

# EUROPEAN SUMMER SYMPOSIUM IN FINANCIAL MARKETS

**Generously hosted by  
Study Center Gerzensee**

Monday 16-27 July 2012

## **DRAFT PROGRAMME**

### **WEEK 1**

#### **MONDAY 16 JULY**

##### **Morning Session: Taxation, Financing, and Insiders**

**08.30 - 09.30**

##### **Tax Evasion Across Industries: Soft Credit Evidence from Greece**

Nikolaos Artavanis (Virginia Polytechnic Institute and State University)  
Adair Morse (University of Chicago)  
\*Margarita Tsoutsoura (University of Chicago)

*Discussant:*

*Laurent Bach (Stockholm School of Economics)*

**09.30 - 10.30**

##### **Transparency, Tax Pressure and Access to Finance**

\*Andrew Ellul (Indiana University)  
Tullio Jappelli (University of Naples Federico II and CEPR)  
Marco Pagano (University of Naples Federico II and CEPR)  
Fausto Panunzi (Bocconi University and CEPR)

*Discussant:*

*Gregor Matvos (University of Chicago)*

**10.30 - 11.00**

##### **Coffee Break**

**11.00 - 12.00**

##### **'Those Who Know Most': Insider Trading in 18th C. Amsterdam**

\*Peter Koudijs (Stanford University)

*Discussant:*

*Christine Parlour (University of California, Berkeley)*

#### **TUESDAY 17 JULY**

##### **Focus Session:**

##### **Dynamic Agency Models of Firm Financing**

*Organiser:*

*Peter DeMarzo (Stanford University)*

**08.30 - 09.30**

##### **Risking Other People's Money: Gambling, Limited Liability, and Optimal Incentives**

\*Peter DeMarzo (Stanford University)  
Dmitry Livdan (University of California, Berkeley)  
Alexei Tchisty (University of California, Berkeley)

**09.30 - 10.30**

##### **Endogenous Liquidity and Defaultable Bonds**

\*Zhiguo He (University of Chicago)  
Konstantin Milbradt (MIT)

**10.30 - 11.00**

##### **Coffee Break**

11.00 - 12.00 | **Dynamic Risk Management**  
Adriano Rampini (Duke University)  
Amir Sufi (University of Chicago)  
\*S. Vish Viswanathan (Duke University)

## **WEDNESDAY 18 JULY**

### **Morning Session: Investment and Incentives**

08.30 - 09.30 | **Moral Hazard, Investment, and Firm Dynamics**

\*Hengjie Ai (University of Minnesota)  
Rui Li (University of Wisconsin, Madison)

*Discussant:* Maria Cecilia Bustamante (London School of Economics)

09.30 - 10.30 | **Testing Dynamic Agency Theory via Structural Estimation**

\*Boris Nikolov (University of Rochester)  
Lukas Schmid (Duke University)

*Discussant:* Berardino Palazzo (Boston University)

10.30 - 11.00 | **Coffee Break**

11.00 - 12.00 | **Inefficient Investment Waves**

Zhiguo He (University of Chicago)  
\*Péter Kondor (Central European University and CEPR)

*Discussant:* Andrey Malenko (MIT)

## **THURSDAY 19 JULY**

### **Focus Session: Banking and Government Policy**

*Organiser:* Daniel Paravisini (London School of Economics and Columbia Business School)

08.30 - 09.30 | **Dissecting the Effect of Credit Supply on Trade: Evidence from Matched Credit-Export Data**

\*Daniel Paravisini (London School of Economics and Columbia Business School)  
Veronica Rappoport (London School of Economics)  
Philipp Schnabl (NYU and CEPR)  
Daniel Wolfenzon (Columbia University)

09.30 - 10.30 | **Hazardous Times for Monetary Policy: What Do Twenty-Three Million Bank Loans Say about the Effects of Monetary Policy on Credit Risk-Taking?**

Gabriel Jiménez (Bank of Spain)  
Steven Ongena (Tilburg University and CEPR)  
\*José Luis Peydró (Universitat Pompeu Fabra)  
Jesús Saurina (Bank of Spain)

10.30 - 11.00 | **Coffee Break**

11.00 - 12.00 | **Inconsistent Regulators: Evidence from Banking**

Sumit Agarwal (Federal Reserve Bank of Chicago)  
David Lucca (Federal Reserve Bank of New York)  
\*Amit Seru (University of Chicago)  
Francesco Trebbi (University of British Columbia)

## **FRIDAY 20 JULY**

### **Morning Session: Equilibrium Effects of Net Worth and Contracts**

08.30 - 09.30

#### **Dynamic Debt Runs: Evidence from a Structural Estimation**

\*Enrique Schroth (Cass Business School)  
Gustavo Suarez (Federal Reserve Board)  
Lucian A. Taylor (University of Pennsylvania)

*Discussant:*

*Toni Whited (University of Rochester)*

09.30 - 10.30

#### **How Did the US Housing Slump Begin? The Role of the 2005 Bankruptcy Reform**

\*Ulf von Liliensfeld-Toal (Stockholm School of Economics)  
Dilip Mookherjee (Boston University and CEPR)

*Discussant:*

*James Vickery (Federal Reserve Bank of New York)*

10.30 - 11.00

#### **Coffee Break**

11.00 - 12.00

#### **The Costs and Benefits of Long-Term CEO Contracts**

\*Moqi Xu (London School of Economics)

