

# Debating Responsible Innovation in Finance

November 30th 2011

**Observatory for Responsible Innovation  
Mines ParisTech**

60 Boulevard Saint-Michel, 75006 Paris, France  
Espace Maurice Allais

The lack of debate and publicly expressed concern, combined to the machinery of complex methods understood only by a handful of experts, was certainly at the center of the recent financial catastrophe - and can be also at the center of the next one. Mines ParisTech (the Ecole des Mines de Paris) is hosting a collective discussion on this problem with the participation of investment banking professionals, regulators, members of the political arena, researchers from a variety of backgrounds, and media professionals. The initiative is part of the Observatory for Responsible Innovation, a project based at Mines ParisTech which aims at thinking and debating new measures, concepts and methods to foster responsibility in innovation. The conference program has been elaborated by a group of associate members of the Observatory for Responsible Innovation, in collaboration with actors from the industry. Attendance requires reservation and confirmation.

## Program

**08:30 am – 08:45 am**      Registration

**08:45 am – 09:00 am**      Welcome Address

Benoît Legait (Director, Mines ParisTech), Fabian Muniesa (Observatory for Responsible Innovation)

**09:00 am – 10:30 am**      Roundtable 1: DANGEROUS EXTERNALITIES 1

*Are new, sophisticated financial products and services at the edge of irresponsibility? What are the social dangers and social benefits of financial innovation? How can we cope with negative externalities in a post-financial crisis landscape? What are the "hot" issues today?*

A discussion chaired by Andrew Palmer (The Economist) and Fabian Muniesa (Observatory for Responsible Innovation) with the participation of:

Sarai Criado (European Commission)

Shyamala Gopinath (Reserve Bank of India)

**10:30 am – 10:45 am**      Coffee Break (Espace Maurice Allais)

**"The story of the 2008 financial crisis is a story not only of hubris, greed, and regulatory failure, but one of these deeply troubling problems of social silence and technical silos. If we do not use the crisis as an occasion to seriously tackle these problems, then it is a crisis we may well be doomed to revisit, albeit in an innovative new form"**  
(Gillian Tett, in *Fool's Gold*, 2009)

**10:45 am – 12:15 pm**

**Roundtable 2: DANGEROUS EXTERNALITIES 2:  
THE CASE OF HIGH FREQUENCY TRADING**

*How good is speed for financial stability? Is transparency the solution or part of the problem? Are OTC markets harmful? Should High Frequency Trading be banned?*

A discussion chaired by Irène Inchauspé (Challenges) and Fabian Muniesa (Observatory for Responsible Innovation):

Yann Muzika (Magnet Investment Advisors)

Charles-Albert Lehalle (Crédit Agricole Cheuvreux)

Jean-Pierre Zigrand (Department of Finance, London School of Economics)

Yuval Millo (Department of Accounting, London School of Economics)

Oliver Burkart (European Securities and Market Authority)

**12:15 pm – 12:30 pm**

**Commentary and Feedback to Plenary**

Michael Power (Centre for the Analysis of Risk and Regulation, London School of Economics)

**12:30 pm – 02:00 pm**

**Lunch Break (Espace Maurice Allais)**

**02:00 pm – 03:30 pm**

**Roundtable 3: RESPONSIBLE ACTORS**

*How should we think incentives in the financial industry in order to promote responsible behavior? Can involved actors, bankers, agencies and regulators take responsibility for the potentially devastating consequences that financial innovation can have? What about bonuses?*

A discussion chaired by Delphine Liou (BFM Business TV) and Alexandre Pointier (Observatory for Responsible Innovation):

Pascal Canfin (Member of Parliament, European Parliament)

Jean Pierre Mustier (Corporate and Investment Banking Division, Unicredit)

Loïc Fery (Chenavari Investment Managers)

Olivier Godechot (CNRS, Paris School of Economics)

Nicolas Veron (Bruegel-Peterson Institute)

**03:30 pm – 03:45 pm**

**Coffee Break (Espace Maurice Allais)**

**03:45 pm – 05:15 pm**

**Roundtable 4: DEMOCRATIC INNOVATIONS**

*Is it possible for potentially affected parties to discuss sophisticated financial products at their design stage? Can and should financial innovation be more democratic and open to public scrutiny? How should micro and macro oversight be organized?*

A discussion chaired by Elsa Conesa (Les Echos), Marc Lenglet (Observatory for Responsible Innovation), Alexandre Pointier (Observatory for Responsible Innovation) and Stéphane Delacôte (Observatory for Responsible Innovation):

Michel Péretié (Société Générale Corporate and Investment Banking)

Valérie Rabault (BNP Paribas)

**05:15 pm – 05:30 pm**

**Commentary and Feedback to Plenary**

Bruce Kogut (Sanford C. Bernstein Center for Leadership and Ethics, Columbia Business School)

**05:30 pm – 05:45 pm**

**Concluding Remarks and Wrap-Up**

Fabian Muniesa (Observatory for Responsible Innovation), Stéphane Delacôte (Observatory for Responsible Innovation), Marc Lenglet (Observatory for Responsible Innovation) and Alexandre Pointier (Observatory for Responsible Innovation)

## Contact Details

Observatory  
for Responsible Innovation  
Mines ParisTech  
60, Boulevard Saint-Michel  
75272 Paris Cedex 06  
France

Fabian Muniesa  
Director  
fabian.muniesa@mines-paristech.fr  
+33.1.40.51.92.88

Annalivia Lacoste  
Project Manager  
annalivia.lacoste@mines-paristech.fr  
+33.1.40.51.92.86

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