

**ACADEMY OF BEHAVIORAL FINANCE &
ECONOMICS**

Behavioral Finance & Economics Research Symposium- 2009

Program- 2009

**September 23-25, 2009
Hotel Monaco-Chicago
Chicago, Illinois**

Dear Colleagues,

It is with great honor to welcome you to Chicago and the 2009 Behavioral Finance and Economics Research Symposium. Our symposium will highlight some of the current and on-going work from an array of accomplished researchers and practitioners from across the globe. Additionally, we are very much lucky to have a world-renowned scholar as the Keynote Speaker at this year's event. Over the course of the next three days, you will share knowledge, ideas, and fellowship with some of the best minds in the field.

The breadth of ideas discussed at the conference will provide powerful insight into how choices and decisions are actually made in the real world. You will have the opportunity to learn, and help learn, not only about the cognitive factors in behavioral economics but also the growing research from the field of neuro-economics. Exploring the interface of economics and neuroscience will be the topic of our General Session on Financial and Economic Decision Making under Conditions of Risk and Ambiguity.

We want to thank you for attending this year's conference. We hope you take full advantage of the banquet of informative sessions as well as the feast of Chicago's cultural and entertainment offerings. We also would like to thank the Program Committee members and reviewers who have made this event something special. In particular, we want to thank the management and staff of the Academy of Entrepreneurial Finance – the sponsoring organization and driving force behind the annual symposium – for their efforts and dedication.

Enjoy the Conference to the fullest. And we look forward to meeting each of you.

Sincerely,

Richard Ackley, Ph.D.
The Chicago School of Professional Psychology

Ilianna Hevia Kwaske, Ph.D.
The Chicago School of Professional Psychology

2009 Conference Venue:

Please note that all the conference functions take place at The Hotel Monaco-Chicago. Assigned room for each session/function is listed right after the listed time for that session/function.

Wednesday Program, September 23, 2009

4:00-6:00 PM:

Reception, Conference Package Pick up, and Registration

Paris Foyer

Thursday Program, September 24, 2009

Morning Sessions	Morning Sessions
<i>7:30-8:30 Paris Foyer (Registration); Paris South Foyer (Breakfast)</i>	Registration and Breakfast
<i>8:30-8:45 Paris South</i> Welcome and Program Overview	Welcome and Program Overview R. (Russell) Yazdipour, Academy of Entrepreneurial Finance J. William Petty, Baylor University Richard Ackley, The Chicago School of Professional Psychology Richard Constand, The University of West Florida

<p>8:45-10:15 Paris South</p> <p><u>Session 11:</u></p> <p>Financial and Economic Decision Making Under Conditions of Risk and Ambiguity: New Findings from the Fields of Psychology and Neuroscience</p>	<p><u>Session 11: General Session: Financial and Economic Decision Making Under Conditions of Risk and Ambiguity: New Findings from the Fields of Psychology and Neuroscience</u></p> <p><u>Session Chair:</u> Jonathan Scott Temple University</p> <p>The Neurobiological Constructs of Emotion and Cognition: How are Decisions Made?</p> <p>Lukasz M. Konopka The Chicago School of Professional Psychology, and Loyola University Medical Center, Stritch School of Medicine</p> <p>Risk and Ambiguity: The Theoretical Model and Its Human Representation</p> <p>Angela Stanton Center for Neuroeconomics Studies Claremont Graduate University, Claremont, and Max Planck Institute of Economics, Jena, Germany</p>
<p>10:15 -10:45 Paris North Foyer</p>	<p>Refreshment Break</p>
<p>10:45-12:00 Athens</p> <p><u>Session 12 :</u></p> <p>Fundamentals of Risk</p>	<p><u>Session 12: Fundamentals of Risk</u></p> <p><u>Session Chair:</u> James Howard, University of Maryland University College</p> <p>Decision Making Under Risk: A Prescriptive Approach</p> <p>Martin Sewell, University of Cambridge, U.K. Discussant: Donald A. Hantula , Temple University</p> <p>The Conditional Dynamic Dependencies between Herding and Return: Evidences from the US Equity Market</p> <p>Xisong Jin, McGill University Ya Tang, McGill University Discussant: Jonathan Scott, Temple University</p>

