

Summaries of Articles

L'a priori et l'a posteriori en économie, by Philippe Mongin

A previous article investigated the semantic distinction between the analytical and the synthetic, and applied it to microeconomics; in the present one, the fundamental propositions of this field come to terms with the epistemological distinction between the a priori and the a posteriori (or empirical), while an attempt is made to systematize the four concepts. After restating the Kantian definition of the a priori and the famous problem of the synthetic a priori, we introduce two major interpretations of fundamental propositions, i.e., empiricism (as illustrated by the English classical school) and apriorism (as illustrated by von Mises within the Austrian neo-classical school). We rebut both interpretations, the latter with more detail than the former. We conclude that the fundamental propositions are synthetic but neither a priori, nor a posteriori, a category which evades standard divisions. We defend this novel interpretation by studying the law of diminishing returns and the convexity assumption for production sets.

Keywords: *a priori*, *a posteriori*, empirical, synthetic *a priori*, empirism, apriorism, Kant, von Mises, law of diminishing returns, convexity, additivity, theory of producer.

Journal of Economic Literature classification numbers: B41, B21, D20.

Innovation et effet de remplacement du monopole: le cas des ressources non renouvelables, by Jean-Christophe Poudou

Considering a cost reducing innovation, Arrow (1962) shows that a firm in monopoly suffers the replacement effect, that is, its valuation of the innovation is sub-optimal and less than in a context of technological competition. We look also at this problem but within the framework of an economy exploiting an exhaustible resource. One can show that the replacement effect is not always verified and can be reversed: the mining monopoly

doesn't "rest on its laurels" when the price elasticity of demand for the resource is "deeply" increasing. We discuss this result for the case of dynamic incentives to innovate and we show that, in those situations of demand, the mining monopoly innovates earlier than the competitive mining firm.

Keywords: technological choices, flexibility, tacit collusion.

Journal of Economic Literature classification numbers: Q30, O31.

The common labs: What implications for competition policy?, by Marie-Laure Cabon-Dhersin

When will a joint research lab be preferred to non-cooperation in R&D? The social benefits of R&D cooperation depend mainly on three factors: (i) the level of spillovers; (ii) the degree of product differentiation, (iii) the degree of ex-post competition in the final market between the R&D partners.

In this article we propose to study the impact of these three factors on the R&D efforts taking place within a joint lab, the quantities produced and the profits earned by the firms at equilibrium. We show that collusion at the production stage can increase the producer's and consumer's surplus vis-à-vis competition if the R&D activity takes place within a common laboratory especially when the spillovers and the degree of product differentiation are small. We show also that full cooperation in R&D with a joint lab and the product market leads to better results in terms of R&D efforts as compared to non-cooperation.

Keywords: R&D spillovers, Joint Research Laboratory, competition policy.

Journal of Economic Literature classification numbers: C720, L130, D320.

Exclusion par manipulation des marchés de permis d'émission, by Sonia Schwartz

This article examines the exclusionary manipulation effects of a pollution permit market. The exclusion value of a pollution permit and the overbuying strategy are determined. Then, the consequences of the exclusionary manipulation on the permit price are given. We give some economic policy advice as far as initial allocations are concerned.

Keywords: pollution permit, predation, initial allocation.

Journal of Economic Literature classification numbers: Q28, D43, L42.