



<http://www.K-AFA.org>

**March 2019**

## President's Message

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Dear Kafa Members, Friends, and Supporters:

I remember that the winter weather was especially severe this year and most of us who live in Canada and the Northeast region in the U.S. had hard times digging knee-deep snow. Now I pleasantly realize that daffodils in my backyard have already poked through.

I am deeply honored to serve as President of Kafa for the 2018-19 year. First of all, I would like to thank Professor Yoon Choi (outgoing President) for his outstanding service and leadership for Kafa. Professor Choi played a key role in making certain that our financial resources are available by enthusiastically communicating with the donors and supporters and personally visiting them.

I welcome Kafa's new Executive Officers, and I am also grateful to the members who have made unwavering efforts to make the transition smooth: Professor Peter Chung (University of California at Riverside) was elected to serve Kafa as the next president (President-Elect); Professor Hayong Yun (Michigan State University) joined as one of the Executive Board members; Dr. Sangwoo Lee willingly agreed to be the Chair of the Dr. Bong-Soo Lee Scholarship Fund Committee, and Professor Jaewon Choi (University of Illinois) accepted to join the Committee to provide advice on managing the Fund; Professor Woojin Kim (Seoul National University) successfully filed the documents with the Korean authority and will serve as the new Representative of the Kafa Korea, with the assistance of Professors Noolee Kim (Hanyang University) and Sang Whi Lee (Kyung Hee University) who will serve as members of the Board of Directors for the Korean entity; Professors Hwagyun (Hagen) Kim (Texas A&M University) and Hayong Yun have provided insightful advice as members of the Paper Review Committee.

During last year's Annual Business Meeting in San Diego, Kafa presented several awards to recognize Kafa members' outstanding scholarly achievements. These awards include the Financial News (FN)-Kafa Eminent Scholar Award, the Shinhan Bank (SHB)-Kafa Young Scholar Award,

the SHB-KAFA Best Paper Award, the FN-KAFA Top Journal Paper Award, the FN- KAFA Doctoral Student Dissertation Award, and the Dr. Bong-Soo Lee Scholarship. In addition, KAFA provided the SHB-KAFA Doctoral Student Travel Grants to four doctoral students. On behalf of KAFA, I congratulate all the award recipients. In particular, I greatly appreciate the generous financial support provided by the Financial News (Chairman Jae-Ho Jeon attended the Annual Meeting in person), Shinhan Bank (Division Manager Tae Han Kim attended in person), and Chris & Paul Lee (who support the Dr. Bong-Soo Lee Scholarship Fund). I would also like to thank President of the Korean Securities Association (KSA) Kook-Hyun Chang (Konkuk University) for sponsoring our KAFA Executive Meeting in San Diego.

As in previous years, KAFA successfully offered the two KAFA-FMA sessions at the FMA Annual Meetings last October. In the Korea Panel Session (moderated by Professor Yoon Choi), Drs. Sung Ho Park, Youngjin Yun, and Soohyon Kim from the Bank of Korea presented their papers. In the Asia Panel Session (moderated by myself), Dr. Seok Ki Kim (Korea Institute of Finance), Professor Tao Shu (University of Georgia), and Professor Sung Bae (Bowling Green State University) contributed to the presentations. Both sessions were valuable opportunities to understand the current situation in the Korean and Asian financial markets. I would like to thank all participants in the two sessions, as well as Dr. Wook Sohn (BOK Economic Research Institute) and President Sangho Sohn (Korea Institute of Finance) for their generous support in many aspects.

We also had a joint seminar with Korea Capital Market Institute (KCMI) in Seoul, Korea on December 11, 2018. I thank Professors Taehyun Kim (University of Notre Dame), Jin Mo Kim (Rutgers University), and Choonsik Lee (Quinnipiac University) for their participating in the seminar presentations. My special thanks go to Drs. Young S. Park (President of KCMI) and Inhyung Lee (Vice President of KCMI) for organizing and supporting the seminar.

Finally, KAFA has recently announced calls for papers for the two conferences to be organized with our Korean partners: the KAFA- KFAs Conference and the KAFA-KIF joint Symposium. You will find the details on the joint conferences in this newsletter. Partial travel support will be provided to the presenters of selected papers at the two conferences. I encourage many of the KAFA members to participate in the joint conferences.

