

“Risk and Choice: A Conference in Honor of Louis Eeckhoudt”

Toulouse, July 12-13, 2012

Louis Eeckhoudt is professor at Isege (Lille) and associated professor at Core (Belgique). His deep contributions to decision theory and the economics of risk have significantly advanced both fields. This conference is a unique occasion to discuss the most recent developments, from high orders of risk aversion to multivariate stochastic dominance and non-expected utility models.



Organized by:

Christian Gollier, Toulouse School of Economics (LERNA)

James K. Hammitt, Harvard University and TSE (LERNA-INRA)

Nicolas Treich, Toulouse School of Economics (LERNA-INRA)

Venue :

Toulouse School of Economics

Université Toulouse I Capitole

Building S, MS001

1 Rue des Amidonniers

31000 Toulouse – France



Scientific program

THURSDAY, JULY 12, 2012

9:00 – 9:30 Registration, Coffee and Welcome

9:30 – 10:15 **Risk and Choice: An introduction**

Session chair **Henri Loubergé** (University of Geneva)

Harris Schlesinger (University of Alabama) and Louis Eeckhoudt (Isege Lille)
“Higher order risk attitudes”

Christian Gollier (University of Toulouse) and Bernard Salanié (Columbia University)
“Individual decisions under risk, risk sharing and asset prices with regret”

10:15 – 11:00 Coffee break

11:00 – 13:00 **Changes in Risk**

Session chair **Fred Schroyen** (Norwegian School of Economics)

Michèle Cohen (Paris School of Economics) and Alain Chateauneuf (Paris School of Economics) and Isaac Meilijson (School of Mathematical Sciences)
“A left monotone definition of increasing risk: An overview and some new results”

Rachel Huang (National Taiwan University of Science and Technology) and Pai-Ta Shih (National Taiwan University) and Larry Y. Tzeng (National Taiwan University)
“The comparative statics of changes in risk for most decision makers”

Diego Nocetti (Clarkson University) and Elyès Jouini (Ceremade) and Clotilde Napp (CNRS-DRM)
“Economic consequences of Nth-degree risk increases and Nth-degree risk attitudes”

Sebastian Ebert (University of Bonn)
“Skewed background risks”

Georges Dionne (HEC Montréal) and Jingyuan Li (Lingnan University)
“First-order (conditional) risk aversion, background risk and risk diversification”

13:00 – 14:30 Lunch

14:30 – 16:30

Health

Session chair

Christophe Courbage (The Geneva Association)

Erik Schokkaert (KU Leuven and CORE) and Jacques H. Drèze (KU Leuven and CORE)

“Arrow’s theorem of the deductible: Moral hazard and stop loss in health insurance”

Isaac Ehrlich (SUNY at Buffalo) and Yong Yin (SUNY at Buffalo)

“The problem of the uninsured - Implications for health insurance”

James K. Hammitt (Harvard University)

“What is a QALY worth? Admissible utility functions for health, longevity and wealth”

Pierre Picard (Ecole Polytechnique) and Anasuya Raj (Ecole Polytechnique)

“On the design of optimal health insurance contracts”

Peter Zweifel (University of Zurich) and Johannes Schoder (University of Zurich)

“Flat-of-the-curve medicine: A new perspective on the production of health”

16:30 – 17:15

Coffee break

17:15 – 18:30

Applications of Risk Theory

Session chair

Johanna Etner (University of Paris Ouest Nanterre La Défense)

Joseph S. De Salvo (University of South Florida)

“Urban firm location and land use under certainty and under product-price and land-rent risk”

Sandrine Spaeter (University of Strasbourg) and Bernard Sinclair-Desgagné (HEC Montréal)

“The prudent principal”

Charles Noussair (Tilburg University) and Stefan T. Trautmann (Tilburg University) and Gijs van de Kuilen (Tilburg University) and Nathanael Vellekoop (Tilburg University)

“Risk aversion and religion”

20:30

Conference Dinner

FRIDAY, JULY 13, 2012

9:00 – 10:15 **Consumption and Time**

Session chair **Ilia Tsetlin** (INSEAD)

Alain Trannoy (Aix-Marseille University) and Eugenio Peluso (University of Verona)

“The cake-eating problem: Nonlinear sharing rules”

Miles S. Kimball (University of Michigan)

“Precautionary saving and the marginal propensity to consume”

Claudio Zoli (University of Verona) and Anca N. Matei (University of Verona)

“On finite time intertemporal dominance”

10:15 – 11:00 Coffee break

11:00 – 13:00 **Risk Attitudes**

Session chair **Nicolas Treich** (University of Toulouse)

Eric Briys (Cyberlibris) and Brice Magdalou (Université des Antilles et de la Guyane) and Richard Nock (Université des Antilles et de la Guyane)

“The utility premium and the risk premium as Jensen’s gap: A unified approach”

Jack Meyer (Michigan State University) and Liqun Liu (Texas A&M University)

“Strongly more risk averse revisited”

Olivier Le Courtois (EM Lyon Business School)

“On prudence, temperance and monoperiodic portfolio optimization”

Richard Watt (University of Canterbury)

“Similarities between greater risk aversion and greater downside risk aversion”

Arthur Snow (University of Georgia) and Donald C. Keenan (Université de Cergy-Pontoise)

“Ranking preferences by downside risk aversion “

13:00 – 14:30 Lunch