

10th JOURNÉE OF THE FOUNDATION

4 June 2014

Awarding the Young Researcher in Economics Prize

by Deputy Governor Robert Ophèle

Ladies and Gentlemen,

Good evening,

I am very pleased to be here at the 10th *Journée* of the Foundation. The Banque de France values greatly such occasions where academics, central bank researchers and experts can exchange their views on important issues such as the workings of financial markets, systemic risks, macroeconomic fluctuations and monetary policy.

I have come here for a more ceremonial, but no less important task, which is to award the Foundation's "Young researcher in economics prize". I am especially pleased to be standing in for Christian Noyer today since this prize was created in 2008 at a time when I was myself Deputy DG in our Economics Department. The idea was to reward talented young researchers in economics who have held their PhD for less than five years. The laureates are selected on the basis of an assessment by an international jury. Laureates receive a grant prize of 2,000 euro and, when applicable, the funding of a partial release from teaching obligations, to give them more time for research.

I understand that grants have already been paid so there are no cheques to distribute today; only a diploma and the expression of my deep appreciation to the laureates, and, of course, to our Jury members who reviewed all the applications and selected our laureates. I would especially like to thank those of you who have discussed the papers presented today which led to further interesting debate.

I will now award the prize to the six laureates for the years 2012 and 2013. By the way, I understand why there are no cheques to hand out today, as we would have had to pay interest on top of the grant! The six laureates are a good representation of the diversity of the French academic system (diversity, yes,...although with a certain amount of concentration as you will see...); two of them teach at universities, two at *École Polytechnique* and two in a business school. They also reflect the international openness of our university system since three of them have obtained at least one PhD abroad.

I will now call up each laureate by seniority in terms of the prize, and in alphabetical order.

For 2012, I will first invite Jeanne Hagenbach to come onto the stage. Jeanne Hagenbach is a CNRS researcher affiliated to École Polytechnique, a combination which in our system is a true sign of excellence. You already received the French Economic Association's thesis prize (in 2010) for your thesis on "*Strategic Information Transmission and Networks*", but since then you have continued with this line of research and I see that you recently had a paper published in *Econometrica*, which makes a very interesting contribution to game theory. So it is only logical that you should win the Foundation's young researcher in economics prize. Congratulations!

The second laureate is François Le Grand, a graduate from École Polytechnique with a PhD from PSE, and currently assistant professor at EM Lyon business school. You have been awarded this prize in particular for your research on risk aversion and asset prices. I see that you are both a brilliant academic and a columnist, and that your views on the CDS market were widely discussed in 2010. I present this diploma to you with all my congratulations!

Now I would like to invite Mariana Rojas Breu to come up. You are Argentinian and assistant professor at Paris Dauphine. You obtained a PhD both from Bâle University and Paris Ouest Nanterre. You have worked at the Banque de France and at the Saint Louis Fed. Your main field of interest is monetary policy...and I can't help quoting your recent paper on "*Currency Union with and without Banking Union*", written with some of your colleagues at the Banque de France: "a banking union that suppresses hurdles to banking integration restores the optimality of that currency arrangement". So you really deserve the prize! With all my congratulations, and my best wishes for the future!

Now I turn to 2013.

The first laureate also has an international background: Michael Brei, whom I now call up, is assistant professor at the University of Paris Nanterre. You are both German and Czech and obtained a PhD at the University of Bonn. At Paris Nanterre you stated that one of your main fields of research is "financial crises, bank behaviour and offshore centres from a theoretical and empirical perspective". I should add that you have recently been a consultant to the Green Party at the European Parliament on a project called "The seven deadly sins of banking", which proposes, amongst other measures, drastically downsizing banks, banning speculative instruments, separating banking functions and imposing a stringent leverage ratio. This is clearly not the reason why you have been awarded the Young researcher prize, but you will note that we are completely open-minded when it comes to research.

Congratulations.

I turn now to Eduardo Perez-Richet, another graduate from École Polytechnique and assistant professor at this establishment (after obtaining a PhD from Stanford University). Your research relates to "*microeconomic theory, game theory, political economics, information economics*". You are to some extent involved in the same line of research as Jeanne Hagenbach and the contribution of École

Polytechnique to game theory is clearly outstanding. I have the pleasure of awarding you the prize, with my congratulations.

Lastly, in alphabetical order, I will call up Philip Valta, who holds a PhD in finance, from École Polytechnique once again, but this time from the one in Lausanne! You are assistant professor at HEC, where you teach corporate finance, but will join the Swiss Finance Institute in Geneva in the autumn. I would like to stress here the interest of your research on the relationships between the legal context of debt renegotiation that is strategic default possibilities, and the valuation of equities. I award you this prize to recognise and encourage your research in finance. My congratulations!

It is now time to close this conference. I would like to thank all the presenters, discussants and other participants for having contributed to making this conference a success. Let me stress again the importance for the Banque de France of such exchanges and of cooperation with the academic world: they are an invaluable means of enriching our economic analysis in order to support our policy making.

I would also like to thank the organisers of the conference: Benoît Mojon, Louis Bê Duc, Catherine Estrela and Brigitte Arnaudo with the help of the Labolog team.

Thanks again for your participation.