*Discussant:*

*James Dow (London Business School)*

## **WEEK 2**

## **MONDAY 23 JULY**

### **Morning Session:**

08.30 - 09.30

#### **The Share of Systematic Variation in Bilateral Exchange Rates**

Adrien Verdelhan (MIT)

*Discussant:*

*Philippe Mueller (London School of Economics)*

09.30 - 10.30

#### **Currency Order Flows, Information, and Risk Premia**

Lukas Menkhoff (University of Hannover)  
Lucio Sarno (Cass Business School and CEPR)  
Maik Schmeling (University of Hannover)  
\*Andreas Schrimpf (Bank for International Settlements)

*Discussant:*

*Alberto Plazzi (University of Lugano)*

10.30 - 11.00

#### **Coffee Break**

11.00 - 12.00

#### **International Correlation Risk**

Philippe Mueller (London School of Economics)  
Andreas Stathopoulos (USC Marshall School of Business)  
\*Andrea Vedolin (London School of Economics)

*Discussant:*

*Hao Zhou (Federal Reserve Board)*

## **TUESDAY 24 JULY**

### **Focus Session:**

#### **Financial Integration and the Real Economy**

*Organisers:*

*Helene Rey (London Business School and CEPR) and Jean Imbs (Paris School of Economics and CEPR)*

08.30 - 08.50

#### **Overview**

Jean Imbs (Paris School of Economics and CEPR)

08.50 - 09.40	<b>Economic Integration and Economic Diversification</b> *Jean Imbs (Paris School of Economics and CEPR) Romain Wacziarg (University of California, Los Angeles) Claudio Montenegro (World Bank)
09.40 - 10.30	<b>International Financial Integration</b> Nicolas Coeurdacier (Sciences Po and CEPR) Helene Rey (London Business School and CEPR) *Pablo Winant (Paris School of Economics)
10.30 - 11.00	<b>Coffee Break</b>
11.00 - 11.50	<b>International Asset Pricing with Recursive Preferences</b> Riccardo Colacito (New York University) *Mariano Massimiliano Croce (University of North Carolina)

## **WEDNESDAY 25 JULY**

### **Morning Session:**

08.30 - 09.30	<b>Beliefs about Inflation and the Term Structure of Interest Rates</b> Paul Ehling (BI-Oslo) *Mike Gallmeyer (University of Virginia) Christian Heyerdahl-Larsen (London Business School) Phillip Illeditsch (Wharton School, University of Pennsylvania)
<i>Discussant:</i>	<i>Albert Lee Chun (Copenhagen Business School)</i>
09.30 - 10.30	<b>Dealer Networks</b> Dan Li (Federal Reserve Board) *Norman Schürhoff (Université de Lausanne and CEPR)
<i>Discussant:</i>	<i>Terrence Hendershott (University of California, Berkeley)</i>
10.30 - 11.00	<b>Coffee Break</b>
11.00 - 12.00	<b>Categorization Bias in the Stock Market</b> *Philipp Krueger (Université de Genève) Augustin Landier (Toulouse School of Economics) David Thesmar (HEC School of Management and CEPR)
<i>Discussant:</i>	<i>Gur Huberman (Columbia University and CEPR)</i>

## **THURSDAY 26 JULY**

<b>Focus Session:</b>	<b>Credit Risk</b>
<i>Organiser:</i>	<i>Pierre Collin-Dufresne (Columbia University)</i>
08.30 - 08.45	<b>Overview</b> Pierre Collin-Dufresne (Columbia University)
08.45 - 09.40	<b>Endogenous Liquidity and Defaultable Debt</b> *Konstantin Milbradt (MIT Sloan School of Management) Zhiguo He (University of Chicago)
09.40 - 10.35	<b>The Anatomy of the CDS Market</b> *Martin Oehmke (Columbia Business School) Adam Zawadowski (Boston University)
10.35 - 11.05	<b>Coffee Break</b>

11.05 - 12.00

**Modeling Credit Contagion via the Updating of Fragile Beliefs**

Luca Benzoni (Federal Reserve Bank of Chicago)

\*Pierre Collin-Dufresne (Columbia University)

Robert S. Goldstein (University of Minnesota)

Jean Helwege (Pennsylvania State University)

**FRIDAY 27 JULY**

**Morning Session:**

08.30 - 09.30

**Volatility, the Macroeconomy and Asset Prices**

Ravi Bansal (Duke University)

Dana Kiku (Univ of Pennsylvania)

\*Ivan Shaliastovich (Univ of Pennsylvania)

Amir Yaron (Univ of Pennsylvania)

*Discussant:*

*Harjoat Bhamra (University of British Columbia)*

09.30 - 10.30

**Robust Predictive Regression and Hypothesis Testing**

Lorenzo Camponovo (University of Lugano and University of St. Gallen)

Olivier Scaillet (University of Geneva)

\*Fabio Trojani (University of Lugano)

*Discussant:*

*Grigory Vilkov (Goethe University Frankfurt)*

10.30 - 11.00

Coffee Break

11.00 - 12.00

**Stock Return Predictability and Variance Risk Premia: Statistical Inference and International Evidence**

Tim Bollerslev (Duke University)

James Marrone (University of Chicago)

Lai Xu (Duke University)

\*Hao Zhou (Federal Reserve Board)

*Discussant:*

*Christian Schlag (Goethe University Frankfurt)*

\* Indicates the presenter.

**Organisers:**

**Dirk Niepelt** (Study Center Gerzensee and CEPR)

**Tarun Ramadorai** (Oxford University and CEPR)

**Adriano Rampini** (Duke University)