

# Eirik Gaard Kristiansen

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## Appointments

Norwegian School of Economics

Department Chair 2018 – 2021

Professor in Economics 2007 – present

Associate professor in Economics 2000-2007

University of Tromsø

Visting professor, 2011 – 2012

Norges Bank (central bank of Norway)

Research fellow 2000 – 2008

Acting head of research 1999 – 2000

Research fellow 1997 – 1999

Centre for Research in Economics and Business Administration (SNF).

Post doc. 1996 (grant from Telenor)

Research Fellow, Ph.D scholarship, 1992 – 1996

Visiting researcher, University of California, Berkeley

Department of Economics, Visiting PhD student, 1992-1993

Department of Economics, Visiting post doc, 1997

Haas Business School, visiting researcher spring 2004

Department of Economics, visiting professor 2010-2011

## Research Interests

At the moment I am particularly interested in how the quality of law and its enforcement determine resource allocation in an economy. My main research projects in this direction are on "Imperfect enforcement of financial contracts" (with Tore Ellingsen) and "Licensing and Innovation with Imperfect Enforcement" (with Richard Gilbert). Soon we have a first draft ready on "Institutional Change and International Reallocation" (with Tore Ellingsen). I plan to do a lot more.

I also do research on labour markets and focus on turnover and wage policies for workers. In the paper "Management of Knowledge Workers" (with Hans Hvide) we discussed how firms' intellectual

property rights and litigation of departing workers interacted with firms' wage policies and workers effort to create new business opportunities for firms. In a new paper "Competitive Compensation Contracts" (with Tore Ellingsen) we demonstrate how portability of worker skills can explain a large set of labour market outcomes including turnover, fixed wages and bonuses, severance pay, and wage renegotiation.

## Education

Ph. D. in Economics, NHH.

Thesis title: "Essays on Investments in Research and Development", 1996

M.Phil. (Siviløkonom HAE), NHH, 1993

M.Sc. (Siviløkonom), NHH, 1990

International Business Program, Stockholm School of Economics, 1989

## Research

### Current Projects

"Innovation and Licensing with imperfect contract enforcement" (with Richard Gilbert, UCB). We investigate how contracts between licensees and licensors depend on quality of contract enforcement. We argue that imperfect contract enforcement can explain why firms use less variable licensing fees than expected from traditional models where variable fees are used to soften downstream competition or share risk. Imperfect enforcement can improve social welfare and stimulate innovation.

"Competitive compensation contract" (with Tore Ellingsen, SSE). We develop a model of compensation contracts in a competitive market for heterogeneous workers. The environment is stochastic, and turnover is sometimes efficiency-enhancing. Contracts act as reference points. The model makes realistic predictions on the structure of pay and explain for instance why workers are permitted to hedge stock-options.

"Institutional change and international Reallocation" (with Tore Ellingsen, SSE). In a global economy entrepreneurs are mobile and countries can improve their contracting institutions. We study the effect of improved institutions in one country on international reallocation of production and its impact on wages and rents.