We have witnessed an impressive growth of KAFA over the past years, owing to your strong support and active participation. To make KAFA a great community that promotes our professional goals, I feel that it is still important for every member to play a role in the endeavors. I hope you will continue to support KAFA. I look forward to meeting with you all in the upcoming conferences. Thank you.

Sincerely,



**Sahn-Wook Huh**  
2018-2019 KAFA President  
University (SUNY) at Buffalo

## I. Recent KAFA Activities

### 1. Two KAFA-FMA special sessions at the 2018 FMA Annual Meeting in San Diego, CA.

We appreciate Professors Sahn-Wook Huh who organized two special sessions in the 2018 FMA Annual Meeting.

#### Korea America Finance Association and Bank of Korea Special Session



Friday, October 12, 8:30 - 10:00 am (Aqua AB, Hilton San Diego Bayfront)

Moderator:

- **Yoon K Choi**, University of Central Florida

Presentation:

- **Sung Ho Park**, Bank of Korea, “Fixed-Rate Loans and the Effectiveness of Monetary Policy.”
- **Youngjin Yun**, Bank of Korea, “Cross-Border Bank Flows through Foreign Branches: Evidence from Korea.”
- **Soohyon Kim**, Bank of Korea, “New Phase in Capital Flows: Evidence from the South Korean Bond Market.”

#### Korea America Finance Association and Korea Institute of Finance Special Session



Friday, October 12 10:15 - 11:45 am (Aqua AB, Hilton San Diego Bayfront)

Moderator:

- **Sahn-Wook Huh**, University at Buffalo

Presentation:

- **Seok Ki Kim**, Korea Institute of Finance, “Size-dependent Regulations and Financial Friction in Incomplete Markets.”
- **Tao Shu**, University of Georgia, “Is the Chinese Corporate Anti-Corruption Campaign Authentic?”
- **Sung C. Bae**, Bowling Green State University, “Corporate Diversification, Sales Growth, and Capital Market Development: Cross-Country Evidence.”

**2. The Thirteenth Conference on Asia-Pacific Financial Markets (CAFPM) held by Korean Securities Association (KSA) in Seoul, Korea on December 7-8, 2018**

The following members presented their papers selected by the Kafa review committee:

- **H. Young Baek**, Nova Southeastern University, “Does Improved Governance Lead to a Higher Share of FDI in Foreign Equity Investments?”
- **Yong-Cheol Kim**, University of Wisconsin-Milwaukee, “Political Capital: An Analysis of Congress Voting on the Financial Regulations”
- **Young Sang Kim**, Northern Kentucky University, “Using Geographic Density of Firms to Identify the Effect of Board Size on Firm Value and Corporate Policies”

**3. Joint Seminar with Korea Capital Market Institute (KCMI) in Seoul, Korea on December 11, 2018 under the title of Shareholder Activism and Corporate Governance**

- **Jin-Mo Kim**, Rutgers University, “Does Experience Matter for Hedge Fund Managers? Effects of Industry Expertise on Hedge Fund Activism”
- **Taehyun Kim**, University of Notre Dame, “Financial Constraints and CORPORATE Environmental Policies”
- **Choonsik Lee**, Quinnipiac University, “Let’s Talk Sonner Rather than Later: The Strategic Communication Decisions of Activist Blockholders”

**4. The Recipients of the 2018 Kafa Awards**



- **The Financial News–KAFKA Eminent Scholar Award**  
**Kee-Hong Bae**, York University
- **The SHB–KAFKA Young Scholar Award**  
**Yeejin Jang**, University of New South Wales
- **The 12<sup>th</sup> Financial News & KAFKA Top-Journal Paper Award**  
**Joonki Noh**, Case Western Reserve University
- **The 12<sup>th</sup> Shinhan Bank & KAFKA Best Paper Award**  
**Sahn-Wook Huh**, University at Buffalo
- **The Dr. Bong-Soo Lee Memorial Scholarship for Ph.D. students**  
**Seung-Oh Han**, University (SUNY) at Buffalo  
**Suin Lee**, University of South Florida
- **The 12<sup>th</sup> Financial News & KAFKA Doctoral Student Dissertation Award**  
**Seungho Choi**, University of New South Wales  
**Suk Won Lee**, University of Southern California
- **The Shinhan Bank and KAFKA Scholarship for Ph.D. students**  
**Jinwook Hong** (University of Texas El Paso)  
**Woongki Lee** (Korea University)  
**Yoonsoo Nam** (Washington State University)  
**Junho Park** (KAIST)

## **II. Call for Papers for Year 2019**

### **1. Joint Conference with the Allied Korea Finance Associations (KFAs)**

As in previous years, we expect to be part of the 2019 joint conference with the Allied Korea Finance Associations.

