



**İstanbul
Bilgi University**

LAUREATE INTERNATIONAL UNIVERSITIES

**CONFERENCE ON
MENA ECONOMIES**

21-22 June 2013 Istanbul



CONFERENCE PROGRAMME

İstanbul Bilgi University

Santral Campus (E1 Building)



**TÜRKİYE CUMHURİYET
MERKEZ BANKASI**



**BORSA
İSTANBUL**

Journal of

**APPLIED
ECONOMETRICS**

Selected papers presented in the conference will be considered for publication in a special issue of Emerging Markets Finance and Trade (2011 Impact factor: 0.98, Journal of Citation Reports, Thomson Reuters)

JUNE 21, 2013

- 08:00 **SHUTTLE PICK-UP** (see the event programme)
- 08:00 – 09:00 **REGISTRATION and COFFEE**
E1
- 9:00 – 09:30 **WELCOMING PLENARY SESSION**
E1-301
Remzi SANVER; İstanbul Bilgi University, Rector
Mustafa İbrahim TURHAN; Borsa İstanbul, CEO, Chairman
- 09:30 – 11:00 **PANEL: Monetary Policy in MENA Region**
E1-301
Moderator
Murat ÇETİNKAYA; The Central Bank of the Republic of Turkey, Vice Governor

Chedly AYARI; The Central Bank of the Republic of Tunisia, Governor

Mohammad BAASIRI; The Central Bank of Lebanon, Vice Governor

Rania Al MASHAT; The Central Bank of Egypt, Sub Governor
- 11:00 – 11:15 **COFFEE BREAK**
- 11:15 – 12:15 **SESSION 1: Islamic finance and the banking systems**
E1-303a
Chair
Ahmet Faruk AYSAN; The Central Bank of the Republic of Turkey

Islamic Finance, Ideal vs. Reality: the way forward
Mohsen BRAHMI; University Sfax

Conventional Banks versus Islamic Banks: What makes difference? (with Hüseyin ÖZTÜRK, University of Leicester)
Huseyin AYTUĞ; University of California Santa Cruz

11:15 – 12:30
E1-307

SESSION 2: International trade I

Chair

Ramazan GENÇAY; Simon Fraser University

Export Competitiveness And Economic Growth: Empirical Evidence From Latin America And North Africa Countries (with Mohamed BENBOUZIANE, Tlemcen University)

Djennas MUSTAPHA; Tlemcen University

Another rationale for green economy: correcting persistent negative trade balances - the case of Turkey

Deniz KELLEÇİOĞLU; İstanbul Bilgi University

Analysis Of Balance Of Payments And Growth Rate: Before and After Arab Awakening (with Serdar SERDAROĞLU, İstanbul University)

Aytug BOLCAN; İstanbul University

11.15 – 12.15
E1-306

SESSION 3: CBRT Research Department Session: Central Banking Practice and Theory

Chair

Rania Al MASHAT; The Central Bank of Egypt

Managing Capital Flows in Emerging Markets: Reserve Option Mechanism as an Unconventional Policy Tool (with Salih FENDOĞLU, The Central Bank of the Republic of Turkey; Enes SUNEL, The Central Bank of the Republic of Turkey; Temel TAŞKIN, The Central Bank of the Republic of Turkey)

Yasin MİMİR; The Central Bank of the Republic of Turkey

Reserve options mechanism and FX volatility (with Yasin AKÇELİK, The Central Bank of the Republic of Turkey; Ergun ERMIŞOĞLU, The Central Bank of the Republic of Turkey)

Arif ODUNCU; The Central Bank of the Republic of Turkey

Reserve option mechanism as a stabilizing policy tool: evidence from exchange rate expectations (with Ahmet DEĞERLİ, The Central Bank of the Republic of Turkey)

