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**38th Seminar of the European Group of
Risk and Insurance Economists**

19-21 September 2011
Vienna

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38th Seminar of the European Group of Risk and Insurance Economists

19-21 September 2011, Vienna

WU Vienna, Institute for Finance, Banking and Insurance
Heiligenstädter Str. 46-48, 1190 Wien (Vienna), Austria

Programme

18 September 2011

18:30	Welcome Reception at Hotel Regina

19 September 2011

08:15-09:00	Registration and Welcome Coffee
09:00-09:30	**WELCOME SPEECH**
09:30-11:00	**GENEVA RISK ECONOMICS LECTURE** **Beyond Risk Aversion: Why, How and What`s Next?** Louis Eeckhoudt, Iéseg School of Management, Catholic University of Lille and Facultés Universitaires Catholiques de Mons *Discussant: Harris Schlesinger, University of Alabama*
11:00-11:30	Coffee Break
11:30-13:00	**PARALLEL SESSIONS I**
Higher Order Attitudes to Risk *Chair: Harris Schlesinger, University of Alabama*	**Decreasing Risk Aversion and Prudence under Ambiguity Aversion** Christian Gollier, Toulouse School of Economics (joint with Frédéric Cherbonnier) *Discussant: Daniel Clarke, University of Oxford* **Three Measures of the Intensity of Temperance** David Crainich, Iéseg School of Management, Catholic University of Lille (joint with Louis Eeckhoudt) *Discussant: Henry Chiu, University of Manchester*

Empirical and Experimental Measures of Risk Aversion *Chair: Peter Zweifel, University of Zurich*	**Mapping Risk Aversion in Norway Using Hypothetical Income Gambles** Fred Schroyen, Norwegian School of Economics (joint with Karl Ove Aarbu) *Discussant: Peter Zweifel, University of Zurich*
	Prudential Saving: Evidence from a Laboratory Experiment Christoph Heinzel, UMR SMART Rennes (joint with Aja Bostian) *Discussant: Maximilian Rüger, University of Hamburg*
13:00-14:30	Lunch
14:30-16:00	**PARALLEL SESSIONS II**
Background Risks *Chair: Henry Chiu, University of Manchester*	**Risk-Taking-Neutral Background Risks** Harris Schlesinger, University of Alabama (joint with Günter Franke and Richard Stapleton) *Discussant: Francesca Barigozzi, University of Bologna*
	Optimal Portfolio and Insurance Choice in the Presence of Uninsurable Background Risk: A General Two-Parameter Approach Henry Chiu, University of Manchester *Discussant: Georges Dionne, HEC Montréal*
Capital Market Behaviour on Insurers, Banks and Pension Funds *Chair: David Cummins, Temple University*	**Investment Risk Taking by Institutional Investors** Janko Gorter, Dutch Central Bank (joint with Jacob Bikker) *Discussant: Doina Radulescu, ETH Zurich*
	Financial Sector Integration and Information Spillovers: Effects of Operational Risk Events on U.S. Banks and Insurers David Cummins, Temple University (joint with Ran Wei and Xiaoying Xie) *Discussant: Janko Gorter, Dutch Central Bank*
16:00-16:30	Coffee Break
16:30-18:00	**PARALLEL SESSIONS III**
Risk, Financial Markets and Insurance *Chair: Georges Dionne, HEC Montréal*	**Financial Bounds for Insurance Claims** Steven Vanduffel, Vrije Universiteit Brussel (joint with Carole Bernard) *Discussant: Larry Tzeng, National Taiwan University*
	A Theoretical Extension of the Consumption-Based CAPM Model Georges Dionne, HEC Montréal (joint with Jingyuan Li) *Discussant: Hannah Wesker, University of Erlangen-Nuremberg*

Empirical Analysis of Asymmetric Information *Chair: James Garven, Baylor University*	**Asymmetric Information in the Automobile Insurance Revisited** Martin Spindler, LMU Munich (joint with Steffen Hagmayer and Joachim Winter) *Discussant: Chu-Shui Li, Asia University* **Adverse Selection in Reinsurance Markets** James Garven, Baylor University (joint with Martin Grace) *Discussant: Muhammed Altuntas, University of Cologne*
18:00	Bus Transfer to Gala Dinner
18:30	Welcome Drink
19:00	Gala Dinner at Restaurant Hansen at «Alte Börse»