- Topics: Any finance areas
- When: **May 31-June 1, 2019**
- Where: Cheonan, Korea
- Submission deadline: March 1, 2019 (11:59pm, EST)

- Notification of the accepted papers: April 1, 2019
- Submit papers to Professor Peter Chung, President-Elect, [peter.chung@ucr.edu](mailto:peter.chung@ucr.edu) by March 1, 2019 (11:59pm, EST). Please indicate the conference, “Kafa joint conference with the KFAs,” in the title. Attach two files to the email: (1) the cover page that shows the title, author names, and affiliations, and (2) the main text without names and affiliations.
- Review process: All submitted papers will be reviewed and selected by the Review Committee members (Professors Nicole Choi, Peter Chung, Hwagyun Kim, Jongsub Lee, and Hayong Yun). We expect 5-6 papers to be included in the program.
- Travel supports: The KFAs will provide ₩ 1,000,000 for each selected paper for presentation. A Kafa lifetime membership is required when the selection is announced.
- All presenters will be assigned to discuss other paper.
- The Kafa members receiving the travel supports are recommended to attend the other joint conference with the KIF.

## 2. Joint Conference with the Korea Institute of Finance (KIF)

The annual joint conference with the KIF will be held as a one-day conference in Seoul (May 30, 2019).

- Topic: Any finance areas
- When: **May 30, 2019**
- Where: Seoul, Korea
- Submission deadline: March 1, 2019 (11:59pm, EST)
- Notification of the accepted papers: April 1, 2019
- Submit papers to Professor Peter Chung, President-Elect, [peter.chung@ucr.edu](mailto:peter.chung@ucr.edu) by March 1, 2019 (11:59pm, EST). Please indicate the conference, “Kafa joint conference with the KIF,” in the title. Attach two files to the email: (1) the cover page that shows the title, author names, and affiliations, and (2) the main text without names and affiliations.
- Review process: In the first round, all submitted papers will be reviewed and four papers will be selected by the Review Committee members (Nicole Choi, Peter Chung, Hwagyun Kim, Jongsub Lee, and Hayong Yun). In the second round, the KIF will finally choose 2 papers for presentation.
- We also invite one chairperson for a session and one discussant. To apply for either or both positions, contact Professor Peter Chung, President-Elect, [peter.chung@ucr.edu](mailto:peter.chung@ucr.edu) by March 1, 2019 (11:59pm, EST). All applications will be reviewed and selected by the Review Committee members (Nicole Choi, Peter Chung, Hwagyun Kim, Jongsub Lee, and Hayong Yun).
- Travel Supports: The KIF will provide ₩ 1,000,000 for each presenter, ₩ 500,000 for the chairperson, and ₩ 300,000 for the discussant. A Kafa lifetime membership is required when the selection is announced.
- The Kafa members receiving the travel supports are recommended to attend the other joint conference with the KFAs.

### **III. KAFKA Awards**

The 2019 Eminent Scholar Award and the 2019 Young Scholar Award will be nominated and selected by the KAFKA Award Nomination Committee. Also, we will continue on other awards. The detailed information for each award and necessary documentations are as follows.

#### **1. The Financial News–KAFKA Eminent Scholar Award**

##### **Selection Criteria**

The FN-KAFKA Eminent Scholar Award is given to a KAFKA member who has achieved outstanding scholarly accomplishment and research contribution in leading journals in finance and related fields.

##### **Nomination Procedure**

Nominations of award candidates are made by the “KAFKA Award Nomination Committee” (Nomination Committee hereafter) that consists of three KAFKA members (i.e., president, president-elect, and immediate former president). The Nomination Committee can nominate up to three candidates from KAFKA life-time members. The nominated candidates are required to submit their review materials such as curriculum vitae and relevant publications to the Nomination Committee before a specified date announced in the KAFKA Newsletter.

