



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

March 2022

President's Message



Dear Kafa Members, Friends, and Supporters:

I hope all Kafa members and families stay healthy and productive even under the unprecedented pandemic environment. I am happy to see that spring is finally here and wish to overcome all difficult pandemic situations, and therefore we can freely travel and see each other face to face.

I am deeply honored to serve as President of Kafa for the 2021-2022 year. First, I would like to thank Professor Kiyong Chang for his outstanding service and leadership for Kafa. Professor Chang played a key role in making the Kafa program stronger by initiating Kafa development fund, and in contacting numerous donors and supporters.

I welcome Kafa's new and returning Executive Office members: President-Elect Professor Unyong (Howard) Pyo of Brock University, Vice President (Kafa Korea) Professor Noolee Kim of Hanyang University, Secretary-General Professor Won Yong Kim, Secretary-General Kafa Korea Professor Jong-Min Oh, Treasurer Professor Taek-Yul Kim, Executive Board member Professors Jaewon Choi, Jisok Kang, Dong Hyun Kim, and Cyber Director Professor Kiseo Chung. Professor Jang Chul Kim willingly agreed to be the chair of Kafa development fund committee and Professor Moon Hyun Song as an auditor of Kafa Fund. Professors Yeejin Jang, Jungmin Kim, Hugh H. Kim, and Suzanne Lee serve as members of the Paper Review Committee.

During last year's Annual Business Meeting in Denver, KAFKA presented several awards to recognize KAFKA members' outstanding scholarly achievements. These awards include the Financial News (FN)-KAFKA Eminent Scholar Award, D.K. Kim Distinguished Scholar Award, Shinhan Bank (SHB)-KAFKA Young Scholar Award, SHB-KAFKA Best Paper Award, FN-KAFKA Top Journal Paper Award, FN- KAFKA Doctoral Student Dissertation Award, and Dr. Bong-Soo Lee Memorial scholarship. In addition, KAFKA provided SHB-KAFKA doctoral student research support to doctoral students. On behalf of KAFKA, I congratulate all award recipients and greatly appreciate Financial News, Shinhan Bank, D.K. Kim Foundation, and Dr. Bong-Soo Lee Memorial Scholarship for their generous financial support for KAFKA awards. I would also like to thank Dr. Shin Woon (Bank of Korea) for sponsoring a KAFKA executive meeting.

As in previous years, KAFKA successfully offered two KAFKA-FMA sessions at the FMA meetings in Denver last October. In the first Korean market session through the virtual session, moderated by Professor Kiyong Chang, Suk Won Lee (Bank of Korea), Young Jun Choi (Bank of Korea), Christopher Paik (Bank of Korea), and Jun Hee Kwak (KIF) presented their papers. In the second Asian market session, moderated by myself, Professors Ying Li (University of Washington), and Sharif Mazumder (Northern Kentucky University) contributed to presentations. Both sessions were very informative and well attended. I personally would like to thank all participants in the two sessions, as well as Bank of Korea and Korea Institute of Finance for their generous support in many aspects.

We also initiated KAFKA brown bag seminar series on June 3, 2021, and keep actively engaging every monthly seminar (every first Friday 8 p.m. Est. in virtual). I deeply appreciate Professor Sangmook Lee (Penn State University Great Valley) to organize the session, and all presenters, discussants, and participants.

KAFKA members also participated onsite and/or virtually in CAFM2021 in December 2021. I met with chairs of other Korea finance associations to maintain a strong relationships with Korean finance scholars. Due to COVID related pandemic and budget constraints, we did not offer KAFKA-KCMI (Korea Capital Market Institute) joint symposium but wish to restart in near future.

We established **KAFKA Development Fund** of \$70,000 and target \$200,000 by the Year 2025. The money was raised from numerous sources: KAFKA Korea funding transfer, KAFKA accounts, Executive Committee, and board members' donation. I sincerely appreciate Professor Moon Hyun Song (San Diego State University), Jung Chul Park (University of South Florida), Jun-Koo Kang (Nanyang Technological University), and Jong-Min Oh (Sungkyunkwan University)'s a generous donation to KAFKA. To achieve the goal, we need active participation in the fundraising

by KAFKA members. Please help us to achieve the goal and make KAFKA to have sustainable funding to support more academic activities and Ph.D. students.