20 September 2011

09:00-10:30	**PARALLEL SESSIONS IV**
Theory and Experimental Evidence on Downside Risk Aversion *Chair: Arthur Snow, University of Georgia*	**Experimental Evidence on Higher Order Risk Preferences with Real Monetary Losses** Maximilian Rüger, University of Hamburg (joint with Johannes Maier) *Discussant: Christian Gollier, Toulouse School of Economics* **The Schwarzian Derivative as a Ranking of Downside Risk Aversion** Arthur Snow, University of Georgia (joint with Donald Keenan) *Discussant: Jean Pinquet, École Polytechnique and ECONOMIX, University Paris Ouest Nanterre*
Equilibrium Insurance Contracts *Chair: Achim Wambach, University of Cologne*	**Insuring Non-Verifiable Losses and the Role of Intermediaries** Christian Laux, WU Vienna (joint with Neil Doherty and Alexander Mürmann) *Discussant: Sandrine Spaeter, University of Strasbourg* **Profitable Contracts in Competitive Insurance Markets with Adverse Selection** Wanda Mimra, University of Cologne (joint with Achim Wambach) *Discussant: Pierre Picard, École Polytechnique*
10:30-11:00	Coffee Break
11:00-13:00	**PARALLEL SESSIONS V**
Long Term Care, Morbidity and Mortality Risk *Chair: James Hammitt, Harvard University*	**On Insuring and Caring for Parents' Longterm Care Needs** Christophe Courbage, The Geneva Association (joint with Louis Eeckhoudt) *Discussant: Montserrat Guillén, University of Barcelona*

	Mortality Risk and its Effect on Shortfall and Risk Management in Life Insurance Hannah Wesker, University of Erlangen-Nuremberg (joint with Nadine Gatzert) *Discussant: Michael Sherris, University of New South Wales*
	Valuing Morbidity Risk: Willingness to Pay per Quality-Adjusted Life Year James Hammitt, Harvard University (joint with Kevin Haninger) *Discussant: Rachel Huang, National Taiwan University of Science and Technology*
Empirical Insurance Markets *Chair: Ray Rees, LMU Munich*	**Dynamic Determinants of Enterprise Risk Management Adoption in the Property-Liability Insurance Industry: Evidence from Germany** Muhammed Altuntas, University of Cologne (joint with Thomas Berry-Stölzle and Robert Hoyt) *Discussant: David Cummins, Temple University*
	Is Corporate Governance Risk Valued? Evidence from Directors' and Officers' Insurance Martin Boyer, HEC Montréal (joint with Lea Stern) *Discussant: Ray Rees, LMU Munich*
	Corporate Governance and Managerial Incentives: Evidence from the Market for D&O Insurance Doina Radulescu, ETH Zurich (joint with Peter Egger and Ray Rees) *Discussant: Steven Vanduffel, Vrije Univeristeit Brussel*
13:00-14:30	Lunch
14:30-16:00	**EGRIE GENERAL ASSEMBLY**
18:00	Bus transfer from Hotel Regina to Belvedere Palace
18:15	Guided tour through the Museum of Belvedere Palace
19:30	Bus transfer from Belvedere Palace to «Heuriger Weinhof Zimmermann»
22:30	Bus transfer from «Heuriger Weinhof Zimmermann» to Hotel Regina

21 September 2011

09:00-10:30	**PARALLEL SESSIONS VI**
Risk Financing *Chair: Pierre Picard, École Polytechnique*	**Reinsurance and Securitisation in Insurance Risk Management** Henri Loubergé, University of Geneva (joint with Pauline Barrieu) *Discussant: James Hammitt, Harvard University*

	Optimal Risk Financing in Large Corporations through Insurance Captives Pierre Picard, École Polytechnique (joint with Jean Pinquet) *Discussant: Carole Bernard, University of Waterloo*
Experimental Approaches to Ambiguity and Insurance Fraud *Chair: Richard Watt, University of Canterbury*	**Insurance Demand under Ambiguity and Conflict for Extreme Risks** Théodora Dupont-Courtade, University Paris 1 Panthéon-Sorbonne *Discussant: Richard Watt, University of Canterbury*
	The Effect of Contract Type on Insurance Fraud Richard Watt, University of Canterbury (joint with Ignacio Moreno and Francisco José Vázquez) *Discussant: Jörg Schiller, University of Hohenheim*
10:30-11:00	Coffee Break
11:00-12:30	**PARALLEL SESSIONS VII**
Theory Topics I *Chair: Johanna Etner, ECONOMIX, Paris Descartes University*	**Risk-Sharing with Self-Insurance: The Role of Cooperation** Francesca Barigozzi, University of Bologna (joint with Renaud Bourlès, Dominique Henriet and Giuseppe Pignataro) *Discussant: Wanda Mimra, University of Cologne*
	Underestimation of Probabilities Modifications: Characterisation and Economic Implications Meglena Jeleva, ECONOMIX, University Paris Ouest Nanterre and GAINS, University of Le Mans (joint with Johanna Etner) *Discussant: Fred Schoyen, Norwegian School of Economics*
Theory Topics II *Chair: Christophe Courbage, The Geneva Association*	**Limited Liability and Rational Over-Insurance: An Analysis of Dependence Structures** Ole von Häfen, University of Hamburg (joint with Kim Christiansen and Martin Nell) *Discussant: Christian Laux, WU Vienna*
	«Buffering» Effect of Insurance Intermediaries: Does the Use of Contingent Commissions Dampen the Insurance Underwriting Cycle? Lan Ju, Peking University - HSBC School of Business (joint with Zhiyong Tu) *Discussant: Martin Boyer, HEC Montréal*
12:30	Business Lunch