##### **Selection Procedure**

The “KAFKA Award Nomination Committee” will forward the names of nominated candidates and their supporting materials to the “KAFKA Award Selection Committee” (Selection Committee hereafter) for the selection of the final award recipient. The Selection Committee that consists of three KAFKA members (including former KAFKA presidents and past FN-KAFKA Eminent Scholar Awardees)\* will review the nominees’ research credentials and select a single award recipient on the basis of the nominee’s scholarly accomplishment and research contribution to the field. The Selection Committee may request nominees to provide additional information. The recipient of this award is required to receive it in person at the KAFKA annual meeting and expected to organize a KAFKA’s FMA panel sessions together with KAFKA president-elect in the following year.

##### **Monetary Award**

There will be a prize of **\$5,000** along with an award plaque.

\* Two former KAFKA presidents and no more than two past awardees will serve as members of the Committee.

#### **2. The SHB–KAFKA Young Scholar Award**

##### **Selection Criteria**

The SHB-KAFA Young Scholar Award is given to a KAFA member who has demonstrated exemplary scholarly performance through publications in leading journals in finance and related fields. Those KAFA members who earned his or her Ph.D. degree within seven years prior to the award date would be considered for the award.

### **Nomination Procedure**

Nominations of award candidates are made by the “KAFA Award Nomination Committee” (Nomination Committee hereafter) that consists of three KAFA members (i.e., president, president-elect, and immediate former president). The Nomination Committee can nominate up to three candidates from KAFA life-time members. The nominated candidates are required to submit their review materials such as curriculum vitae and relevant publications to the Nomination Committee before a specified date announced in the KAFA Newsletter.

### **Selection Procedure**

The “KAFA Award Nomination Committee” will forward the names of nominated candidates and their supporting materials to the “KAFA Award Selection Committee” (Selection Committee hereafter) for the selection of the final award recipient. The Selection Committee that consists of three KAFA members (including former KAFA presidents and past FN-KAFA Eminent Scholar Awardees)\* will review the nominees’ research credentials and select a single award recipient on the basis of the nominee’s scholarly achievements and research contribution to the literature based on their published and forthcoming papers in internationally recognized journals prior to the award date. The Selection Committee may request nominees to provide additional information. The recipient of this award is required to receive it in person at the KAFA annual meeting.

### **Monetary Award**

There will be a prize of **\$2,500** along with an award plaque.

\* Two former KAFA presidents and no more than two past awardees will serve as members of the Committee.

## **3. The Distinguished Service Award**

### **Selection Criteria**

The Distinguished Service Award is given to a KAFA member who has made significant contributions to KAFA and our profession.

### **Nomination Procedure**

Nominations of award candidates are made by the “KAFA Award Nomination Committee” (Nomination Committee hereafter) that consists of three KAFA members (i.e., president, president-elect, and immediate former president). The Nomination Committee should evaluate whether there is any candidate who deserves the Award during the academic year (October to



September). Only if all of the Committee members agree that they can identify such a candidate(s), the Nomination Committee can nominate up to three candidates from KAFA life-time members. The next recipient(s) can be considered every four years after the first recipient is awarded. The nominated candidates are required to submit their review materials to the Nomination Committee before a specified date announced in the KAFA Newsletter.

### **Selection Procedure**

The “KAFA Award Nomination Committee” will forward the names of nominated candidates and their supporting materials to the “KAFA Award Selection Committee” (Selection Committee hereafter) for the selection of the final award recipient. The Selection Committee\* will review the nominees’ service credentials and select a single award recipient on the basis of the nominee’s service accomplishment and contribution to KAFA and the profession. The Selection Committee may request nominees to provide additional information. The recipient of this award is required to receive it in person at the KAFA annual meeting.

### **Monetary Award**

There will be a prize of **\$4,000** along with an award plaque.

\* Two former KAFA presidents and no more than two past awardees will serve as members of the Committee.

