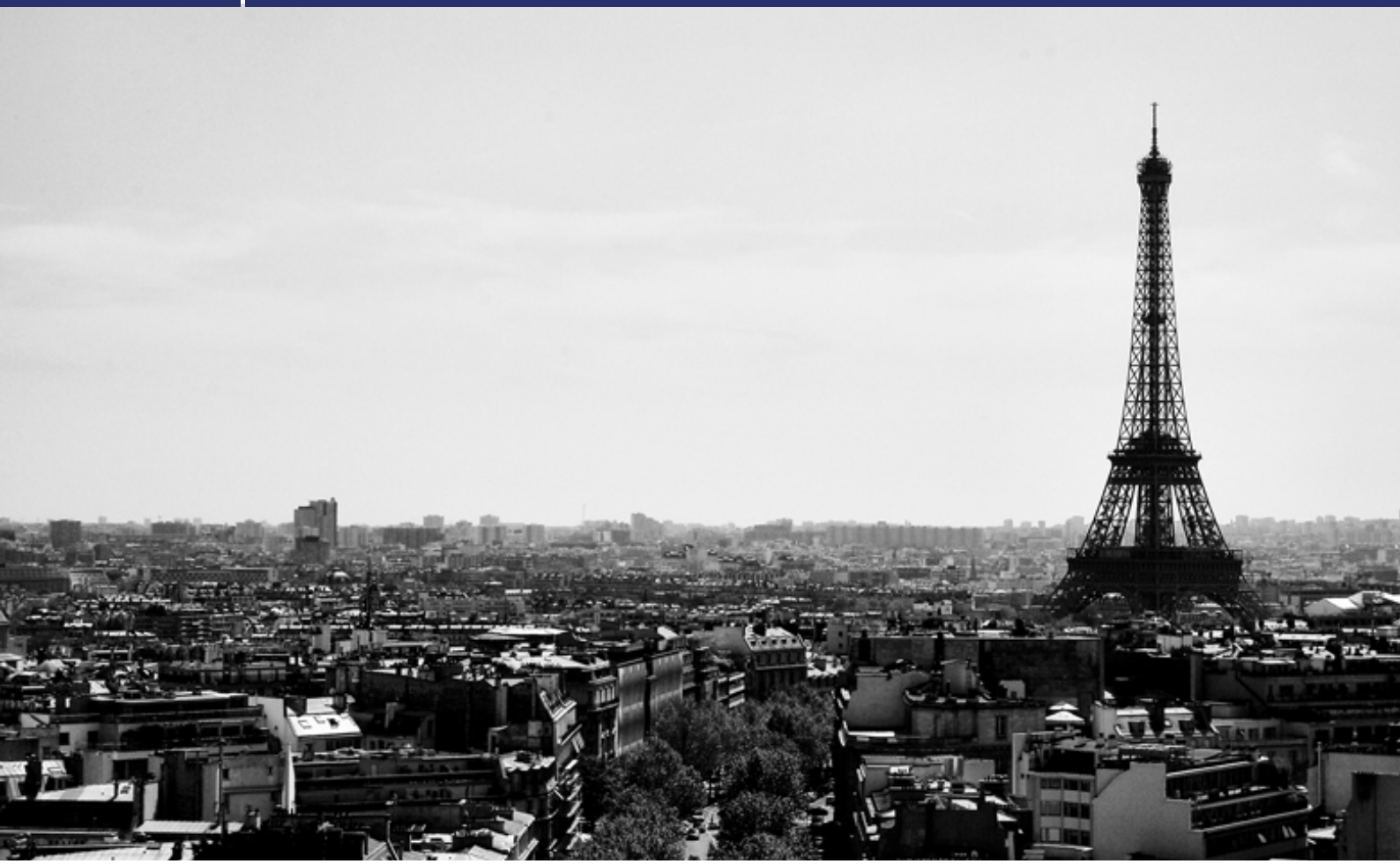
European Group of Risk and Insurance Economists



40th Seminar
September 16, 17 and 18, 2013
Paris, France

Program Committee:
Georges Dionne, Chair
Rachel J. Huang
Jean Pinquet

SCOR

5, avenue Kleber

75795 — Paris CEDEX 16



Dear EGRIE members,

We would like to welcome you most heartily to this 40th annual EGRIE Seminar. The last meeting in Paris took place in 1997, and so a return visit to this great city is long overdue.

