**The European Conference on Banking and the Economy (ECOBATE 2013) at Winchester Guildhall**

**organised by the**

**Centre for Banking, Finance and Sustainable Development (CBFSD), University of Southampton**

**Programme**

**Wednesday, 6 March 2013**

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<tr>
<th>Time</th>
<th>Subject</th>
<th>Location</th>
<th>Speaker</th>
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<tr>
<td>8.25</td>
<td>Registration and refreshments</td>
<td>Registration Entrance Area 1st Floor Tea &amp; Coffee in adjacent Keats Room</td>
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<tr>
<td>9.00</td>
<td>Vice-Chancellor’s Welcome</td>
<td>King Alfred Conference Chamber</td>
<td>Professor Don Nutbeam Vice-Chancellor, University of Southampton</td>
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<tr>
<td>9.10</td>
<td>Welcome from the Centre for Banking, Finance and Sustainable Development</td>
<td>King Alfred Conference Chamber</td>
<td>Richard Werner Professor of Banking, University of Southampton, Director, Centre for Banking, Finance and Sustainable Development</td>
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<tr>
<td>9.15</td>
<td>Parallel Sessions</td>
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**Stream 1: Banking and Monetary Reform**
- **Chair: Tony Greenham**
  - a) The Chicago Plan revisited (Michael Kumhof, IMF)
  - b) Monetary modernisation (Andrew Jackson, positive money)
  - c) Might sustainable energy cost-carrying money have a future? (J. Ryan-Collins, nef; Shann Turnbull)
  - d) Stakeholder Banks (Tony Greenham, nef)

**Stream 2: Institutional Development & Markets**
- **Walton Suite Chair: Ioanna-Sapfo Pepelasis**
  - a) Gerschenkron revisited: The new corporate Russia (Nadia Vanteeva, Queen’s Belfast)
  - b) Threadneedle: A simulation framework for exploring the behaviour of banking systems (Jacqueline Mallet, Reykjavik)
  - c) Alternative inflation hedging portfolio strategies: Going forward under immoderate macroeconomics (Nicolas Fulli-Lemaire, Paris II & Amundi)
  - d) Transplanting institutions: The case of the Greek Central Bank (Ioanna-Sapfo Pepelasis, Athens Economics and Business)

**Stream 3: Bank credit, risk and crises**
- **Wykeham Room Chair: Frankie Chau**
  - a) Liquidity & Solvency Shocks in a Network Model of Systemic Risk: The Impact of Minimum Capital & Reserve Requirements (Andreas Krause, Bath)
  - b) Can we prevent financial crises? (Naamane Adil, Pau et pays Adour)
  - c) External finance and bank credit: The dynamic interrelations (E. Dia, Studi Milano-Bicocca, F. Casalin, Newcastle)
  - d) How linkages fuel the fire: The transmission of financial stress across the markets (Frankie Chau, Durham)
### Stream 4: Borrowing & Lending

**Eversley Room**  
Chair: Marcus Miller

- **a)** The impact of capital requirements on bank lending  

- **b)** The impact of the global financial crisis on syndicated loan terms in China  
  (Monimita Nandy, Surrey)

- **c)** Trade-off theory vs. pecking-order hypothesis: evidence from Japan  
  (K. Voutsinas, R. Werner, Southampton)

- **d)** The invisible hand & the banking trade: Seigniorage, risk-shifting and more  
  (Marcus Miller, Warwick)

### Stream 5: Bank Regulation

**Mayor’s Parlour**  
Chair: Ephraim Clark

- **a)** Enforcement actions and bank behaviour  
  (M. Delis, P. Staikouras, C. Tsoumas, Surrey)

- **b)** Improving bank capital regulation in the light of market competition for profitability  
  (Guoxiang Song, Greenwich)

- **c)** Financial regulation: Tradeoffs between productivity and systemic volatility  
  (E. Clark, Middlesex & Lille, O. Jokung, Lille)

