of Market Competition (with Martin Peitz), Bad Homburg, Germany, 2009.

Conference on Strategic Information Acquisition and Transmission (with Sven Rady), Munich, Germany, 2008.

WZB workshop on Behavioral IO (with Botond Köszegi), WZB, Berlin, Germany, 2005.

WZB/CEPR conference on Collusion and Cartels, WZB, Berlin, Germany, 2004.

WZB/FU workshop on Advances in Auction Theory (with Johannes Münster and Kai Konrad), WZB, Berlin, Germany, 2004.

## **PhD supervision**

Main adviser: Sebastian Kranz, BGSE (2008); Fabian Herweg, BGSE (2009); Christoph Wagner, BGSE (2013); Philipp Strack, (2013); Markus Peter Fels; Andreas Grunewald, BGSE (2013); Johannes Johnen.

Second reader: Lydia Mechtenberg (TU Berlin), Sandra Ludwig (BGSE, Bonn), Julia Nafziger (BGSE, Bonn), Ekaterina Goldfain (BGSE, Bonn), Johannes Abeler (BGSE, Bonn), Felix Markklein (BGSE, Bonn), Susanne Ohlendorf (BGSE, Bonn), Christina Matzke (BGSE, Bonn), Steffen Altmann (BGSE Bonn), Alexander Westkamp (BGSE, Bonn), Philipp Weinschenk (BGSE, Bonn), Mattia Nardotto (University of Bologna), Matthias Lang (BGSE Bonn), Dora Simroth (ESMT/HU).

## **Referee**

American Economic Review, American Economic Journal: Microeconomics, B.E. Journals in Theoretical Economics, Econometrica, Economic Journal, Economic Theory, European Economic Review, Games and Economic Behavior, International Journal of Industrial Organization, Journal of Economic Behavior and Organization, Journal of Economics, Journal of Economic Theory, Journal of the European Economic Association, Journal of Industrial Economics, Journal of Political Economy, Journal of Productivity Analysis, Journal of Institutional and Theoretical Economics, Management Science, Mathematical Social Sciences, Quarterly Journal of Economics, RAND Journal of Economics, Review of Economic Studies, Scandinavian Journal of Economics, Social Choice and Welfare, Theory and Decision, and Theoretical Economics.

## Journal publications

- Heidhues, P., and B. Kiszegi. (Forthcoming). Regular prices and sales. *Theoretical Economics*
- Heidhues, P., and N. Melissas. (2012). Rational exuberance. *European Economic Review* 56(6): 1220–1240.
- Dufwenberg, M., P. Heidhues, G. Kirchsteiger, F. Riedel, and J. Sobel (2011). Other-regarding preferences in general equilibrium. *Review of Economic Studies* 78(2): 613–639.
- Banal-Estanol, A., P. Heidhues, R. Nitsche, and J. Seldeslachts (2010). Screening and merger activity. *Journal of Industrial Economics* 58(4): 794–817.
- Heidhues, P., and B. Kiszegi. (2010). Exploiting naivete about self-control in the credit market. *American Economic Review* 100(5): 2279–2303.
- Heidhues, P., and B. Kiszegi (2009). Futile attempts at self-control. *Journal of the European Economic Association* 7(2-3): 423–434.
- Blume, A., P. Heidhues, J. Laffky, J. Münster, and M. Zhang (2009). All equilibria of the multi-unit Vickrey auction. *Games and Economic Behavior* 66: 729–741.
- Heidhues, P., and B. Kiszegi (2008). Competition and price variation when consumers are loss averse. *American Economic Review* 98(4): 1245–1268.
- Blume, A., and P. Heidhues (2008). Modeling tacit collusion in auctions. *Journal of Institutional and Theoretical Economics* 164(1): 163–184.
- Heidhues, P., and R. Nitsche (2006). Comments on state aid reform: Some implications of an effects-based approach. *European State Aid Law Quarterly* 5: 23–34; reprinted in *The more economic approach (Conference on new political economy 24)*. ed. D. Schmidtchen, M. Albert, and S. Voigt, 321–344. Tübingen: Mohr Siebeck.
- Blume, A., and P. Heidhues (2006). Private monitoring in auctions. *Journal of Economic Theory* 131: 179–211.
- Heidhues, P., and N. Melissas (2006). Equilibria in a dynamic global game: The role of cohort effects. *Economic Theory* 28: 531–557.
- Lagerlöf, J., and P. Heidhues (2005). On the desirability of an efficiency defense in merger control. *International Journal of Industrial Organization* 23: 803–82; discussed in: *Competition Law Insight* 6: 25–26.
- Chae, S., and P. Heidhues (2004). Buyers' alliances for bargaining power. *Journal of Economics and Management Strategy* 13(4): 731–754.
- Chae, S., and P. Heidhues (2004). A group bargaining solution. *Mathematical Social Sciences* 48: 37–53.
- Blume, A., and P. Heidhues (2004). All equilibria of the Vickrey auction. *Journal of Economic Theory* 114: 170–177.
- Heidhues, P., and J. Lagerlöf (2003). Hiding information in electoral competition. *Games and Economic Behavior* 42: 48–74.

