

Economics Seminar, Indian Statistical Institute, New Delhi.

SPEAKERS: Rahul Deb (University of Toronto)

TITLE: Revealed Preference Tests of the Cournot

TIME: 3:30-5:00 P.M. [NOTE UNUSUAL TIME]

DAY & DATE: Wednesday, 3rd August 2011

PLACE: Conference Room, New Building [NOTE UNUSUAL LOCATION]

Abstract:

The aim of this paper is to develop revealed preference tests for Cournot equilibrium. The tests are akin to the widely-used revealed preference tests for consumption, but have to take into account the special features of the oligopoly setting. These include the presence of strategic interaction, multiple and simultaneous changes to the underlying environment (shifts to both demand and cost functions), and the possibility of non-concave objective functions. The tests take the form of linear programs, the solutions to which also allow us to recover cost information on the firms. To check that these nonparametric tests are sufficiently discriminating to reject real data, we apply them to the market for crude oil.

<http://www.isid.ac.in/~pu/seminar.html>