

## Introduction

The Groupement de Recherche en Économie Quantitative d'Aix-Marseille GREQAM, on behalf of the Coalition Theory Network formed by CODE, CORE, FEEM, GREQAM and the University of Warwick, are organising the VIII Coalition Theory Workshop.

This network encourages the development and the circulation of new research in the coalition theory and the formation of groups. Straightforward application of such theories are important in both economical and political areas, for example; the study of international negotiations, the analysis of coalition formation in parliaments and the cabinet formation, the cartel stability in various industries and finally, group formation in various sociological environments.

As in previous editions, the leading researchers in the field of coalition formation theory will survey their latest results and present their current direction of research. The workshop will allow young researchers, not only from the Coalition Theory Network, the chance to present and discuss their work. This year's theme is *Endogenous Formation of Social and Economic Networks*.

This edition of the Coalition Theory Workshop has received financial support by the European Union in the framework of the High Level Scientific Conferences programme.

## The Coalition Theory Network



GREQAM - Université de la Méditerranée



Fondazione Eni Enrico Mattei



CODE - Universitat Autònoma Barcelona



CORE - Université Catholique de Louvain



University of Warwick

### *Workshop Venue:*

Faculté des Sciences Economiques  
et de Gestion – Salle du Conseil  
14, Avenue Jules Ferry  
13262 Aix en Provence Cedex  
Tel. +33 (0) 442914800

### *Conference Secretariat:*

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<http://www.feem.it/ctn/index.html>



*Endogenous Formation of Social  
and Economic Networks*

Aix-en-Provence,  
24th-25th January 2003

# Programme

## FRIDAY, JANUARY 24<sup>TH</sup>, 2003

8.45 – 9.00 Opening of the Conference

### Session 1

**Chairman:** C. CARRARO - FEEM and University of Venice, Italy

9.00 – 9.40 P. REY - IDEI, France  
“Internet Interconnection and the Off-Net-Cost Pricing Principle”  
*Discussant:* F. BLOCH

9.40 – 10.20 F. BLOCH - GREQAM, France  
“Coalitional bargaining with externalities and endogenous exit”  
*Discussant:* R. AMIR

10.20 – 11.00 *break*

11.00 – 11.40 M. DAHM - University of Alicante, Spain  
“Stability and Efficiency in Coalition Formation”  
*Discussant:* S. AMBEC

11.40 – 12.20 V. VANNETELBOSCH - CORE UCL, Belgium  
“Farsightedness and Cautiousness in Coalition Formation”  
*Discussant:* S. VIVIER-LIRIMONT

12.20 – 14.00 *lunch*

### Session 2

**Chairman:** S. CURRARINI - FEEM and University of Venice, Italy

14.00 – 14.40 F. VEGA-REDONDO - University of Alicante, Spain  
“Building up Social Capital in a Changing World”  
*Discussant:* S. BERVOETS

14.40 – 15.20 M. SERTEL - Turkish Academy of Sciences, Bogaziçi University, Turkey  
“Designing Rights: Invisible Hand Theorems, Covering and Membership”  
*Discussant:* S. CURRARINI

15.20 – 16.00 A. GALEOTTI - Tinbergen Institute-Erasmus University, Holland  
“Equilibrium Networks with Heterogeneous Players”  
*Discussant:* E. CAMINA

16.00 – 16.40 *break*

16.40 – 17.00 T. MAYER - University of Paris XI, CERAS and CEPR, France  
“Can Business and Social Networks Explain the Border Effect Puzzle?”  
*Discussant:* H. KEMPF

17.20 – 18.00 S. THORON - GREQAM, France  
“Endogenous Formation of Jurisdictions and Segregation”  
*Discussant:* A. LANGE

## SATURDAY, JANUARY 25<sup>TH</sup>, 2003

### Session 3

**Chairman:** H. KEMPF - University of Paris I and EUREQA, France

9.00 – 9.40 M. JACKSON - CALTECH, United States  
“A New Family of Allocation Rules for Network Games”  
*Discussant:* G. DEMANGE

9.40 – 10.20 A. ULPH - University of Southampton, United Kingdom  
“An Infinite-Horizon Model of Dynamic Membership of International Environmental Agreements”  
*Discussant:* M. LAUKKANEN

10.20 – 11.00 *break*

11.20 – 11.40 H. YILDIZ - SMU Dallas, United States  
“National versus International Mergers and Trade Liberalisation”  
*Discussant:* S. SANCHEZ-PAGES

11.40 – 12.20 L. KOCZY - Katholieke Universiteit Leuven, Belgium  
“The Minimal Dominant Set is a Non-Empty Core-Extension”  
*Discussant:* A. CAPARROS

12.20 – 14.00 *lunch*

### Session 4

**Chairman:** H. TULKENS - CORE, Belgium

14.00 – 14.40 A. CALVO-ARMENGOL - UAB, Spain  
“Social Preferences and Skill Segregation”  
*Discussant:* Y. BRAMOULLE

14.40 – 15.20 H. KONISHI - Boston College, United States  
“Free Trade Networks”  
*Discussant:* P. GAUTIER

15.20 – 16.00 M. HAAG - Warwick University, Great Britain  
“On the Size and Structure of Group Cooperation”  
*Discussant:* M. VORSATZ

16.00 – 16.40 *break*

16.40 – 17.20 F. MOIZEAU - Université de Toulouse, France  
“Inequality and Growth Clubs”  
*Discussant:* A. BHATTACHARYA

17.20 – 18.00 S. GOYAL - Queen Mary University, Great Britain  
“Unequal Connections”  
*Discussant:* D. COELHO