Equity Premium: A Puzzle
October 28 and 29, 2005

Schedule of Events

Friday, October 28

10:00-10:15**: Opening Remarks. Finn Kydland / Peter Kuhn**

10:15-11:30: **William Goetzmann** (Yale) and **Roger Ibbotson** (Yale), *History and the Equity Risk Premium* / (**Goetzmann** presenting)
Discussant Stephen LeRoy (UCSB)

11:30- 11:45: **Break**

11:45- 1:00: **Zhiwu Chen** (Yale) and **Gurdip Bakshi** (Maryland), *Can Compensation for Cash Flow Risk and Discounting Risk Reconcile the Equity Premium Puzzle: A Quantitative Analysis* / (**Bakshi** presenting)
Discussant: Lior Menzly (Vega)

1:00- 2:30: **Lunch, Faculty Club**

2:30- 3:45: **Kjetil Storesletten** (U Oslo), **Chris Telmer** (CMU) and **Amir Yaron** (Wharton), *Asset Prices and Intergenerational Risk Sharing: the Role of Idiosyncratic Earnings Shocks* (**Yaron** presenting)
Discussant: Stan Zin (CMU)

3:45- 4:00: **Break**

4:00- 5:15: **Nick Barberis** (Yale) and **Ming Huang** (Cornell), *The Loss Aversion/Narrow Framing Approach to the Stock Market Pricing and Participation Puzzles* (**Barberis** presenting)
Discussant: Ravi Jagannathan (Northwestern)

5:15- 7:00: **Unscheduled**

7:00- 8:00: **Cocktails at Wine Cask**

8.00 **Dinner at Wine Cask (http://www.winecask.com)**

Saturday, October 29

9:00-10:15: **Ravi Bansal** (Duke), *Risk Compensation in Equity Markets?*
Discussant: John Heaton (Chicago)

10:15-10:30: **Break**

10:30-11:45: **John Heaton** (U Chicago) and **Debbie Lucas** (Kellogg Northwestern), *Can Heterogeneity, Undiversifiable Risk, and Trading Frictions Explain the Equity Premium?* (**Lucas presenting)**
Discussant: Kjetil Storesletten (Oslo)

11:45- 1:00: **George Constantinides** (U Chicago), *Understanding the Equity Risk Premium Puzzle*
Discussant: Hanno Lustig (UCLA)

1:00- 2:30: **Lunch**

2:30- 4:30: **Panel Discussion:** *What have we learned in 20 years?*
Chair: Edward Prescott
Panel: Lars Hansen (Chicago)
Rajnish Mehra (UCSB)
Tom Reitz (Iowa)
Martin Weitzman (Harvard)