



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

October 2022

President's Message



Dear Kafa Members, Friends, and Supporters:

I hope all Kafa members and families stay healthy and productive summer. Although we are faced on the high inflation, high energy prices, raising interest rate, war-related disruptions, and raising the risk of global recession, I am happy to see that we almost overcome all difficult pandemic situations, and we can meet each other face to face at the FMA annual meeting in Atlanta GA.

First of all, I am very pleased to announce that Professor Ha-Chin Yi at the Texas State University has been elected as President-elect, who will join our next President, Professor Unyong (Howard) Pyo, Brock University to serve Kafa from October 2022.

Please join me in welcoming our new executive officers, board members, and committee members: Executive Board Member: Dr. Jaemin Kim, San Diego State University, Dr. Sang Mook Lee, Pennsylvania State University, Great Valley, Dr. Hong Lee, Wright State University, and Paper Review Committee Member: Dr. Jung Hoon Lee, Vanderbilt University.

With generous financial support from Financial News (FN), Shinhan Hope Foundation (SHF), D.K. Kim Foundation (DKKF), and the Bong Soo Lee Scholarship Fund, we can continue to recognize Kafa members' outstanding scholarship achievements through various awards, including the FN-Kafa Eminent Scholar Award, D.K. Kim Distinguished Scholar Award, the SHB-Kafa Young Scholar award, the FN-Kafa Top-Journal Paper Award, the SHB-Kafa Best Paper Award, the Dr. Bong-Soo Lee Memorial Scholarship, the FN-Kafa Doctoral Student Dissertation Award, and the SHB-Kafa Scholarships for Ph.D. Students. These awards have been possible due to generous support of Chairman Jae-Ho Jeon and Vice Chairman Seonik Jeon at FN, the Shinhan Hope Foundation, Chairman Dong Koo Kim, and Chris and Paul Lee. I congratulate

all the award recipients and deeply appreciate the Review Committee, Nomination Committee, and Award Selection Committee members for their efforts and time.

KAFA continues to offer two special sessions at the 2022 annual FMA meeting. The first one is Korea session with the Bank of Korea (Special Session 125 on Oct 21st, 9:00 to 10:30 a.m., ET) and the second one is Asia session (Special Session 152 on Oct 21st, 11:00 a.m. to 12:00 p.m., ET). I specially appreciate to the Bank of Korea, who jointly host Korea Session. Professor Unyong Pyo will chair Session 152 (Asia session), and I will chair Session 125 (Korea Session). Session details can be found later in this newsletter. I strongly encourage all KAFA members to attend both KAFA sessions. The attendance by KAFA members is critical to continue the special KAFA sessions in the future FMA meetings. The annual business meeting is scheduled for Oct 21 (Friday), 5:30 p.m. to 6:45 p.m., ET) and annual dinner will be held after the meeting.

This year KAFA continued to hold monthly Brown Bag Seminars. Scholars all around the world have participated in the seminars. It is important channel to communicate and encourage academic scholarly activities for KAFA members. I really appreciate Professor Sang Mook Lee for organizing the seminars. I am also thankful for all presenters, discussants, and active participants.

This December, selected KAFA members will participate in the annual Asia-Pacific Financial Markets (CAFPM) Conference. I appreciate our members' continued interest in and support for these collaborations with partner associations in Korea.

Last year, KAFA has established the "KAFA Development Fund" with the fund transferred from our bank account in Korea and donations from the KAFA members, including the officers and directors. I am thankful for the Fund Management Committee's efforts, time and expertise. We are targeting \$200,000 by Year 2025. To achieve this goal, we need active participation in the fundraising by KAFA members. Please help us to achieve the goal and to have sustainable funding to support more academic activities and Ph.D. students under financially difficult situation. Please send a check to KAFA Treasurer, Dr. Taek Yul Kim, 50 Sharpless St., West Chester University, BPMC 427, West Chester, PA 19383.

