

CEAR-MRIC Behavioral Insurance Workshop 2023

December 8 and 9, 2023

Center for the Economic Analysis of Risk

Georgia State University, Atlanta <http://cear.gsu.edu>

General Information

This workshop brings together researchers interested in the manner in which risk management and insurance can be understood with behavioral methods. Alternative theoretical models are welcome. We expect researchers from a variety of disciplines will find this workshop of interest, including economics, finance, risk management, insurance, accounting, and psychology. This workshop is held jointly by the Center for the Economic Analysis of Risk (CEAR) and the Munich Risk and Insurance Center (MRIC), alternating from year to year between Atlanta and Munich. This is the 12th workshop in this series.

For each paper we allocate 45 minutes (35 minutes presentation and questions, and 10 minutes general discussion) to provide participants with the opportunity for an in-depth presentation of their work. All sessions are plenary.

Keynote Speaker

The keynote address will be given by Professor [Levon Barseghyan](#) from the Department of Economics at Cornell University. Here is an excerpt from his bio on his web page: “I am Robert Julius Thorne Professor of Economics and the Director of Graduate Studies for the Field of Economics at Cornell University. I joined Cornell in 2003, after completing my PhD at Northwestern University. I also hold a Diploma in Mathematics from Yerevan State University, Armenia, an MS in Industrial Engineering from the American University of Armenia and an MS in Policy Economics from the University of Illinois at Urbana-Champaign.” Although we all know his major publications in risk and behavioral insurance, it is always interesting to see the full portfolio of research of great scholars. Further information about Professor Barseghyan, including his current CV, is available through the link above.

Funding

CEAR will reimburse travel expenses for one presenter per paper, with the usual university restrictions applying: lowest reasonable economy airfare, additional services at the hotel are at your own expense, etc. CEAR will make hotel bookings on behalf of the presenters and will pay for up to three (3) room nights per presenter.

Registration

Interested scholars are welcome to register without cost, space permitting. Please register for the event online, at [CEAR's web page for the workshop](#).

Organizer

Glenn Harrison from GSU is the primary organizer of this workshop. He is the University Distinguished Professor, the C.V. Starr Chair of Risk Management and Insurance, and the Director of CEAR. He can be contacted at gharrison@gsu.edu with any questions about the workshop. Contact CEAR at cear@gsu.edu about any registration, travel, diet, or reimbursement issues.

Lodging

CEAR will book and manage hotel reservations for all presenters. CEAR will contact the presenters directly to determine their lodging needs. All other attendees needing lodging must organize it themselves. We can recommend the [Candler Hotel](#).

Location

The workshop will be held in the CEAR Seminar Room, which is located on the 11th floor of the Robinson College of Business Building at Georgia State University. Here is a map link to [35 Broad Street](#); the physical address is 35 Broad St NW, Atlanta, GA 30303. The building is on a GSU ID card entry system, so our non-GSU guests will need to press the doorbell/buzzer button and then check-in at the front desk before proceeding to the 11th floor – please bring a photo ID for verification.

Internet Access

For those without a GSU affiliation, we have provided access during the workshop:

Network	Username	Password (case-sensitive)
GSU-Guest	cearmric23	Insurance23

When you connect to GSU-Guest, you may be automatically prompted with a log-in page, or you may have to open a web browser – when you try connecting to any website, a log-in page should appear. Guests with access *eduroam* credentials should be able to access that network as well.

Directions

MARTA Subway:

35 Broad Street is no more than a 10-minute walk of Peachtree Center MARTA Station, and the distance to the workshop hotel is much shorter than that. Walking directions to the workshop from the Peachtree Center Station can be found at <https://maps.app.goo.gl/EfNY9huyhNU31ovj7>, and walking directions to the workshop hotel found at <https://maps.app.goo.gl/De8uVrSSqka1yGtx8>. MARTA is by far the easiest method of travel through the city, since it is not impacted by rush hour or traffic jams. Peachtree Center station is conveniently on a direct line with the Atlanta International Airport, and literally ends inside the domestic terminal of the airport.