The 40th anniversary of these Seminars, the first held in Geneva and attended by a small group of about a dozen European university teachers of insurance economics, is something well worth celebrating, and where better to do that than in Paris? The Paris meeting in 1989 also marked an important milestone: the first Geneva Risk Economics Lecture was held then by Kip Viscusi.

We have an excellent programme to look forward to, and would like to thank the Programme Committee, Georges Dionne, Rachel Huang and Jean Pinquet for their outstanding work on putting this together, as well as of course you for your submissions and willingness to participate. We are also particularly grateful to President Denis Kessler for welcoming our meeting into the new SCOR building and also to the Geneva Association, SCOR, the AXA Research Fund – Chair Large Risk in Insurance and Chair for Sustainable Development – EDF – École polytechnique for generously sponsoring the Seminar.

Last, but not least, the organization of the Seminar has benefited from the efficient and enthusiastic contributions of our executive secretary Richard Peter and of Christine Lavaur, Ophélie Doucet and Sri Srikandan at the École polytechnique. We are sure that you will find the Seminar, as always, worthwhile and enjoyable, and look forward to meeting you and talking with all of you in the course of the next few days.

Pierre Picard
Chair, Local Organising Committee

Ray Rees
President of EGRIE



Monday Sept. 16

8:00-8:45 **REGISTRATION AND WELCOME COFFEE**

8:45-9:00 **WELCOME SPEECH**
Ray Rees, President of EGRIE
Philippe Trainar, SCOR Chief Risk Officer

9:00-10:30 **GENEVA RISK ECONOMICS LECTURE**
Chair: **R. Rees**
M. Kimball
The Effect of Uncertainty on Optimal Control Models in the Neighborhood of a Steady State
Discussant: **N.V. Long**

10:30-11:00 **COFFEE BREAK**

11:00-12:30 **Session A1** – Chair: **L. Eeckhoudt**
H. Schlesinger, S. Ebert, L. Eckhoudt
Comparative Risk Apportionment
Discussant: **J. Maier**

C. Bernard, J.S. Chen, S. Vanduffel
All Investors Are Risk-Averse Expected Utility Maximizers
Discussant: **H. Loubergé**

Session A2 – Chair: **G. Turner**
J. Wang, A. Subramanian
Catastrophe Risk Transfer
Discussant: **M. Acharyya**

C. Grislain-Letrémy
Natural Disasters: Exposure and Underinsurance
Discussant: **Y. Suzawa**

12:30-14:00 **LUNCH**

NOTES

Monday

14:00-16:00 **Session B1** – Chair: **C. Heinzel**

R. Peter, A. Hofmann
Self-Insurance, Self-Protection, and Increased Risk Aversion: An Intertemporal Reinvestigation
Discussant: **P. Zweifel**

A. Snow, R.J. Huang, L.Y. Tzeng
Precautionary Saving in the Presence of Ambiguity
Discussant: **H. Schlesinger**

R. Peter, M. Hoy, A. Richter
Take-up for Genetic Tests and Ambiguity
Discussant: **R. Rees**

Session B2 – Chair: **N. Gatzert**

E. Biffis, L.R. Sotomayor, D. Bauer
Optimal Collateralization with Bilateral Default Risk
Discussant: **F. Loss**

N. Gatzert, M. Martin
Valuation and Risk Assessment of Participating Life Insurance in the Presence of Credit Risk
Discussant: **C. Cheng**