KAFKA has recently announced calls for papers for the two conferences to be organized with Korean partners: KAFKA-Allied Korean Financial Association and KAFKA-KIF joint symposium this May and June 2022. You will find details in this Newsletter and I sincerely ask more KAFKA members to participate in these two joint meetings to enhance our relationship with the Korean finance community.

We have witnessed an impressive growth of KAFKA over the past years, owing to your strong support and active participation. Although all of us have difficulties due to COVID pandemic, I believe we will overcome these difficulties by following the wonderful tradition of KAFKA and becoming a stronger association that cares for each other. KAFKA will continue to play an important role in promoting and accomplishing our professional goals together. I hope you all continue to join in this endeavor and participate in KAFKA Development Fund 2025. I look forward to meeting with you all in the upcoming conferences. Thank you.

Sincerely,



Young Sang Kim

2021-2022 KAFKA President

Northern Kentucky University

I. Recent KAFA Activities

1. Two KAFA-FMA special sessions at the 2021 FMA Annual Meeting

We appreciate Professor Young Sang Kim who organized two special sessions in the 2020 FMA Annual Meeting in Denver, CO.

- **Korea-America Finance Association, Bank of Korea, and Korea Institute of Finance Special Session**



Wednesday, October 20, 8:00 pm - 9:30 pm (Mountain Time), Virtual Session

Moderator:

Kiyoung Chang, President, Korea-America Finance Association, University of South Florida

Presentation:

- Suk Won Lee, Bank of Korea, “Distribution-Dependent Value of Money: A Coalition-Proof Approach to Monetary Equilibrium.”
 - Young Jun Choi, Bank of Korea, “Dynamic Relationship between Foreign Capital Inflows and Inflation: Evidence from 8 Small Open Asian Economics.”
 - Christopher Paik, Bank of Korea, “Incorporating Environmental Criteria into Credit Markets: Market Segmentation through Tailored Loan Rates.”
 - Jun Hee Kwak, Korea Institute of Finance, “Decomposition of Factors in the Stock Price Boom and It’s Implications: The Case of South Korea.”
- **Korea-America Finance Association Special Session**



Friday, October 22, 11:30 am - 1:00 pm (Mountain Time), Director’s Row H

Moderator:

Young Sang Kim, President-Elect, Korea-America Finance Association, Northern Kentucky University

Presentation:

- Ying Li, University of Washington Bothell, “Political Ties and Financial Misconduct in China.”
- Sharif Mazumder, Northern Kentucky University, “Collateral, Commitment, and Capital Structure: International Evidence.”

2. The Recipients of the 2020 KAFKA Awards

- **Financial News–KAFKA Eminent Scholar Award**

Professor Moon H. Song, San Diego State University

- **D.K. Kim Distinguished Scholar Award**

Professor Jun-Koo Kang, Nanyang Technological University

- **Shinhan Bank–KAFKA Young Scholar Award**

Professor Jong-Min Oh, Sungkyunkwan University

- **Financial News & KAFKA Top-Journal Paper Award**

Professors Ji Yeol Jimmy Oh, Hanyang University

Professor Jaewon Choi, University of Illinois Urbana-Champaign

- **Shinhan Bank & KAFKA Best Paper Award**

Professor Jung Chul Park, University of South Florida

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

Jinoug Jeung, Emory University

- **Financial News & KAFKA Doctoral Student Dissertation Award**

Pil-Seng Lee, University of Texas at Dallas

- **Shinhan Bank and KAFKA Scholarship for Ph.D. students**

Sangeun Ha (Hong Kong University of Science and Technology)

Minmo Gahng (University of Florida)

Changhyun Ahn (University of Florida)

Joonsung Won (Baruch College, The City University of New York)

Hyuksoon Lim (University of Arizona)

II. Call for Papers for Year 2022

1. 2022 KAFA Brown Bag Seminar

We are pleased to launch the 2022 KAFA Brown Bag Seminar Series. We encourage all KAFA members to attend the seminars.

- Topic: Any finance areas
- When: First Friday every month, 8:00pm-9:40pm, EST
- Where: Virtual meetings
- In each seminar, one or two papers will be presented and discussed
- Submit papers to Professor Young Sang Kim (kimy1@nku.edu)

2. Joint Conference with the Allied Korea Finance Associations (AKFAs)

As in previous years, we expect to be part of the 2022 Conference with the Allied Korea Finance Associations.

