

# EUROPEAN SUMMER SYMPOSIUM IN ECONOMIC THEORY

Generously hosted by  
Study Center Gerzensee

Monday 4 July – Friday 15 July 2011

## PROGRAMME

### WEEK 1

#### MONDAY 4 JULY

##### Focus Sessions

08.30 - 09.45	<b>Leverage Stacks and the Financial System</b> John Hardman Moore (U. of Edinburgh and LSE)
10:15 – 11:30	<b>Contagious Adverse Selection</b> *Stephen Morris (Princeton) Hyun Song Shin (Princeton and CEPR)

##### Evening Parallel Sessions

20.30 - 21.30	<b>Trading Frenzies and Their Impact on Real Investment</b> Itay Goldstein (U. of Pennsylvania) *Emre Ozdenoren (LBS and CEPR) Kathy Yuan (LSE and CEPR)	<b>Asset Prices and Institutional Investors</b> Suleyman Basak (LBS and CEPR) *Anna Pavlova (LBS and CEPR)
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#### TUESDAY 5 JULY

##### Focus Sessions

08.30 - 09.45	<b>Risk Sharing or Risk Taking? Counterparty Risk, Margins and Incentives</b> *Bruno Biais (Toulouse School of Economics and CEPR) Florian Heider (European Central Bank) Marie Hoerova (European Central Bank)
10:15 – 11:30	<b>Financially-Constrained Arbitrage and Cross-Market Contagion</b> *Denis Gromb (INSEAD and CEPR) Dimitri Vayanos (LSE and CEPR)

##### Evening Parallel Sessions

20.30 - 21.30	<b>Higher-Order Expectations, Illiquidity, and Short-Term Trading</b> *Giovanni Cespa (Cass Business School and CEPR) Xavier Vives (IESE and CEPR)	<b>Renegotiation-Proof Contracts with Moral Hazard and Persistent Private Information</b> Bruno Strulovici (Northwestern)
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## WEDNESDAY 6 JULY

### Focus Sessions

08.30 - 09.45	<b>Exorbitant Privilege and Exorbitant Duty</b> *Pierre Olivier Gourinchas (U.C. Berkeley and CEPR) Nicholas Govillot (Mines Paris-Tech) Hélène Rey (LBS and CEPR)
10:15 – 11:30	<b>Liquidity Hoarding</b> Douglas Gale (New York U.) *Tanju Yorulmazer (FRB of New York)

### Evening Parallel Sessions

20.30 - 21.30	<b>A Theory of Asset Prices based on Heterogeneous Investor Beliefs and Limits to Arbitrage</b> *Elias Albagli (USC) Christian Hellwig (Toulouse School of Economics and CEPR) Aleh Tsyvinski (Yale)	<b>Competition and Trust: Evidence from German Car Manufacturers</b> Leonardo Felli (LSE and CEPR) Johannes Koenen (Univ. Bonn) *Konrad Stahl (Univ. Mannheim and CEPR)
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## THURSDAY 7 JULY

### Focus Sessions

08.30 - 09.45	<b>Market Inefficiency with Rational Agents</b> *Dimitri Vayanos (LSE and CEPR) Paul Woolley (LSE)
10:15 – 11:30	<b>Cream-Skimming in Financial Markets</b> *Patrick Bolton (Columbia U. and CEPR) Tano Santos (Columbia U. and CEPR) Jose Scheinkman (Princeton U.)

### Keynote Address

Late afternoon	<b>Jean-Pierre Danthine (Member of the Governing Board, Swiss National Bank, and CEPR)</b>
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### Evening Parallel Sessions

20.30 - 21.30	<b>Project Bundling</b> Albert Banal-Estañol (UPF) *Marco Ottaviani (Northwestern and CEPR)	<b>Self-Fulfilling Liquidity Dry-Ups</b> Frédéric Malherbe (LBS)
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## FRIDAY 8 JULY

### Morning Sessions

08.30 – 09:30	<b>Public and Private Learning from Prices, Strategic Substitutability and Complementarity, and Equilibrium Multiplicity</b> Carolina Manzano (U. Rovira i Virgili) *Xavier Vives (IESE and CEPR)
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09.30 - 10.30

**Inequality, Tax Avoidance, and Financial Instability**

Augustin Landier (Toulouse School of Economics)

\*Guillaume Plantin (Toulouse School of Economics and CEPR)

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**WEEK 2**

**MONDAY 11 JULY**

**Focus Sessions**

08.30 – 09.45

**Money, Financial Stability, and Efficiency**

\*Franklin Allen (U. of Pennsylvania)

Elena Carletti (EUI and CEPR)

Douglas Gale (New York U.)