J. Etner, H. d'Albis
Welfare Gains from Illiquid Annuities
Discussant: **N. Gatzert**

16:00-16:30 **COFFEE BREAK**

16:30-18:00 **Session C1** – Chair: **M. Hoy**

P. Picard, K. Wang
The Collusion between Policyholders and Car Dealers and the Manipulation of Insurance Claims
Discussant: **M. Boyer**

M. Santolino, M. Ayuso, L. Bermúdez
The Dynamic Nature of the Information Asymmetry During the Negotiation Process of Motor Injury Claims
Discussant: **C.S. Li**

Session C2 – Chair: **P. Zweifel**

S. Kamiya, J.T. Schmit
The Legal Constraint of Misrepresentation in Insurance Market
Discussant: **K. Crocker**

F. Glenzer, H. Gründl, C. Wilde
And Lead Us Not Into Temptation: Presentation Formats and the Choice of Risky Alternatives
Discussant: **J.T. Schmit**

20:30 **CONFERENCE DINNER** – CAPITAINE FRACASSE: CRUISE ON THE SEINE RIVER


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Tuesday Sept. 17

8:00-8:30 **WELCOME COFFEE**

8:30-10:30 **Session D1** – Chair: **E. Biffis**

G. Dionne, J. Li, C. Okou
An Extension of the Consumption-Based CAPM Model
Discussant: **A. Braun**

F. Schreiber, A. Braun, H. Schmeiser
Portfolio Optimization under Solvency II: Implicit Constraints Imposed by the Market Risk Standard Approach
Discussant: **A. Bohnert**

J.K. Hammitt, D. Crainich, L. Eeckhoudt
The Value of Risk Reduction: New Tools for an Old Problem
Discussant: **R. Peter**

Session D2 – Chair: **C. Courbage**

F. Pannequin, A. Corcos, C. Montmarquette
Risk Lovers May Also Love Insurance
Discussant: **S. Ebert**

L. Liu, J. Meyer
Substituting One Risk Increase for Another: A Method for Measuring Risk Aversion
Discussant: **L. Tibiletti**

C. Courbage, B. Rey
Changes in Ambiguity – Definition, Measures and Application
Discussant: **M. Hoy**

10:30-11:00 **COFFEE BREAK**

11:00-12:30 **Session E1** – Chair: **C. Bernard**

S. Ebert, P. Strack
Until the Bitter End: On Prospect Theory in a Dynamic context
Discussant: **F. Schreiber**

R. Laeven, L. Eeckhoudt
Prudence, Temperance (and Other Virtues): The Dual Story
Discussant: **L. Liu**

Session E2 – Chair: **J. Garven**

J. Garven, N. Doherty, S.H. Sinclair
Noise Hedging and Executive Compensation
Discussant: **E. Biffis**

G. Turner
Insurer Moral Hazard and Consumer Confidence with Catastrophic Risk
Discussant: **C. Grislain-Letrémy**



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Tuesday

12:30-14:00 **LUNCH**

14:00-15:30 **Session F1** – Chair: **N. Treich**

N. Treich, X.Z. He
Prediction Market Accuracy under Risk Aversion and Heterogeneous Beliefs
Discussant: **J.K. Hammitt**

B. Lopez-Cabrera, W.K. Härdle, H.W. Teng
State Price Densities Implied from Weather Derivatives
Discussant: **C. Bernard**

Session F2 – Chair: **W. Koeniger**

G.N.F. Weiss
Why Do Some Insurers Become Systemically Relevant?
Discussant: **A. Kartasheva**