- The conference will be held virtually or in person (in Seoul) for one day. KAFA no longer reviews papers for the conference. You are suggested to submit your paper(s) to the conference directly. If your papers are accepted, you will be considered for one of the three outstanding overseas scholar awards with a prize of ₩ 1,000,000 for each recipient.
- Topics: Any finance areas
- When: May 27, 2022
- Where: Virtual or In-person in Seoul, Korea
- Submission deadline: **April 1, 2022**
- Notification of the accepted papers: April 29, 2022
- Submit papers to the conference directly (click [here](#))

3. Joint Conference with the Korea Institute of Finance (KIF) and the Korea-America Economic Association (KAEA)

The annual joint conference with the KIF and KAEA will be held as a one-day **virtual** conference (June 10, 2022).

- Topic: Any finance areas
- When: June 10, 2022, 9AM-1:00PM, Korean Standard Time (KST) (June 9, 2022, in US)
- Where: **Virtual**
- Submission deadline: **March 31, 2022 (11:59pm, EST)**
- Notification of the accepted papers: May 2022

- Submit papers to President-Elect, Professor Unyong (Howard) Pyo, upyoy@brocku.ca by March 31, 2022 (11:59pm, EST). Please indicate the conference, “KAFKA joint conference with the KIF and KAEA,” 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 six papers will be selected by the Review Committee members (Professors Unyong Pyo (Chair), Yeejin Jang, Jungmin Kim, Hugh H. Kim, Suzanne Lee). In the second round, the KIF will finally choose 3 papers for presentation.
- The KIF will offer each presenter an honorarium of ₩ 1,000,000.
- Any paper submitted by a researcher who has not paid the life-time membership fee (\$300) will be excluded in the review process.

III. KAFKA Awards

The 2022 Eminent Scholar Award, the 2022 D.K. Kim Distinguished Scholar Award, and the 2022 Young Scholar Award will be nominated by the KAFKA Award Nomination Committee. Also, we will continue other awards. In case there are multiple candidates who are eligible, priority will be given to a member who was not awarded in the past. 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 “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 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 KAFA annual meeting and expected to organize a KAFA’s FMA panel sessions together with KAFA president-elect in the following year. There will be a monetary prize along with an award plaque.

2. The D.K. Kim Distinguished Scholar Award

Selection Criteria

The recipient of the D.K. Kim Distinguished Scholar Award should be a KAFA life-time member who has made outstanding scholarly achievements in the finance and related fields, and at the same time has substantially contributed to or has a potential for significant contribution to the growth of KAFA.

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.

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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. There will be a monetary prize along with an award plaque.

3. The SHB–KAFKA Young Scholar Award

Selection Criteria

The SHB-KAFKA Young Scholar Award is given to a KAFKA member who has demonstrated exemplary scholarly performance through publications in leading journals in finance and related fields. Those KAFKA 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 “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 based on 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 KAFKA annual meeting. There will be a monetary prize along with an award plaque.

4. The Financial News & KAFKA 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 2021 through August 2022, please provide us with the relevant information for the consideration of

this award. The author of the selected paper will be awarded a monetary award along with a plaque by the representative of Financial News at the annual KAFA banquet during the 2022 FMA Meeting.

5. The Shinhan Bank & KAFA Best Paper Award

The KAFA and Shinhan Bank jointly announce that they will select the best research paper in all areas of finance written by KAFA members, based on Google Scholar citations regardless of Journal names. Please provide us with the most cited paper that was published within the last ten years. The author(s) of selected paper will be awarded a monetary award along with a plaque by the representative of Shinhan Bank at the annual KAFA banquet during the 2022 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 KAFA at the annual KAFA banquet during the 2022 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 KAFA 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 KAFA officers regarding KAFA research activities.

7. The Financial News & KAFA 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 monetary award along with a plaque by the representative of Financial News at the annual KAFA banquet during the 2022 FMA Meeting.

8. The Shinhan Bank and KAFA Scholarship for Ph.D. students

Ph.D. students, who present a paper at the annual 2022 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, 2022 (kimw@augzburg.edu).

