

## THE ATHENIAN POLICY FORUM

### 10<sup>th</sup> Biennial Conference on “Regulatory Responses to the Financial Crisis” Frankfurt, 28-31 July 2010

#### Wednesday, 28 July 2010:

19:00                      **Meeting over Cocktails** at the Deutsche Bundesbank Guesthouse

#### Thursday, 29 July 2010:

09.30 – 10.00            **Welcome Address** (Guesthouse)

Session 1                      **History and Characteristics of Financial Crises** (Guesthouse)

**Chair: Panagiotis G Korliras** (Centre of Planning and Economic Research)

10.00 – 11.00            George K Zestos (Christopher Newport University, Newport News): **Financial Regulatory Reforms to Cope with the Crisis in the US and the EU**

Jin Wook Choi (DePaul University, Chicago): **A Descriptive Analysis of the 2007 U.S. Financial Crisis: Its Past, Present, and Future**

Discussant:            *A G Malliaris* (Loyola University, Chicago)

Session 2                      **Macroeconomic Stability and Financial Crises** (Main Building)

**Chair: Robert R Bliss** (Wake Forest University, Winston-Salem)

10.00 – 11.00            Peter Flaschel et al. (University of Bielefeld): **Stabilizing an Unstable Economy: On the Choice of Proper Policy Measures**

John Smithin (York University, Toronto): **An Endogenous Money Model of Economic Growth, the Business Cycle, Financial Instability, Inflation and Income Distribution**

Discussant: *George Bitros* (Athens University of Economics and Business)

11.00 – 11.30

**Coffee Break**

**Session 3**

**Global Imbalances as the Main Reason of the Financial Crisis** (Guest-house)

**Chair: Gregory Elliehausen** (Federal Reserve Board)

11:30 – 13:00

Herbert Grubel (Simon Fraser University, Vancouver): **Who is to Blame for the Great Recession?**

A G Malliaris et al. (Loyola University, Chicago): **Resolving the Global Financial Imbalances: An Evaluation of Economic Policies and Regulations**

Ingrid Rima (Temple University, Philadelphia): **The Political Economy of the Undervalued Renminbi**

Discussant: *Armin Haas* (Potsdam-Institute for Climate Impact Research)

**Session 4**

**Institutions and Their Role in the Financial Crisis** (Main Building)

**Chair: Eleftherios Thalassinou** (University of Piraeus)

11.30 – 13.00

George G Kaufman (Loyola University, Chicago): **The Financial Turmoil of 2007- 09: Sinners and Their Sins**

Bala Batavia et al. (DePaul University, Chicago): **Credit Rating Agencies and the Subprime Loans Crisis**

Sree Rama Murthy et al. (Sultan Qaboos University, Muscat): **Bank Stability during a Financial Crisis: Importance of Pre-Crisis Balance Sheet Strength**

Discussant: *Ross E Catterall* (University of Winchester)

13.00 – 14.00

**Lunch Break**

## **Session 5**

### **Macroeconomic Aspects of Regulation** (Guesthouse)

**Chair: Michael Ehrmann** (European Central Bank)

14.00 – 15.15

Ross E Catterall (University of Winchester): **The Regulatory Dialectic Revisited: an Analysis of the Re-Regulation of Financial Services and the Potential Economic Impacts**

Andreas Steiner (University of Osnabrueck): **Contagious Policies: An Analysis of Spatial Interactions among Countries' Capital Account Policies**

Discussant: *George G Kaufmann* (Loyola University, Chicago)

## **Session 6**

### **Improving the Stability of the Financial Sector** (Main Building)

**Chair: John Smithin** (York University, Toronto)

14.00 – 15.15

George M von Furstenberg (Indiana University): **Strengthening the Private Safety Net: Contingent Capital to the Rescue?**

Armin Haas (Potsdam-Institute for Climate Impact Research): **Black Swans, Dragon Kings, and Bayesian Risk Management**

Discussant: *Robert W Kolb* (Loyola University, Chicago)

15.15 – 15.45

**Coffee Break**

**Panel Session**

with Distinguished Panelists

15.45 – 17.30

### **Greece, Europe and the Euro** (Guesthouse)

**Introductory Remarks:**

Panagiotis G Korliras et al. (Centre of Planning and Economic Research): **Asymmetric Fiscal Dynamics and the Significance of Fiscal Rules for EU Public Finances**

19.30

**Conference Dinner** at the Deutsche Bundesbank Guesthouse

**Friday, 30 July 2010:**

**Session 7**                      **Systemically Important Financial Institutions I** (Guesthouse)

**Chair: George Bitros** (Athens University of Economics and Business)

09.00 – 10.30                      Emilios E Avgouleas (University of Manchester): **The Reform of ‘Too-Big-To-Fail’ Bank: A New Regulatory Model for the Institutional Separation of ‘Casino’ from ‘Utility’ Banking**

Tao Sun (IMF): **Identifying Vulnerabilities in Systemically Important Financial Institutions in a Macro-Financial Linkages Framework**

