

Martin Hellwig



Academic career

1973	PhD in Economics, Massachusetts Institute of Technology, Cambridge, MA, USA
1973 - 1974	Research Associate, Stanford University, CA, USA
1974 - 1977	Assistant Professor of Economics, Princeton University, NJ, USA
1977 - 1979	Associate Professor of Economics (H3), University of Bonn
1979 - 1987	Professor of Economics (H4/C4), University of Bonn
1987 - 1996	Professor of Economics, University of Basel, Switzerland
1995 - 1996	Taussig Research Professor, Harvard University, Cambridge, MA, USA
1996 - 2004	Professor of Economics, University of Mannheim
2004 - 2017	Director, Max Planck Institute for Research on Collective Goods, Bonn
2004 - 2017	Professor of Economics, University of Bonn (Courtesy Appointment)
Since 2017	Emeritus, Max Planck Institute for Research on Collective Goods, Bonn, and University of Bonn (Courtesy Appointment)

Honours

1981	Fellow, Econometric Society
1988	Honorary professor, Vienna University, Austria
1990	Member, Academia Europaea
1992	President, European Economic Association
1994	Member, Berlin-Brandenburg Academy of Sciences
1995	Honorary foreign member, American Economic Association
2000 - 2004	President, Verein für Socialpolitik (German Economic Association)
2002	Doctor rer. pol. honoris causa, University of Tübingen
2002	Inaugural Fellow, European Corporate Governance Institute
2003	Foreign honorary member, American Academy of Arts and Sciences
2005	Doctor rer. pol. honoris causa, HU Berlin
2008	Jelle Zijlstra Fellow, Netherlands Institute for Advanced Study
2009	Gustav Stolper Award, Verein für Socialpolitik (German Economic Association)
2009	Doctor rer. pol. honoris causa, University of Basel, Switzerland
2010	Award for the Most Significant Paper in 2009, Journal of Financial Intermediation
2012	Max Planck Research Award
2013	Economic Theory Fellow, Society for the Advancement of Economic Theory
2016	Western Finance Association (WFA): Charles River Associates Award for
2016	Ernst Hellmut Vits Prize, Universitätsgesellschaft Münster, November

Offers

1984	London School of Economics, England, UK
1984	FU Berlin
1992	University of Munich
1995	University of Bonn
2002	Kiel Institute for World Economics and University of Kiel

Invited Lectures

1992	Presidential Address, European Economic Association, Dublin, Ireland
1992	Gaston Eyskens Lectures, Leuven Catholic University, Netherlands
1993	Walras-Bowley Lecture, Econometric Society
1993	Walras-Pareto Lectures, Lausanne University, Switzerland
1998	Geneva Risk Lecture, European Group of Insurance Economists
2003	Baffi Lecture, Banca d'Italia, Italy
2007	Walter Adolf Jöhr Lecture, University of St. Gallen, Switzerland
2009	Alfred Weber Lecture, University of Heidelberg
2010	Johann Heinrich Thünen Lecture, Verein für Socialpolitik (German Economic Association)
2015	W.A. Mackintosh Lecture, Queen's University, Department of Economics, Kingston, Ontario, Canada

Research Projects and Activities

DFG Collaborative Research Center SFB/TR 15 "Governance and the Efficiency of Economic Systems"

since 2004

ESF Research Network Public Goods Public Projects, Externalities

Coordinator, 2006 - 2010

Research profile

Work will continue on mechanism design foundations of public economics.

Current work focuses on the implications of requiring robustness of mechanisms, i.e., independence of implementation by a mechanism from the specification of belief systems, and of coalition proofness, in addition to individual incentive compatibility. In joint work with Felix Bierbrauer, currently in the second round with *Econometrica*, we show that these two requirements jointly limit the set of admissible mechanisms to the set of voting mechanisms, thus providing a mechanism theoretic foundation for voting.

In addition, work will be done on information acquisition and "market discipline" in financial contracting. The main problem here is to study disciplining mechanisms when there is coexistence of outside equity and (short-term) debt.

Editorships

- Review of Economic Studies (European Editor, 1982 - 1986)
- *Econometrica* (Associate Editor, Co-Editor, 1984 - 1992)
- Journal of the European Economic Association (Advisory Board, since 2003)
- Journal of Public Economic Theory (Associate Editor, 2005 - 2010)
- Journal of Public Economics (Associate Editor, since 2007)

Research Area I Work has been done on mechanism design in allocation theory and contracting, public economics and financial economics.

The main objective of work on mechanism design in public economics is to provide a unified framework for public good provision, indirect taxation and public sector pricing and direct taxation.

Published articles:

"The Provision and Pricing of Excludable Public Goods: Ramsey-Boiteux Pricing versus Bundling", *Journal of Public Economics* 91 (2007), 511 -540.

"The Undesirability of Randomized Income Taxation under Decreasing Risk Aversion", *Journal of Public Economics* 91 (2007), 791 – 816.

