

THE GEORGE L. ARGYROS SCHOOL OF BUSINESS AND ECONOMICS



CONFERENCE ON THE
EXPERIMENTAL AND BEHAVIORAL
ASPECTS OF FINANCIAL MARKETS



CHAPMAN UNIVERSITY

Program

FRIDAY, JANUARY 8, 2016

LOCATION: ARGYROS FORUM, ROOM 201

- 9 a.m. Continental Breakfast
- 9:15 a.m. to 9:30 a.m. Welcome
- 9:30 a.m. to 10:10 a.m. Noussair “Futures markets, cognitive ability, and mispricing in experimental asset markets”
- 10:10 a.m. to 10:50 a.m. Corgnet “What makes a good trader? On the role of quant skills, behavioral biases and intuition on trader performance”
- 10:50 a.m. to 11:10 a.m. Break (coffee and tea provided)
- 11:10 a.m. to 11:50 a.m. Biais “Risk sharing and asset pricing in an experimental market”
- 11:50 a.m. to 12:30 p.m. Asparouhova “Market bubbles and crashes as an expression of tension between social and individual rationality”
- 12:30 p.m. to 2 p.m. Lunch (Argyros Forum, Faculty Athenaeum)
- 2 p.m. to 2:40 p.m. Plott “Field tests of parimutuel based information aggregation mechanisms: Box office revenues”
- 2:40 p.m. to 3:20 p.m. Bossaerts “Perception of intentionality in investor attitudes towards financial risks”
- 3:20 p.m. to 3:40 p.m. Break (coffee and tea provided)
- 3:40 p.m. to 4:40 p.m. Roundtable discussion (Asparouhova, Biais, Bossaerts, Noussair, Odean, Plott, Smith)
- 4:40 p.m. to 4:50 p.m. Concluding remarks

Speakers' Bios



ELENA ASPAROUHOVA

Elena is an Associate Professor in the Finance Department of the University of Utah. Elena's research interests are in the area of theoretical and experimental financial economics. They include but are not confined to: the theory of asset pricing, corporate finance, general equilibrium theory, and econometrics. She is interested in using experimentation to test the theoretical predictions of standard models as well as to discover robust phenomena on which to build new theory where those models' predictions are known to be indeterminate. Her recent work has been centered on the problems of asset pricing under delegated portfolio management, market equilibration, credit market bubbles, and testing the classical intertemporal asset pricing models in the lab. Elena has published her work in the top Economics, Management, and Finance journals.



BRUNO BIAIS

Bruno holds a Ph.D. from HEC and is Professor at the Toulouse School of Economics (CRM/CNRS IDEI). His work has been published in *Econometrica*, the *JPE*, the *AER*, the *Review of Economic Studies*, the *Journal of Finance* and the *RFS*. He taught at HEC, CMU, LBS, Oxford and LSE. He has been a scientific adviser of Euronext, the NYSE, the AMF and the Bank of England. He received the CNRS bronze medal and is a Fellow of the Econometric Society and the Finance Theory Group. He has been editor of the *Review of Economic Studies* and is co-editor of the *Journal of Finance*.



PETER BOSSAERTS

Peter is Professor of Experimental Finance and Decision Neuroscience at The University of Melbourne. He pioneered the use of controlled experimentation (with human participants) in the study of financial markets, and helped bring decision theory and game theory to cognitive neuroscience, which led to the emerging fields of decision neuroscience and computational neuropsychiatry. His work deals with decision making under risk — focusing on “financial” risk. He graduated with a PhD from UCLA, and spent most of his career in the Division of The Humanities and Social Sciences and the Computation and Neural Systems group at Caltech. He also worked at Carnegie Mellon University, EPFL (Ecole Polytechnique Fédérale Lausanne), and the University of Utah, among others. He is Fellow of the Econometric Society and the Society for The Advancement of Economic Theory. He has published widely in finance, economics, econometrics and neuroscience.



BRICE CORGNET

Brice is an Assistant Professor of Finance at the George L. Argyros School of Business and Economics and a research associate at the Economic Science Institute of Chapman University. He is a behavioral scientist who studies both market and non-market institutions. His work in finance focuses on market design, financial literacy, market efficiency and behavioral finance. Recently, he has put most of his research effort on an emerging field “Cognitive Finance” that he defines as incorporating theoretical concepts and tools of cognitive sciences (cognitive psychology & intelligence research) into the analysis of financial markets and financial decision making. He has spent most of his research career at Chapman University. He has published in many international journals including Management Science, Economic Journal, Games and Economic Behavior and The Review of Finance.



CHARLES NOUSSAIR

Charles is a Professor of Economics at the University of Arizona. He is currently the director of the Economic Science Laboratory at the University of Arizona and Co-Editor of the journal Experimental Economics. He is also the current Past-President of the Society of Experimental Finance. He holds a Bachelor's degree from the University of Pennsylvania and a PhD from the California Institute of Technology. He has held faculty positions at Erasmus, Purdue, Emory and Tilburg Universities.



