

**Conference Agenda**  
**Antitrust Activity in Card-Based Payment Systems: Causes and Consequences**

*Federal Reserve Bank of New York  
33 Liberty Street, New York, NY  
12<sup>th</sup> Floor Conference Center*

**September 15-16, 2005**

Jointly Sponsored by the Federal Reserve Bank of New York and the *Review of Network Economics*

**Thursday, September 15**

8:30 a.m. Continental breakfast and registration

9:00 a.m. Welcome: Christine Cumming, First Vice President, Federal Reserve Bank of New York

**Morning Session: 9:15 a.m. to 11:45 a.m.**

*Chair: Richard Porter, Federal Reserve Bank of Chicago*

9:15 a.m. **Efficiency and Competition between Payment Instruments**  
Joseph Farrell, University of California at Berkeley

Discussant: Steve Salop, Georgetown University

10:00 a.m. **The Welfare Impact of Interchange Fees**  
Jean-Charles Rochet, IDEI-GREMAQ, University of Toulouse; and Jean Tirole, IDEI-GREMAQ and Massachusetts Institute of Technology

Discussant: Luís Cabral, New York University

10:45 a.m. Morning break

11:00 a.m. **An Assessment of the Reserve Bank of Australia's Interchange Fee Regulation**  
Howard H. Chang, LECG; David S. Evans, LECG and University College of London; and Daniel D. Garcia Swartz, LECG

Discussant: Joseph Farrell, University of California at Berkeley

11:45 a.m. Lunch

**Afternoon Session: 1:30 p.m. to 5:15 p.m.**

*Chair: Donald Morgan, Federal Reserve Bank of New York*

1:30 p.m. **Panel of Country Studies**

**The Regulation of Payment Cards: The Mexican Experience**  
José Luis Negrín, Banco de México

**The Credit Card Industry in Israel**  
David Gilo and Yossi Spiegel, Tel Aviv University

**Interchange Fees in Various Countries: Developments and Determinants**  
Stuart Weiner, Federal Reserve Bank of Kansas City; and Julian Wright, National University of Singapore

Commentator: Robin Prager, Board of Governors of the Federal Reserve System

3:30 p.m. Afternoon break

- 3:45 p.m.      **Market Definition and Market Power in Payment Card Networks**  
Scott Thompson and Eric Emch, U. S. Department of Justice
- Discussant: Larry White, New York University
- 4:30 p.m.      **Social Welfare and Cost Recovery in Two-Sided Markets**  
Wilko Bolt, De Nederlandsche Bank; and Alexander F. Tieman, International Monetary Fund
- Discussant: Jean-Charles Rochet, IDEI-GREMAQ, University of Toulouse

## **Friday, September 16**

- 8:30 a.m.      Continental breakfast
- 9:00 a.m.      Welcome: Joseph Tracy, Director of Research and Statistics Group, Federal Reserve Bank of New York

### **Morning Session: 9:15 a.m. to 12:00 noon**

*Chair: Peter Burns, Federal Reserve Bank of Philadelphia*

- 9:15 a.m.      **Platform Competition in Two-Sided Markets: The Case of Payment Networks**  
Sujit Chakravorti, Federal Reserve Bank of Chicago; and Roberto Rosen, University Ca' Foscari of Venice
- Discussant: Michael Katz, University of California at Berkeley
- 10:00 a.m.      **The No Surcharge Rule and Card User Rebates: Vertical Control by a Payment Network**  
Marius Schwartz, Georgetown University; and Daniel R. Vincent, University of Maryland
- Discussant: Martin Perry, Rutgers University
- 10:45 a.m.      Morning break
- 11:00 a.m.      **A Puzzle of Card Payment Pricing: Why Are Merchants Still Accepting Card Payments?**  
Fumiko Hayashi, Federal Reserve Bank of Kansas City
- Discussant: Glenn Woroch, University of California at Berkeley
- 12:00 noon      Lunch (informal)

### **Afternoon Session: 1:00 p.m. to 3:00 p.m.**

*Chair: James McAndrews, Federal Reserve Bank of New York*

- 1:00 p.m.      **Panel on Competition Policy in Card-Based Payment Systems**
- Payment Systems are Different: Shouldn't Their Regulation Be Too?**  
John Simon, Reserve Bank of Australia
- Public Policy Approaches to Interchange Fees: An Economic Assessment**  
Margaret Guerin-Calvert, Competition Policy Associates; and Janusz A. Ordover, New York University and Competition Policy Associates
- House of Cards: The Economics of Interchange Fees**  
Alan Frankel and Allan Shampine, Lexecon
- Commentator: Henry Ergas, CRA International