Lecture Notes in Economics and Mathematical Systems

Managing Editors: M. Beckmann and W. Krelle

227

Risk and Capital

Proceedings of the 2nd Summer Workshop on Risk and Capital Held at the University of Ulm, West Germany June 20–24, 1983

Edited by Günter Bamberg and Klaus Spremann





Springer-Verlag Berlin Heidelberg New York Tokyo 1984

TABLE OF CONTENTS

PROLOGUE

Jost B. Walther

opening Address	1
Martin J. Beckmann Risk and Saving	· 5
PART I: INFORMATION, RISK AVERSION,	
AND CAPITAL MARKET THEORY	
Günter Bamberg The Impacts of Variance Reducing Strate- gies in Dyopolistic Capital Markets	15
Michael J. Brennan, Allan Kraus Notes on Costless Financial Signalling	33
Volker Firchau Variable Information and Capital Market Equilibria	, ` 52
Edwin O. Fischer, Josef Zechner Diffusion Process Specifications for Interest Rates	64
Jerry G. Kallberg, William T. Ziemba Mis-Specifications in Portfolio Selection Problems	74
Karl C. Mosler Increasing Multivariate Risk: Some Definitions	. 88
Klaus Spremann A Firm in Statu Nascendi - Initial and Final Shareholders	103
Jochen E.M. Wilhelm A Consistent Model for the Pricing of Deriva- tive Assets in a Discrete Time Framework	122

PART II: MANAGEMENT, POLICY, AND EMPIRICAL EVIDENCE

Jochen Drukarczyk Credit Contracts, Collateral-Based Security Agreements, and Bankruptcy	139
Jörg Finsinger, Mark Pauly Reserve Levels and Reserve Requirements for Profit-Maximizing Insurance Firms	160
Wolfgang Gaul Financial Planning via Stochastic Programming: A Stochastic Flows-With-Gains Approach	181
Klaus Hellwig Corporate Planning and Capital Maintenance	198
Larry J. LeBlanc Optimization Models for Distribution Planning	203
Hans-Peter Möller Stock Market Research in Germany: Some Empirical Results and Critical Remarks	224
Werner Rothengatter Quantity Rationing of Economic Trans- actions in a Risky Environment	243
Bernhard Schwab Financial Risk and Capital Structure: Theory and Practice in an International Context	271
Sandra L. Schwartz Up the Down Staircase: The Productivity Decline and Strategies for Recovery	285