Finally, I encourage all KAFA members to attend the KAFA Annual General Meeting as well as the KAFA Dinner scheduled on Friday. It would be nice to meet you at the dinner place and say hello to all members. I am so grateful to the Bank of Korea for sponsoring the KAFA Dinner meeting.

It has been a great honor to serve KAFA as president for the past year. I would like to express my sincere gratitude to Professors Unyong Pyo, Won Yong Kim, and Taek-yul Kim. They have worked tirelessly as great team members. Without them, I could not have done my job.

I look forward to seeing you all in Atlanta, GA.

Sincerely,

Young Sang Kim
2021-2022 KAFA President
Northern Kentucky University

I. Recent KAFA Activities

1. The Joint Conference with the Korea Institute of Finance (KIF) and Korea-America Economics Association (KAEA)

The annual joint conference was virtually held on June 10, 2021.

Presenters

- **Daewoong Choi**, University of Louisiana Shreveport, “The Effect of ESG-motivated Turnover on Firm Financial Risk.”
- **Sahn-Wook Huh**, University (SUNY) at Buffalo, “Liquidity Spillovers: Evidence from Two-step Spinoffs.”
- **Seungjoon Oh**, HSBC Business School, Peking University, “Outside Directors’ Insider Trading Around Board Meetings.”

Chairperson

- **Won Yong Kim**, Augsburg University

Discussants

- **Chulhee Jun**, Bloomsburg University
- **Taek-yul Kim**, West Chester University

2. The Joint Conference with Allied Korea Finance Associations (KFAs)

On May 27, 2022, our KAFA members presented their papers at the 2022 Joint Korea Finance Conference.

Presenters

- **Suzanne S. Lee**, Georgia Institute of Technology, “Variances, Jumps, and Cryptocurrency Returns”
- **Albert J. Lee**, Truman State University, “Hidden Liquidity, Market Quality, and Order Submission Strategies”
- **Sehyun Yoo**, Belmont University, “Ex post Risk Premium Relationships Between Large and Small Countries: Before, During and after the Great Recession”
- **Minmo Gahng**, University of Florida, “SPACs”
- **Soku Byoun**, Baylor University, “Firm Leverage and Employment: Are Firms Overborrowing or Overexpanding?”
- **Hojong Shin**, California State University, Long Beach, “The Effect of ESG-motivated Turnover on Firm Financial Risk”
- **Sahn-Wook Huh**, University (SUNY) at Buffalo Rhode Island, “Brand Innovation and Informed Trading”
- **Chanho Cho**, Black Hills State University, “Do Married CEOs Foster More Efficient Innovation?”

- **Duckki Cho**, Peking University HSBC Business School, “Shadow Union in Local Labor Markets and Capital Structure”
- **Jinoung Jeung**, Emory University, “Politically Polarized Depositors.”
- **Choonsik Lee**, University of Rhode Island, “Pension Fund Activism Behind the Scenes.”
- **Daewoong Choi**, University of Louisiana Shreveport, “Analyst Effects on Intangible Investment: Evidence from Corporate Political Investments”

3. KAFKA Brown Bag Seminar

Every month, KAFKA hosted a brown bag seminar via zoom. The following presenters and discussants were participated. Specially thank to **Professor Sang Mook Lee** (Pennsylvania State University Great Valley), who prepared for each seminar.