Luncheon and Keynote Address

Afternoon Sessions	Afternoon Sessions
<p><i>Noon to 1:30</i> <i>Paris South</i></p> <p>Luncheon and Keynote Address</p>	<p>Luncheon and Keynote Address</p> <p>"System Dynamics: Perspective and Challenge for Behavioral Finance"</p> <ul style="list-style-type: none"> • Where is Behavioral Finance now and how did we get here? • The Importance of a dynamic approach to Behavioral Finance. • Implications for Finance and Entrepreneurship. <p>Robert A. Olsen Decision Research Eugene, Oregon</p>
<p><i>1:30-1:45</i> <i>Paris North Foyer</i></p>	<p>Short Break</p>
<p><i>1:45-3:00</i> <i>Athens</i></p> <p><u>Session 13:</u></p> <p>Adjusting to Loss</p>	<p><u>Session 13: Adjusting to Loss</u></p> <p><u>Session Chair:</u> Chris Nemeth The Keystone group</p> <p>Seeking Safety in Bad Times: Divided Initiation Returns and Consumer Confidence</p> <p>Evgenia Golubeva, University of Oklahoma Discussant: Gene Leeb, Leeb Associates</p> <p>A Dynamic Model of Investor Decision Making: How Adaptation to Losses Affects Future Selling Decisions</p> <p>Carmen Lee, VU University Amsterdam, The Netherlands Discussant: Fabio Mattos, University of Manitoba</p>
<p><i>3:00-3:30</i> <i>Paris North Foyer</i></p>	<p>Refreshment Break</p>

3:30-5:00
Athens

Session 14:
**Behavior,
Deception, and
Regulation**

Session 14: Behavior, Deception, and Regulation

Session Chair:

Richard W. Ackley
The Chicago School of Professional Psychology

Behavioral Economics and Deception

Gene Leeb, Leeb Associates

Discussant: Arman Eshraghi, University of Edinburgh, U.K.

The UK Crisis of 2008: What is Real and What is Behavioral?

Gulnar Muradoglu, University of London, U.K.

Discussant: Martin Sewell, University of Cambridge, U.K.

Friday Program, September 25, 2009

Morning Sessions	Morning Sessions
7:30-8:30 <i>Paris North Foyer</i>	Breakfast
8:30-8:45 <i>Athens</i>	Welcome and Logistics for Day 2 Ilianna Hevia Kwaske, The Chicago School of Professional Psychology
8:45-10:15 <i>Athens</i> <u>Session 21:</u> The Effect of Uncertainty on Decision Making	<u>Session 21:</u> The Effect of Uncertainty on Decision Making <u>Session Chair:</u> Ilianna Hevia Kwaske The Chicago School of Professional Psychology Uncertainty is Psychologically Uncomfortable: A Theoretical Framework for Studying Judgments William Neace, University of Hartford Discussant: TBA Are Trends in Financial Markets a Consequence of Decision-Making Under Uncertainty? Richard Lehman, University of California, Berkeley Extension Discussant: Joann Fredrickson, Bemidji State University
10:15-10:45 <i>Paris North Foyer</i>	Refreshment Break
10:45-noon <i>Athens</i> <u>Session 22:</u> The Psychological Factors in Managing Risk	<u>Session 22:</u> The Psychological Factors in Managing Risk <u>Session Chair:</u> Richard W. Ackley The Chicago School of Professional Psychology An experimental analysis of capital investing as risk-sensitive foraging: Survival of the fittest or most rational? Donald A. Hantula , Temple University Discussant: Samuel Xin Liang, Hong Kong University of Science

	<p>and Technology</p> <p>Hedge Funds as Phantastic Objects?</p> <p>Arman Eshraghi, University of Edinburgh, U.K. Richard Taffler, University of Edinburgh, U.K. Discussant: Diego Liechti, University of Bern, Switzerland</p>
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Lunch and Joint Session

