



11th Biennial International Conference

on

**ASYMMETRIC ECONOMIC CONSEQUENCES
OF THE GLOBAL FINANCIAL CRISIS**

Chalkidiki, Greece, July 1-3, 2012

Athenian Policy Forum (APF)

in partnership with

The Athens University of Economics and Business

The University of Piraeus

The University of Macedonia

The Centre of Planning and Economic Research

The Conference Organizing Committee consists of:

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- Anastasios G. Malliaris, Professor, Loyola University Chicago and President of the Athenian Policy Forum [Conference CHAIR]
- Nicholas C. Baltas, Professor, Athens University of Economics & Business and Jean Monnet Chair [Conference CHAIR]

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«WE ATHENIANS, IN OUR OWN PERSONS, TAKE OUR DECISIONS ON POLICY OR SUBMIT THEM TO PROPER DISCUSSIONS: FOR WE DO NOT THINK THAT THERE IS AN INCOMPATIBILITY BETWEEN WORDS AND DEEDS; THE WORST THING IS TO RUSH INTO ACTION BEFORE THE CONSEQUENCES HAVE BEEN PROPERLY DEBATED...»

**THUCYDIDES (460-400 B.C.),
PERICLES' FUNERAL ORATION**

International Conference

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CONFERENCE OBJECTIVES AND SUGGESTED TOPICS

The focus of the previous 10 International Conferences of the Athenian Policy Forum has been the analysis of issues arising from economic asymmetries defined broadly. Information asymmetries have received a lot of attention, particularly in financial markets because naturally what is known by managers need not be known to the same degree by market participants. However, in economics, asymmetries may arise for a variety of economic reasons. For example, small firms in comparison to larger ones may face dissimilar risks, different financing opportunities and constraints, limitations in terms of technological opportunities and innovations and the opportunity to attract managerial talent. Countries also, may experience asymmetric economic opportunities because of their economic size, political stability, cultural factors and stage of economic development. Economic analysis and research needs to address these issues.

This conference will continue the past tradition by focusing on the asymmetric consequences of the global financial crisis of 2007-09. Although the global economy appeared to be recovering from the global recession in mid-2009, this recovery has been very uneven and characterized by continuous deleveraging, banking difficulties, serious sovereign debts, high unemployment and financial volatility.

Topics of interest include: sovereign debt, banking fragility, corporate deleveraging, asymmetries in macro-prudential regulation between countries with high and low developed financial markets, persistent high unemployment, challenges in the conduct of appropriate monetary and fiscal policies, national versus supranational regulatory systems, consequences of the Euro-zone financial crisis, the future of the euro, global monetary and fiscal stability, strategies to stop the immense increases in fiscal deficits and to regain fiscal stability, regulatory systems limiting world-wide contagion effects, regulatory measures to increase the soundness of the banks' balance sheets and to supervise financial transactions between globalised banks, multiple equilibria in financial markets, wealth volatility, the behaviour of commodity markets and changes in leading currency markets. Ethical, behavioral and political dimensions of crises are also included.

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CONFERENCE SCHEDULE

Sunday 1, July 2012

Evening Reception

Monday 2, July 2012

08:00 – 09:00 Registration

09:00 – 09:30 Welcoming and Opening Remarks
Nicholas C. Baltas, Conference Chair
Athens University of Economics and Business and Jean Monnet Chair

Welcome Address
Anastasios G. Malliaris, Conference Chair
Loyola University Chicago and President of the Athenian Policy Forum

09:30 -11:00

Session 1: Invited Distinguished Speakers: The Welfare State and the Global Financial Crisis
Chair: Volbert Alexander, *University of Frankfurt*

Dimitris Papadimitriou (Levy Economics Institute, Bard College): **The U.S. Economic Outlook after the Global Financial Crisis**

John Yfantopoulos (University of Athens): **The Impact of Economic Crisis in the Greek Welfare State**

Jozef Pacolet (Catholic University of Leuven): **Is the European Social Model Surviving the Financial Crisis 2008-2011?**

Alex J. Kondonassis (Oklahoma University): **Recessions, Budget Deficits and Austerity Measures: A Comment on the U.S. and Europe**

11:00 – 11:30 Coffee Break

11:30 -13:00

Session 2: The Global Financial Crisis and Fiscal Discipline

Chair: Alex J. Kondonassis, *Oklahoma University*

Volbert Alexander (University of Frankfurt): **Future Trends in the Relationship Between Banks and Governments**

G.D. Demopoulos (Athens University of Economics and Business & Jean Monnet Chair), Nicholas A. Yannacopoulos (University of Piraeus): **The Myth of Expansionary Austerity**

A.G. Malliaris (Loyola University of Chicago): **Is Price Stability Destabilizing?**

Herbert Grubel (Simon-Fraser University): **The Role of the Euro System in the Imposition of Fiscal Discipline**

13:00 – 14:00 Lunch

14:00 – 15:45

Session 3: Eurozone Financial Crisis

Chair: Yannis Chatzidimitriou, Rector, *University of Macedonia*

James Dean (Simon Fraser University): **Crisis in the Eurozone: How National Self-Interest has Over-Ridden the Regional Common Good**

Eugenia-Ramona Mara (Babes-Bolyai University): **Determinants of Fiscal Budget Volatility in Old Versus new EU Member States**

George Michalopoulos (University of Macedonia), John Papanastasiou (University of Macedonia): **The Impact of the Financial Crisis on the Euro Area Banking Market Integration: Evidence From the Interest Rate Convergence Process**

George K. Zestos (Christopher Newport University): **From the Subprime Mortgage Crisis to the European Sovereign Debt Crisis**