## Working papers

- Heidhues, P., B. Kiszegi and T. Murooka. *Exploitative innovation*.
- Heidhues, P., B. Kiszegi and T. Murooka. *Inferior products and profitable deception*.
- Heidhues, P., S. Rady, and P. Strack (2012). *Strategic experimentation with private payoffs*. SFB GESY Discussion Paper No. 387.
- Blume, A., A. Franco, and P. Heidhues (2011). [Dynamic coordination via organizational routines](#). ESMT Working Paper No. 11–10.
- Heidhues, P., and B. Kiszegi. (2005). *The impact of consumer loss aversion on pricing*. CEPR Discussion Paper No. 4849.

Chae, S., and P. Heidhues (1999). *The effects of downstream distributor chains on upstream producer entry: A bargaining perspective*. WZB Discussion Paper No. FS4 99–35.

### **Other publications**

Heidhues, P. (2013). Comment on: Ambiguity aversion in models of political economy. In *Journal of Institutional and Theoretical Economics* 169(1): 112–115.

Heidhues, P., and B. Kiszegi, and T. Murooka (2012). Deception and consumer protection in competitive markets. In *The pros and cons of consumer protection*. Stockholm: Swedish Competition Authority, 44–76.

Heidhues, P. (2007). Comment on the economic theory of illegal collusive activity. In *The more economic approach (Conference on new political economy 24)*, ed. D. Schmidtchen, M. Albert, and S. Voigt, 171–178. Tübingen: Mohr Siebeck.

Heidhues, P. (2007). Comment on: Exclusionary bundling and the effects of a competitive fringe. *Journal of Institutional and Theoretical Economics* 163(1): 138–142.

Nitsche, R., and P. Heidhues (2006). Study on methods to analyse the effects of state aid on competition. *European Economy* 244.

Lagerlöf, J., and P. Heidhues (2003). Fusionskontrolle und Anreize zum Lobbying. *Wirtschaftsdienst* 83(2): 121–124.

### **Selected conference presentations (since 2011)**

NBER Summer Institute: Law and Economics Workshop, Cambridge, USA, 2013

MaCCI Summer Institute in Competition Policy, Edesheim, Germany, 2013

Econometric Society, Winter Meetings, San Diego, USA, 2013

CESifo Area Conference on Behavioural Economics, Munich, Germany, 2012

Competition Analysis and Behavioural Economics in Retail Financial Markets, Roundtable of the UK Financial Service Authority London, UK, 2012

Zurich Workshop on Economics (Keynote Lecture), Lucerne, Switzerland, 2012

Swiss IO Day (Keynote Lecture), Bern, Switzerland, 2012

Retail Financial Services after the Crisis, Frankfurt, Germany, 2012

Industrieökonomischer Ausschuss, Verein für Socialpolitik, Munich, Germany, 2012, Mannheim, Germany, 2005 and Munich, Germany, 2003

Verein für Socialpolitik, Düsseldorf, Germany, 2013, Göttingen, Germany, 2012, Dresden, Germany, 2004 and Magdeburg, Germany, 2001

The Pros and Cons of Consumer Protection, Stockholm, Sweden, 2011

EARIE (Invited Lecture), Stockholm, Sweden, 2011

Berlin Behavioral Economics Workshop, Germany, 2011

Econometric Society Winter Meetings, Denver, USA, 2011

### **Seminar presentations**

**2013:** Nuffield College, Oxford; University of Regensburg **2012:** LMU Munich; University of Bayreuth; University of Cyprus; University of Hamburg; Telecom Paris Tech; Office of Fair Trading London; University of Arizona, Tuscon; Bocconi, Milan **2011:** University of Hannover; EUI, Florence; Federal Reserve Board, Washington; Pompeu Fabra, Barcelona; Carlos III, Madrid; and University of Copenhagen. **2010:** University of Zurich; University of Augsburg; UC Davis; UC San Diego; ITAM, Mexico City; UC Berkeley Theory Seminar; UC Berkeley Psych and Econ Seminar; UCLA; and ESMT, Berlin **2009:** Cornell University; Maastricht University; University of Vienna/IHS; and Helsinki School of Economics. **2008:** University of Groningen; London School of Economics; University College London; ECARES, University of Heidelberg; University of Mannheim; University of Bielefeld; and University of Zurich. **2007:** ESMT, Berlin; LMU, Munich; University of Cologne; University of Frankfurt; University of Innsbruck; University of Freiburg; University of Bonn; and University of Zurich. **2006:** LMU Munich, University of Edinburgh; London School of Economics; University of Iowa; and WZB-SFB/TR 15, Berlin. **2005:** University of Bonn; HEC Lausanne; Duke University; and University of Pittsburgh. **2004:** London School of Economics; Ruhr Universität Bochum; University of Hamburg; Royal Holloway; University of London; University of Vienna/HIS; and WZB, Berlin. **2003:** University of Hohenheim, Stuttgart; University of Leicester; Research Institute of Industrial Economics (IUI), Stockholm; MIT Theory Lunch; MIT IO Lunch; Harvard/MIT Theory Workshop; and WZB, Berlin. **2002:** Bilkent University (Game Theory and Economic Seminar Series), Ankara; and University of Pittsburgh. **2001:** Rice University; Free University, Berlin; Humboldt University, Berlin; Universitat Autònoma de Barcelona; and University of Pittsburgh. **2000:** Universidade Nova de Lisboa. **1999:** WZB, Berlin. **1998:** WZB, Berlin; and Rice University.

### **Research interests**

(Behavioral) Industrial Organization, Competition Policy, Behavioral Economics, and (Applied) Game Theory

### **Languages**

English and German (native)

Updated: October 11, 2013