F. Loss, G. Piaser
Linear Prices Equilibria and Nonexclusive Insurance Market
Discussant: **M. Kraft**

15:30-16:00 **COFFEE BREAK**

16:00 **GENERAL ASSEMBLY**

19:00 **GALA DINNER** – MUSÉE DU VIN



NOTES



Wednesday Sept. 18

8:00-8:30 **WELCOME COFFEE**

8:30-10:00 **Session G1** – Chair: **F. Pannequin**

X. Ping, G. Zanjani
Optimal Insurance Contracts with Insurer's Background Risk
Discussant: **P. Picard**

M. Ghossoub
Belief Heterogeneity in the Arrow-Borch-Raviv Insurance Model
Discussant: **F. Pannequin**

Session G2 – Chair: **J.J. Wang**

S. Ben Ammar, M. Eling
Common Risk Factors of Infrastructure Firms
Discussant: **B. Villeneuve**

S.A. Persson, A. Mjos, T.A. Myklebust
On the Pricing of Performance Sensitive Debt
Discussant: **W. Koeniger**

10:00-10:30 **COFFEE BREAK**

10:30-12:00 **Session H1** – Chair: **A. Richter**

V. Aseervatham, P. Born, A. Richter
Demand Reactions in the Aftermath of Catastrophes and the Need for Behavioral Approaches
Discussant: **C.C. Liu**

C. Cheng, F. Uzelac
Optimal Termination Rules for DB Pension Insurance
Discussant: **S. Kamiya**

Session H2 – Chair: **A. Kartasheva**

W. Koeniger, G. Bertola
Hidden Insurance in a Moral Hazard Economy
Discussant: **K. Wang**

A. Bohnert, P. Born, N. Gatzert
Dynamic Hybrid Products in Life Insurance: Assessing the Policyholders' Viewpoint
Discussant: **H. Schmeiser**

12:00 **LUNCH**



NOTES



Participants

Madhusudan	ACHARYYA	Glasgow Caledonian University	madhusudan.acharyya@gcu.ac.uk
Vijay	ASEERVATHAM	Ludwig-Maximilians Universität	aseervatham@bwl.lmu.de
Vickie	BAJTELSMIT	Colorado State University	vickie.bajtelsmit@colostate.edu
Semir	BEN AMMAR	University of St. Gallen	semir.benammar@unisg.ch
Carole	BERNARD	University of Waterloo	c3bernar@uwaterloo.ca
Enrico	BIFFIS	Imperial College London	e.biffis@imperial.ac.uk
Alexander	BOHNERT	FAU University – Nürnberg	alexander.bohnert@fau.de
Patricia	BORN	Florida State University	pborn@cob.fsu.edu
Rami	BOU NADER	University PARIS II	rami_bn87@hotmail.com
Jean-Marc	BOURGEON	École polytechnique	jean-marc.bourgeon@polytechnique.edu
Martin	BOYER	HEC Montréal	martin.boyer@hec.ca
Alexander	BRAUN	University of St. Gallen	alexander.braun@unisg.ch
Sophie	CHEMARIN	BNP Paribas	chemarin@hotmail.com
Chunli	CHENG	Bonn University	chengchunli@live.cn
Christophe	COURBAGE	Geneva Association	christophe_courbage@genevaassociation.org
Keith	CROCKER	Pennsylvania State University	kcrocker@psu.edu
Rose-Anne	DANA	Dauphine University	dana@ceremade.dauphine.fr
Georges	DIONNE	HEC Montréal	georges.dionne@hec.ca
Ophelie	DOUCET	École polytechnique	ophelie.doucet@libertysurf.fr
Bogdan	DUMITRESCU	BJD Reinsurance Consulting Co.	bogdan.dumitrescu@bjd-react.com
Theodora	DUPONT-COURTADE	Paris School of Economics	theodoradc@gmail.com
Sebastian	EBERT	Bonn University	sebastianebert@uni-bonn.de
Louis	EECKHOUDT	Catholic University of Mons	eeckhoudt@fucam.ac.be
Roland	EISEN	Goethe University Frankfurt	eisen@wiwi.uni-frankfurt.de
Johanna	ETNER	University Nanterre Paris X	johanna.etner@u-paris10.fr
Annamaria	FIORI	Università degli Studi di Milano-Bicocca	anna.fiori@unimib.it
John	FITZPATRICK	Geneva Association	patricia_linstaedt@genevaassociation.org
James	GARVEN	Baylor University	james_garven@baylor.edu
Nadine	GATZERT	FAU University-Nürnberg	nadine.gatzert@fau.de
Mario	GHOSSOUB	Imperial College London	m.ghossoub@imperial.ac.uk
Franca	GLENZER	Frankfurt University	glenzer@finance.uni-frankfurt.de
Celine	GRISLAIN-LETREMY	ENSAE-CREST-Dauphine	celine.grislain.letremy@ensae.fr
James	HAMMITT	Harvard University	jkh@harvard.edu
Julien	HARDELIN	École polytechnique	j.hardelin@yahoo.fr
Christophe	HEINZEL	INRA UMR SMART	ch.heinzel@gmail.com
Annette	HOFMANN	University of Hamburg	annettespost@gmail.com
Michael	HOY	University of Guelph	mhoy@uoguelph.ca
Rachel	HUANG	National Taiwan University	rachel@mail.ntust.edu.tw
Meglena	JELEVA	University Nanterre Paris X	meglena.jeleva@gmail.com
Shinichi	KAMIYA	Nanyang Technological University	skamiya@ntu.edu.sg
Anastasia	KARTASHEVA	Wharton School	anastasia.kartasheva@bis.org
Miles	KIMBALL	University of Michigan	mkimball@umich.edu
Winfried	KOENIGER	University of St. Gallen	w.koeniger@gmail.com
Mirko	KRAFT	Coburg University	mirko.kraft@hs-coburg.de
Christine	LAVAUR	École polytechnique	christine.lavaur@polytechnique.edu