** Required information for the Awards (except for the Shinhan Bank and KAFA 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) For the Shinhan Bank & KAFA Best Paper Award, submit the most cited paper that was published within the last ten years.
- 3) Submission Deadline: August 15, 2022 (11:59PM, EST)
- 4) Submit materials to: Prof. Young Sang Kim, President, kimy1@nku.edu.
- 5) 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 2021 to 2022 are listed here.

- **Sung C. Bae**, “The Interactions of Corporate Sales Growth and Diversification Strategy: Cross-Country Evidence” (co-authored with Take Ho Kwon and Soon Hong Park), 2022, *Journal of International Financial Markets, Institutions, and Money*, forthcoming.
- **Sung C. Bae**, “Hedging Operating and Financing Risk with Financial Derivatives during the Global Financial Crisis” (co-authored with Taek Ho Kwon), 2021, *Journal of Futures Markets* 41, 384-405.
- **Byong Uk Kang**, “Do Prime Brokers Matter in the Search for Informed Hedge Fund Managers?” (co-authored with George O. Aragon and Ji-Woong Chung), 2021, *Management Science*, forthcoming.

- **Jaewon Choi**, “Customer Liquidity Provision: Implications for Corporate Bond Transaction Costs” (co-authored with Yesol Huh and Sean Seunghun Shin), 2022, *Management Science*, forthcoming.
- **Young Sang Kim**, “Vice or virtue? The impact of earnings management on bank loan agreements” (co-authored with Yura Kim, and Ha-Chin Yi), 2021, *International Review of Economics and Finance*.
- **Young Sang Kim**, “Is Foreign Exchange Risk Priced in Bank Loan Spreads?” (co-authored with Junyoup Lee, and Ha-Chin Yi), 2021, *Review of Quantitative Finance and Accounting*.
- **Sang Mook Lee**, “Do co-opted directors influence corporate risk-taking and credit ratings?” (co-authored with Pornsit Jiraporn, Young Sang Kim, and Keun Jae Park), 2021, *Quarterly Review of Economics and Finance*.
- **Jong-Min Oh**, “Technological Fit and the Market for Managerial Talent,” (co-authored with Fred Bereskin and Seong K. Byun), 2022, *Journal of Financial and Quantitative Analysis*, forthcoming.

2. New Positions / Promotions / Awards

Awards

- Professor **Jaewon Choi** at the University of Illinois at Urbana-Champaign received the William F. Sharpe Award for Scholarship in Financial Research, recognizing the best paper in the 2021 Volume of the Journal of Financial and Quantitative Analysis.
- Professor **Jaewon Choi** at the University of Illinois at Urbana-Champaign received the 52nd Mae Kyung Economist Award from Maeil Business News Korea.

V. Other Announcement

1. KAFKA website (www.k-afa.org) will be updated including KAFKA 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 (kimw@augsborg.edu).
2. We need more active participation of currently inactive finance professors and/or Ph.D. students for KAFKA involvement. We strongly encourage you to introduce KAFKA 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: Taek-yul Kim, West Chester University (tkim@wcupa.edu).

2021 KAFA Annual Business Meeting



KAFA Officers and Executive Board 2022

- President Young Sang Kim, Northern Kentucky University
- President-Elect Unyong Pyo, Brock University
- Vice President Noolee Kim, Hanyang University-ERICA
- Secretary General Won Yong Kim, Augsburg University
- Secretary General KAFA Korea Jong-Min Oh, Sungkyunkwan University
- Treasurer Taek-yul (Ted) Kim, West Chester University
- Cyber Director Kiseo Chung, Texas Tech University

- Executive Board
 - Haemi Choi (2022), Loyola University Chicago
 - Hwagyun Kim (2022), Texas A&M University
 - Hoikwang Kim (2022), University of South Carolina
 - Daewoung Joey Choi (2023), Louisiana State U. Shreveport
 - Joonki Noh (2023), Case Western Reserve University
 - Sehyun Yoo (2023), Belmont University
 - Jaewon Choi (2024), U of Illinois Urbana-Champaign
 - Jisok Kang (2024), John Carroll University
 - Dong Hyun Kim (2024), Ohio Northern University

- Advisory Board All previous presidents

