



European Group of
Risk and Insurance Economists



Imperial College
Business School

Brevan Howard Centre
for Financial Analysis

44th Annual EGRIE Seminar

September 18, 19 and 20, 2017

London, UK

Scientific Program

Program Committee:

Richard Watt (Chair), University of Canterbury

Annette Hofmann, St. John's University

Martin Eling, University of St. Gallen

Sunday, September 17th

18:00-
onwards WELCOME DRINKS - OGNISKO

Monday, September 18th

Venue – 170 Queens Gate, SW7 5HF

8:30-09:00 REGISTRATION

9:00-9:15 WELCOME SPEECHES

9:15-10:30 **GENEVA RISK ECONOMICS LECTURE** (Chair: Alexander Muermann)
Developments for Retirement Products in an Ageing World
Olivia Mitchell
(Discussant: Monika Buetler)

10:30-11:00 COFFEE BREAK

11:00-12:30 **Session A1** (Chair: A. Muermann)
Council Room

G. Dionne, Y. Liu
“Effects of insurance incentives on road safety. Evidence from a natural experiment in China”
(Discussant: P. Zweifel)

Y. Deng, K. Wang, T. Wang, H. Zheng
“Private information in automobile insurance market - revealed by driving record in telematics”
(Discussant: G. Dionne)

Session A2 (Chair: C. Courbage)
Solar Room

A. Bostian, C. Heinzl,
“Comparative precautionary saving under higher-order risk and recursive utility”
(Discussant: R. Huang)

D. Crainich, R. Peter
“On the interaction between the demand for saving and the demand for risk reduction”
(Discussant: Y. Osaki)

12:30-13:30 LUNCH BREAK

13:30-15:30 **Session B1** (Chair: R. Rees)
Council Room

M. Hoy, A. Mirza, A. Sadanand
“Guaranteed renewable life insurance under demand uncertainty”
(Discussant: R. Bourlès)

D. Rowell, P. Zweifel
“Separating equilibria in insurance markets: A new theoretical perspective”
(Discussant: W. Mimra)

M. Browne, I. Gemmo, H. Gründl
“Transparency aversion and insurance market equilibria”
(Discussant: M. Kraft)

Session B2 (Chair: R. Watt)
Solar Room

N. Argyris, J. Jaspersen, A. Richter
“Risk aversion in additive multivariate utility functions”
(Discussant: P. Picard)

L. Liu, J. Meyer, A. Rettenmaier, T. Saving
“Risk and risk aversion effects in contests with contingent payments”
(Discussant: N. Treich)

C. Kubitzka, F. Regele
“Persistence of insurance activities and financial stability”

15:30-16:00 COFFEE BREAK

16:00-17:30 **Session C1** (Chair: S. Krummaker)
Council Room

M. Browne, A. Hofmann, A. Richter, S. Roth, P. Steinorth
“Peer effects in risk taking: Evidence from Germany”
(Discussant: K. Wang)

C. Courbage, G. Montoliu, B. Rey
“How vulnerable is risk aversion to wealth, health and other risks? An empirical analysis for Europe”
(Discussant: G. Millo)