Salih FENDOĞLU; The Central Bank of the Republic of Turkey

12.30 – 14.00

LUNCH

14.00 – 15.00
E1-301

PLENARY SESSION
Luis SERVEN; World Bank

15:00 – 16:15
E1-306

SESSION 4: Borsa İstanbul Research Department Special Session: Financial Markets

Chair
Orhan ERDEM; Borsa İstanbul

Relationship between CBOE volatility index (VIX) and foreign capital inflows: Evidence from Borsa İstanbul (with Elif MUTLU, Borsa İstanbul)
Evren ARIK; Borsa İstanbul

Generalized Hurst exponent approach to efficiency in MENA markets
Ahmet ŞENSOY; Borsa İstanbul

Credit risk structure in MENA region: comparative study on Islamic and conventional banking (with Serkan YÜKSEL, Borsa İstanbul)
Mutahhar ERTÜRK; Borsa İstanbul

15.00 – 16.15
E1-307

SESSION 5: Iranian economy

Chair
Massoud KARSHENAS; SOAS University of London

Monetary policy: An Empirical Analysis of Reaction Functions in Iran
Ahmad R. JALALI-NAINI; Institute for Management and Planning Studies

The Long-run Impact of Inflation on Growth (with Hashem Pesaran, University of Southern California and University of Cambridge, Mehdi RAISSI, International Monetary Fund)

Kamiar MOHADDES; University of Cambridge

Subsidy reform in Iran: Evidence from survey data
Djavad SALEHI-ISFAHANI; Virginia Tech

- 15.00 – 16.15
E1-303a **SESSION 6: Financial markets**
Chair
Magda KANDIL; The Egyptian Center for Economic Studies
- Banking Competition, governance, institutional quality and stability: The case of GCC countries
Arafet FARROUKH; University of Carthage
- Financial markets of energy in MENA countries : the case of Morocco (with Rachid BOUTTI, National School of Commerce and Management -Morocco)
Adil AMRI; University of Ibn Zohr
- The black market, exchange rate and demand for money in Algeria (with Benameur ABDELHAK, University of Tlemcen; Samir MALIKI, ,University of Tlemcen)
Bouteldja ABDELNACER; University of Tlemcen
- 15.00 – 16.15
E1-301 **SPECIAL SESSION: How to publish in top Social Science Index Journals**
Ali KUTAN; Southern Illinois University Edwardsville and Borsa İstanbul
- 16.15-16.30 **COFFEE BREAK**
- 16.30-17.45
E1-306 **SESSION 7: Fiscal policy**
Chair
Hadi ESFAHANI; University of Illinois at Urbana Champaign
- On The Cyclical Behavior of Fiscal Policy in Egypt
Israa el- HUSSIENY; Cairo University
- Can public fiscal management reforms create fiscal space? (with Esin NANGIR, Republic of Turkey Ministry of Finance)
Halis KIRAL; Republic of Turkey Ministry of Finance
- Social Accountability and Fiscal Policy Making in New Egypt
Khaled AMIN; The American University in Cairo

16:30 – 18:15
E1-307

SESSION 8: Foreign direct investment and aid

Chair

Kamiar MOHADDES; University of Cambridge

Attractiveness in Mena countries and FDI, using a dynamic gravity model
Oumama BOUABDI; Laboratoire d'Economie Appliquée au Développement

Capital Importers Pay More for Their Imports (with Antonis ADAM, University of Ioannina)

Thomas MOUTOS, Athens University

Measuring achievement progress to MDGs; Egypt's performance with respect to aid effectiveness

Nihal SAID; Ohio University

Structural Change in MENA Remittance Flows (with George S. NAUFAL, American University of Sharjah)

Ismail H. GENC; American University of Sharjah, UAE.