- March
Presenter: **Duckki Cho**, Peking University, “How Does Declining Worker Power Affect Investment Sensitivity To Minimum Wage?”
Discussant: **Kiyoung Chang**, University of South Florida
- April
Presenter: **Jiho Son**, Seoul National University, “Governance and R2 revisited”
Discussant: **Kee-Hong Bae**, York University
- May
Presenter: **S. Ghon Rhee**, University of Hawaii, “Credit Ratings Conservatism and Its Impact on Earnings Management”
Discussant: **Yong H. Kim**, University of Cincinnati
- June
Presenter: **Chanik Jo**, CUHK Business School, “Climate Change Regulatory Risks and Households’ Portfolio Choices”
Discussant: **Duckki Cho**, Peking University HSBC Business School
- July
Presenter: **Yuree Lim**, University of Wisconsin - La Crosse, “Corporate Pension Plans in Climate Change”
Discussant: **Young Hyun Kwon**, Changwon National University
- September
Presenter: **Joosung Won**, Baruch College, “Risk Perceptions and Corporate Investment and Financing Behaviors”
Discussant: **Choonsik (Chris) Lee**, University of Rhode Island

II. 2022 Awards Recipients

We are pleased to announce the recipients of the annual awards for this year.

- **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.

Winner:

Professor Yong-cheol Kim, University of Wisconsin Milwaukee

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

Selection Criteria: The recipient of the D.K. Kim Distinguished Scholar Award should be a KAFKA 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 KAFKA.

Winners:

Professor Kee-Hong Bae, York University

Professor Jaewon Choi, University of Illinois Urbana-Champaign

- **Shinhan Bank–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.

Winners:

Professor Irene Yi, University of Toronto

Professor Albert Lee, Hanyang University

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

Winners:

Professor Jung Hoon Lee, Vanderbilt University

Professor Joonki Noh, Case Western Reserve

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

Selection Criteria: The SHB-KAFKA Best Paper Award is given to a research paper in all areas of finance written by KAFKA members, based on Google Scholar citations regardless of Journal names.

Winners:

Professor Kiyoung Chang, University of South Florida
Professor Woo Chan Kim, Korea University

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

Winners:

Hyuksoon Lim, University of Arizona
Joonsung Won, City University of New York

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

Winner: Minmo Gahng, University of Florida

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

The following PhD students, who are presenting papers at the FMA conference, are selected for the Shinhan Bank Scholarship:

Byungwook Kim, Ohio State University
Jaemin Lee, Emory University
Joonsung Won, City University of New York
Donghyun Kang, Copenhagen Business School
Yun-Soo Kim, KAIST
Paul Youngwook Kim, KAIST
Saeyeon Oh, KAIST
Sangheum Cho, KAIST
J.H. John Kim, Temple University
Sebeom Oh, Temple University

Congratulations to all award winners. All recipients must attend the annual meeting to receive the awards.

III. KAFA News

1. KAFA New Officers, Directors, and Committee Members

- New President-Elect (President-Elect, 2022-2023; President, 2023-2024)
Professor **Ha-Chin Yi**, Texas State University
- Executive Board Member (2022-2025)
Professor **Jaemin Kim**, San Diego State University,
Professor **Sang Mook Lee**, Pennsylvania State University, Great Valley,
Professor **Hong Lee**, Wright State University
- Paper Review Committee Member (2022-2025)
Professor **Jung Hoon Lee**, Vanderbilt University.

2. 2021-22 KAFA Committees

- **Award Nomination Committee: Young Sang Kim, Unyong Pyo, Ha-Chin Yi (Past, Present and Future Presidents)**
 - Financial News-KAFA Eminent Scholar Award
 - D.K. Kim Distinguished Scholar Award
 - Distinguished Service Award
 - Shinhan Bank-KAFA Young Scholar Award
 - Financial News-KAFA Top-Journal Paper Award
 - Shinhan Bank-KAFA Best Paper Award
 - Dr. Bong Soo Lee Memorial Scholarship
 - Financial News-KAFA Doctoral Student Dissertation Award
- **Award Selection Committee: Kiyong Chang, Yong-cheol Kim, Peter Chung**
 - Financial News-KAFA Eminent Scholar Award
 - D.K. Kim Distinguished Scholar Award
 - Distinguished Service Award
 - Shinhan Bank-KAFA Young Scholar Award
 - Financial News-KAFA Top-Journal Paper Award
 - Shinhan Bank-KAFA Best Paper Award
 - Dr. Bong Soo Lee Memorial Scholarship
 - Financial News-KAFA Doctoral Student Dissertation Award
- **Executive Officer Nomination Committee: Young Sang Kim, Unyong Pyo, Ha-Chin Yi (Past, Present and Future Presidents)**
 - Nominating officers and board directors
- **Paper Review Committee: Ha-Chin Yi (Chair, President-Elect), Jung Hoon Lee (2025), Yeejin Jang (2024), Jungmin Kim (2024), Hugh H. Kim (2023).**
 - Reviewing and selecting papers for KAFA joint conferences
 - Reviewing papers for the following awards