10.15 - 11.30

**Asset Commonality, Debt Maturity, and Systemic Risk**

Franklin Allen (U. of Pennsylvania)

Ana Babus (Princeton)

\*Elena Carletti (EUI and CEPR)

**Evening Parallel Sessions**

20.30 - 21.30

**Trading and Voting in Distressed Firms**

Ioan Olaru (Cornerstone Research)

\*Konstantinos Zachariadis (LSE)

**The Supermodular Stochastic Ordering**

\*Margaret Meyer (Oxford and CEPR)

Bruno Strulovici (Northwestern)

**TUESDAY 12 JULY**

**Focus Sessions**

08.30 – 09.45

**Risking Other People's Money: Gambling, Limited Liability, and Optimal Incentives**

\*Peter DeMarzo (Stanford)

Dmitry Livdan (U.C. Berkeley)

Alexei Tchisty (U.C. Berkeley)

10.15 - 11.30

**Regulatory Reforms (?) after the Crisis**

Martin F. Hellwig (Max-Planck Institut für Erforschung von Wirtschaftssystemen)

**Evening Parallel Sessions**

20.30 - 21.30

**Contagion in Financial Networks: A Threat Index**

Gabrielle Demange (Paris School of Economics and CEPR)

**Managerial Incentives and Stock Price Manipulation**

Lin Peng (CUNY)

\*Ailsa Roell (Columbia)

**WEDNESDAY 13 JULY**

**Focus Sessions**

08.30 - 09.45

**Short-Term Collateralized Debt Markets**

Ernst-Ludwig von Thadden (U. Mannheim and CEPR)

10.15 - 11.30

**Moral Hazard and Debt Maturity**

Gur Huberman (Columbia Business School and CEPR)

\*Rafael Repullo (CEMFI and CEPR)

**Evening Parallel Sessions**

20.30 - 21.30

**Non-Exclusive Competition under Adverse Selection**

Andrea Attar (Univ. of Roma II, Tor Vergata, and Toulouse School of Economics)

\*Thomas Mariotti (Toulouse School of Economics)

François Salanié (Toulouse School of Economics)

**Risk Sharing and Contagion in Networks**

Antonio Cabrales (Univ. Carlos III and CEPR)

\*Piero Gottardi (EUI)

Fernando Vega-Redondo (EUI)

**THURSDAY 14 JULY**

**Focus Sessions**

08:30 - 9:45

**Macroprudential Regulation and Credit Cycles**

Jean-Charles Rochet (U. Zurich and CEPR)

10.15 - 11.30

**Seeking Alpha: Excess Risk Taking and Competition for Managerial Talent**

Viral Acharya (New York U. and CEPR)

\*Marco Pagano (Università di Napoli Federico II and CEPR)

Paolo Volpin (LBS and CEPR)

**Evening Parallel Sessions**

20.30 - 21.30

**Private Insurance against Systemic Crises**

Hans Gersbach (ETH Zurich and CEPR)

**Ratings Quality over the Business Cycle**

Heski Bar-Isaac (New York U.)

\*Joel Shapiro (Oxford and CEPR)

**FRIDAY 15 JULY**

**Morning Sessions**

08.30 - 09.30

**Macroprudential Policy, Countercyclical Bank Capital Buffers and Credit Supply: Evidence from the Spanish Dynamic Provisioning Experiments**

Gabriel Jiménez (Banco de España)

Steven Ongena (Tilburg and CEPR)

\*José-Luis Peydró Alcalde (ECB)

Jesús Saurina (Banco de España)

09.30 - 10.30

**Bankers and Regulators**

\*Philip Bond (U. of Pennsylvania)

Vincent Glode (U. of Pennsylvania)

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\* Indicates the presenter.

**Organisers:**

**Patrick Bolton** (Columbia Business School and CEPR)

**Margaret Meyer** (Oxford University and CEPR)

**Dirk Niepelt** (Study Center Gerzensee and CEPR)

**Xavier Vives** (IESE Business School, Barcelona-Madrid and CEPR)

## **Organising Committee:**

**Leonardo Felli** (London School of Economics and CEPR)

**Christian Hellwig** (University of California, Los Angeles and CEPR)

**Matthew O. Jackson** (Stanford University)

**Margaret Meyer** (Oxford University and CEPR)

**Dirk Niepelt** (Study Center Gerzensee and CEPR)

**Andrea Prat** (London School of Economics and CEPR)

**Sven Rady** (Universität München and CEPR)

**Patrick Rey** (Toulouse School of Economics and CEPR)

**Ran Spiegler** (Tel Aviv University)

**Dezső Szalay** (University of Bonn)

**Juuso Välimäki** (Helsinki School of Economics and CEPR)

**Timothy Van Zandt** (INSEAD and CEPR)

**Xavier Vives** (IESE Business School, Barcelona-Madrid and CEPR)

**Lucy White** (Harvard Business School and CEPR)