One-way MARTA Rail Rides cost \$2.50 plus a fee to obtain a transit card. We recommend the non-reloadable Breeze Ticket (\$1) for short stays in Atlanta, but the Breeze Card (\$2) may be more beneficial if you have return trips to Atlanta because it can be re-loaded. Breeze Tickets and Breeze Cards can be purchased from vending machines at all MARTA stations.

Driving:

From Interstate 75/85 (the connector) **going NORTH** take exit 248B for Edgewood Ave toward Auburn Ave / J W Dobbs Ave. Turn left at Edgewood Ave SE and proceed 0.6 miles. Turn left onto Park Pl. SE / Pryor St. SE. At the FIRST cross street, turn right onto Decatur St. SE. Continue onto Marietta St. NW. The next intersection is Broad St. and is where our facility is located. There is no street parking available nearby; however, there are pay lots and garages nearby. Parking expenses will only be reimbursed for presenters and approved participants.

From Interstate 75/85 (the connector) **going SOUTH** take exit 248D for J W Dobbs Ave toward Jesse Hill Dr. Use the right lane to keep right at the fork and stay on Exit 248D. Turn right onto John Wesley Dobbs Ave NE, and proceed for 0.2 miles. Turn left onto Courtland St. NE, and continue for 0.2 miles. Turn right onto Edgewood Ave SE and proceed 0.3 miles. Turn left onto Park Pl. SE / Pryor St. SE. At the FIRST cross street, turn right onto Decatur St. SE. Continue onto Marietta St. NW. The next intersection is Broad St. and where our facility is located. There is no street parking available nearby; however, there are pay lots and garages nearby. Parking expenses will only be reimbursed for presenters and approved participants.

PROGRAM – Friday, December 8, 2023

09:00 – 09:30 Coffee (provided)

09:30 – 09:45 Welcome & Introductory Remarks

09:45 – 10:30 “Human Capital Risk and Portfolio Choices: Evidence from University Admission Discontinuities”
Stephen Shore (Georgia State University)

10:30 – 10:45 Break

10:45 – 12:00 **Keynote:** “Insuring Risks Small and Large: The Role of Risk Preferences and Limited Consideration”
Levon Barseghyan (Cornell University)

12:00 – 13:00 Lunch (provided)

13:00 – 13:45 “Regulatory Capital and Catastrophe Risk”
Evan Eastman (Florida State University)

13:45 – 14:00 Break

14:00 – 14:45 “Why Don’t Consumers Purchase Flood Insurance or Mitigate Flood Risk?”
Michael LaCour-Little (California State University Fullerton)

14:45 – 15:00 Break

15:00 – 15:45 “Tranching is Also Catering”
Tarik Umar (Rice University)

15:45 – 16:00 Break

16:00 – 16:45 “Adverse Experience and Risk Taking: Natural vs. Social Risk”
Timo Goeschl (Heidelberg University)

16:45 Conclusion of Day 1 presentations

17:00 – 17:30 Drop off bags at hotel, and walk to Conference Dinner – speakers and invited guests

17:30 – 19:30 Conference Dinner – speakers and invited guests

PROGRAM – Saturday, December 9, 2023

09:00 – 09:30 Coffee (provided)

09:30 – 10:15 **Invited Lecture: “Self-Insurance in the Field: Indexed Disaster Funds and Mangroves”**
Alejandro del Valle (Georgia State University)

10:15 – 10:30 Break

10:30 – 11:15 “Managing Behavioral Hazard: Value-Based Insurance Design and Inertia”
Lynn Hua (Harvard University, Georgia State University)

11:15 – 11:30 Break

11:30 – 12:15 “Proactive Management of Interest Rate Risk: Evidence from the U.S. Life Insurance Industry”
Qianlong Liu (Lingnan University)

12:15 – 13:15 Lunch (provided)

13:15 – 14:00 “Behavioral Premium Principles under Cumulative Prospect Theory”
Martina Nardon (Ca’ Foscari University of Venice)

14:15 – 14:30 Break

14:30 – 15:15 “The End of Behavioral Insurance”
Glenn Harrison (Georgia State University)

15:15 Concluding remarks
Conference ends