

European Summer Symposium in Financial Markets (ESSFM)

Sponsored by the New York Stock Exchange

Studienzentrum Gerzensee, 17/28 July 2000

Programme

Monday 17 July

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| 08.15 - 08.30 | Opening Remarks |
| 08.30 - 09.45 | Privatization and Political Risk in Emerging Economies:
Confidence Building and Stock Market Development
Pieter van Oijen (Universiteit van Amsterdam)
*Enrico Perotti (Universiteit van Amsterdam and CEPR) |
| Discussant: | Bhagwan Chowdhry (Anderson School, University of California,
Los Angeles) |
| 09.45 - 11.00 | Towards an Explanation of Household Portfolio Choice
Heterogeneity: Nonfinancial Income & Participation Cost
Structures
*Annette Vissing-Jorgensen (University of Chicago) |
| Discussant: | Dima Leshchinskii (INSEAD, Fontainebleau) |

Tuesday 18 July

Focus Session 1: Competition and Performance of Exchanges

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| Organizer: | Larry Glosten (Columbia University) |
| 08.30 - 10.00 | Competition, Design of Exchanges and Welfare
Larry Glosten (Columbia University) |
| 10.00 - 10.30 | Coffee Break |
| 10.30 - 12.00 | Adverse Selection and Competitive Market Making:
Empirical Evidence from a Limit Order Market
*Patrik Sandas (University of Pennsylvania) |

Wednesday 19 July

- 08.30 - 09.45 **An Incomplete Contracts Approach to Corporate Bankruptcy**
Erik Berglöf (SITE, Stockholm, and CEPR)
Gérard Roland (ECARES, Université Libre de Bruxelles, and CEPR)
*Ernst-Ludwig von Thadden (Université de Lausanne and CEPR)
- Discussant: Javier Suarez (CEMFI, Madrid, and CEPR)
- 09.45 - 11.00 **Financing and Advising: Optimal Financial Contracts with Venture Capitalists**
*Catherine Casamatta (Université des Sciences Sociales de Toulouse)
- Discussant: Alexander Gümbel (University of Oxford)

Thursday 20 July

Focus Session 2: Insolvency Procedures

- Organizer: Julian R Franks (London Business School and CEPR)
- 08.30 - 09.50 **What Makes Insolvency Procedures Work? – A Practitioner's View**
*Mark Homan (PriceWaterhouseCoopers, London)
- 09.50 - 10.15 Coffee Break
- 10.15 - 11.15 **Bank Lending Behavior and Asset Fire Sales in Bankruptcy Auctions**
*Espen Eckbo (Dartmouth College and CEPR)
*Karin S Thorburn (Tuck School, Dartmouth College)
- 11.15 - 12.15 **An Empirical Study of Financial Distress of Small Bank-Financed UK Companies: A Reassessment of English Insolvency Law**
*Julian R Franks (London Business School and CEPR)
Oren Sussman (London Business School and Ben-Gurion University)

Friday 21 July

- 08.30 - 09.45 **Optimal Asset Allocation with Taxable and Tax-Deferred Investing**
Robert Dammon (Carnegie Mellon University)
*Chester Spatt (Carnegie Mellon University)
Harald Zhang (Carnegie Mellon University)
- Discussant: Peter Schotman (LIFE, Maastricht University and CEPR)

09.45 - 11.00 **The Role and Compensation of CEOs**
*James Dow (London Business School and CEPR)
*Clara Raposo (University of Oxford)
Discussant: Wilfried Zantman (Université des Sciences Sociales de
Toulouse)

Monday 24 July

08.30 - 09.45 **Strategic Trading and Learning About Liquidity**
Harrison Hong (Stanford University)
*Sven Rady (Universität München, Stanford University and
CEPR)
Discussant: Thierry Foucault (Hautes Etudes Commerciales, Jouy-en-Josas,
and CEPR)

09.45 - 11.00 **Exclusive Contracts and the Institution of Bankruptcy**
Alberto Bisin (New York University)
*Adriano Rampini (Northwestern University)
Discussant: Eugene Kandel (Hebrew University of Jerusalem)

Tuesday 25 July

Focus Session 3: Lessons From the Past: Emerging Financial Markets, Past and Present

Organizer: Lance E Davis (California Institute of Technology)

08.30 - 09.45 **How the French Revolution Reshaped Financial Markets**
*Philip T Hoffman (California Institute of Technology)
Giles Postal-Vinay (INRA-EHESS)
*Jean-Laurent Rosenthal (University of California, Los
Angeles)

09.45 - 10.00 Coffee Break

10.00 - 11.15 **Overcoming Asymmetric Information in Financial
Markets: How Brokers Raised Immense Amounts of
Capital in Eighteenth-Century Paris**
*Philip T Hoffman (California Institute of Technology)
Giles Postal-Vinay (INRA-EHESS)
*Jean-Laurent Rosenthal (University of California, Los
Angeles)

11.15 - 12.30 **Lessons from the Past: Capital Markets and Economic
Growth**
*Lance E Davis (California Institute of Technology)
Larry Neal (University of Illinois)
Eugene White (Rutgers University)

Wednesday 26 July

- 08.30 - 09.45 **Project Bundling, Liquidity Spillovers, and Capital Market Discipline**
 Roman Inderst (Universität Mannheim)
 *Holger Müller (Universität Mannheim)
- Discussant: Per Johan Strömberg (Graduate School of Business, University of Chicago, and CEPR)
- 09.45 - 11.00 **Short and Long Horizon Term and Inflation Risk Premia in the US Term Structure: Evidence from an Integrated Model for Nominal and Real Bond Prices under Regime Shifts**
 *Pietro Veronesi (Graduate School of Business, University of Chicago and CEPR)
 Francis Yared (Graduate School of Business, University of Chicago)
- Discussant: Arvind Krishnamurthy (Northwestern University)

Thursday 27 July

Focus Session 4: Experimental Financial Markets and Psychology

- Organizer: Martin Weber (Universität Mannheim)
- 08.30 - 08.45 Introduction
- 08.45 - 09.40 **Information Aggregation in Experimental Asset Markets: Traps and Misaligned Beliefs**
 Colin Camerer (California Institute of Technology)
 *Markus Nöth (Universität Mannheim)
 Charles Plott (California Institute of Technology)
 Martin Weber (Universität Mannheim)
- 09.40 - 10.10 Coffee Break
- 10.10 - 11.05 **Information Aggregation with Costly Information and Random Ordering: Experimental Evidence**
 Carlo Kraemer (Universität Mannheim)
 Markus Nöth (Universität Mannheim)
 *Martin Weber (Universität Mannheim)
- 11.05 - 12.00 **Cognitive Bias, Management Controls and Trader Performance**
 Paul Willman (London Business School)

Friday 28 July

08.30 – 09.45 **Pooling, Splitting, and Security Design in the Auctioning of Financial Assets**

*Ulf Axelson (University of Chicago)

Discussant: Steven Ongena (CentER, Tilburg University)

09.45 – 11.00 **Bookbuilding: How Informative is the Order Book?**

Francesca Cornelli (London Business School and CEPR)

*David Goldreich (London Business School)

Discussant: Barbara Rindi (Università Bocconi)

* Denotes presenter

Organizers: Philippe Bacchetta (Studienzentrum Gerzensee, Université de Lausanne and CEPR)
Bruno Biais (Université des Sciences Sociales de Toulouse and CEPR)
James Dow (London Business School and CEPR)

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