- Financial News-KAFA Top-Journal Paper Award
 - Shinhan Bank-KAFA Best Paper Award
 - Dr. Bong Soo Lee Memorial Scholarship
 - Financial News-KAFA Doctoral Student Dissertation Award
- **Fund Management Committee: Jang Chul Kim (Chair), Jaewon Choi, Taekyul Kim, Sangwoo Lee, Ha-Chin Yi**
 - KAFA Development Fund management
 - Dr. Bong Soo Lee Memorial Scholarship Fund management
 - **Audit Committee: Moon Hyun Song (Chair), Won Yong Kim, Taek-yul Kim**
- 3. Two KAFA-FMA special sessions at the 2022 FMA Annual Meeting**

We appreciate Professor Young Sang Kim and Professor Un Yong Pyo who organized two special sessions in the 2022 FMA Annual Meeting in Atlanta, GA.

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



Friday, October 21st, 9:00 am - 10:30 am (Eastern Time), Learning Center

Moderator:

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

Presentation:

- Young Jun Choi, Bank of Korea, “A Causal Analysis of Changes in Korea Household Consumption Behavior after the Global Financial Crisis.”
 - Won Sung, Bank of Korea, “Banking Crisis, Venture Capital and Innovation.”
 - Yong-Cheol Kim, Univ of Wisconsin Milwaukee, “A Network Approach to Optimal Portfolio: Application to the Korean Stock Market.”
- **Korea-America Finance Association Special Session**



Friday, October 21st, 11:00 am - 12:30 pm (Eastern Time), Learning Center

Moderator:

Un Yong Pyo, President-Elect, Korea-America Finance Association, Brock University

Presentation:

- Zhongzhi (Lawrence) He, Brock University, “The Destabilizing Effect of Mutual Fund Herding: Evidence from China.”
- Kyojik "Roy" Song, Sungkyunkwan University, “The Performance of Korean SPAs: Focusing on Covid-19 Period.”
- Ha-Chin Yi, Texas State University, “Introduction to Natural Language Processing in Finance.”

IV. KAFA Board and Annual Business Meeting

1. KAFA Executive Board Meeting

When: 2:30 pm – 4:30 pm, Friday, October 21, 2022 (ET)

Where: Hyatt Regency Atlanta (Room: University Room)

Zoom Link:

<https://augzburg.zoom.us/j/92188542631?pwd=SjB0ZlAxbnMjliaEJKODN4Vkdydz09>

Meeting ID: 921 8854 2631

Passcode: 690379

KAFA Officers and Executive Board 2022

<input type="checkbox"/> President	Young Sang Kim, Northern Kentucky University
<input type="checkbox"/> President-Elect	Un Yong Pyo, Brock University
<input type="checkbox"/> Vice President	Noolee Kim, Hanyang University-ERICA
<input type="checkbox"/> Secretary General	Won Yong Kim, Augsburg University
<input type="checkbox"/> Secretary General KAFA Korea	Jong-Min Oh, Sungkyunkwan University
<input type="checkbox"/> Treasurer	Taek-yul (Ted) Kim, West Chester University
<input type="checkbox"/> Cyber Director	Kiseo Chung, Texas Tech University
<input type="checkbox"/> Executive Board	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 Jaemin Kim (2025), San Diego State University Sang Mook Lee (2025), Pennsylvania State U. Great Valley Hong Lee (2025), Wright State University
Advisory Board	All previous presidents

