

# The Paul Woolley Centre for the Study of Capital Market Dysfunctionality

Conference 2011

Thursday 13<sup>th</sup> October and Friday 14<sup>th</sup> October

## Draft Programme

### Allocation of Financial Sector Rents Across Society

#### Day 1 - Thursday 13<sup>th</sup> October

8.15am – 8.45am

Registration

8.45am

Welcome by Professor Roy Green – Dean, Faculty of Business, University of Technology, Sydney

Session Chair:  
Paul Woolley

- **Professor Viral Acharya** – New York University Stern School of Business  
*Guaranteed to Fail: Fannie Mae, Freddie Mac and the Debacle of Mortgage Finance*
- **Dr Luci Ellis** – Reserve Bank of Australia  
Rents, Risks and the Right Responses
- **Break**
- **Professor Doug Foster and Tim Higgins** – Australian National University  
*Members, Retirees and Cooper Review*
- **Gerry Antioch**, General Manager Tax System Division – The Treasury  
Some Observations on Finance and Tax

Day 1  
Morning Session  
9.00am to  
1.00pm

#### DEBATE PART I

*That free financial markets allocate rents to rogues*

*Affirmative*

- **Associate Professor Graeme Wells** – University of Tasmania
- **Dean Paatsch** – Governance Advisor

*Negative*

- **Tim Farrelly** – farrelly's
- **Jack Gray** - Paul Woolley Centre for the Study of Capital Market Dysfunctionality, UTS

1.00 – 2.00pm

Lunch

Session Chair:  
Ron Bird

#### DEBATE PART II

*That free financial markets allocate rents to rogues*

#### Session – Superannuation – Organiser Professor Susan Thorp

- Associate Professor Paul Gerrans – University of Western Australia  
*How Super are Our Superannuation Decisions?*
- Professor Susan Thorp – University of Technology, Sydney  
*How Super Are Our Superannuation Benefit Decisions?*
- Dr Jack Gray - Paul Woolley Centre for the Study of Capital Market Dysfunctionality, UTS  
*Agents in the Superannuation System*

Day 1  
Afternoon Session  
2.00am to  
5.30pm

Break

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**Session – Centre Research – Organiser Professor Ron Bird**

- Professor Ron Bird – Paul Woolley Centre for the Study of Capital Market Dysfunctionality, UTS  
*How Fund Managers Manage Your Money*
- Harry Liem – Paul Woolley Centre for the Study of Capital Market Dysfunctionality, UTS  
*Infrastructure: real assets and real returns?*

5.30pm

**Close of Day 1**

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## Allocation of Financial Sector Rents Across Society

Day 2 – Friday 14<sup>th</sup> October

Session Chair:  
Jack Gray

Day 2  
Morning Session  
9.00am to  
12.30pm

- **Professor Viral Acharya** – New York University Stern School of Business  
*Counterparty risk externality: Centralized versus over-the-counter markets*  
Discussant: Bruce Grundy
- **Dr Abigail Brown** – Harvard University  
Effect of market structure and the regulatory franchise in reputation-dependent industries  
Discussant: Dave Allen
- **Break**
- **Dr Corrado Di Guilmi** – University of Technology, Sydney  
An Analytical Solution for Agent Based Models  
Discussant: Tony He
- **Dr Kristoffer Glover** – University of Technology, Sydney  
A heterogeneous agents model for gold and stock prices  
Discussant: Petko Kalev

12.30 – 1.30pm

Lunch

Session Chair:  
Ron Bird

Day 2  
Afternoon Session  
1.30pm to  
5.00pm

- **Professor Sébastien Pouget** – University of Toulouse  
*Rational and irrational bubbles: An experiment*  
Discussant: David Goldbaum
- **Assistant Professor Anton Korinek** – University of Maryland  
*Financial innovation and bailouts: Market completion versus rent extraction*  
Discussant: Massimo Scotti
- **Break**
- **Professor Tim Hazledine** – University of Auckland  
*Unravelling financial sector rents: The competition paradox*  
Discussant: Stuart Locke
- **Associate Professor Craig Brown** – National University of Singapore  
*Campaign contributions and government security issuance: Evidence from state bond pricing*  
Discussant: Phil Gharghori

5.00pm

Close of Conference

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## International Keynote Speakers