16:30 – 17:45
E1-303a

SESSION 9: Income and demographics

Chair

Mine ÇINAR; Loyola University Chicago in IL

Demographic divide and the political economy of labor migration and fiscal policy in the Euro-Mediterranean region

Mehmet TOSUN; University of Nevada, Reno

Youth bulges, poor institutional quality and missing migration opportunities - triggers of and potential counter-measures on terrorism in MENA

Rahel SCHOMAKER; FOEV Speyer

Aquafarming, small scale fishing and reversing tragedy of the commons in the black sea region

Mine ÇINAR; Loyola University Chicago in IL

- 16:30 – 18:15
E1-308 **SESSION 10 Boğaziçi University Center for Innovation and Competition Based Development Special Session: Financial Literacy and Payment Systems**
Chair
Ahmet Faruk AYSAN; The Central Bank of the Republic of Turkey
- Financial Illiteracy: Overconfidence and Consequences (with Orhan ERDEM, Borsa İstanbul; Ali COSKUN, Boğaziçi University)
Rasim MUTLU; Borsa İstanbul
- Financial Literacy and Credit Card Arrears" (with Tülin ARAZ, Boğaziçi University; Ahmet Faruk AYSAN, The Central Bank of the Republic of Turkey; Levent YILDIRAN, Boğaziçi University)
Güzin Gülsün AKIN; Boğaziçi University
- Anatomy of Formal and Informal Regulations for Payment Services: Evidence From Turkey (with Ahmet Faruk AYSAN, The Central Bank of the Republic of Turkey; Gültekin GÖLLÜ, Boğaziçi University)
Levent YILDIRAN; Boğaziçi University
- Credit Card Satisfaction and Financial Literacy: Evidence from an Emerging Market Economy (with Güzin Gülsün AKIN, Boğaziçi University; Serap. ÖZÇELİK, Boğaziçi University; Levent YILDIRAN, Boğaziçi University)
Ahmet Faruk AYSAN; The Central Bank of the Republic of Turkey
- 18:30 **DEPARTURE** (from Santral Campus to GALA DINNER at Sardunya Restaurant)
- 19.00 – 22.30 **GALA DINNER** (Sardunya Restaurant)
- 22.30 **DEPARTURE** (from Sardunya Restaurants to Conference Hotels)

JUNE 22, 2013

- 08:30 - **SHUTTLE PICK-UP** (see the event programme)
- 09.00 – 10.00 **PLENARY SESSION**
E1 301 *Mehmet YÖRÜKOĞLU*; The Central Bank of the Republic of Turkey; Vice Governor
- 10.00 – 11.15 **SESSION 11: Oil markets and growth**
E1 306 Chair
Djavad SALEHI-ISFAHANI; Virginia Tech
- Oil price shock and business cycle in oil exporting countries
Ali SARZAEEM; University of Milan
- External shocks and monetary policy in a small open oil exporting economy (with Jean Pierre ALLEGRET, Université Paris Ouest Nanterre La Défense)
Mohamed BENKHODJA; Université Lyon 2
- 10.00 – 11.15 **SESSION 12: Gender gaps**
E1 307 Chair
Mine ÇINAR; Loyola University Chicago in IL
- Gender wage gap in Iran: urban areas (with Arash Alavain GHAVANINI, Sharif University of Technology)
Gholam Reza Keshavarz HADDAD; Sharif University of Technology
- Did trade liberalization benefit female workers? evidence on wage and employment effects from Egypt
Shireen ALAZZAWI; Santa Clara University
- Quantifying patriarchy: measuring the effects of patriarchy on the rate of female labor force participation in the Middle East and North Africa
Fariba SOLATI; University of Manitoba

10.00 – 11.15
E1 303a

SESSION 13: Banking

Chair

Ramazan GENÇAY; Simon Fraser University

Why banks' intermediation did not improve post consolidation?

Malak REDA; The Egyptian Center for Economic Studies

Bank lending channel in MENA countries: evidence from dynamic panel model (with Beji SAMOUE, University of Paris)

Aram BELHADJ; University of Orléans

The determinants of net interest margin in the Turkish banking sector. Does bank ownership matter?

