

# ***Paul Heidhues***

## ***Address***

Heinrich-Heine-Universität Düsseldorf  
Universitätsstr. 1  
40225 Düsseldorf  
Germany

Phone: +49 211 81 –10244

Email: [heidhues@dice.hhu.de](mailto:heidhues@dice.hhu.de)

---

## ***Current employment***

Chair in Behavioral and Competition Economics, Düsseldorf Institute for Competition Economics (DICE), University of Düsseldorf, Germany, October 2016–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 and visiting positions***

Lufthansa Chair in Competition and Regulation, Professor of Economics, ESMT, Berlin, Germany, 2010–2016.

Visiting Scholar, Dartmouth, Hanover, USA, 2016.

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 in business schools and universities***

### **ESMT:**

MBA Class on Markets and Regulations, CONCORD Summer School PhD Lecture 'Behavioral Economics'

### **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 Pittsburgh:**

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

**Rice University:**

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

**University of Arizona:**

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

**Scottish Graduate Programme in Economics:**

*Behavioral Economics*, Training Course, Edinburgh, Scotland, 2007.

**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

**Honors and awards**

Member of the Academic Panel, Competition & Markets Authority (CMA), UK

Visiting Fellowship, Institute for Advanced Studies, CEU Budapest, Fall 2014.

Research Professor, DIW Berlin.

CESifo 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, *Journal of Economic Theory*, 2016–present.

Advisory Editor, *Games and Economic Behavior*, 2015–present.

Associate Editor, *European Economic Review*, 2012–2015.

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**

MaCCI-Workshop Behavioral Industrial Organization (with Heiko Karle, Martin Peitz), Bad Homburg, Germany, 2015.

E.CA Competition Law and Economics Expert Forum (with Hans Friederiszick), Berlin, Germany, 2014 and 2015.

Berlin IO Day (with Michał Grajek, Özlem Bedre-Defolie, Tomaso Duso, Georg Weizsäcker, Dorothea Kübler, Steffen Huck, Radosveta Ivanova-Stenzel, Roland Strausz), Berlin 2013, 2014, and 2015.

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, 2013, 2014 and 2015.

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, Essays on Moral Norms, Legal Unbundling and Franchise Systems, BGSE (2008); Fabian Herweg, Essays in Industrial Organization and Behavioral Economics, BGSE (2009); Christoph Wagner, Three Essays in Applied Microeconomics, BGSE (2013); Philipp Strack, Five Essays in Economic Theory (2013); Andreas Grunewald, Essays in Applied Microeconomics, BGSE (2013); Markus Peter Fels, On Avoidance and Neglect as Barriers to Informed Decision-Making, BGSE (2014); Johannes Johnen, Essays in Behavioral Industrial Organization and Mechanism Design, RTG/ESMT (2016).

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 (HU), Martin Pollich (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. Köszegi (2017). Naivete-based discrimination. *The Quarterly Journal of Economics* 132(2): 1019–1054.

Heidhues, P., B. Köszegi, and T. Murooka (2017). Inferior products and profitable deception. *Review of Economic Studies* 84(1): 323–356.

Heidhues, P., B. Köszegi and T. Murooka (2016). Exploitative innovation. *American Economic Journal: Microeconomics* 8(1): 1–23.

Heidhues, P. and B. Köszegi (2015). On the welfare costs of naiveté in the US credit-card market. *Review in Industrial Organization* 47(3): 341–354.

Heidhues, P., S. Rady, and P. Strack (2015). Strategic experimentation with private payoffs. *Journal of Economic Theory* 159(5): 531–551.

Heidhues, P., and B. Köszegi (2014). Regular prices and sales. *Theoretical Economics* 9(1): 217–251.

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. Köszegi (2010). Exploiting naivete about self-control in the credit market. *American Economic Review* 100(5): 2279–2303.

Heidhues, P., and B. Köszegi (2009). Futile attempts at self-control. *Journal of the European Economic Association* 7(2-3): 423–434.

Blume, A., P. Heidhues, J. Lafky, 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. Köszegi (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: 803–827; 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.

## **Books**

- Heidhues, P. (2004). *Essays on microeconomic theory*. Habilitationsschrift. Humboldt-Universität zu Berlin.
- Heidhues, P. (2000). *Essays on bargaining power*. PhD Thesis, Rice University.

## **Working papers**

- Altmann, S., Falk, A., Heidhues, P., and R. Jayaraman. (2014) Defaults and donations: Evidence from a field experiment. CESifo Working Paper No. 5118.
- Blume, A., A. Franco, and P. Heidhues (2011). [Dynamic coordination via organizational routines](#). ESMT Working Paper No. 11–10.
- Heidhues, P., and B. Köszegi. (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., R. Nitsche, and L. Wiethaus (2015). Größe und Verhandlungsmacht: Ökonomische Grundprinzipien am Beispiel der Fusion Liberty Global/Kabel BW. In *Wirtschaft und Wettbewerb* 2015(1): 35–49.
- 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., B. Köszegi, 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.

### **Work in progress**

Heidhues, P., B. Kőszegi, and P. Strack, Unrealistic expectations and misguided learning.

Heidhues, P. and B. Kőszegi, Behavioral Industrial Organization.

Heidhues, P., J. Johnen and B. Kőszegi, Searching for deals and traps.

### **Selected conference presentations**

Arbeitskreis Kartellrecht, Bundeskartellamt (German Antitrust Authority), Bonn, Germany, 2016.

