

**Sixth Biennial International Conference  
on**

**THE GLOBAL ECONOMY: FINANCIAL, LEGAL  
AND  
TECHNOLOGICAL ASYMMETRIES**

Organized by

**The School of Business Administration, Loyola University Chicago  
and the Athenian Policy Forum**

**August 16-17, 2002**

**Conference Headquarters:  
School of Business Administration, Loyola University Chicago  
25 E Pearson Street, Second Floor**

**Chicago, Illinois, USA**

## Friday, August 16, 2002

- 8:30 – 9:00 am**      **Registration**  
Room 208
- 9:00 – 9:15 am**      **Welcome by:**  
Room 211  
**A.G. MALLIARIS**, *Conference Chair, Walter F. Mullady Sr. Professor of Economics & Finance, Loyola University Chicago*  
**FATHER MICHAEL GARANZINI, S.J.**, *President, Loyola University Chicago*  
**CHRISTOS C. PARASKEVOPOULOS**, *President, The Athenian Policy Forum*
- 9:15 am – 10:00 am**      **Athenian Policy Forum Distinguished Guest Lecture**  
Room 211  
**GEORGE M. CONSTANTINIDES**, *Leo Melamed Professor of Finance, University of Chicago Graduate School of Business*  
“Rational Asset Prices”
- 10:00 am – 10:20 am**      **Coffee Break**  
Room 208
- 10:20 am – 11:50**      **The U.S. Stock Market**  
Room 211  
Chair: **PETER E. KOVEOS**, *Professor and Director, Kiebach Center for International Business Studies, Syracuse University*  
**WILLIAM (CURT) HUNTER**, *Sr. Vice President and Director of Research, Federal Reserve Bank of Chicago* and **LUCY ACKERT**, *Kennesaw State University*  
“An Empirical Examination of the Price-Dividend Relation”  
**VEFA TARHAN**, *Ralph Marotta Professor of Free Enterprise, Loyola University Chicago*  
“The Crash of the Internet Bubble”  
**A.G. MALLIARIS & MARC D. HAYFORD**, *Loyola University Chicago*  
“Monetary Policy & the US Stock Market”
- 12:00 – 1:50 pm**      **Lunch at McCormick & Schmick's**  
41 E Chestnut St,  
Upper Level  
Remarks by **ROBERT L. PARKINSON JR.**, *Dean of the School of Business Administration, Loyola University Chicago*  
Remarks by **NINA APPEL**, *Dean of the School of Law, Loyola University Chicago*  
Remarks by **GEORGE VENIERIS**, *Rector, Athens University of Economics and Business, GREECE*  
Remarks by **CHRISTOS C. PARASKEVOPOULOS**, *President, The Athenian Policy Forum*

- 2:00 pm – 3:30 pm**  
Room 211
- Banking & Risk Management Issues**
- Chair: **GEORGE G. KAUFMAN**, *John F. Smith Professor of Business Administration, Loyola University Chicago*
- ROBERT BLISS**, *Federal Reserve Bank of Chicago*  
“Issues in Resolving Large Complex Financial Organizations”
- ELI BREWER III**, *Federal Reserve Bank of Chicago*  
“Inter-industry Contagion and the Competitive Effects of Financial Distress Announcements: Evidence from Commercial Banks and Life Insurance Companies”
- TURAN G. BALI**, *Baruch College-City University of New York* and **PANAYIOTIS THEODOSSIOU**, *Rutgers University*  
“Risk Management Performance of Alternative Distribution Functions”
- 3:30 pm – 3:50 pm**  
Room 208
- Coffee Break**
- 3:50 pm – 5:20 pm**  
Room 211
- Panel Discussion: Legal Dimensions of Global Business**
- Chair: **CHRISTIAN JOHNSON**, *Loyola University Chicago School of Law*
- CHRISTIAN JOHNSON**, *Loyola University Chicago School of Law*  
“Cross-Border Issues in the Regulation of Over-the-Counter Derivatives”
- CHARLES MURDOCK**, *Loyola University Chicago School of Law*  
“Global Lessons from Enron”
- TOM LEAHY**, *Commodity Futures Trading Commission*  
“Regulation in the Global Economy”
- 6:30pm-8:30pm**  
3240 North Lake  
Shore Drive,  
Apt. 17A, Chicago,  
Illinois, 60657
- Reception of Conference Participants at the Residence of  
MR. AND MRS. GABRIEL COPTSIDIS**, *Consul General of Greece in Chicago*

