34th Seminar of the European Group of Risk and Insurance Economists (EGRIE)
September 17-19, 2007
University of Cologne



Monday, September 17, 2007

Time	
8:30-9:00	Registration
9:00-9:15	Welcome Address (Auditory I)
9.15-10:30	*19th Geneva Risk Economics Lecture:* *"On Optimal Insurance in the Presence of Moral Hazard"* *Professor Edi Karni (Johns Hopkins University)* *(Auditory I)*
10:30-11.00	Coffee Break

	AUDITORY I	AUDITORY II
11:00-12:30	*Theory of Insurance Demand I*	*Insurance Economics*
	Chair: Ulrich Schmidt	Chair: Miguel Santolino
	Risk apportionment and stochastic dominance Louis Eeckhoudt, Harris Schlesinger and Ilia Tsetlin Discussant: Kirsten Rohde	**Insurance as a normal good: Empirical evidence for a puzzle** Jérôme Foncel and Nicolas Treich Discussant: Ray Rees
	Does the consciousness of the disposition effect increase the equity premium? Patrick Roger Discussant: Ulrich Schmidt	**A new approximation for the risk premium with large risks** Richard Watt Discussant: Miguel Santolino

12:30-13:30	Lunch (Mensa)

	AUDITORY I	AUDITORY II
13:30-15:00	*Theory of Insurance Demand II*	*Automobile insurance*
	Chair: Alexander Muermann	Chair: Chwen-Chi Liu
	Innovation and precaution under time inconsistency and uncertainty Sophie Chemarin and Caroline Orset Discussant: Matthias Lang	**Decomposing automobile insurance policy buying behaviour – evidence of adverse selection** Chu-Shiu Li, Chwen-Chi Liu and Jia-Hsing Yeh Discussant: Arthur Snow
	Consumption externality and equilibrium under-insurance Rachel J. Huang and Larry Y. Tzeng Discussant: Alexander Muermann	**Individual prediction of automobile bodily injury claims liabilities** Mercedes Ayuso, Montserrat Guillén and Miguel Santolino Discussant:Chwen-Chi Liu

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Time	
15:00-15:30	Coffee Break

	AUDITORY I	AUDITORY II
15:30-17:30	*Theory of insurance demand III*	*Behavior of insurers*
	Chair: Christophe Courbage	Chair: Simone Krummaker
	On the willingness to pay to reduce risks of small losses Christophe Courbage and Béatrice Rey Discussant: Nicolas Treich	**Efficiency of insurance firms with endogenous risk management and financial intermediation activities** J. David Cummins, Georges Dionne, Robert Gagné and Abdelhakim Nouira Discussant: Oliver Burkart
	On the intensity of downside risk aversion David Crainich and Louis Eeckhoudt Discussant: Patrick Roger	**Ownership and efficiency in the German life insurance market: A DEA bootstrap approach** Franz Diboky and Eva Ubl Discussant: Paolo Zanghieri
	Optimal prevention and savings: How to deal with fatalism? Johanna Etner and Meglena Jeleva Discussant: Christophe Courbage	**Proposing a conceptual framework to measure the performance of enterprise risk management from an empirical study of four major European insurers** Madhusudan Acharyya Discussant: Simone Krummaker

17:30	Bus transfer to Cologne Re (Departure: Albertus-Magnus-Platz)

18:00	*"Challenges to the Reinsurance Industry"* Peter Lütke-Bornefeld (Chairman of the Board of Executive Directors of Kölnische Rückversicherungs-Gesellschaft AG)

19:00	Cocktails and Dinner Reception at Cologne Re

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Tuesday, September 18, 2007

Time	AUDITORY I	AUDITORY II
8:30-10:30	*Reinsurance and capital markets*	*Equilibrium in insurance markets*
	Chair: Thomas Post	Chair: Giovanni Millo
	Optimal reinsurance arrangements under tail risk measures Carole Bernard and Weidong Tian Discussant: Larry Y. Tzeng	**Mutual versus stock insurers: Fair premium, capital, and solvency** Christian Laux and Alexander Muermann Discussant: Mahito Okura
	Cat bonds and reinsurance: the competitive effect of information-insensitive triggers Silke Brandts and Christian Laux Discussant: Robert Kast	**An equilibrium analysis of an insurance market with horizontal differentiation** Mahito Okura Discussant: Rachel J. Huang
	Insuring catastrophe risk using participating and financial contracts: Implications for crop risk management Geoffroy Enjolras and Robert Kast Discussant: Thomas Post	**Nonlinear cointegration relationships between non life insurance premiums and financial markets** Catherine Bruneau, Fredj Jawadi and Nadia Sghaier Discussant: Giovanni Millo

10:30-11:00	Coffee Break

	AUDITORY I	AUDITORY II
11:00-12:30	*Pricing I*	*Structure of insurance markets*
	Chair: Nickolaos Chasiotis	Chair: Christian Laux
	Quasi risk-neutral pricing in insurance Harry Niederau and Peter Zweifel Discussant: Carole Bernard	**Intermediation, compensation and collusion in insurance markets** Uwe Focht, Andreas Richter and Jörg Schiller Discussant: Geoffroy Enjolras
	Perturbation approximations to the price of default risk Emilio C.Venezian and Luisa Tibiletti Discussant: Nickolaos Chasiotis	**Does social capital reduce moral hazard? A network model for non-life insurance demand** Giovanni Millo and Giacomo Pasini Discussant: Christian Laux

12:30-14:00	Lunch (Mensa)
14:00-15:00	*Ernst Meyer Prize: Laureate Wenan Fei* *(Auditory I)*
15:00-16:15	*EGRIE General Assembly* *(Auditory I)*
17:00-18:30	Guided Tour through Cologne
19:00	Dinner at Peters Brauhaus

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Wednesday, September 19, 2007

Time	AUDITORY I	AUDITORY II
9:00-10:30	*Long-term contracts*	*Empirical analysis of insurance demand*
	Chair: Nadine Gatzert	Chair: Emilio C. Venezian
	Anomalies in intertemporal choice? Anke Gerber and Kirsten I.M. Rohde Discussant: Sophie Chemarin	**Direct reimbursement schemes in compulsory motor liability insurance** Giampaolo Galli and Carlo Savino Discussant: Jörg Schiller
	Transferring the sticky: Individual annuity demand and demographic risk Roman N. Schulze and Thomas Post Discussant: Nadine Gatzert	**Corporate demand for insurance: Empirical evidence from Germany** Simone Krummaker and J.-Matthias Graf von der Schulenburg Discussant: Emilio C. Venezian

10:30-11:00	Coffee Break

	AUDITORY I	AUDITORY II
11:00-12:30	*Theory of Insurance Demand IV*	*Pricing II*
	Chair: Roland Eisen	Chair: Franz Diboky
	Ambiguity aversion in a principal agent framework Matthias Lang Discussant: David Crainich	**Does competition improve ratings?** Neil A. Doherty, Anastasia Kartasheva and Richard D. Phillips Discussant: Madhusudan Acharyya
	Hidden Regret and Advantageous Selection in Insurance Market Rachel J. Huang, Alexander Muermann and Larry Y. Tzeng Discussant: Roland Eisen	**Management strategies in life insurance: An examination with respect to risk pricing and risk measurement** Nadine Gatzert Discussant: Franz Diboky

12:30-13:30	Lunch and farewell