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  
Accounting 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  
*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)
*S. Vish Viswanathan (Duke University)

**WEDNESDAY 18 JULY**

**Morning Session:** Investment and Incentives

<table>
<thead>
<tr>
<th>Time</th>
<th>Title</th>
<th>Authors</th>
<th>Discussant</th>
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<tbody>
<tr>
<td>08.30 - 09.30</td>
<td>Moral Hazard, Investment, and Firm Dynamics</td>
<td>*Hengjie Ai (University of Minnesota) Rui Li (University of Wisconsin, Madison)</td>
<td>Maria Cecilia Bustamante (London School of Economics)</td>
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<td>09.30 - 10.30</td>
<td>Testing Dynamic Agency Theory via Structural Estimation</td>
<td>*Boris Nikolov (University of Rochester) Lukas Schmid (Duke University)</td>
<td>Berardino Palazzo (Boston University)</td>
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<td>10.30 - 11.00</td>
<td>Coffee Break</td>
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<td>11.00 - 12.00</td>
<td>Inefficient Investment Waves</td>
<td>Zhiguo He (University of Chicago) *Péter Kondor (Central European University and CEPR)</td>
<td>Andrey Malenko (MIT)</td>
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**THURSDAY 19 JULY**

**Focus Session:** Banking and Government Policy

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

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<th>Time</th>
<th>Title</th>
<th>Authors</th>
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<tr>
<td>08.30 - 09.30</td>
<td>Dissecting the Effect of Credit Supply on Trade: Evidence from Matched Credit-Export Data</td>
<td>*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)</td>
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<td>09.30 - 10.30</td>
<td>Hazardous Times for Monetary Policy: What Do Twenty-Three Million Bank Loans Say about the Effects of Monetary Policy on Credit Risk-Taking?</td>
<td>Gabriel Jiménez (Bank of Spain) Steven Ongena (Tilburg University and CEPR) *José Luis Peydró (Universitat Pompeu Fabra) Jesús Saurina (Bank of Spain)</td>
<td>José Luis Peydró (Universitat Pompeu Fabra)</td>
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<td>10.30 - 11.00</td>
<td>Coffee Break</td>
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<td>11.00 - 12.00</td>
<td>Inconsistent Regulators: Evidence from Banking</td>
<td>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)</td>
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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)

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 Stathopolous (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  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)

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**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)*

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**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 School)
Adam Zawadowski (Boston University)

10.35 - 11.05  Coffee Break
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)