## Saturday, August 17, 2002

### 8:30 am – 10:00 am Concurrent Sessions:

Room 211

#### Session A: Asymmetries in Stock Markets

Chair: EDWARD NICHOLSON, *President, Robert Morris University*

ZISIMOS KOUSTAS, *Brock University, CANADA*

“Persistent Deviations from Market Fundamentals or Rational Bubbles in Stock Prices”

S. BANERJEE, BALA BATAVIA, *DePaul University* and P. NANDAKUMAR

“Exchange Rate Variability, Stock Market Volatility and ‘Footloose’ Capital Flows: Evidence from India”

BRENDA SPOTTON VISANO, *York University, CANADA*

“Financial Crises, Crashes, and Speculative Bubbles: The Regulation Imperative in a Critique of Recent Episodes”

Room 207

#### Session B: Asymmetric Information and Development

Chair: MAHMOOD A. ZAIDI, *University of Minnesota*

TAIZO TAKENO, *Georgetown University and The World Bank*

“Protectionism and Product Standards Under Asymmetric Information”

MINE CINAR, *Loyola University Chicago*, HUI-LING HUNG, *Loyola University Chicago*, ANITA TANG, *Royal Roots, Inc.*, JUNKUO ZHANG, *Development Research Center of the State Council of the People’s Republic of China, CHINA*

“Asymmetric Information and the Chinese Banking Industry”

JOHN FRANCIS, *Auburn University at Montgomery*

“Asymmetric Labor Markets in a Core-Periphery Model of Globalization”

Room 206

#### Session C: Economic Growth & the Role of Government

Chair: MIKE POURNARAKIS, *Athens University of Economics and Business, GREECE*

NICHOLAS A. LASH, *Loyola University Chicago*

“Corruption and Economic Development”

KHAIRY A. TOURK and OMAR FAROOQ, *Illinois Institute of Technology*

“Corporate Restructuring and Financial Reforms in Post-1997 S. Korea”

NICHOLAS C. BALTAS, *Athens University of Economics and Business, GREECE*

“Investment in the Processing of Agricultural Products and Food in Europe: The Case of Greece”

### 10:00 am – 10:20 am Coffee Break

Room 208

**10:20 am – 11:50 am Concurrent Sessions:**

Room 206

**Session D: Structural Issues of Financial and Trade Sectors**

Chair: **LIVY A. VISANO**, *York University, CANADA*

**JOHN A. TATOM**, *DePaul University* and **MARK OTT**, *Gravitas International LLC*  
“Money as a Creature of the State: The Role of Taxes in Financial Development”

**INGRID RIMA**, *Temple University*

“Export Trade and Economic Reform: Symbiosis Between China and Japan in the Automotive Production”

**NOEMI LEVY**, *Universidad Nacional Autonoma de Mexico, MEXICO*

“Finance, Endogenous Money and the Evolution of the Mexican Financial System”

**GABRIEL MENDOZA PICHARDO**, *Universidad Nacional Autonoma de Mexico, MEXICO*

“Foreign Finance and Trade: The Experience of Large Mexican Enterprises During the Nineties”

Room 208

**Session E: Regional Trade Integration**

Chair: **GEORGE VENIERIS**, *Rector, Athens University of Economics and Business, GREECE*

**SVEN W. ARNDT**, *Claremont McKenna College*

“Regional Trade Integration and Structural Asymmetries”

**ALEXANDER J. KONDONASSIS**, *Oklahoma University*, **A.G. MALLIARIS**, *Loyola University Chicago*, **CHRISTOS C. PARASKEVOPOULOS**, *York University, CANADA*

“Economic Asymmetries in Transition Economies of the Broader Balkan Region: The Case of Western Balkans”

**ROSS E CATTERALL**, *Anglia Polytechnic University, UK*

“Economic Asymmetries in the Enlarged European Union and the Stability of the Eurozone”

