



## **1st International Conference in Applied Theory, Macro and Empirical Finance**

### **Program**

April 6-7, 2015

Conference rooms A and B

1st floor

University of Macedonia

Thessaloniki, Greece



## Program outline

### **Monday, April 6**

- 8:30 - 9:00 Registration
- 9:00 - 9:05 Welcome address
- 9:05 - 11:00 Parallel sessions – A: Financial Markets I, B: Education and Growth
- 11:00 - 11:15 Coffee break
- 11:15 - 13:15 Parallel sessions – A: GARCH, B: Applied Economics
- 13:15 - 14:30 Lunch
- 14:30 - 15:30 Keynote speech: Elias Tzavalis
- 15:30 - 17:30 Parallel sessions – A: Inflation, B: Applied Econometrics
- 17:30 - 17:45 Coffee break
- 17:45 - 19:45 Parallel sessions – A: Financial Economics I, B: Labour

### **Tuesday, April 7**

- 9:00 - 11:00 Parallel sessions – A: Macroeconomics, B: Financial Economics II
- 11:00 - 11:15 Coffee break
- 11:15 - 13:15 Parallel sessions – A: Dynamic Macroeconomics, B: Trade and Development
- 13:15 - 14:30 Lunch
- 14:30 - 15:30 Keynote speech: Stephen G. Hall
- 15:30 - 17:30 Parallel sessions – A: Monetary Policy, B: Micro and Environmental
- 17:30 - 17:45 Coffee break
- 17:45 - 19:45 Parallel sessions – A: Efficiency and Growth, B: Financial Markets II

## Monday, April 6

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Registration: 8:30 – 9:00

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Welcome address: 9:00 – 9:05

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Parallel sessions: 9:05 – 11:00

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### Room A: Financial Markets I

Chair: Costas Karfakis

*Country Selection Strategies Based on Value, Size and Momentum*

**Adam Zaremba**, Poznan University of Economics, Poland

*Performance-Based Fees and Asset Allocation under Loss Aversion*

**Constantin Mellios**, University Paris 1 Panthéon-Sorbonne and Anh Ngoc Lai, University Rennes 1, France

*The Accrual Anomaly in the Greek Stock Market*

Georgios A. Papanastasopoulos, University of Piraeus, **Andreas I. Tsalas** and Dimitrios D. Thomakos, University of Peloponnese, Greece

*A Portfolio-Balance Approach to Sterling-Euro Exchange Rate*

**Costas Karfakis**, University of Macedonia, Greece

### Room B: Education and Growth

Chair: Panagiotis Konstantinou

*Inequality and Growth: Why Physical and Human Capital Interactions Matter*

**Nikos Benos**, University of Ioannina, Greece and Stelios Karagiannis, European Commission, DG Joint Research Centre, Italy

*Human Capital, a Determinant of the Economic Growth - A Panel Data Approach*

**Camelia Barabaş**, Bucharest University of Economic Studies, Romania

*Fluctuations in Relative Ability and the U.S. College Premium*

**Darius Martin**, American University of Beirut, Lebanon and Yongli Zhang, Central University of Finance and Economics, China

*Structural Reforms and FDI Flows: Do They Work and Under What Conditions?*

**Panagiotis Konstantinou**, Athens University of Economics and Business, Greece

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Coffee break: 11:00 – 11:15

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Parallel sessions: 11:15 – 13:15

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**Room A: GARCH Models**

Chair: Jinu Lee

*GARCH Option Pricing Models: Evidence from Joint Likelihood Estimations*

**Ioannis Papantonis**, Aristotle University of Thessaloniki, Greece

*Structural Breakpoints in Volatility in Central European Region*

**Claudiu Boțoc**, West University of Timișoara, Romania

*Feedback Trading Strategies and Long-Term Volatility of Real Estate Markets: A FIGARCH Approach*

**Athanasios Koulakiotis**, University of Macedonia, Apostolos Kiohos, University of Macedonia and Vasilios Babalos, TEI of Kalamata, Greece