TERRANCE ODEAN

Terrance is the Rudd Family Foundation Professor at the Haas School of Business at the University of California, Berkeley. He is a member of the Journal of Investment Consulting editorial advisory board, of the Russell Sage Behavioral Economics Roundtable, of the WU Gutmann Center Academic Advisory Board at the Vienna University of Economics and Business and is a Wall Street Journal Expert Panelist. He has been an editor and an associate editor of the Review of Financial Studies, an associate editor of the Journal of Finance, a co-editor of a special issue of Management Science, an associate editor at the Journal of Behavioral Finance, a director of UC Berkeley's Experimental Social Science Laboratory, a member of the Russell Investments Academic Advisory Board, a visiting professor at the University of Stavanger, Norway, and the Willis H. Booth Professor of Finance and Banking, and chair of the finance group at the Haas School. As an undergraduate at Berkeley, Odean studied Judgment and Decision Making with the 2002 Nobel Laureate in Economics, Daniel Kahneman. This led to his current research focus on how psychologically motivated decisions affect investor welfare and securities prices.



CHARLES PLOTT

Charles is the William D. Hacker Professor of Economics and Political Science at the California Institute of Technology. He is the Founder and Director of the Caltech Laboratory of Economics and Political Science (EEPS). He received his Ph.D degree from the University of Virginia. He holds diplôme Docteur honoris causa from L'université Pierre Mendès France and the Doctor of Letters honoris causa, Purdue University. He is a member of the National Academy of Sciences and the American Academy of Arts and Sciences. He is a Distinguished Fellow of the American Economic Association, a fellow of the Society for the Advancement of Economic Theory, and a fellow of the Econometric Society. He has served as president of the Society for the Advancement of Economic Theory, the Economic Science Association, the Southern Economic Association, the Public Choice Society, and the Western Economic Association.

His research is focused on the development, experimental testing and applications of theories of economics, public choice, political science and social choice. He developed an experimental methodology for the study of public economics, which rapidly emerged as new laboratory methods for studying markets. His laboratory methods are widely used throughout the world and his laboratory has served as a templet for the developments of over a hundred new laboratories. His research has produced some of the most basic scientific discoveries in experimental economics including principles governing convergence, information aggregation and stability of multiple market systems. In public choice and public economics his research initiated the experimental study of public goods and externalities together with how their determination is shaped by institutions such as the voting rule, agenda, property rights and free riding. Much of his work has explored policy applications of laboratory experimental methods where his research has had influence on landing rights, emission permits, complex auction processes, the environment, regulation (deregulation) and antitrust. He has published five books and approximately 200 research papers.



VERNON L. SMITH

Vernon was awarded the Nobel Prize in Economic Sciences in 2002 for his groundbreaking work in experimental economics. He has the George L. Argyros Chair in Finance and Economics, and is a Research Scholar in the Economic Science Institute at Chapman University. He is the President and founder of the International Foundation for Research in Experimental Economics since 1997. Vernon has authored or co-authored more than 290 articles and books on capital theory, finance, natural resource economics and experimental economics. He serves or has served on the board of editors of the American Economic Review, The Cato Journal, Journal of Economic Behavior and Organization, the Journal of Risk and Uncertainty, Science, Economic Theory, Economic Design, Games and Economic Behavior, The Independent Review and the Journal of Economic Methodology.

Vernon is a distinguished fellow of the American Economic Association, and the 1995 Adam Smith Award recipient conferred by the Association for Private Enterprise Education. He was elected a member of the National Academy of Sciences in 1995, and received CalTech's distinguished alumni award in 1996. He has served as a consultant on the design of electric power systems in Australia and New Zealand and participated in numerous private and public discussions of regulatory reform in the United States. In 1997 he served as a Blue Ribbon Panel Member, National Electric Reliability Council. Vernon completed his undergraduate degree in electrical engineering at the California Institute of Technology, his master's degree in economics at the University of Kansas, and his Ph.D. in economics at Harvard.

Attendee List

Elena Asparouhova	University of Utah
Harald Benink	Tilburg University
Bruno Biais	Toulouse School of Economics
Peter Bossaerts	The University of Melbourne
Terry Burnham	Chapman University
Gabriele Camera	Chapman University
Jivas Chakravarthi	Chapman University
Brice Corgnet	Chapman University
Cary Deck	University of Arkansas
Mark DeSantis	Chapman University
John Duffy	University of California, Irvine
Sukari Farrington	Chapman University
Alan Gelder	Chapman University
Aleksandar Giga	University of Southern California
Chad Kendall	University of Southern California
Ryan Kendall	University of Southern California
Dan Kovenock	Chapman University
Radhika Lunawat	University of California, Irvine
Kevin McCabe	George Mason University
Kevin McLaughlin	Chapman University
Cristina Nistor	Chapman University
Charles Noussair	University of Arizona
Terrance Odean	University of California, Berkeley
Glenn Pfeiffer	Chapman University
Charles Plott	California Institute of Technology
David Porter	Chapman University
Steve Rassenti	Chapman University
Mark Schneider	Chapman University
Matt Selove	Chapman University
Tim Shields	Chapman University
Vernon Smith	Chapman University
Andrew Smyth	Chapman University
Greg Waymire	Emory University / Chapman University
Michelle Waymire	BPV Capital Management
Clas Wihlborg	Chapman University
Nat Wilcox	Chapman University
Ran Zhao	Chapman University