



OTTO VON GUERICKE
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FAKULTÄT FÜR
WIRTSCHAFTSWISSENSCHAFT

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Professur BWL, insb. Economics of Business and Law

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1. LEITUNG

Prof. Dr. Roland Kirstein

2. HOCHSCHULLEHRER/INNEN

Prof. Dr. Roland Kirstein
Prof. Dr. Robin Christmann, Leibniz FH Hannover

3. FORSCHUNGSPROFIL

Prof. Dr. Kirstein:

- Ökonomische Gesetzesfolgenanalyse
- Regulierung von Banken und Versicherungen
- Anreizsysteme in Organisationen
- Teamtheorie
- Verhandlungen und kollektive Entscheidungen
- Beschränkte Rationalität

4. FORSCHUNGSPROJEKTE

Projektleitung: Prof. Dr. Roland Kirstein
Förderer: Haushalt - 01.07.2021 - 31.12.2025

Liability for Autonomous Driving

The project explores the efficient allocation of liability (among users, fleet owners, car makers, software authors, victims) of liability for accidents with autonomous vehicles. It draws on the standard discussions of the "tunnel problem", the "trolley problem", and the "helmet problem." Special focus is put on the question whether (and to which degree) users have to stay in control of the operation of their vehicle. A related question is whether navigation systems should be honest or deceptive.

Projektleitung: Prof. Dr. Roland Kirstein
Förderer: Haushalt - 01.01.2022 - 31.12.2024

Data Property Rights

The paper project applies the economic theory of property rights (following the seminal papers of Ronald Coase: The Problem of Social Cost; JLE 1960, and Guido Calabresi/Douglas Melamed: Property Rules, Liability Rules, and Inalienability: One View of the Cathedral; HLR 1972) to the question who should own data. The property rights view differs fundamentally from the lawyers' view, which often draws on a variant of the "producer principle": While using an autonomous car, the user is said to "produce" data and, therefore, is entitled to the ownership of this data.

The economic theory of property rights demands for all resources (including property rights) to be in the hands of those actors who values them highest. According to the Coase theorem, the initial allocation of property rights only influences efficiency if transaction cost (or transferring property rights) are positive.

In a positive transaction cost scenario, a property right allocation should be enforced by a liability rule. According to Calabresi/Melamed, under a liability rule the non-owner of a property right is in fact allowed to capture it at will, but then had to compensate the owner.

An efficient property right allocation and enforcement could be achieved by the following idea: Give the property right to the party whose valuation can be determined by a judge; protect it by a liability rule, and oblige the other party to pay this valuation as damages if this party wants to exercise the property right. Applied to the data problem: The party which, according to this system, should be endowed with the property right initially, is not necessarily the party that "produces" the data. If the other side's valuation can be determined by a judge, it is this side (and not the "producer" of the data) who should be endowed with the property right.

Projektleitung: Prof. Dr. Roland Kirstein
Förderer: Haushalt - 01.01.2022 - 01.10.2024

Risk Situation of Islamic Banks

Prof. Dr. Roland Kirstein (Economics of Business and Law, FWW, OvGU Magdeburg) and Prof. Dr. Zeki Akrawee (Department of Economics, College of Administration and Economics, University of Duhok) will carry out research into the impact of Basel equity regulation on Islamic banks.

Conventional banks usually do not take up more equity than stipulated by Basel equity regulation for internationally active banks. This observable preference for deposit funding is easily explained by the Capital Asset Pricing Model: As equity investments are more risky than deposits, their required rate of return is higher.

Islamic laws prohibit taking deposits and giving credit against interest. Hence, they force Islamic banks to fund their activities by equity and to invest into equity alone. On the one hand, their cost of funding, therefore, exceeds that of conventional banks. On the other hand, their return on investments may be higher as well.

One goal of the research project is to evaluate the net effect on the risk situation of Islamic banks, compared to conventional banks. We will draw on Portfolio theory to analyze this question.

The next research goal is to figure out whether Islamic banks have a competitive advantage (or disadvantage), compared to conventional bank that are active in the same market (if this market is subject to Islamic law, or not). This question will be analyzed using Oligopoly theory.

Thirdly, we want to empirically figure out how Islamic banks actually react to the twofold regulatory framework under which they operate. Do they accept differences in their profit, risk, and market situation, or do they develop idiosyncratic financial instruments as a response to the regulation? We will run interviews to prepare an explorative, qualitative study and employ Econometrics methods to evaluate market data.

5. EIGENE KONGRESSE, WISSENSCHAFTLICHE TAGUNGEN UND EXPONATE AUF MESSEN

German Law and Economics Association, Budapest, July 2023