*Nonlinear Modelling with Radial Basis Function Network: Application to Test for Neglected Nonlinearity in Time Series Models*

**Jinu Lee**, Queen Mary, University of London, UK

**Room B: Applied Economics**

Chair: Apostolos Kiohos

*Does Greece Need to Revive its Defense Industry?*

**Michail Ploumis**, University of Peloponnese, Greece

*The Rule of Law and the Capital Market*

Bogdan Dima, Flavia Barna and **Miruna-Lucia Nachescu**, West University of Timișoara, Romania

*Geo-Economics through State Scale Entities*

**Dimitrios Stergiou**, University of Peloponnese, Greece

*Risk Measurement of Bird Strikes: A Case Study of Kavala's Airport*

Vasilios Lykos, University of Crete, Athanasios Koulakiotis, University of Macedonia, **Apostolos Kiohos**, University of Macedonia and George Mavridoglou, TEI of Peloponnese, Greece

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Lunch: 13:15 – 14:30

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Keynote speech: 14:30 – 15:30

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Chair: Theologos Pantelidis, University of Macedonia, Greece

*A Comparison of Sentiment and Risk Premium Effects on Security Pricing*

**Elias Tzavalis**, Athens University of Economics and Business, Greece

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Parallel sessions: 15:30 – 17:30

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### **Room A: Inflation**

Chair: Mustafa Caglayan

*US Inflation Over 200 Years: The Performance of the Federal Reserve*

Don Bredin, University College Dublin, Ireland and **Stilianos Fountas**, University of Macedonia, Greece

*Nonlinearities and Parameter Instability in the Finance-Growth Nexus*

**Catherine Prettnner**, Vienna University of Economics and Business, Austria

*Forecast News and Monetary Policy*

**Tsvetomira Tsenova**, Bulgarian National Bank, Bulgaria

*The Role of Financial Depth on the Asymmetric Impact of Monetary Policy*

**Mustafa Caglayan**, Heriot-Watt University, UK, Ozge Kandemir Kocaaslan, Hacettepe University, Turkey and Kostas Mouratidis, University of Sheffield, UK

### **Room B: Applied Econometrics**

Chair: Kyriakos Spyrounakos

*Nowcasting GDP: A Comparison between Greece and Other European Countries*

**Dimitra Lamprou**, University of Peloponnese, Greece

*Forecasting Retail Interest Rates with High Frequency Data*

**Manuela Braione**, Université Catholique de Louvain, Hans Dewachter, National Bank of Belgium and University of Leuven, Belgium, Eric Ghysels, University of North Carolina, USA and Leonardo Iania, Université Catholique de Louvain, Belgium

*Hedging Inflation with Individual Stocks: A Long-Run Perspective*

**Georgios Bampinas** and Theodore Panagiotidis, University of Macedonia, Greece

*Economics and Financial Determinants of Asset Classes Correlations*

Leonardo Iania, Université Catholique de Louvain, Kristien Smedts, University of Leuven, Gunther Wuyts, University of Leuven and **Kyriakos Spyrounakos**, Université Catholique de Louvain, Belgium

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Coffee break: 17:30 – 17:45

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Parallel sessions: 17:45 – 19:45

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### **Room A: Financial Economics I**

Chair: Oleksandr Talavera

*The Impact of Intellectual Capital on Firm Performance and Company Valuation: Evidence from UK Companies*

**Ilayda Nemlioglu** and Sushanta K. Mallick, Queen Mary, University of London, UK

*To What Extent Are Savings–Cash Flow Sensitivities Informative to Test for Capital Market Imperfections?*

John D. Tsoukalas, University of Glasgow, **Serafeim Tsoukas**, University of Glasgow and Alessandra Guariglia, University of Birmingham, UK

*Price Setting in Online Markets: Does it Click?*

Yuriy Gorodnichenko, University of California, Berkeley, Viacheslav Sheremirov, Federal Reserve Bank of Boston, USA and **Oleksandr Talavera** University of Sheffield, UK

*Recession, Financing Constraints and Investment Decisions of Firms*

Ana P. Fernandes, University of Exeter, UK and **Priscila Ferreira**, University of Minho, Portugal

