## Contents

List of Figures	vii
List of Tables	ix
List of Contributors	xi
Introduction Felix Hufeld, Ralph S. J. Koijen, and Christian Thimann	1
Part 1. The Economics of Insurance and the Macroeconol Role of Insurance	mic
What is Insurance and How Does it Differ from General Finance?  Christian Thimann	5
2. The Macroeconomic Role of Insurance Denis Kessler, Amélie de Montchalin, and Christian Thimann	20
3. How the Insurance Industry Manages Risk Denis Duverne and John Hele	55
Part 2. Financial Stability and the Possibilities of Systemic	Risk
4. Risk of Life Insurers: Recent Trends and Transmission Mechanisms Ralph S. J. Koijen and Motohiro Yogo	79
5. Measuring Systemic Risk for Insurance Companies Viral V. Acharya, Thomas Philippon, and Matthew Richardso	100 n
6. Measuring Interest Rate Risk in the Life Insurance Sector: The U.S. and the U.K. Daniel Hartley, Anna Paulson, and Richard J. Rosen	124

## Contents

Par	t 3. Regulation	
7.	How the Insurance Industry's Asset Portfolio Responds to Regulation Bo Becker	153
8.	Spillover Effects of Risk Regulation on the Asset Side to Asset Markets Andrew Ellul, Chotibhak Jotikasthira, and Christian T. Lundblad	165
9.	A Regulatory Framework for Systemic Risk in the Insurance Industry Felix Hufeld	193
Par	t 4. Open Questions Going Forward from the Insurance Sector	
10.	The Big Questions for the Insurance Sector: Findings from a Survey of Insurance Companies  Luca Pancaldi and Uwe Stegemann	211
Inde	XX	225