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UNIVERSITÄT
BERN



XVII. Summer School on Accounting 2022

Accounting Disclosure and
Regulation

with

Phillip C. Stocken

(Dartmouth College)

Munich, July 4–6, 2022

Course description

This doctoral course explores the communication of accounting information in financial markets. The course focuses on the modeling of communication between senders (such as firm managers, analysts, or auditors) and receivers (such as investors and buyers) in a persuasion game, costly signaling game, or a cheap talk game, as these message structures are most used to describe communication within financial markets settings. The course considers foundational papers that introduce these message structures and then more recent theoretical and empirical accounting applications.

A theme in this course is to examine the fundamental aspects of each model so that the modeling choices and solution techniques can be applied within the context of different settings.

Course Requirements

This course is lecture based. A list of the course readings will be sent to the participants in time. It will be the student's responsibility to read the assigned papers prior to the course, and to be ready to engage in discussion with the class. We expect an active cooperation from the participants. Therefore, it is essential to become acquainted with the assigned papers and underlying analytical methods.

Required Readings

- Stocken (2012): "Strategic Accounting Disclosure," *Foundation and Trends in Accounting*.
- Morgan, Hummel, and Stocken (2021): "A Model of Voluntary Disclosure", Working paper.

- Einhorn (2007): "Voluntary disclosure under uncertainty about the reporting objective," *Journal of Accounting and Economics*.
- Fischer and Verrecchia (2000): "Reporting bias," *The Accounting Review*.
- Ferri, Zheng, and Zou (2018): "Uncertainty about managers' reporting objectives and investors' response to earnings reports: Evidence from the 2006 executive compensation disclosures;" *Journal of Accounting and Economics*.
- Crawford and Sobel (1982): "Strategic Information Transmission," *Econometrica*.
- Li, Stocken, Tang (2022): "Credit Ratings and Cheap-talk," Working paper.
- Stocken (2021): "Disclosure regulation and incentive uncertainty," Working paper.

For more information:

www.accounting-summer-school.eu

Instructor

The course will be taught by
[Phillip C. Stocken](#) (Dartmouth College).



Venue and Schedule

The course will be held at the LMU Munich School of Management, Geschwister-Scholl-Platz 1, 80539 München.

- Monday, July 4, 9 am to 6 pm
- Tuesday, July 5, 9 am to 6 pm
- Wednesday, July 6, 9 am to 2 pm



Responsibilities

The organizers anticipate that a limited number of participants can attend this summer school in person. The course follows safety rules for Covid-19 imposed by the German State and by the City of Munich. The organizers assume no responsibility in case the course must be cancelled (e.g., due to Covid-19). It is the individual participant's responsibility to be compliant with both German and home country's travel regulations. All participants attend at their own risk.

Information of the Federal Ministry of Health regarding the coronavirus:

<https://www.bundesgesundheitsministerium.de/en/service/gesetze-und-verordnungen/guv-19-lp/coronavirus-einreiseverordnung.html>

Course language is English.

Organization

The summer school is jointly organized by

- Prof. Dr. Christian Hofmann (LMU Munich School of Management),
- Prof. Dr. Alexis H. Kunz (University of Bern), and
- Prof. Dr. Thomas Pfeiffer (University of Vienna).

Fees: No enrollment fees apply.

Admission requirements

The course focuses on issues of financial accounting and firm disclosures and communications on an advanced level. The participants should therefore exhibit, apart from analytic abilities, knowledge within the range of these topics. A close relation of the participant's scientific work to the course content is desirable. The number of participants is limited.

Application

The **deadline** for applications is **April 15, 2022**. A complete application includes

- (i) a short personal record (Curriculum Vitae),
- (ii) a list of visited lectures in accounting, economics, or finance and
- (iii) a short description of the thesis and/or postdoctoral lecture qualification in English.

Please mail the documents as a single pdf file (yourname_youruniversity.pdf) to iuc@som.lmu.de.

Participants will be **informed** upon their acceptance by email till **end-April**.

Brief history

The summer school takes place each year alternating among Vienna, Munich, and Bern. Previous summer courses were held by:

- Qi Chen (Duke)
- John Christensen (Southern Denmark)
- Joel Demski (Florida)
- Paul Fischer (Wharton)
- Jonathan Glover (Columbia)
- Steven Huddart (Penn State)
- Raffi Indjejikian (Michigan)
- Chris Ittner (Wharton)
- Kristina Rennekamp (Cornell)
- DJ Nanda (Miami)
- Madhav Rajan (Chicago)
- Stefan Reichelstein (Mannheim/Stanford)
- Anna Rohlwing-Bastian (Frankfurt).

Contact

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