Anne	LAVIGNE	University of Orleans (France)	anne.lavigne@univ-orleans.fr
Sabine	LEMOYNE-DEFORGES	École polytechnique	sabine.lemoyne-de-forges@m4x.org
Chu-Shiu	LI	Asia University	chushiu.li@gmail.com
Jinxin	LI	Cardiff University	lij60@cardiff.ac.uk
Liqun	LIU	Texas A&M University	lliu@tamu.edu
Chwen-chi	LIU	Feng Chia University	liuc@fcu.edu.tw
Ngo	LONG	Mc Gill University	ngo.long@mcgill.ca
Brenda	LOPEZ CABRERA	Humboldt-Universität	lopezcab@wiwi.hu-berlin.de
Frederic	LOSS	CNAM-École polytechnique	frederic.loss@cnam.fr
Alexis	LOUAAS	École polytechnique	alex.saoul@hotmail.fr
Henri	LOUBERGÉ	Geneva University	henri.louberge@unige.ch
Yuji	MAEDA	Kwansei Gakun University	ymaeda@kwansei.ac.jp
Johannes	MAIER	Ludwig-Maximilians-Universität	johannes.maier@lrz.uni-muenchen.de
Yusuke	OSAKI	Osaka Sangyo University	osaki@eco.osaka-sandai.ac.jp
François	PANNEQUIN	CES-ENS Cachan	pannequin@ecogest.ens-cachan.fr
Svein-arne	PERSSON	Norwegian School of Economics	svein-arne.persson@nhh.no
Richard	PETER	Ludwig-Maximilians-Universität	peter@bwl.lmu.de
Pierre	PICARD	École polytechnique	pierre.picard@polytechnique.edu
Xiaohu	PING	Georgia State University	pingxiaohu@gmail.com
Jean	PINQUET	École polytechnique	jpinquet@free.fr
Lyza	RACON	École polytechnique	lyza.racon@polytechnique.edu
Alfred	RADNER	Johannes Kepler Universität Linz	sekretariat@medizinrecht-europa.eu
Ray	REES	Ludwig-Maximilians-Universität	ray.rees@lrz.uni-muenchen.de
Andreas	RICHTER	Ludwig-Maximilians-Universität	richter@lmu.de
Miguel	SANTOLINO	University of Barcelona	msantolino@ub.edu
Carlo	SAVINO	Italian Insurance Association	carlo.savino@gmail.com
Harris	SCHLESINGER	University of Alabama	hschlesi@cba.ua.edu
Hato	SCHMEISER	University of St. Gallen	hato.schmeiser@unisg.ch
Joan	SCHMIT	University of Wisconsin-Madison	jschmit@bus.wisc.edu
Florian	SCHREIBER	University of St. Gallen	florian.schreiber@unisg.ch
Arthur	SNOW	University of Georgia	snow@uga.edu
Sri	SRIKANDAN	École polytechnique	sri.srikandan@polytechnique.edu
Heinrich	STREMITZER	Wirtschaftsuniversität Wien	stremitz@wu.ac.at
Yoshihiko	SUZAWA	Kyoto Sangyo University	suzawa@cc.kyoto-su.ac.jp
Luisa	TIBILETTI	University of Torino	luisa.tibiletti@unito.it
Philippe	TRAINAR	SCOR	ptrainar@scor.com
Nicolas	TREICH	Toulouse School of Economics	nicolas.treich@tse-fr.eu
Ginger	TURNER	University of Oxford	ginger.turner@gmail.com
Larry	TZENG	National Taiwan University	tzeng@ntu.edu.tw
Bertrand	VILLENEUVE	Dauphine University	bertrand.villeneuve@dauphine.fr
Achim	WAMBACH	University of Cologne	wambach@wiso.uni-koeln.de
Jinjing	WANG	Georgia State University	jjwangnc@gmail.com
Kili	WANG	Tamkang University Taiwan	kili@mail.tku.edu.tw
Richard	WATT	University of Canterbury	richard.watt@canterbury.ac.nz
Gregor	WEISS	Technische Universität Dortmund	gregor.weiss@tu-dortmund.de
George	ZANJANI	Georgia State University	gzanjani@gsu.edu
Peter	ZWEIFEL	University of Zurich	peter.zweifel@econ.uzh.ch



