European Summer Symposium in Financial Markets (ESSFM)
Sponsored by the New York Stock Exchange

Studienzentrum Gerzensee, 17/28 July 2000

Programme

Monday 17 July

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

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)

*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 Raopo (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

*Philip T Hoffman (California Institute of Technology)  
Giles Postal-Vinay (INRA-EHESS)  
*Jean-Laurent Rosenthal (University of California, Los Angeles)

*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 Mismatched 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)