#### **4. Call for the 13<sup>th</sup> Financial News & KAFA Top-Journal Paper Award**

If you have papers published or accepted for the top three journals; *Journal of Finance*, *Journal of Financial Economics*, or *Review of Financial Studies*, during the period of September 2018 through August 2019, please provide us with the following information for the consideration of this award. The author of the selected paper will be awarded a cash grant of \$2,500 along with a plaque by the representative of Financial News at the annual KAFA banquet during the 2019 FMA Meeting.

#### **5. Call for the 13<sup>th</sup> Shinhan Bank & KAFA Best Paper Award**

The KAFA and Shinhan Bank jointly announce that they will select the best research paper/proposal in the all areas of finance written by KAFA members. The author(s) of selected paper/proposal will be awarded a cash grant of \$2,500 along with a plaque by the representative of Shinhan Bank at the annual KAFA banquet during the 2019 FMA Meeting.

#### **6. The Dr. Bong-Soo Lee Memorial Scholarship for Ph.D. students**

In 2016, KAFA has established a scholarship fund in memory of the late Dr. Bong-Soo Lee, a longtime KAFA member and past President. His surviving children, Chris and Paul Lee, and Microsoft Corporation have contributed to the scholarship, which will make a \$2,500 award annually. If you are eligible, please submit (1) your curriculum vitae and (2) a research paper for

the consideration of this award. A recipient will be awarded a cash grant of \$2,500 along with a plaque by the president of KAFKA at the annual KAFKA banquet during the 2019 FMA Meeting.

Eligibility: To be considered for the Scholarship, you must meet these minimum requirements:

- 1) Be currently a Ph.D. student; and
- 2) Be currently an active KAFKA member or will pay a lifetime membership fee (\$300) upon the award announcement

Selection criteria include but are not limited to the following:

- 1) Research potentials of the applicant reflected in vitae and the submitted research paper; and
- 2) Leadership roles of the applicant in promoting research activities among new and junior members such as assisting KAFKA officers in regards to KAFKA research activities.

## **7. Call for the 13<sup>th</sup> Financial News & KAFKA Doctoral Student Dissertation Award**

If you are currently doctoral student (ABD status), please submit your dissertation for the consideration of this award. One or two dissertations will be selected for the awards. Each author will be awarded a cash grant of \$1,500 along with a plaque by the representative of Financial News at the annual KAFKA banquet during the 2019 FMA Meeting.

## **8. The Shinhan Bank and KAFKA Scholarship for Ph.D. students**

Ph.D. students, who present a paper at the annual 2019 FMA meeting, will be awarded a scholarship of \$500 for research support. Please submit your information including name, affiliation, and accepted paper to the secretary general by August 15, 2019 ([jpark5@usf.edu](mailto:jpark5@usf.edu)).

### **\*\* Required information for the Awards (except for the Shinhan Bank and KAFKA Scholarship for Ph.D. students):**

- 1) Title of the Paper, Author(s) (names, affiliations, phones, e-mails), Name of the Journal Issue Date, Volume, and Page Numbers (if published), Copy of the Acceptance Letter (if accepted but not yet published), and Electronic Copy of the Paper
- 2) Submission Deadline: August 15, 2019 (11:59PM, EST)
- 3) Submit materials to: Sahn-Wook Huh, President, [swhuh@buffalo.edu](mailto:swhuh@buffalo.edu)
- 4) All award winners must attend the annual meeting to receive monetary awards.

## IV. Member News

### 1. Publications

Following is a list of recent publications by KAFA members. Only those provided to the KAFA office by the authors and the paper published or accepted in years 2018 to 2019 are listed here.

- **Jun-koo Kang and Jungmin Kim**, “Do Family Firms Invest More Than Nonfamily Firms in Employee-Friendly Policies?” 2018, *Management Science*, forthcoming.
- **E. Han Kim**, “Labor Representation in Governance as an Insurance Mechanism,” (co-authored with Ernst Maug and Christoph Schneider), 2018, *Review of Finance* 22, 1251-1289. Also posted in Editor’s Blog as Lead Article.
- **E. Han Kim**, “Executive Suite Independence: Is It Related to Board Independence?” (co-authored with Yao Lu), 2018, *Management Science* 64, 1015-1033.
- **Hugh Hoikwang Kim**, “Information Spillover of Bailouts,” 2018, *Journal of Financial Intermediation*, forthcoming.
- **Kuan-Hui Lee**, “Maxing out Globally: Individualism, Investor Attention, and the Cross-Section of Expected Stock Returns,” (co-authored with Yong-Ho Cheon), 2018, *Management Science*, forthcoming.