Session C2 (Chair: C. Bernard)
Solar Room

R. Bourlès, D. Henriët, B. Sinclair-Desgagne
“Safeguards and incentives”
(Discussant: M. Hoy)

T. Boonen
“Equilibrium recoveries in insurance markets with limited liability”
(Discussant: R. Rogalla)

18:30-19:30 Drinks reception - The Berkeley Hotel

19:30-22:00 Gala Dinner and Awards Ceremony – The Berkeley Hotel

Tuesday, September 19th
Venue – Millennium Hotel, South Kensington, SW7 4LH

9:00-10:30 **Session D1** (Chair: E. Biffis)
Kensington 1

L. Berger, V. Bossetti
“What is behind ambiguity aversion?”
(Discussant: F. Pannequin)

F. Pannequin, M. Ropaul
“Self insurance and liability insurance under one-sided ambiguity”
(Discussant: D. Crainich)

Session D2 (Chair: P. Zweifel)
Kensington 2

C. Courbage, H. Louberge, B. Rey
“On the properties of non-monetary measures for risk”
(Discussant: R. Eisen)

R. Huang, L. Tzeng, L. Zhao
“Between Nth and N+1th degree stochastic dominance”
(Discussant: A. Snow)

10:30-11:00 COFFEE BREAK

11:00-12:30 **Session E1** (Chair: A. Hofmann)
Kensington 1

M. Hanselmann
“Ratings on online health insurance marketplaces: A two-edged sword?”
(Discussant: T. Boonen)

Y. Fujii, Y. Osaki
“The willingness to pay for health improvements under comorbidity ambiguity”
(Discussant: D. Pooser)

Session E2 (Chair: K. Crocker)
Kensington 2

P. Picard
“Splitting risks in insurance markets with adverse selection”
(Discussant: Y. Yao)

B. Davies, R. Watt
“Bundling and Insurance of independent risks”
(Discussant: A. Braun)

12:30-13:30 LUNCH BREAK

13:30-15:30 **Session F1** (Chair: D. Eckles)
Kensington 1

C. Kubitza
"Consumer welfare when firms face parameter uncertainty about costs"
(Discussant: S. Ebert)

B. Heidler, J. Jaspersen, D. Lohmaier, D. Pooser, A. Richter
"Managerial discretion and variable risk preferences"
(Discussant: S. Krummaker)

S. Ebert
"Decision making when things are only a matter of time"
(Discussant: F. Papakonstatinou)

Session F2 (Chair: G. Dionne)
Kensington 2

C. Bernard, T. Moenig
"Where less is more: Reducing variable annuity fees to benefit policyholder and insurer"
(Discussant: G. Montoliu)

G. Cenedese, P. Della Corte, T. Wang
"Currency mispricing and dealer balance sheets "

M. Chaderina, A. Muermann, C. Schuech
"Which bonds to sell in fire sales? Liquidity versus commonality of holdings"
(Discussant: C. Kubitz)

15:30-16:00 COFFEE BREAK

16:00-17:00 GENERAL ASSEMBLY
KENSINGTON

Wednesday, September 20st

Venue – 170 Queens Gate, SW7 5HF

9:00-10:30 **Session H1** (Chair: S. Dickinson)
Council Room

C. Lepore, M. Tanaka, D. Humphrey, S. Kallol
“How does the regulatory valuation regime affect life insurance investment behavior?”

D. Cummins, F. Irresberger, Y. Peng, M. Weiss
“*Shadow Insurance and Systemic Risk*”
(Discussant: C. Kubitzka)

10:30-11:00 COFFEE BREAK

11:00-12:30 **Session I1** (Chair: F. Papakonstantinou)
Council Room

Y. Yao, J. Schmit, J. Shi
“*Promoting sustainability for micro health insurer. A risk adjusted subsidy approach for maternal healthcare service*”
(Discussant: W. Schnell)

M. Eling, W. Schnell
“*Extreme cyber risks and the non-diversification trap*”
(Discussant: M. Archayya)

Session H2 (Chair: A. Michaelides)
Solar Room

P. Zweifel
“*Solvency regulation of insurance mark III. Will it make a difference?*”
(Discussant: R. Rees)

R. Maurer, O. Mitchell, R. Rogalla, T. Schimetschek
“*Optimal social security claiming behaviour under lump sum incentives: theory and evidence*”
(Discussant: A. Michaelides)

Session I2 (Chair: A. Snow)
Solar Room

N. Treich, Y. Yang
“*Public safety under imperfect taxation*”
(Discussant: L. Liu)

R. Rees, F. Fossen, D. Rostam, V. Steiner
“*How do entrepreneurial portfolios respond to income taxation?*”
(Discussant: D. Rowell)

12:30-13:30 FAREWELL LUNCH

Local organizer: Dr Enrico Biffis (e.biffis@imperial.ac.uk)

Local arrangements: Ms. Jas Gill (j.gill@imperial.ac.uk)
Mrs. Rebecca Moody (r.moody@imperial.ac.uk)