**MIKE POURNARAKIS**, *Athens University of Economics and Business, GREECE*

“The Need for Regional FDI Policy in the Balkans”

Room 211

**Session F: Asymmetries in Monetary and Trade Policies**

Chair: **EDELGARD MAHANT**, *York University, CANADA*

**BERND KEMPA**, *University of Essen, GERMANY*

“On the Emergence of Electronic Money and its Consequences for Monetary Policy”

**MARC D. HAYFORD**, *Loyola University Chicago*

“Asymmetric Effects of Monetary Policy”

**MÓNICA GAMBRILL**, *Universidad Nacional Autonoma de Mexico, MEXICO*

“Regulatory Differences in International Subcontracting Between the European Union and Mexico”

**ADRIAN DE LEON**, *Universidad de Guadalajara, MEXICO*

“Trade Liberalization and Productivity Growth: Some Lessons from the Mexican

**12:00 – 1:30 pm** Case”  
Open Time **Lunch Break**  
Advisory and Board of Directors Meeting of The Athenian Policy Forum:  
By Invitation in Rubloff Annex

**1:30 pm – 3:00 pm** **Concurrent Sessions:**

Room 206

**Session G: Exchange Rate Volatility & Currency Crises**

Chair: **SVEN W. ARNDT**, *C.M. Stone Professor and Director, The Lowe Institute of Political Economy, Claremont McKenna College*

**ANIMESH GHOSHAL**, *DePaul University*

“Currency Crises and Exchange Rate Regimes”

**IBOLYA MILE**, *University of Duisburg, GERMANY*

“Pressure on the Exchange Rates: Experiences of the Czech Republic, Hungary and Poland”

**FRANCISCO CARRADA-BRAVO**, *Thunderbird-American Graduate School of International Management*

“The Economics of Religion and the Prospects for Development in the Middle East”

Room 207

**Session H: Internet and E-Business Applications**

Chair: : **MARC D. HAYFORD**, *Loyola University Chicago*

**FREDERICK KAEFER** and **GEORGE S. NEZLEK**, *Loyola University Chicago*

“Implications of Global Asymmetries in Power Infrastructures”

**GEZINUS HIDDING**, *Loyola University Chicago*

“First-Mover Advantage in E-Business”

**NENAD JUKIC** and **GEORGE S. NEZLEK**, *Loyola University Chicago*

“Disseminating Polyinstantiated Information in an E-business Environment”

**FAHAD AL-HAJRI** and **NRUPANG SHAH**, *Loyola University Chicago*

“Oman’s Stance on Indecent Internet Materials”

Room 208

**Session I: Macroeconomic Asymmetries**

Chair: **GEORGE E. EATON**, *York University, CANADA*

**GEORGE E. EATON**, *York University, CANADA*

“Pension Capitalism and Asymmetries of Governance and Accountability. Post Enron Prospects for Reform”

**JAMES BROX**, *University of Waterloo, CANADA*

“Changes in Canadian Productivity and Real Output Gap Since NAFTA”

**CHUNG CHEN**, *Syracuse University*, **PETER KOVEOS**, *Syracuse University*, and **YIMIN ZHANG**, *University of Shanghai for Science and Technology, CHINA*

“What Can We Learn From Large Transition Economies? The Case of China”

Room 211

**Session J: Global Financial Linkages**

Chair: **ALEXANDER J. KONDONASSIS**, *David Ross Boyd Professor and Regents Professor of Economics, Oklahoma University*

**MARY MALLIARIS**, *Loyola University Chicago*  
“Linkages Among Global Stock Markets”

**EDWARD E. GHARTEY**, *The University of West Indies, JAMAICA*  
“Random Walk as a Universal Test of Weak-Form Foreign Exchange Market Efficiency: A Note”

**SIMA MOTAMEN-SAMADIAN**, *University of Westminster, UK*  
“Can we Blame the Currency Board for Argentina’s Problems?”

**3:00 pm**  
Room 211

**Concluding Remarks and Announcements of Future Conferences**

**MINE CINAR**, *Loyola University Chicago*

**NICHOLAS C. BALTAS**, *Athens University of Economics and Business, GREECE*

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