**Professor  
Viral  
Acharya**

**Viral V. Acharya** is the C.V. Starr Professor of Finance at New York University Stern School of Business (NYU-Stern), Research Associate of the National Bureau of Economic Research (NBER) in Corporate Finance, Research Affiliate of the Center for Economic Policy Research (CEPR) in Financial Economics, Research Associate of the European Corporate Governance Institute (ECGI), member of Advisory Scientific Committee of European Systemic Risk Board (ESRB), and an Academic Advisor to the Federal Reserve Banks of Cleveland, New York and Philadelphia, and the Board of Governors. Viral's primary research interest is in theoretical and empirical analysis of systemic risk of the financial sector, its regulation and its genesis in government-induced distortions, an inquiry that cuts across several other strands of research – credit risk and liquidity risk, their interactions and agency-theoretic foundations, as well as their general equilibrium consequences. At Stern, Viral co-edited the books *Restoring Financial Stability: How to Repair a Failed System*, John Wiley & Sons, March 2009 and *Regulating Wall Street: The Dodd-Frank Act and the New Architecture of Global Finance*, John Wiley & Sons, November 2010. He is also the co-author of the forthcoming book *Guaranteed to Fail: Fannie Mae, Freddie Mac and the Debacle of Mortgage Finance*, Princeton University Press, March 2011 and Harper Collins (India), forthcoming. He is the current PhD coordinator in the Finance department at Stern.

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**Professor  
Sébastien  
Pouget**

**Sébastien Pouget** is Professor of Finance at the University of Toulouse Capitole (Toulouse School of Economics and IAE), France, and a Researcher at the Institut d'Economie Industrielle. His research has been presented in various conferences including the U.S. National Bureau of Economic Research conference on Market Microstructure, the American Finance Association Meeting, and the Western Finance Association Meeting. His work on the psychology of financial markets has been published in leading academic journals, including the *Journal of Finance*, the *Journal of Financial Markets*, and the *Review of Economic Studies*. His most recent work focuses on speculative bubbles. He is also the coordinator of a research center on Socially Responsible Investments. During the academic year 2010-2011, he was a visiting professor of economics at the Bendheim Center for Finance in Princeton University where he taught courses on Investments and on Behavioral Finance.

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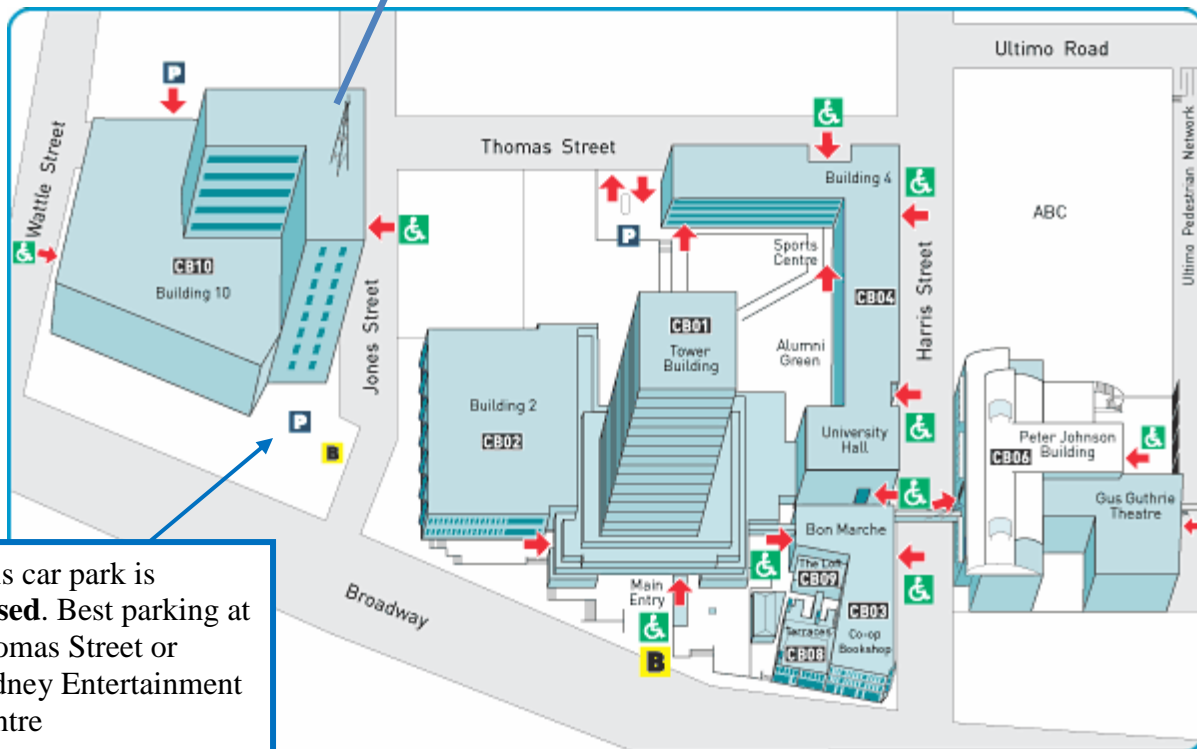
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Conference Venue: Aerial Function Centre  
University of Technology, Sydney - Broadway  
Level 7, Building 10, 235 – 253 Jones Street Ultimo

Level 7,  
Building 10, UTS,  
Jones Street  
(next to the old  
Fairfax Building)



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