EUROPEAN SUMMER SYMPOSIUM IN ECONOMIC THEORY

Generously hosted by
Study Center Gerzensee

Monday 1 – Friday 12 July 2013

PROGRAMME

WEEK 1

MONDAY 1 JULY

Morning Session

08.30 – 09:30  Dynamic Competitive Economies with Complete Markets and Collateral Constraints
*Piero Gottardi (European University Institute)
Felix Kubler (University of Zurich)

Evening Parallel Sessions

20.30 - 21.30  Great Moderation or Great Mistake: Can rising confidence in low macro-risk explain the boom in asset prices?
Tobias Broer (I.I.E.S. Stockholm and CEPR)

Information in tender offers with a large shareholder
*Mehmet Ekmekci (Northwestern Kellogg)
Nenad Kos (Bocconi University)

TUESDAY 2 JULY

Focus Session on Information Frictions in Financial Markets

Chair: Marios Angeletos (MIT and NBER)

08.30 - 09.30  Endogenous Public Information and Welfare in Market Games
Xavier Vives (IESE, Barcelona-Madrid and CEPR)

9.45 - 10.45  Housing Prices and Robustly Optimal Monetary Policy
*Klaus Adam (University of Mannheim and CEPR)
Michael Woodford (Columbia University)

11.00 - 12.00  Information Heterogeneity and Bond Spreads
*Elias Albagli (University of Southern California)
Christian Hellwig (Toulouse School of Economics)
Aleh Tsyvinski (Yale University)
Evening Parallel Sessions

20.30 - 21.30 | Banks as Secret Keepers
Tri Vi Dang (Columbia University)
Gary Gorton (Yale University)
Bengt Holmstrom (Massachusetts Institute of Technology)
*Guillermo Ordonez (University of Pennsylvania)

Incomplete markets, liquidation risk, and the term structure of interest rates
*Edouard Challe (Ecole Polytechnique)
François LeGrand (EM Lyon)
Xavier Ragot (Paris School of Economics)

Wednesday 3 July

Morning Sessions

08.30 - 09.45 | Asset Markets with Heterogeneous Information
Pablo Kurlat (Stanford University)

Evening Parallel Sessions

20.30 - 21.30 | Social Insurance, Information Revelation, and Lack of Commitment
*Luigi Iovino (Bocconi University)
Mikhail Golosov (Princeton University)

Rational Inattention, Multi-Product Firms and the Neutrality of Money
*Ernesto Pasten (Central Bank of Chile)
Raphael Schoenlie (Brandeis University)

Thursday 4 July

Focus Session on New Developments in Business Cycle Theory

Chair: Christian Hellwig (Toulouse School of Economics and CEPR)

08.30 - 09.30 | Understanding Non-Inflationary Demand Driven Business Cycles
*Paul Beaudry (University of British Columbia and NBER)
Franck Portier (Toulouse School of Economics)

9.45 - 10.45 | Business Cycle Dynamics under Rational Inattention
*Mirko Wiederholt (Goethe University Frankfurt)
Bartosz Mackowiak (European Central Bank and CEPR)

11.00 - 12.00 | Quantifying Sentiments
*Marios Angeletos (MIT and NBER)
Fabrice Collard (University of Bern)
Harris Dellas (both of University of Bern and CEPR)

Evening Parallel Sessions

20.30 - 21.30 | Pledgeability and Liquidity
*Venky Venkateswaran (Stern School of Business, New York University)
Randall Wright (Wisconsin)

Price Setting with Customer Retention Concerns
*Luigi Paciello (EIEF)
Andrea Pozzi (EIEF)
Nicolas Trachter (EIEF)

Friday 5 July

Morning Sessions

08.30 - 09.30 | Optimal Income Taxation with Asset Accumulation
*Arpad Abraham (European University Institute)
Sebastian Koehne (I.I.E.S. Stockholm)
Nicola Pavoni (Bocconi University)
### Morning Parallel Sessions

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Presenters</th>
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<tbody>
<tr>
<td>10.00 - 11.00</td>
<td>Debt and Incomplete Financial Markets: a Case for Nominal GDP Targeting</td>
<td>Kevin Sheedy (LSE and CEPR)</td>
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<td>Consumers’ Imperfect Information and Price Rigidities</td>
<td>Jean-Paul l’Huillier (IEF)</td>
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* Indicates the presenter.