Afternoon Sessions	Afternoon Sessions
<p><i>Noon-2:00</i> <i>Paris North Foyer</i> <i>(lunch serving area)</i></p> <p>Session 23: Lunch and Joint Session</p> <p><i>Paris Central</i></p>	<p><u>Session 23: Lunch and Joint Session</u></p> <p><u>Session Chair:</u> Angela Stanton, Center for Neuroeconomics Studies, Claremont Graduate University, Claremont, and Max Planck Institute of Economics, Jena, Germany</p> <p>What Matters More for Entrepreneurial Success: Skills, Personality, or Luck?</p> <p>Diego Liechti, University of Bern, Switzerland Discussant: Evgenia Golubeva, University of Oklahoma</p> <p>Do Entrepreneurial Goals Matter? Resource Allocation in Newly-Established Owner-Managed Firms*</p> <p>William Dunkelberg, Temple University Carmen Moore, Temple University Jonathan Scott, Temple University William Stull, Temple University Discussant: Peter Wirtz, University of Lyon</p> <p>Individuals and the OTC Stocks: Preference for the Unfamiliar</p> <p>Abhishek Varma, Illinois State University Discussant: Danling Jiang, The Florida State University</p>

<p>2:00- 2:30 <i>Paris North Foyer</i></p>	<p>Refreshment Break</p>
<p>2:30 – 3:45 <i>Athens</i></p> <p><u>Session 24:</u></p> <p>Market Behavior and Risk</p>	<p><u>Session 24: Market Behavior and Risk</u></p> <p><u>Session Chair:</u> Jeff Keith The Chicago School of Professional Psychology</p> <p>The Market Psychology Premium – A Sentimental Consumption Approach</p> <p>Samuel Xin Liang, Hong Kong University of Science and Technology Discussant: Carmen Lee, VU University Amsterdam, The Netherlands</p> <p>Prospect Theory and Gain Framing: The Relationship Between Cost Perception and Satisfaction</p> <p>Joann Fredrickson, Bemidji State University Discussant: William Neace, University of Hartford</p>
<p>3:45 – 4:00 <i>Paris North Foyer</i></p>	<p>Refreshment Break</p>
<p>4:00 – 5:00 <i>Athens</i></p> <p><u>Session 25:</u></p> <p>Investor Behavior and Risk</p>	<p><u>Session 25: Investor Behavior and Risk</u></p> <p><u>Session Chair:</u> Richard Lehman, University of California, Berkeley Extension</p> <p>Gambling Preference and the New Year Effect of Assets with Lottery Features</p> <p>James S. Doran, The Florida State University Danling Jiang, The Florida State University David R. Peterson, The Florida State University, Discussant: Abhishek Varma, Illinois State University</p> <p>The Effect of Probability Weighting on Financial Decisions</p> <p>Fabio Mattos, University of Manitoba Discussant: Gulnar Muradoglu, University of London, U.K.</p>

<i>5:00</i> Conference Conclusion	Conference Conclusion

The 2009 Symposium Program Committee

Program Co-Chairs:

Richard Ackley, Ph.D.
The Chicago School of Professional Psychology

Ilianna Hevia Kwaske, Ph.D.
The Chicago School of Professional Psychology

Program Committee:

Richard Ackley, Ph.D.
The Chicago School of Professional Psychology

Ilianna Hevia Kwaske, Ph.D.
The Chicago School of Professional Psychology

James A. Howard, Ph.D.
University of Maryland University College- UMUC

Christof Lehmann, M.psych
Psykologhjørnet, Denmark

John Nofsinger, Ph.D.
Washington State University

J. William Petty, Ph.D.
Baylor University

R. (Russell) Yazdipour, Ph.D.
California State University, and
Academy of Entrepreneurial Finance

Contact Information:

You may contact us by either:

Email: staff@aobf.org (preferred and faster method) or

Phone: 818-236-2145

Regular Mail:

Academy of Behavioral Finance & Economics

P.O. Box 157

Montrose, CA 91021-0157

ACADEMY OF BEHAVIORAL FINANCE & ECONOMICS

Website: www.aobf.org

Email: staff@aobf.org