### 2. New Positions / Promotions / Awards

#### New Positions

- Professor **Seoyoung Kim** at Santa Clara University has been appointed to the editorial board of the *Journal of Investment Management* as a senior editor in charge of the case study section of the quarterly issues (<https://www.joim.com/editorial-team/>).
- In the fall of 2019, Ms. **Suin Lee** (University of South Florida) will join the faculty of the University of Texas Rio Grande Valley as an Assistant Professor of Finance.

#### Promotions

- In the fall of 2018, Professor **Hae mi Choi** was promoted to an Associate Professor with tenure at Loyola University Chicago.
- In the fall of 2018, Professor **Seoyoung Kim** was promoted to an Associate Professor with tenure at Santa Clara University.

## V. Other Announcement

1. Kafa website ([www.k-afa.org](http://www.k-afa.org)) will be updated including Kafa news, membership, and members' activities. Please be patient with the update as we are in transition. Also, please give your suggestions or comments to the Secretary General ([jpark5@usf.edu](mailto:jpark5@usf.edu)).
2. We need more active participation of currently inactive finance professors and/or Ph.D. students for Kafa involvement. We strongly encourage you to introduce Kafa to your colleagues for their new membership.
  - Please pay your annual membership dues, or preferably, be a life- time member by paying one time due of just \$300, mailed to: Young Baek, Nova Southeastern University ([hybaek@nova.edu](mailto:hybaek@nova.edu)).



## KAFA Officers and Executive Board 2019

<input type="checkbox"/>	President	Sahn-Wook Huh, University at Buffalo
<input type="checkbox"/>	President-Elect	Peter Chung, University of California, Riverside
<input type="checkbox"/>	Vice President	Woojin Kim, Seoul National University
<input type="checkbox"/>	Secretary General	Jung Chul Park, University of South Florida
<input type="checkbox"/>	Secretary General KAFA Korea	Noolee Kim, Hanyang University
<input type="checkbox"/>	Treasurer	Young Baek, Nova Southeastern University
<input type="checkbox"/>	Executive Board	Sam Y. Chung (2019), Long Island University
		Won Yong Kim (2019), Dickinson College
		Young Sang Kim (2019), Northern Kentucky University
		Ji-woong Chung (2020), Korea University
		Jongsub Lee (2020), University of Florida
		Hyuna Park (2020), Brooklyn College - CUNY
		Chulhee Jun (2021), Bloomsburg University of PA
		Jaemin Kim (2021), San Diego State University
		Hayong Yun (2021), Michigan State University
<input type="checkbox"/>	Advisory Board	All previous presidents

## Membership Application

**Full Name:** \_\_\_\_\_  
Last First Middle

**Education:**

Undergraduate \_\_\_\_\_  
School Degree Year

Graduate \_\_\_\_\_  
School Degree Year

Graduate \_\_\_\_\_  
School Degree Year

**Current Position:**

Title: \_\_\_\_\_

Affiliation: \_\_\_\_\_

Address: \_\_\_\_\_  
Street City State Zip

Phone: (    ) \_\_\_\_\_ - \_\_\_\_\_ Phone Type: Home (    ), Mobile (    ), Office (    )

E-mail Address: \_\_\_\_\_ *A receipt and future Kafa communications will be emailed to this address.*

Fields of Specialization in Finance:

1. \_\_\_\_\_ 2. \_\_\_\_\_

**Membership Dues (Check One):**

(    ) \$300 Lifetime Member      (    ) \$30 One-year Member      (    ) \$20 Associate Member

*Optional information*

Home Address: \_\_\_\_\_  
Street City State Zip

Phone 2: (    ) \_\_\_\_\_ Phone 3: (    ) \_\_\_\_\_

Please send this form and a check (*payable to Kafa*) to: Dr. H. Young Baek (백형기)  
 446 Conservation Drive  
 Weston, FL 33327

For questions/comments, please contact Kafa Treasurer Dr. H. Young Baek (백형기)  
 Mobile: 954-770-7222  
 Email: hybaek@nova.edu