### Week 2

#### Monday 8 July

### Morning Session

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<tr>
<td>08.30 – 9.45</td>
<td>A Model of Persuasion with Boundedly Rational Agents</td>
<td>Jacob Glazer (Tel Aviv University)</td>
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<td>*Ariel Rubinstein (Tel Aviv University)</td>
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### Evening Parallel Sessions

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<tr>
<td>20.30 - 21.30</td>
<td>Robustness of Full Revelation in Multidimensional Cheap Talk</td>
<td>Inés Moreno de Barreda (Oxford University)</td>
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<td>*Margaret Meyer (Nuffield College and CEPR)</td>
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<td>Julia Nafziger (Aarhus University)</td>
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<td>Optimal Screening of Time Inconsistency</td>
<td>Simone Galperti (Northwestern University)</td>
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#### Tuesday 9 July

### Focus Session on Behavioral Mechanism Design

**Chair:** Rani Spiegler (Tel Aviv University, University College of London and CEPR)

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<td>08.30 - 09.30</td>
<td>Suspense and Surprise</td>
<td>Jeff Ely (Northwestern University)</td>
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<td>Alexander Frankel (University of Chicago)</td>
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<td>*Emir Kamenica (University of Chicago)</td>
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<td>09:45 - 10.45</td>
<td>Privacy in Implementation</td>
<td>Ronen Gradwohl (Northwestern University)</td>
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<td>11.00 – 12.00</td>
<td>Mechanism Design and Intentions</td>
<td>Felix Bierbrauer (University of Cologne)</td>
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<td>*Nick Nezter (University of Zurich)</td>
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<td>20.30 - 21.30</td>
<td>Strategic Research Bias</td>
<td>Marco Ottaviani (Bocconi University)</td>
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<td>*Peter Norman Sorensen (University of Copenhagen)</td>
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<td>Fiscal Rules and Discretion under Persistent Shocks</td>
<td>Marina Halac (Columbia University)</td>
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<td>Pierre Yared (Columbia University)</td>
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WEDNESDAY 10 JULY

Morning Session

08.30 - 09.45  The Market for Keywords
Kfir Eliaz (Tel Aviv University)
*Rani Spiegler (Tel Aviv University, University College London and CEPR)

Evening Parallel Sessions

20.30 - 21.30  Projection Equilibrium in Bayesian Games: Bargaining and Co-ordination
Kristof Madarasz (London School of Economics)
*The Ratchet Effect Re-examined: A Learning Perspective
Venkataraman Bhaskar (University College London and CEPR)

THURSDAY 11 JULY

Focus Session on Behavioral Mechanism Design

Chair: Rani Spiegler (Tel Aviv University, University College of London and CEPR)

08.30 - 09.30  Behavioral Implementation
Geoffroy de Clippel (Brown University)

09.45 - 10.45  Framing in Mechanism Design
*Yuval Salant (Northwestern University)
Ron Siegel (Northwestern University)

11.00 – 12.00  On absolute auctions and secret reserve prices
*Philippe Jehiel (Paris School of Economics, University College London and CEPR)
Laurent Lamy (Paris School of Economics)

Evening Parallel Sessions

20.30 - 21.30  Betrayal of Intentions in 2-Player Games
Beniamin Bachi (Tel Aviv University)
Sambuddha Ghosh (Boston University)
*Zvika Neeman (Tel Aviv University)
*Auctions with Bidder Solicitation
*Stephan Lauerman (University of Michigan)
Asher Wolinsky (Northwestern University)

FRIDAY 12 JULY

Morning Sessions

08.30 – 09.30  Rationality and Consistent Beliefs: Theory and Experimental Evidence
Terri Kneeland (University of British Columbia)

Morning Parallel Sessions

10:00 – 11:00  Bilateral Trading with Maxmin Agents
Alexander Wolitzky (Stanford University)
*Sequential Multidimensional Screening
Sina Litterscheid (University of Bonn)
*Dezso Szalay (University of Bonn)
Organisers:

Christian Hellwig (Toulouse School of Economics and CEPR)
Rani Spiegler (Tel Aviv University, University College London and CEPR)
Dezső Szalay (University of Bonn)

Organising Committee:

Jan Eeckhout (University College London and Universitat Pompeu Fabra)
Leonardo Felli (London School of Economics and CEPR)
Christian Hellwig (Toulouse School of Economics and CEPR)
Matthew O. Jackson (Stanford University)
Margaret Meyer (Oxford University and CEPR)
Dirk Niepelt (Study Center Gerzensee and CEPR)
Andrea Prat (Columbia University and CEPR)
Sven Rady (University of Bonn and CEPR)
Patrick Rey (Toulouse School of Economics and CEPR)
Ran Spiegler (Tel Aviv University, University College London and CEPR)
Dezső Szalay – chair (University of Bonn)
Juuso Välimäki (Aalto University and CEPR)
Timothy Van Zandt (INSEAD and CEPR)
Xavier Vives (IESE Barcelona-Madrid, ICREA-UPF and CEPR)
Lucy White (Harvard Business School and CEPR)