“A Contribution to the Theory of Optimal Utilitarian Income Taxation”, *Journal of Public Economics* 91 (2007), 1449 – 1471.

[1], [3], [4], [2].

“Informational Smallness and the Scope for Limiting Information Rents” (with A. Gizatulina), *Journal of Economic Theory* 145 (2010), 2260–2281.

Research on incentive contracting:

“The Role of Boundary Solutions in Principal-Agent Problems of the Holmström-Milgrom Type”, *Journal of Economic Theory* 136 (2007), 446 – 475.

“A Reconsideration of the Jensen-Meckling Model of Outside Finance”, *Journal of Financial Intermediation* 18 (2009), 495-525.

[5].

Selected PhD students

Bierbrauer, Felix (2006): “Essays on Public Goods Provision and Income Taxation”, now Professor, University of Cologne

Kranz, Sebastian (2008): “Essays on Moral Norms, Legal Unbundling and Franchise Systems”, now Professor, University of Ulm

Gizatulina, Alia (2009): “Essays in Mechanism Design”, now Assistant Professor, University of St. Gallen, Switzerland

Weinschenk, Philipp (2009): “Essays in microeconomics”, now Professor, TU Kaiserslautern

Schwerhoff, Gregor (2012): “Essays on Parental Leave, Global Disinflation and Non-Renewable Resources”, now Researcher, Mercator Research Institute on Global Commons and Climate Change (MCC), Berlin

Lang, Matthias (2012): “Contracting in the Presence of Uncertainty”, now Junior Professor, School of Business and Economics, Microeconomics, Freie Universität Berlin

Behn, Markus (2014): “Five Essays on Bank Regulation”, now Economist, European Central Bank, Macro-Financial Policies Division, Frankfurt/M.

Hansen, Emanuel (2014): “Essays in Public Economics”, now Junior Professor, Center for Macroeconomic Research, University of Cologne

Luck, Stephan (2015): “Essays on Financial Stability”, now Economist, Federal Reserve, Washington D.C., USA

Schempp, Paul (2015): “Essays on Financial Stability”, now Junior Professor of Economics, University of Cologne

Habilitations

Helmut Bester (1987), now Professor, FU Berlin

Wolfgang Leininger (1988), now Professor, TU Dortmund

Winand Emons (1992), now Professor, University of Bern, Switzerland

Tilman Börgers (1992), now Professor, University of Michigan, MI, USA

Hans Gersbach (1994), now Professor, ETH Zurich, Switzerland

Thomas Gehrig (1995), now Professor, University of Vienna, Austria

E.-L. von Thadden (1995), now Professor, University of Mannheim

Peter-J. Jost (1995), now Professor, WHU Otto Beisheim School of Management, Koblenz-Vallendar

Christian Laux (2002), now Professor, Vienna University of Economics and Business, Austria

Andreas Irmen (2002), now Professor, University of Luxembourg, Luxembourg

Holger Müller (2003), now Professor, New York University, Leonard N. Stern School of Business, NY, USA

Elena Carletti (2007), now Professor, European University Institute, Florence, Italy

Selected publications

[1] Alia Gizatulina and Martin Hellwig. The generic possibility of full surplus extraction in models with large type spaces. *J. Econom. Theory*, 170:385–416, 2017.

- [2] Martin Hellwig, Peter M. DeMarzo, Paul Pfleiderer, and Anat R. Admati. The leverage ratchet effect. *Journal of Finance*, forthcoming, 2017.
- [3] Felix J. Bierbrauer and Martin F. Hellwig. Robustly coalition-proof incentive mechanisms for public good provision are voting mechanisms and vice versa. *Rev. Econ. Stud.*, 83(4):1440–1464, 2016.
- [4] Alia Gizatulina and Martin Hellwig. Beliefs, payoffs, information: on the robustness of the bdp property in models with endogenous beliefs. *J. Math. Econom.*, 51:136–153, 2014.
- [5] Martin F. Hellwig. Incentive problems with unidimensional hidden characteristics: a unified approach. *Econometrica*, 78(4):1201–1237, 2010.
- [6] M. F. Hellwig. Systemic risk in the financial sector: An analysis of the subprimemortgage financial crisis. *De Economist*, (157):129–207, 2009.
- [7] M. F. Hellwig. A contribution to the theory of optimal utilitarian income taxation. *Journal of Public Economics*, (91):1449–1477, 2007.
- [8] M. F. Hellwig. The provision and pricing of excludable public goods: Ramsey-boiteux pricing versus bundling. *Journal of Public Economics*, (91):511–540, 2007.
- [9] M. F. Hellwig. The undesirability of randomized income taxation under decreasing risk aversion. *Journal of Economic Theory*, (91):791–816, 2007.
- [10] Martin F. Hellwig. The role of boundary solutions in principal-agent problems of the holmström-milgrom type. *J. Econom. Theory*, 136(1):446–475, 2007.