

European Summer Symposium in Financial Markets (ESSFM)

Travel Costs Sponsored by the New York Stock Exchange

Studienzentrum Gerzensee, 16/27 July 2001

Programme

Monday 16 July

- Chair: Pierre Hillion (INSEAD Fontainebleau and CEPR)
- 08.15 - 08.30 **Opening Remarks**
- 08.30 - 09.45 **Labor Income and Predictable Stock Returns**
Tano Santos (Graduate School of Business, University of Chicago and NBER)
*Pietro Veronesi (Graduate School of Business, University of Chicago and NBER and CEPR)
- Discussant: Andrei Simonov (Stockholm School of Economics)
- 09.45 - 11.00 **Quasi-Arbitrage and Price Manipulation**
Gur Huberman (Columbia Business School)
*Werner Stanzl (Yale School of Management)
- Discussant: Massimo Massa (INSEAD, Fontainebleau)

Tuesday 17 July

Focus Session 1: Experimental Financial Markets

- Organizer: Peter Bossaerts (California Institute of Technology and CEPR)
- 08.30 - 10.00 **Prices and Allocations in Financial Markets: Theory and Evidence**
Peter Bossaerts (California Institute of Technology and CEPR)
Charles Plott (California Institute of Technology)
*William R Zame (University of California, Los Angeles)

- 10.00 - 10.30 Coffee Break
- 10.30 - 12.00 **Structural Econometric Tests of General Equilibrium Theory on Data from Large-Scale Experimental Markets**
 *Peter Bossaerts (California Institute of Technology and CEPR)
 Charles Plott (California Institute of Technology)
 William R Zame (University of California, Los Angeles)

Wednesday 18 July

- Chair: Bernard J Dumas (INSEAD, Fontainebleau and CEPR)
- 08.30 - 09.45 **Liquidity Supply and Demand: Empirical Evidence from the Vancouver Stock Exchange**
 Burton Hollifield (GSIA, Carnegie Mellon University)
 Robert A Miller (GSIA, Carnegie Mellon University)
 *Patrik Sandås (University of Pennsylvania and CEPR)
 Joshua Slive (University of British Columbia)
- Discussant: Giovanni Cespa (Universitat Pompeu Fabra, Barcelona)
- 09.45 - 11.00 **Price Improvements in Financial Markets as a Screening Device**
 Gabriel Desgranges (Thema, Université de Cergy)
 *Thierry Foucault (HEC School of Management and CEPR)
- Discussant: Barbara Rindi (Università Bocconi)

Thursday 19 July

Focus Session 2: Behavioural Finance

- Organizer: Nicholas Barberis (University of Chicago and CEPR)
- 08.30 – 10.00 **Mental Accounting, Loss Aversion and Individual Stock Returns**
 *Nicholas Barberis (University of Chicago and CEPR)
 Ming Huang (University of Chicago)
- 10.00 - 10.30 Coffee Break
- 10.30 - 12.00 **Bubbles and Crashes**
 Dilip Abreu (Princeton University)
 *Markus Brunnermeier (Princeton University)

Friday 20 July

Chair: Ian Tonks (London School of Economics)

08.30 - 09.45 **The Pricing Kernel Puzzle: Reconciling Index Option Data and Economic Theory**
David P Brown (University of Wisconsin at Madison)
*Jens Carsten Jackwerth (University of Wisconsin at Madison)

Discussant: Alessandro Sbuelz (Tilburg University)

09.45 - 11.00 **On Market Efficiency and Joint Hypothesis**
Oleg Bondarenko (University of Illinois at Chicago)

Discussant: Dietmar P J Leisen (McGill University)

Monday 23 July

Chair: Ernst-Ludwig von Thadden (Université de Lausanne and CEPR)

08.15 – 08.30 Introductory Remarks

08.30 - 09.45 **Bidding Vs. Voting in Contest for Corporate Control**
*Lucian Bebchuk (Harvard Law School and CEPR)
Oliver Hart (Harvard University)

Discussant: Randall S Kroszner (University of Chicago at Illinois)

09.45 - 11.00 **The Dual Role of Corporate Boards as Advisors and Monitors of Management: Theory and Evidence**
Renée B Adams (Federal Reserve Bank of New York)

Discussant: Andres Almazan (University of Texas at Austin)

Tuesday 24 July

Focus Session 3: International Corporate Finance

Organizer: Raghuram G Rajan (University of Chicago)

08.30 – 09.30 **The Great Reversals: The Politics of Financial Development in the 20th Century**
*Raghuram G Rajan (University of Chicago)
Luigi Zingales (University of Chicago and CEPR)

- 09.30 – 10.30 **Law, Politics, and Finance**
 Thorsten Beck (World Bank)
 Asli Demirgüç-Kunt (World Bank)
 *Ross Levine (University of Minnesota)
- 10.30 - 11.00 Coffee Break
- 11.00 – 12.00 **The Political Economy of Corporate Governance**
 *Marco Pagano (Università di Salerno and CEPR)
 Paolo Volpin (London Business School)

Wednesday 25 July

- Chair: Martin Hellwig (Universität Mannheim)
- 08.30 - 09.45 **Valuation in Dynamic Bargaining Markets**
 Darrell Duffie (Stanford University)
 Nicolae Gârleanu (Stanford University)
 *Lasse Heje Pedersen (Stanford University)
- Discussant: Helmut Bester (Freie Universität Berlin and CEPR)
- 09.45 - 11.00 **Competition and Efficiency in the Market for Venture Capital**
 Roman Inderst (University College London)
 *Holger M Mueller (Universität Mannheim and CEPR)
- Discussant: Per Johan Strömberg (Graduate School of Business, University of Chicago and CEPR)

Thursday 26 July

- Chair: Andrew Winton (Carlson School of Management, University of Minnesota)
- 08.30 – 09.45 **Do Insider Trading Laws Work?**
 Arturo Bris (Yale School of Management)
- Discussant: Ekkehart Boehmer (University of Georgia)
- 09.45 – 11.00 **Financial Distress as a Selection Mechanism: Performance and Survival from the Onset to the Resolution of Financial Distress**
 Matthias Kahl (Anderson School of Management, University of California, Los Angeles)
- Discussant: Yrjö Koskinen (Stockholm School of Economics)

Friday 27 July

Chair: Arnoud W A Boot (Universiteit van Amsterdam and CEPR)

08.30 – 09.45

Multiple Unit Auctions and Short Squeezes

*Kjell G Nyborg (London Business School and CEPR)

Ilya A Strebulaev (London Business School)

Discussant:

Jan Ericsson (McGill University)

09.45 – 11.00

Is Leverage Effective in Increasing Performance Under Managerial Moral Hazard?

Riccardo Calcagno (Tilburg University)

Discussant:

Roland Strausz (Frei Universität Berlin)

* Denotes presenter

Organizers:

Philippe Bacchetta (Studienzentrum Gerzensee, Université de Lausanne and CEPR)

Pierre Hillion (INSEAD Fontainebleau and CEPR)

Ernst-Ludwig von Thadden (Université de Lausanne and CEPR)