CRETE 2003

Second
CONFERENCE ON RESEARCH ON ECONOMIC
THEORY AND ECONOMETRICS

Mediterranean Agronomic Institute of Chania

July 7-10, 2003

The group of organizers wish to express their gratitude to the Bank of Greece
and Alpha Bank for their financial support to this conference.

Costas Azariadis, Yannis Ioannides, Apostolis Philippopoulos,
Heracles Polemarchakis and Nikos Vettas
SUNDAY, July 6

7:45 - 9:00pm  Informal get-together
   At the MAICh students’ lounge (restaurant/bar)

MONDAY, July 7

9:00 – 11:15 Macroeconomics  Chair: Costas Azariadis

   George-Marios Angeletos (MIT) “Idiosyncratic Production Risk, Growth and the Business Cycle” [with Laurent Calvet (Harvard and NYU)]
   Discussant: Harris Dellas (University of Bern)

   Harris Dellas (University of Bern) “Inflation Targeting” [with Fabrice Collard (CNRS-GREMAQ)]
   Discussant: Apostolis Philippopoulos (Athens Univ. of Economics and Business)

   Marika Karanassou (Queen Mary, University of London) “A Reappraisal of the Inflation-Unemployment Tradeoff” [with Hector Sala (Universitat Autonoma de Barcelona), Dennis Snower (Birbeck College, University of London)]
   Discussant: Peghe Braila (University of Milan-Bicocca)

11:15 – 11:45 Coffee

11:45 – 1:15 Prices and Markets I  Chair: Emmanuel Drandakis

   Herakles Polemarchakis (Brown University) “Money and prices under uncertainty” [with Tomo Nakajima (Brown University)]
   Discussant: Dimitris Tsomocos (University of Oxford)

   Emmanuel Petrakis (University of Crete) “Endogenous Contracts under Bargaining in Competing Vertical Chains” [with Chrysovalantou Milliou (EIU-Florence) and Nikos Vettas (Athens University of Economics and Business)]
   Discussant: Lampros Pehlivanos (Athens University of Economics and Business)

1:15 - 2:30 Lunch

2:30– 4:45 Finance  Chair: Elias Tzavalis

   Yannis Bilias (University of Cyprus) “The Distribution of Gains from the Access to Stocks” [with Michael Haliassos (University of Cyprus)]
   Discussant: Menelaos Karanasos (University of York)

   Christos Giannikos (Baruch College) “On the Consequences of State Dependent Preferences for the Pricing of Financial Assets” [with Jean-Pierre Danthine (University
de Lausanne, FAME and CEPR), John Donaldson (Columbia University), and Hany Guirguis (Manhattan College)

*Discussant:* George-Marios Angeletos (MIT)

Menelaos Karanasos (University of York) “The Volume-Volatility Relationship and the Opening of the Korean Stock Market to Foreign Investors after the Financial Turmoil in 1997" [with J. Kim (University of York)]

*Discussant:*
TUESDAY, July 8

9:00 – 11:15 Prices and Markets II  Chair: Yiannis Katsoulakos

Charalambos Aliprantis (Purdue University) “Non-market Options, Non-existence of Equilibria, and Non-linear Prices” [with Paulo Monteiro (EPGE/FGV) and Rabee Tourky (University of Melbourne)]
Discussant: Emmanuel Petrakis (University of Crete)

George Bitros (Athens University of Economics and Business) “A Rehabilitation of Economic Replacement Theory” [with Elias Flytzanis (Athens University of Economics and Business)]
Discussant: Yiannis Katsoulakos (Athens University of Economics and Business)

Lampros Pehlivanos (Athens University of Economics and Business) “Auctioning with a Split Mind: Privatization under Political Constraints” [with Maria Angeles de Frutos (Universidad Carlos III de Madrid)]
Discussant: Nikos Vettas (Athens University of Economics and Business)

11:15 – 11:45 Coffee

11:45 – 1:00 The contribution of Michael Magdalinos to Econometrics
Chair: Yiannis Ioannidis

Aris Spanos (Virginia Tech)
Elias Tzavalis (Queen Mary & Westfield College, University of London)

1:00 – 2:15 Lunch

2:15 – 3:45 Econometric Theory session in memory of Michael Magdalinos
Chair: Ekaterini Kyriazidou

Discussant: Yiannis Ioannidis (Tufts University)

Thanasis Stengos (University of Guelph) “Non-parametric Specification Testing of Non-nested Econometric Models” [Qi Li (University of Texas A&M)]
Discussant: Ekaterini Kyriazidou (UCLA)