Fatih KANSOY; University of Warwick

10.00 – 11.15
E1 308

SESSION 14: İstanbul Bilgi University Murat Sertel Center Special Session: Political competition and conflict

Chair

İpek ÖZKAL SANVER; İstanbul Bilgi University

The conflict trap

Arzu KIBRIS; Sabancı University

Particularistic Allocation of Social Spending: Analysis of Metropolitan Municipality Budgets in Turkey

Elif ÖZDEMİR; Sabancı University

Measuring Preferential Polarization: Theory and Empirics (with Ali İhsan ÖZKES, İstanbul Bilgi University)

Uğur ÖZDEMİR; İstanbul Bilgi University

- 11.15 – 11.30 **COFFEE BREAK**
- 11.30 – 12.45 **SESSION 15: International trade II**
E1 306 Chair
Ali KUTAN; Southern Illinois University Edwardsville and Borsa İstanbul
- Finding the Right Products for Export Diversification
Taylan YENİLMEZ; Erasmus University Rotterdam
- Investigating technical efficiency and technological gap ratio for maize producers in Fars province: A stochastic meta-frontier model (with Mohammad BAKHSHOODEH, Shiraz University)
Farnaz POURZAND; Shiraz University
- The key issues of the improvement of Saudi private sector export at the micro levels
Abdullah Al-sakran; Brunel University
- 11.30 – 12.45 **SESSION 16: MENA region and global economy**
E1 307 Chair
Massoud KARSHENAS; SOAS University of London
- The impact of the crisis in the PIIGS economies on Egypt, Saudi Arabia and Turkey
Dilip KUMAR; Institute for Financial Management & Research
- The Global Impact of the Systemic Economies and MENA Business Cycles(with Paul CASHIN, International Monetary Fund; Mehdi RAISSI, International Monetary Fund)
Kamiar MOHADDES; University of Cambridge
- 12.45 – 14.00 **LUNCH**

- 14.00 – 15.00
E1 301 **PLENARY SESSION**
Daron ACEMOĞLU; Massachusetts Institute of Technology
- 15.00 – 16.15
E1 306 **SESSION 17: Tunisian economy**
Chair
Mohamad JABRI, The Central Bank of Lebanon
- Opportunities and Challenges of the Tunisian economy
Chedly AYARI; The Central Bank of Tunisia, Governor
- Tunisia's revolution and youth unemployment
Mohamed SIALA; Institute of High Commercial Studies
- Environmental effects of Mining Industry, history and reality: The Tunisian Mining Basin
Mohsen BRAHMI; University Sfax
- 15.00 – 16.15
E1 307 **SESSION 18: Institutions, reforms and development**
Chair
Ege YAZGAN; *İstanbul Bıgı University*
- Did the Rising Importance of Services Decelerate Overall Productivity Improvement of Turkey during 2002-2007?
Murat ÜNGÖR; Central Bank of the Republic of Turkey
- Measuring Human Development in MENA Region (with Thanasis STENGOS, University of Guelph; M. Ege YAZGAN, İstanbul Bilgi University)
Mehmet PINAR; Edge Hill University

- 15.00 – 16.15
E1 303a
- SESSION 19: Economic policy**
Chair
Asaf Savaş AKAT; İstanbul Bilgi University
- Structural change and industrial policy in Turkey (with İzak ATİYAS, Sabancı University)
Ozan BAKIŞ; Sabancı University
- Economic engagement of religious ethics in a global economy: “The raising of Islamic capital in an Anatolian city, Kayseri as a new economic power”
Başak ÖZORAL; American University Dubai
- Probability forecasts of macro aggregates in Turkish economy (with M. Ege YAZGAN, İstanbul Bilgi University)
Huseyin KAYA; Bahçeşehir University
- 16.15 – 16.30
COFFEE BREAK
- 16.30 – 18:00
E 1 301
- PANEL: Recent Economic Trends in MENA Region**
Moderator
Hashem PESARAN; University of Southern California and University of Cambridge
- Erol TAYMAZ*; Middle East Technical University
- Magda KANDIL*; The Egyptian Center for Economic Studies
- Hadi ESFAHANI*; University of Illinois at Urbana Champaign
- 18.00
ADJOURN