CARMEN

-Depuis 1875-

14 rue Duperré 75009 Paris

In the prestigious XIXth century frame of Georges Bizet's former mansion (where he composed the famous opera: Carmen) the welcome cocktail for the EGRIE 40th Seminar will take place.



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Boarding at 20:30



Capitaine Fracasse, an authentic cruising restaurant, welcomes you for a dinner cruise on the Seine River through the heart of historical Paris.

The Capitaine Fracasse team will cater for your slightest needs to make our evening cruise a wonderful evening.

Musée du Vin Paris



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A team of wine experts and oenologists will offer a luxurious moment with outstanding service for our Gala dinner.



Carmen

Sunday, Sept. 15

34, rue Duperré
75009 PARIS

Phone +33 (0)1 45 26 50 00

Ⓜ Pigalle - line 2



Capitaine Fracasse

Boarding at 20:30

Monday, Sept. 16

Île aux Cygnes, Bir-Hakeim Bridge
75015 Paris

Phone +33 1 46 21 48 15
Emergency only if you are really lost:
+33 6 20 80 75 30

Ⓜ Bir Hakeim - line 6
RER C – Champs de Mars Tour Eiffel



Musée du Vin

Tuesday, Sept. 17

5 Square Charles Dickens - Rue des Eaux
75016 Paris

Phone +33 (0)1 45 25 63 26

Ⓜ Passy - line 6



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Contacts:

Christine Lavaur

☏ : (33) 1 69 33 30 47
✉ : christine.lavaur@polytechnique.edu
Website : http://www.economie.polytechnique.edu

Richard PETER

✉ : peter@bwl.lmu.de
Ludwig Maximilians Universitat Munich