Elias Tzavalis (Queen Mary & Westfield College, University of London) “Option Pricing Under Discrete Shifts in Stock Returns” [with Kyriakos Chourdakis (Queen Mary & Westfield College, University of London)]
Discussant: Yiannis Billias (University of Cyprus)
WEDNESDAY, July 9

9:00 – 10:30  Debt and Prices  Chair: Herakles Polemarchakis

Costas Azariadis (UCLA) “Endogenous Debt Constraints in Lifecycle Economies” [with Luisa Lambertini (UCLA)]
Discussant: Michael Haliassos (University of Cyprus)

Marios Zachariadis (Louisiana State University) “The Impact of International Borders on Price Dispersion” [with Mario Crucini (Vanderbilt University) and Chris Telmer (Carnegie Mellon University)]
Discussant: Kostas Axarloglou (Democritian University of Thrace)

10:30 – 11:00 Coffee

11:00 – 12:15 Applied Microeconomics Lecture  Chair: Charalambos Aliprantis

Yannis Ioannides (Tufts University) “The Evolution of City Size Distributions” [(with Xavier Gabaix, MIT)]

12:15-1:45 Political Economy  Chair: George Bitros

Christos Kotsogiannis (University of Exeter) “Political Uncertainty and Policy Innovation” [with Robert Schwager (ZEW Mannheim)]
Discussant: Minas Vlassis (University of Ioannina)

Miltos Makris (University of Exeter) “Capital Market Integration and Tax Competition: The Political Economy Perspective” [with Ben Lockwood (University of Warwick)]
Discussant: Antony Pavlopoulos (National Telecommunications Authority)

1:45-3:00 Lunch

3:00-5:30 Selected presentations  Chair: Apostolis Philippopoulos

Includes (list to be finalized):

Iordanis Petsas (University of Scranton) “Sustained Comparative Advantage in a Model of Schumpeterian Growth without Scale Effects”

Anthony Pavlopoulos (National Telecommunications and Post Commission) “Demand and Growth”

George Bitsakakis (Oxford) “Bounded Rationality and Dynamic Determinacy of Equilibrium”
Peghe Braila (University of Milan-Bicocca) “Some Results on a CAMP with Home-Production”

Krina Griva (AUEB, Econ - doctoral candidate) “Two-part tariff pricing with homogeneous goods” (with Nikos Vettas, AUEB)

Charalambos Christou (AUEB, Econ - doctoral candidate) “Informative advertising and product differentiation” (with Nikos Vettas, AUEB)

Leonidas Rombolis (AUEB, Finance – doctoral candidate) “Nonparametric Estimation of State-Price Densities Using Characteristics Functions and Option Prices” (with Elias Tzavalis, Queen Mary, University of London)


Additional papers - to be announced

5:30-6:00 Poster session

8:30 Conference Dinner
THURSDAY, July 10

9:00 – 10:30 Labor  Chair: Konstantine Gatsios (Athens Univ. of Econ. and Business)

Ekaterini Kyriazidou (UCLA) “Married Women Intertemporal Labor Force Participation in Germany: A Panel Data Analysis” [with Enrica Croda (UCLA)]
Discussant: Thanasis Stengos (University of Guelph)

Thomas Moutos (Athens University of Economics and Business) “Technological Change, Work-sharing and Inequality”
Discussant: Vangelis Vassilatos (Athens Univ. of Economics and Business)

10:30 – 11:00 Coffee

11:00 – 11:30 General Discussion – planning for next year

11:30 – 1:45 Environment / Resource Economics  Chair: Anna Hardman

Anastasios Xepapadeas (University of Crete) “Instabilities and Robust Control in Fishery Management” [with Catarina Roseta-Palma (ISCTE)]
Discussant: Eleftherios Zaharias (University of Ioannina)

Phoebe Koundouri (University of Reading and UCL) “Endogenous Technology Adoption under Production Risk: Theory and Application to Irrigation Technology” [with Celine Nauges (LEERNA-INRA, Toulouse) and Vangelis Tzouvelekas (University of Crete)]
Discussant: Iordanis Petsas (University of Scranton)

Panos Hatzipanayotou (Athens University of Economics and Business) “Optimal Tax Policies with Private-Public Clean-Up, Cross-Border Pollution and Capital Mobility” [with Costas Hadjiyiannis (University of Cyprus) and Michael Michael (University of Cyprus)]
Discussant: Konstantine Gatsios (Athens University of Economics and Business)

2:45 – 4:00 Lunch