### **Room B: Labour**

Chair: George Saridakis

*The Econometric Modeling of Gender and Age Differences in the Unemployment in Romania*

**Elena Bugudui**, ARTIFEX University of Bucharest, Romania

*The Effect of Minimum Wages and Labor Market Institutions on Employment of Different Age Groups Using Cross-National Evidence*

Michael Chletsos and **Georgios P. Giotis**, University of Ioannina, Greece

*Straight-time and Overtime: A Sequential Lottery Approach*

**Aleksandar Vasilev**, American University in Bulgaria, Bulgaria

*The Relationship between Self-Employment and Unemployment in the Long-Run: A Panel Cointegration Approach*

**George Saridakis**, Kingston University, UK, Miguel Angel Mendoza, National Autonomous University of Mexico, Mexico, Rebeca Munoz Torres, Westminster University and Jane Glover, Loughborough University, UK

## Tuesday, April 7

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Parallel sessions: 9:00 – 11:00

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### Room A: Macroeconomics

Chair: Theodore Panagiotidis

*Euro Exchange Rate Volatility and Other Determinants of Hysteresis in Exports – Empirical Evidence for the Euro Area*

**Ansgar Belke**, University of Duisburg-Essen, Matthias Göcke, Justus Liebig University of Giessen and Laura Werner, Justus Liebig University of Giessen, Germany

*The New Keynesian Theory and its Associated Model*

**Oana Simona Hudea (Caraman)**, Academy of Economic Studies, Bucharest, Romania

*Fiscal Policy, Linear Feedback Control and Debt Stabilization*

**Ilias Kostarakos** and Stelios Kotsios, University of Athens, Greece

*Tax Havens under Pressure: How Do they React?*

Patrice Pieretti and **Giuseppe Pulina**, University of Luxembourg, Luxembourg

### Room B: Financial Economics II

Chair: Thomas Humblot

*The Impact of the Financial Crisis on the Marketing Behaviour Bank*

**Chrysanthi K. Balomenou**, Hellenic Open University and Amalia G. Akriviadi, Eurobank Ergasias, Greece

*A Panel Data Analysis of Macroeconomic Determinants of Business Entries in the EU Member States in the Period 2004-2012*

**Maruša Beca**, Bucharest University of Economic Studies, Romania

*How Do Risks, Governance, and Regulation Shape Bank Profitability*

**Ioana-Iuliana Tomuleasa**, Auvergne University, France and Alexandru Ioan Cuza University of Iasi, Romania and Vasile Cocriș, Alexandru Ioan Cuza University of Iasi, Romania

*Basel III and SME Access to Credit: Evidence from France*

**Thomas Humblot**, University of Bordeaux, France

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Coffee break: 11:00 – 11:15

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Parallel sessions: 11:15 – 13:15

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**Room A: Dynamic Macroeconomics**

Chair: Anastasia Litina

*A Generalized Steady State Growth Theory*

**Andreas Irmen**, University of Luxembourg, Luxembourg

*Endogenous Capital- and Labor-Augmenting Technical Change in the Neoclassical Growth Model*

**Amer Tabakovic** and Andreas Irmen, University of Luxembourg, Luxembourg

*Capital-Value Busts as a Source of Rational Pessimistic Policy Swings*

**Christos Koulovatianos** and Dimitris Mavridis, University of Luxembourg, Luxembourg

*Accounting for Long-Run Patterns in Labor Force Participation Rates*

**Anastasia Litina**, University of Luxembourg, Luxembourg and Theodore Palivos, Athens University of Economics and Business, Greece

**Room B: Trade and Development**

Chair: **Terence Huw Edwards**

*Interdependence between Level of Financial System Development and Economic Growth in Serbia*

**Tamara Radjenovic** and Biljana Rakic, University of Nis, Serbia

*The Effectiveness of Macroprudential Policies in Emerging Economies*

**Mădălin Viziniuc**, Bucharest University of Economic Studies, Romania

*On the Effectiveness of Infrastructure Policies in Developing Countries*

**Marco Delogu**, University of Luxembourg, Luxembourg and Université Catholique de Louvain, Belgium

*Post-Soviet Central Asia and Russia Trade: Back to Big Brother?*

Arman Mazhikeyev, University College, Dublin, Ireland and Loughborough University, UK and **Terence Huw Edwards**, Loughborough University, UK.