### Past Projects

R&D in markets with network externalities

Cheap talk with buyers and investors

Competition among banks

## Publications

1. "Licensing and Innovation with Imperfect Contract Enforcement" with Richard Gilbert, forthcoming *Journal of Economics and Management Strategy*.
2. "Communication of soft information: Reputation and imperfect enforcement of reporting quality" with Jay Pil Choi and Jae Nahm *Journal of Economic Behaviour and Organisation*, 2017, vol 136, pp. 629-657
3. "Life-Cycle Patterns of Interest Rate Markups in Small Firm Finance" , with Moshe Kim and Bent Vale, *Scandinavian Journal of Economics*, 2012, vol. 114, pp. 629 – 657.
4. "Management with Knowledge Workers", with Hans K. Hvide, *Journal of Law and Economics*, 2012, vol. 55, pp. 815 – 838.
5. "Financial Contracts under Imperfect Enforcement" with Tore Ellingsen, *Quarterly Journal of Economics*, 2011, vol. 126, pp. 323 – 371.
6. "Vaporware" with Jay Pil Choi and Jae Nahm, *International Economic Review*, 2010, vol. 51, pp. 653 – 669.
7. "R&D and buyers' waiting option", *Journal of Industrial Economics*, 2006, vol. 56, pp. 31 – 43.
8. "Pre-announcing information goods" with Jae Nahm and Jay Pil Choi, book chapter *Industrial Organization and the Digital Economy* (2006) (edited by Gerhard Illing and Martin Peitz) by MIT Press
9. "An Economic Analysis of Product Pre-announcement," (with J.P. Choi and Jae Nahm), *CESifo Economic Studies*, vol. 51, 2005, pp. 299-319.
10. "Endogenous product differentiation in credit markets: what do borrowers pay for?" with Moshe Kim and Bent Vale, *Journal of Banking and Finance*, vol. 29, 2005, pp. 681-699.
11. "Risk taking in selection contests" with Hans K. Hvide, *Games and Economic Behavior*, 2003, vol. 42, pp. 172 – 179.
12. "R&D in the Presence of Network Externalities: Timing and Compatibility" *RAND Journal of Economics*, 1998, vol. 29, pp. 531 – 547.
13. "R&D Incentives in Compatible Networks" with Marcel Thum, *Journal of Economics*, 1997, vol. 65, pp. 55 – 78.
14. "R&D in Markets with Network Externalities", *International Journal of Industrial Organization*, 1996, vol. 14, pp. 769 – 784.

## Working papers and projects

15. "Strategic Product Pre-announcements in Markets with Network Effects" with Jay Pil Choi and Jae Nahm. Working paper.
16. "Competitive Compensation Contracts" with Tore Ellingsen, Working paper.
17. "Agency, performance, and selection: The market for fund managers" (2005) (abandoned working paper)

## Awards and funding

Nordic Council fellowship 1989 (International Business Program at Stockholm School of Economics).

Research Scholarship from Telenor (1993-1996).

Finalist Young Economist Essay Competition, European Association for Research in Industrial Economics 1995.

Finalist Young Economist Essay Competition, European Association for Research in Industrial Economics 1994

Leiv Eiriksson, Research Grant, Mobility Program, Norwegian Research Council (2011-2012).

Research grant from The Finance Market Fund / Norwegian Research Council "Communication of Financial Information", 2007-2008.

Research grant from The Finance Market Fund / Norwegian Research Council "Law and Economics Financial Incentives", 2010-2013.

## PhD committees

Luca Picariello (main advisor, NHH)

Ole Andreas Næss (main advisor, NHH)

Jonas Gade Christiansen (UiB, co-advisor)

Hugo Hauge (assessment committee, NHH)

Kristin Linnerud (assessment committee, NHH)

Henrik Borchrevink (assessment committee, UiO)

Christian Dahl Winter (assessment committee, U Aarhus)

## Public service and professional activities

Department of Economics, Norwegian School of Economics

Board member, 2015-2017

Deputy head of department, 2011-12

Teaching coordinator, 2007-2011

Promotion committees to full professor

Recruitment committees

Public service

Assessment of the PhD program University of Southern Denmark 2013

Board member, ENOVA SF, 2011 - present

Committee appointed by The Norwegian Government on "The Norwegian Company Act" 2016

Promotion committee University of Bergen

Advisor, Norwegian Competition Authorities, 2015 – 2016

Professional activities

Member of program committee, Theoretical and Applied

Economics, Econometric Society European Meeting (ESEM 2010).

Member of program committee, "Economics of payment systems" in Norges Bank 2008

Member of program committee "Norwegian Economist Meeting" (2005)

Chairman of the program committee "Norwegian Economist Meeting" (2006)

Program committee Saether Conference UC Berkeley 2013 and NHH 2016

Co-organizer of NORIO VII - Nordic conference in Industrial Organization (2010)

Co-organizer of "Law and Economics of Contracts" (2011)

Co-organizer of "Workshop on Applied Theory" (2011 ?)

Co-organizer of Department Seminars, Economics Department (2012-present?)

Some invited talks: University of St.Gallen, Helsinki School of economics, Stockholm School of Economics, University of California Berkeley, University of Stavanger, CEPR (The Formation and Use of Human Capital and Knowledge), Norges Bank, University of Oslo, Innovation and Early Stage Ideas (Tinbergen Institute 2006), University of Aberdeen 2008, University of Gothenburg, Paris Tech

Last updated: February 16, 2018