EARIE (Invited Session), Lisbon, Portugal, 2016.

Stanford Institute for Theoretical Economics (SITE), USA, 2016.

The Hal White Antitrust Conference, Washington, USA, 2016.

Invitational Choice Symposium, Lake Louise, Canada, 2016.

2nd ECODEC Conference, Paris, France, 2015.

International Behavioural Insights Conference, London, UK, 2015.

30th Annual Congress of the European Economic Association, Mannheim, Germany, 2015.

Eleventh World Congress of the Econometric Society, Montreal, Canada, 2015.

Behavioural Industrial Organisation and Consumer Protection, UCL, UK, 2014.

EARIE, Milan, Italy, 2014.

Psychoeconomics Workshop, University of Cologne, Germany, 2014.

European Summer Symposium in Economic Theory (ESSET), Gerzensee, Switzerland, 2014.

Pricing Workshop, Collegio Carlo Alberto, Torino, Italy, 2014.

Berlin Behavioral Economics Workshop, WZB, Germany, 2014.

Industrieökonomischer Ausschuss, Verein für Socialpolitik, Hamburg, Germany, 2014, Munich, Germany, 2012, Mannheim, Germany, 2005 and Munich, Germany, 2003.

Verein für Socialpolitik, Düsseldorf, Germany, 2013, Göttingen, Germany, 2012, Graz, Austria, 2008, Dresden, Germany, 2004 and Magdeburg, Germany, 2001.

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.

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.

Bounded Rationality in Economic Theory, University of Texas at Austin, Austin, Texas, USA, 2010.

Behavioral Models of Market Competition, Bad Homburg, Germany, 2009.

American Economic Association Meetings, San Francisco, California, USA, 2009.

Strategic Information Acquisition and Transmission, Munich, Germany, 2008.

European Economic Association Meetings (Invited Lecture), Milan, Italy, 2008.

GESY TR-15 Meeting, Gummersbach, Germany, 2008.

Network of Industrial Economists, Oxford, UK, 2007.

Workshop on Behavioural & Experimental Economics, Edinburgh, UK, 2007.

SFB/TR 15 Workshop, Mannheim, Germany, 2007.

EARIE: Amsterdam, The Netherlands, 2006; Helsinki, Finland, 2003; Dublin, Ireland, 2001; and Turin, Italy, 1999.

Stanford Institute in Theoretical Economics, Stanford, California, USA, 2006.

CEPR Competition Policy Conference, Brussels, Belgium, 2006.

World Congress of the Econometric Society, London, UK, 2005.

SFB/TR Workshop on "Industrieökonomik und Marktorganisation" (IO and Market Design), Berlin, Germany, 2005.

European Econometric Society Meetings, Stockholm, Sweden, 2003 and Lausanne, Switzerland, 2001.

Midwest Economic Theory Meetings, Pittsburgh, Pennsylvania, USA, 2003 and University Park, Pennsylvania, 2001.

International Industrial Organization Conference, Boston, Massachusetts, USA, 2003.

North American Econometric Society Winter Meetings, Washington DC, USA, 2003 and Boston, Massachusetts, USA, 2000.

European Summer Symposium in Economic Theory (ESSET), Gerzensee, Switzerland, 2002.

II Exploratory Workshop in Bargaining, Barcelona, Spain, 2001.

South Eastern Theory and International Economics Meetings, Houston, Texas, USA, 2000.

CEPR/TMR Workshop on Network Industries, Fontainebleu, France, 1999.

DFG-Workshop, Heidelberg, Germany, 1999.

### **Seminar presentations**

**2016:** University of Copenhagen; Erasmus University Rotterdam; Dartmouth College, Hanover, NH; Olin School of Business at Washington University; Yale University; University of Arizona, Tucson; Wharton School, Philadelphia; MIT Sloan School of Management; Cambridge, MA; University of California, Berkeley **2015:** University of Bonn; University of Bayreuth; Hertie School of Governance, Berlin; DICE, Düsseldorf University; Toulouse School of Economics; Tilburg University **2014:** CEU Institute for Advanced Study, Budapest; KAIST, Seoul; IESE Business School, Barcelona **2013:** Aarhus University; Ulm University; 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, Tucson; Bocconi, Milan **2011:** University of Hannover; EUI, Florence; Federal Reserve Board, Washington; Pompeu Fabra, Barcelona; Carlos III, Madrid; 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; ESMT, Berlin **2009:** Cornell University; Maastricht University; University of Vienna/IHS; 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; University of Zurich **2007:** ESMT, Berlin; LMU, Munich; University of Cologne; University of Frankfurt; University of Innsbruck; University of Freiburg; University of Bonn; University of Zurich **2006:** LMU Munich, University of Edinburgh; London School of Economics; University of Iowa; WZB-SFB/TR 15, Berlin **2005:** University of Bonn; HEC Lausanne; Duke University; University of Pittsburgh **2004:** London School of Economics; Ruhr Universität Bochum; University of Hamburg; Royal Holloway; University of London; University of Vienna/HIS; 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; WZB, Berlin **2002:** Bilkent University (Game Theory and Economic Seminar Series), Ankara; University of Pittsburgh **2001:** Rice University; Free University, Berlin; Humboldt University, Berlin; Universitat Autònoma de Barcelona; University of Pittsburgh **2000:** Universidade Nova de Lisboa **1999:** WZB, Berlin **1998:** WZB, Berlin; Rice University.

### **Research interests**

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

### **Languages**

English and German (native)

Updated: June 12, 2017