Constantine Angyridis (Ryerson University): **Optimal Fiscal Policy and Endogenous Growth**

15:45 -16:15 Coffee Break

16:15 – 17:45

Session 4: Portfolio Analysis - Financial Stability

Chair: Georgios Venieris, *Athens University of Economics and Business*

Georgios Karras (University of Illinois at Chicago): **The Asymmetric Effects of Quantitative Easing**

P.M. Vasudev (University of Ottawa): **Credit Derivatives and the Dodd-Frank Act – Is the Regulatory Response Appropriate?**

Apostolos Xanthopoulos (Benedictine University): **The Entrenched Kurtosis in Current Portfolio Returns**

Bala Batavia (DePaul), Nandakumar Parameswar (Indian Institute of Management), Cheick Wagué (South Stockholm University): **Portfolio Diversification in Extreme Environments**

António Afonso (Technical University of Lisbon), Michael G. Arghyrou (Cardiff University), and Alexandros Kontonikas (University of Glasgow): **The Determinants of Sovereign Bond Yield Spreads in the EMU**

Tuesday 3, July 2012

09:00 -10:45

Session 5: The Global Financial Crisis and Banks

Chair: Panagiotis Korliras, *Athens University of Economics and Business & Chairman of the CPER*

George C. Bitros (Athens University of Economics and Business): **Institutions, Policies and Economic Growth: The Case of Contemporary Greece**

Panayiotis Athanasoglou (Bank of Greece), George Demopoulos (Bank of Greece and Athens University of Economics and Business), Evangelia Georgiou (Bank of Greece): **The Evolution of Deposits in Greek Commercial Banks Before and During the Current Debt Crisis**

Andreas G. Merikas (Piraeus University), Anna A. Merika (American College of Greece), Nikos Paltalidis (City University of London): **Forecasting the Baltic Dry Index: Markov Switching & Unobserved Components Analysis**

Jin Choi (DePaul): **Unintended Consequences of Government Rescue Programs on Small Financial Institutions**

Konstantinos Liapis (Panteion University), Antonios Rovolis (Panteion University), Eleftherios Thalassinou (University of Piraeus): **Segmental Financial Reporting and the Internationalization of the Banking Industry**

10:45 -11:15 **Coffee Break**

11:15- 12:45

Session 6: Debt

Chair: Georgios Economou, Rector – *University of Piraeus*

Theodoros Stamatopoulos (University of Piraeus), Eleftherios Thalassinou (University of Piraeus): **The Trilemma and the Eurozone: A Preannounced Tragedy of the Hellenic Debt Crisis**

Abol Jalilvand (Loyola University of Chicago), Sung Min Kim (Loyola University Chicago): **Organizational Architecture, Financial Flexibility and Performance**

Mary Malliaris (Loyola University of Chicago), A.G. Malliaris (Loyola University of Chicago): **Unresolved Issues in Global Financial Imbalances**

Rodrigo Zeidan (Nottingham University Business School China): **Hedging and the Failures of Corporate Governance: Lessons from the Financial Crisis**

Sotiris Theodoropoulos (University of Piraeus): **Seeking a Sustainable Size and Structure for the Greek Public Sector's Activities According to the Fiscal Pact for Euro**

12:45 -14:00 Lunch

14:00 – 15:45

Session 7: Quantitative Methods in Finance and Economics

Chair: Eleftherios Thalassinou, *University of Piraeus*

Catherine Kyrtso (University of Macedonia), C. Mikropoulou (University of Macedonia), V. Mikropoulou (Alpha Bank S.A.): **Neglected Nonlinearity and Risk Premium Dynamics in the U.S. Market**

Dimitrios Maditinos (Kavala Institute of Technology), Eleftherios Thalassinou (University of Piraeus), Athanasios Pascalidis (Kavala Institute of Technology): **Observing Evidence of Insider Trading in the Athens Stock Exchange (ASE)**

Vassilios Babalos (University of Piraeus), Fotini Economou (University of Piraeus), Alexandros Kostakis (University of Liverpool), Nikolas Plilippas (University of Piraeus): **An Examination of Herding Behavior in REITs**

Catherine Kyrtso (University of Macedonia), C. Mikropoulou (University of Macedonia), and M. Vogiatzoglou (University of Macedonia): **On the Causes of the Stock Index – Crude Oil Returns Interdependences: A Copula-Based Approach**

Sophia Dimelis (Athens University of Economics and Business), Sotiris Papaioannou (Centre of Planning and Economic Research): **Does Information and Communication Technology Increase Production Efficiency? A Comparison Between OECD Service Industries**

15:45 – 16:45 Coffee Break

16:45 – 17:30

Session 8: Econometric Methods in Financial Markets

Chair: George Bitros, Professor Emeritus, *Athens University of Economics and Business*

Katerina Voutsina, Pelagidis Thodoris (University of Piraeus): **Resurgence of the Greek Shipbuilding Industry: The Case of Hellenic Shipyards S.A.**

Long Kang (The Options Clearing Corporation): **Testing Dependence Asymmetry of Financial Asset Returns with a Regime-Switching GARCH-Copula Model**

Khandokar Istiak (University of Calgary), Apostolos Serletis (University of Calgary): **The Asymmetric Effects of Oil Price Shocks: Evidence from the G7 Countries**

Stavros Rodokanakis (University of Bath): **Exploring the Risk of Unemployment in Greek Areas and Greece as a Whole in 2006: Econometric Evidence Just Before the Global Financial Crisis of 2007-09**

17:30 **Adjourn**

20.30 ***Gala Dinner***



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