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Lunch: 13:15 – 14:30

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Keynote speech: 14:30 – 15:30

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Chair: Stilianos Fountas, University of Macedonia, Greece

*TVC Estimation; a Suggestion for Choosing the Coefficient Drivers*

**Stephen G. Hall**, University of Leicester, UK

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Parallel sessions: 15:30 – 17:30

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### **Room A: Monetary Policy**

Chair: Philipp Wegmüller

*An Analysis of Fiscal and Expectation Multipliers in the Euro Area*

Nektarios A. Michail, Cyprus University of Technology and Central Bank of Cyprus, Cyprus and **Christos S. Savva**, Cyprus University of Technology, Cyprus and University of Manchester, UK

*Structural Reform or Fiscal Consolidation: Is There a Trade-off?*

**Rana Sajedi**, European University Institute, Italy

*Monetary Policy Preferences of the EMU and the UK*

Philip Arestis, University of Cambridge, Michail Karoglou, Aston University and **Kostas Mouratidis**, University of Sheffield, UK

*Utility Functions, Fiscal Shocks and the Open Economy*

**Philipp Wegmüller**, University of Bern, Switzerland

### **Room B: Micro and Environmental**

Chair: Archontis L. Pantsios

*International Environmental Agreements: An Emission Choice Model with Abatement Technology*

**Eftichios S. Sartzetakis**, University of Macedonia, Greece and Stefania Strantza, Concordia University, Canada

*Cournot Competition and “Green” Innovation: An Inverted-U Relationship*

Luca Lambertini, University of Bologna, Italy, **Joanna Poyago-Theotoky**, La Trobe University, Australia and Alessandro Tampieri, University of Luxembourg, Luxembourg

*Environmental Policy with Conscious Consumers*

**Christos Constantatos**, University of Macedonia, Greece, Christos Pargianas, University of Scranton, USA and Eftichios Sartzetakis, University of Macedonia, Greece

*How Asymmetrically Increasing Joint Strike Costs Need Not Lead to Fewer Strikes*

**Archontis L. Pantsios**, Liverpool Hope University, UK and Solomon W. Polachek, Binghamton University, USA

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Coffee break: 17:30 – 17:45

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Parallel sessions: 17:45 – 19:45

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### **Room A: Efficiency and Growth**

Chair: Revekka Christopoulou

*Increasing Budget Transparency and Control of Corruption – Strategy to Increase Human Development*

**Violeta Maria Cimpoeru**, Bucharest University of Economic Studies, Maria Radu, Bucharest University of Economic Studies and Valentin Cimpoeru, University Politehnica of Bucharest, Romania

*Why is Agricultural Productivity so Low but Exports so High?*

**David Gomtsyan**, University of Turin, Italy

*Energy Intensity and Environmental Performance in the Gulf Region*

Amany El Anshasy and **Marina-Selini Katsaiti**, United Arab Emirates University, United Arab Emirates

*Regional Bank Efficiency and its Effect on Regional Growth in “Normal” and “Bad” Times*

Ansgar Belke, University of Duisburg-Essen, **Ulrich Haskamp**, University of Duisburg-Essen and Ralph Setzer, European Central Bank, Germany

### **Room B: Financial Markets II**

Chair: Georgios Bampinas

*Using Neural Networks for Predicting Financial Crisis. Case Study for European Countries*

**Smaranda Cimpoeru**, Bucharest University of Economic Studies, Romania

*Investigating Short-Run Sovereign Rating in Romania*

**Emilian-Constantin Miricescu**, Bucharest University of Economic Studies, Romania

*Applying Sentiment Analysis in Finance*

**Cristian Bucur**, Bucharest University of Economic Studies, Romania