### 11.15 Refreshment break

Keats Room, 1st Floor, Guildhall

### 11.30 Plenary 1: KEYNOTE:

**The Optimal Financial Structure**  
**King Alfred Conference Chamber**

**Charles Goodhart**  
Founding Member, Monetary Policy Committee, Bank of England; Prof. Emerit. LSE

### 12.20 Lunch is served  
**King Charles Hall**

### 12.50 Lunchtime KEYNOTE: The Importance of Banks for SMEs – Loan Demand vs. Loan Supply Factors

**King Charles Hall**

**Brian Lucey,** Trinity College Dublin

### 1.30 Parallel Sessions

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<th>Stream 6: Monetary Policy and Debt</th>
<th>Stream 7: Banking Policy</th>
<th>Stream 8: Monetary Policy</th>
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| **Walton Suite**  
Chair: Amrit Judge | **Wykeham Room**  
Chair: Andy Mullineux | **Eversley Room**  
Chair: Taufiq Choudhry |
| a) The impact of QE on government bond yields during the 2008-2009 financial crisis  
(G. Calice, R. Werner, Birmingham, Southampton) | a) Liquidity creation through M&As – A viable solution for vulnerable banking systems? Evidence from a stress test under PVAR methodology  
(Konstantinos Baltas, Queen Mary London) | a) The dynamics of bank short-term interest rate: The case of the Euro area in the current crisis  
(G. Horný, S. Avouyi-Dovi, P Sevestre, Banque de France) |
| b) The impact of the Liquidity Coverage Ratio (LCR) on the implementation of monetary policy  
(Stefan Schmitz, Austrian National Bank) | b) Using Pigouvian taxes to correct banking externalities: A cautionary tale  
(E. Dia, Studi Milano-Bicocca, D. VanHoose, Baylor) | b) The bailouts of financial institutions in Taiwan: Causes and operations  
(J.C.F. Lin, Y.P. Chu, National Central, National Taiwan) |
| c) Vine copulas and applications to the European Union sovereign debt analysis  
(Dalu Zhang, East Anglia) | c) How liquid are UK banks?  
(Meilian Yan, Loughborough) | c) The effect of derivatives activity on bank profitability before and during the subprime mortgage crisis: Evidence from Turkey  
(S. E. Tuzcu, Ankara) |
| d) Debt Sourcing Characteristics of European Non-Financial Firms  
(Amrit Judge, Middlesex) | d) Banking for the public good  
(Andy Mullineux, Birmingham) | d) Volatility spillover effects in the banking industry during the global financial crisis: Flight to 'perceived' quality or contagion?  
(T. Choudhry, R. Jayasekera, Southampton) |
### Stream 9: Local Banking

**King Alfred Conference Chamber**  
**Chair: Richard Werner**

- a) The case for local banking  
  (Richard Werner, Director, University of Southampton CBFSD, Chair, Local-First CIC, Winchester)
- b) How local banks can help councils deliver policy goals  
  (Alex Templeton, Director, The Farm Energy Project, Local-First CIC, Winchester)
- c) Local banks, local authorities and Universal Credit: Banking the unbanked  
  (Fiona Brownsell, Partner, Tsymor Advisory)
- d) The Localism Act: Limits & Potential  
  (Steven Legg, CEO, Hampshire Association of Councils)
- e) The logic for providing banking services from a Council perspective: The case of Bournemouth Borough Council  
  (Liz Wilkinson, Executive Director, Finance, Bournemouth Borough Council)
- f) Key issues when applying for a banking license  
  (Lucian Morris, Partner, Deloitte Consulting, Banking Practice)
- g) Midwife to local banks – Reporting from experience  
  (Dr. Jürgen Engel, Sparkassen Foundation)
- h) Roundtable Discussion with Roy Ruffler (Founder, Ruffler Bank) and Mike Glanville, Handelsbanken Southampton Branch Manager

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<th>Time</th>
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<th>Speaker/Role</th>
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<td>3.30</td>
<td>Refreshment Break</td>
<td>At the back of Bapsy Hall, 1st Floor, Guildhall</td>
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<tr>
<td>3.40</td>
<td>Welcome to Plenary 2 and the Public Part of the Conference</td>
<td>Bapsy Hall</td>
<td>Cllr. Frank Pearson, The Right Worshipful, the Mayor of Winchester</td>
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<td>3.45</td>
<td>Introduction of Afternoon Keynote Speaker</td>
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<td>Prof. Richard A. Werner Director, University of Southampton CBFSD</td>
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<td>3.50</td>
<td>KEYNOTE: Full reserve money as attractive alternative to our current monetary system</td>
<td></td>
<td>Dr. Michael Kumhof, Deputy-Director, Modelling Division, International Monetary Fund</td>
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<td>4.15</td>
<td>Introduction of the Afternoon Plenary Panelists</td>
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<td>Chair: Prof. Neil Marriott, Deputy Vice-Chancellor, University of Winchester</td>
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<td>4.20</td>
<td>How Local Banks Contribute to Local Communities in Germany</td>
<td></td>
<td>Dr. Thomas Keidel, German Savings Bank Association</td>
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<td>4.45</td>
<td>Sustainable Banking – can it be done?</td>
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<td>James Vaccaro, Triodos Bank NV</td>
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<td>5.05</td>
<td>Local Banking Solutions – An example from local authority perspective</td>
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<td>Liz Wilkinson, Bournemouth Borough Council</td>
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<td>5.20</td>
<td>PANEL Discussion 1: What are the banking needs of local communities and their firms? Are they being met?</td>
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<td>Event Description</td>
<td>Location &amp; Details</td>
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<tr>
<td>5.55</td>
<td>Welcome to the Evening Plenary and Introduction of the Panelists</td>
<td>Bapsy Hall</td>
<td>Chair: Prof. Don Nutbeam</td>
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<td>6.00</td>
<td>KEYNOTE ADDRESS: The Roadmap for the UK Banking Industry – Back to Local Banks?</td>
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<td>The Right Hon. Dr. Vince Cable</td>
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<td>6.30</td>
<td>KEYNOTE ADDRESS: The Benefits of German Local Banking, and its Future</td>
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<td>Dr. Karl-Peter Schackmann-Fallis</td>
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<td>6.55</td>
<td>Local Banking and the Money Supply – Some Important But Neglected Facts</td>
<td></td>
<td>Prof. Richard A. Werner</td>
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<td>7.05</td>
<td>PANEL Discussion 2: Is there hope for local banking in the UK? What can be done?</td>
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<td>The above</td>
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<tr>
<td>7.25</td>
<td>Local banking - what have we learnt?</td>
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<td>Prof. Richard Werner</td>
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<tr>
<td>7.30</td>
<td>Closing words</td>
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<td>Prof. Don Nutbeam</td>
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