



Department of Justice

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DEPARTMENT OF JUSTICE TO HOST ANTITRUST WORKSHOP ON AIRLINE COMPETITION

WASHINGTON – The Department of Justice’s Antitrust Division today announced it will host a one-day workshop on recent academic research into developments in airline antitrust and competition to mark the 30-year anniversary of airline deregulation in the United States.

The event, which is open to the public and the press, will be held on Thursday, Oct. 23, 2008. The workshop will be held from 9:00 am to 4:00 pm in the Horizon Room of the Ronald Reagan Building and International Trade Center located at 1300 Pennsylvania Avenue, N.W., Washington, D.C., 20004. The workshop will include a keynote lecture followed by three sessions of economic research paper presentations. Each research paper will be presented by an author of the paper. There will be no discussion at the workshop of any matter that is pending before the Department. The current schedule is as follows:

- 9:00am–10:00am **Keynote Lecture**
Speaker: Severin Borenstein, E.T. Grether Professor of Business Administration and Public Policy, Haas School of Business, University of California, Berkeley; Director of the University of California Energy Institute; and Research Associate, National Bureau of Economic Research (NBER)
Paper: “How Airline Markets Work...Or Do They? Regulatory Reform in the Airline Industry” by Severin Borenstein and Nancy Rose (Professor of Economics, Massachusetts Institute of Technology, and Research Associate, NBER)
- 10:15am–12:00pm **Session 1: Airline Competition, Financial Volatility and Recent Trends**
Presenter: Panle Jia, Assistant Professor, Department of Economics, Massachusetts Institute of Technology, and Faculty Research Fellow, NBER
Paper: “Tracing the Woes: An Empirical Analysis of the Airline Industry” by Steven Berry (James Burrows Moffatt Professor of Economics, Yale University, and Research Associate, NBER) and Panle Jia

Presenter: Federico Ciliberto, Assistant Professor, Department of Economics, University of Virginia
Paper: “Bankruptcy and Product-Market Competition: Evidence from the Airline Industry” by Federico Ciliberto and Carola Schenone (Assistant Professor, Finance Area, McIntire School of Commerce, University of Virginia)

Presenter: Rene Kamita, Economist, Economic Analysis Group, Antitrust Division, U.S. Department of Justice

Paper: “Analyzing the Impact of Antitrust Immunity: Price Effects Following the Aloha-Hawaiian Antitrust Immunity Agreement” by Rene Kamita

1:15pm–2:30pm

Session 2: Airline Competition, Airport Delays and Congestion

Presenter: Cliff Winston, Senior Fellow, Economic Studies, Brookings Institution

Paper: “Airline Delays: Can Airport Privatization Help?” by Cliff Winston and Steven Morrison (Professor, Department of Economics, Northeastern University)

Presenter: Jan Brueckner, Professor, Department of Economics, University of California, Irvine

Paper: “Price vs. Quantity-Based Approaches to Airport Congestion Management” by Jan Brueckner

2:45pm–4:00pm

Session 3: Airline Competition, Entry and Potential Competition

Presenter: Abe Dunn, Economist, Economic Analysis Group, Antitrust Division, U.S. Department of Justice

Paper: “Do Low Quality Products Affect High Quality Entry? Multiproduct Firms and Nonstop Entry in Airline Markets” by Abe Dunn

Presenter: John Kwoka, Neal F. Finnegan Distinguished Professor of Economics, Northeastern University

Paper: “Eliminating a Competitive Constraint: The Price Effect of Merging with a Potential Entrant in Airlines” by John Kwoka and Evgenia Shumilkina (PhD student and lecturer, Department of Economics, Northeastern University)

There is no fee for attendance and there is no preregistration. For admission to the workshop and to the Ronald Reagan Building, all attendees will be required to show a valid form of photo identification, such as a driver’s license. Links to the research papers that will be presented at the workshop and information about the workshop can be found on the Antitrust Division’s web site at <http://www.usdoj.gov/atr/public/workshops/airlines2008/index.htm>.

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