Eleftherios Thalassinos et al. (University of Piraeus): **A Holistic Framework for Measuring a Bank’s Financial Health**

Discussant:                      *Abol Jalilvand* (Loyola University, Chicago)

**Session 8**                      **Systemically Important Financial Institutions II** (Main Building)

**Chair: Ross E Catterall** (University of Winchester)

09.00 – 10.30                      Robert R Bliss et al. (Wake Forest University, Winston-Salem): **Resolving Large Complex Financial Institutions within and across Jurisdictions**

Raphaelae Chappe and Willi Semmler (New School University, New York): **Systemic Risk and the Hedge Fund Industry: New Regulatory Prospects**

Peter Haiss et al. (Vienna University of Economic and Business): **The Impact of Derivatives Markets on Financial Integration, Risk, and Economic Growth**

Discussant:                      *George M von Furstenberg* (Indiana University)

10.30 – 11.00                      **Coffee Break**

**Session 9**                      **The Financial Crisis and Monetary Policy Issues** (Guesthouse)

**Chair: Andreas Steiner** (University of Osnabrueck)

11.00 – 12.30                      A G Malliaris et al. (Loyola University, Chicago): **The Global Financial Crisis of 2007-09: Scope of Regulatory Responses**

Michael Ehrmann et al. (European Central Bank): **How should Central Banks deal with a Financial Stability Objective? The Evolving Role of Communication as a Policy Instrument**

Qi Hong Dong (DePaul University, Chicago): **Monetary Policy and Banking System Development**

Discussant: *Constantine Angyridis* (Ryerson University, Toronto)

**Session 10**

**The Financial Crisis: Studies from other Countries** (Main Building)

**Chair: Armin Haas** (Potsdam-Institute for Climate Impact Research)

11.00 – 12.30

Tong Li (Milken Institute, Santa Monica): **Measuring Post-Crisis Performance of Chinese Banks**

Hassouna Moussa et al. (Acadia University, Wolfville): **Financial Fetters of Tunisiyas' Monetary Policy**

Nikolaos C Baltas et al. (Athens University of Economics and Business): **Econometric Evidence for Regional Convergence in Greece (1995-2005)**

Discussant: *Bala Batavia* (DePaul University, Chicago)

12.30 – 14.00

**Lunch Break**

**Session 11**

**Consumer Behaviour during the Crisis** (Guesthouse)

**Chair: George Michalopoulos** (University of Macedonia, Thassaloniki)

14.00 – 15.15

Katharina Steiner (Vienna University of Economics and Business): **Supply of and Demand for Foreign Currency Loans to Households in CEE-11**

Gregory Elliehausen (Federal Reserve Board): **Implications of Behavioral Research for the Use and Regulation of Consumer Credit Products**

Discussant: *Robert R Bliss* (Wake Forest University, Winston-Salem)

**Session 12**

**Behavioral and Product-Specific Aspect of the Financial Crisis** (Main Building)

**Chair: Abol Jalilvand** (Loyola University, Chicago)

14.00 – 15.15

Robert W Kolb (Loyola University, Chicago): **Incentives in the Financial Crisis of our Time**

Apostolos Xanthopoulos (Illinois Institute of Technology): **Market Value Signal Extraction and the Misapplication of SFAS 133 in the U.S. GSE's**

Discussant: *Tao Sun* (International Monetary Fund)

15.15 – 15.45

**Coffee Break**

**Panel Session**

with Distinguished Panelists

15.45 – 17.30

**Can we avoid Future Financial Crises?**

**Introductory Remarks:**

Dominick Salvatore (Fordham University, New York): **The Global Financial Crisis: Predictions, Causes, Effects, Policies, and Prospects**

18.30

**Dinner** at the Deutsche Bundesbank Guesthouse

The evening is free for discovering Frankfurt!

### **Saturday, 31 July 2010:**

**Session 13**

**Taxation and Currency Issues in Europe** (Guesthouse)

**Chair: Nikolaos C Baltas** (Athens University of Economics and Business)

09.00 – 10.30

Michael G Arghyrou et al. (Cardiff Business School): **The Option of Last Resort: A Two-Currency EMU**

Constantine Angyridis (Ryerson University, Toronto): **Structural Breaks and the Tax Smoothing Hypothesis in the G7 Countries**

Discussant: *Peter Flaschel* (University of Bielefeld)

10.30 – 11.00

**Coffee Break**

**Session 14**

**Convergence Problems in Europe** (Guesthouse)

**Chair: Volbert Alexander** (Goethe Business School, Frankfurt)

11.00 – 12.15

George Michalopoulos et al. (University of Macedonia, Thessaloniki): **Bank Retail Interest Rate Convergence within the Euro Area**

Panayiotis Athanasoglou (Bank of Greece): **Yield Curve Dynamics and Inflation**

Discussant: *Willi Semmler* (New School University, New York)

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12.15

**Lunch - End of Conference**