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 Tchistyi (University of California, Berkeley)

09.30 - 10.30  Endogenous Liquidity and Defaultable Bonds
*Zhiquo 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**

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| 08.30    | Moral Hazard, Investment, and Firm Dynamics                              | *Hengjie Ai (University of Minnesota)  
Rui Li (University of Wisconsin, Madison) | Maria Cecilia Bustamante (London School of Economics)                      |
| 09.30    | Testing Dynamic Agency Theory via Structural Estimation                 | *Boris Nikolov (University of Rochester)  
Lukas Schmid (Duke University) | Berardino Palazzo (Boston University)                                      |
| 10.30    | Coffee Break                                                            |                                                                          |                                                 |
| 11.00    | Inefficient Investment Waves                                            | Zhiguo He (University of Chicago)  
*Péter Kondor (Central European University and CEPR) | Andrey Malenko (MIT)                                           |

**THURSDAY 19 JULY**

**Focus Session: Banking and Government Policy**

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

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| 08.30    | 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) |                                                 |
Steven Ongena (Tilburg University and CEPR)  
*José Luis Peydró (Universitat Pompeu Fabra)  
Jesús Saurina (Bank of Spain) |                                              |
| 10.30    | Coffee Break                                                            |                                                                          |                 |
| 11.00    | 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 Schrotth (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 Lilienfeld-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)

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**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 Schmelting (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 Stathopolous (USC Marshall School of Business)
*Andrea Vedolin (London School of Economics)

**Discussant:**
Hao Zhou (Federal Reserve Board)

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**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  Economic Integration and Economic Diversification
*Jean Imbs (Paris School of Economics and CEPR)
Romain Wacziarg (University of California, Los Angeles)
Claudio Montenegro (World Bank)

09.40 - 10.30  International Financial Integration
Nicolas Coeurdacier (Sciences Po and CEPR)
Helene Rey (London Business School and CEPR)
*Pablo Winant (Paris School of Economics)

10.30 - 11.00  Coffee Break

11.00 - 11.50  International Asset Pricing with Recursive Preferences
Riccardo Colacito (New York University)
*Mariano Massimiliano Croce (University of North Carolina)

WEDNESDAY 25 JULY

Morning Session:

08.30 - 09.30  Beliefs about Inflation and the Term Structure of Interest Rates
Paul Ehling (BI-Oslo)
*Mike Gallmeyer (University of Virginia)
Christian Heyerdahl-Larsen (London Business School)
Phillip Illeditsch (Wharton School, University of Pennsylvania)
Discussant: Albert Lee Chun (Copenhagen Business School)

09.30 - 10.30  Dealer Networks
Dan Li (Federal Reserve Board)
*Norman Schürhoff (Université de Lausanne and CEPR)
Discussant: Terrence Hendershott (University of California, Berkeley)

10.30 - 11.00  Coffee Break

11.00 - 12.00  Categorization Bias in the Stock Market
*Philipp Krueger (Université de Genève)
Augustin Landier (Toulouse School of Economics)
David Thesmar (HEC School of Management and CEPR)
Discussant: Gur Huberman (Columbia University and CEPR)

THURSDAY 26 JULY

Focus Session: Credit Risk
Organiser: Pierre Collin-Dufresne (Columbia University)

08.30 - 08.45  Overview
Pierre Collin-Dufresne (Columbia University)

08.45 - 09.40  Endogenous Liquidity and Defaultable Debt
*Konstantin Milbradt (MIT Sloan School of Management)
Zhiguo He (University of Chicago)

09.40 - 10.35  The Anatomy of the CDS Market
*Martin Oehmke (Columbia Business Schoo)
Adam Zawadowski (Boston University)

10.35 - 11.05  Coffee Break
Friday, July 27

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)