2. Annual Business Meeting

When: 5:30 pm – 6:45 pm, Friday, October 21, 2022 (ET)

Where: Hyatt Regency Atlanta (Room: Learning Center)

Zoom Link:

<https://augzburg.zoom.us/j/96797956632?pwd=WGVzMzJVeVJRTDhIYmI5RHU0a1AwQT09>

Meeting ID: 967 9795 6632

Passcode: 916381

3. KAFKA Annual Dinner Meeting

Location: Han Il Kwan (한일관)

Address: 5458 Buford Hwy NE, Doraville, GA 30340

Bus will leave at 7 pm in front of hotel's main entrance.

V. Member News

1. Publications

Following is a list of recent publications by KAFKA members. Only those provided to the KAFKA office by the authors are listed here.

- **Chang, Kiyong, Young Sang Kim, Ying Li, and Jong Chool Park, 2022, “Labor unions and real earnings management,” *Journal of Corporate Finance* 75, 102 – 242**
- **Chang, Kiyong, Ying Li, and Hyeongsop Shim, 2022, “Corporate social responsibility and credit rating around the world: The role of societal trust,” *The Financial Review*, Forthcoming**
- **Choi, Jongmoo Jay, Jimi Kim, and Oded Shenkar, Temporal orientation and corporate social responsibility: Global evidence, *Journal of Management Studies*, published online 22 August 2022.**
- **Choi, Jongmoo Jay, Ming Ju, Jose Plehn-Dujowich, Xiaotian Tina Zhang, “Outsourcing as a cooperative game between the CEO and labor: Theory and evidence,” *Review of Quantitative and Financial Analysis*, published online 27 May 2022.**
- **Choi, Jongmoo Jay, Yuanzhi Lily Li, Oded Shenkar, and Jian Zhang, “Internal governance and corporate fraud,” *Journal of Accounting, Auditing and Finance*, published online 9 February 2021.**
- **Hwang, Byoung-Hyoun, Chen, Hailiang, 2022, “Listening in on investors’ thoughts and conversations,” *Journal of Financial Economics*, 145(2), 426-444.**

- **Jo, Hoje, Jung Chul Park**, Jan Hanousek Jr. and Christos Pantzalis, 2022, “A Dilemma of Self-Interest vs. Ethical Responsibilities in Political Insider Trading,” *Journal of Business Ethics*, forthcoming.
- **Kang, Jun-Koo**, Seil Kim, Seungjoon Oh, “Does Board Demographic Diversity Enhance Cognitive Diversity and Monitoring?” *The Accounting Review*, Forthcoming.
- **Kim, Hugh**, Chia-Chun Chiang, and Greg Niehaus “Opaque Liability, Learning, and the Cost of Equity Capital for Insurers,” *Journal of Risk and Insurance*, Forthcoming
- **Kim, Seoyoung**, “NFTs For Dummies” (<https://www.amazon.com/NFTs-Dummies-Tiana-Laurence/dp/1119843316>)
- **Kim, Sehoon**, Robin Döttling, “Sustainability preferences under stress: Evidence from COVID-19”, *Journal of Financial and Quantitative Analysis*, forthcoming
- **Kim, Sehoon**, Söhnke M. Bartram, and Kewei Hou “Real effects of climate policy: Financial constraints and spillovers”, *Journal of Financial Economics*, Vol. 143, No. 2, pp. 668-696.
- **Lee, Choonsik (Chris)**, Ryan Flugum, and Matthew Souther “Shining a Light in a Dark Corner: EDGAR Search Activity Reveals the Strategically Leaked Plans of Activist Investors,” *Journal of Financial and Quantitative Analysis*, forthcoming
- **Lee, Sang Mook**, Imor, Tamar, and Bazel-Shoham, Ofra, 2022, “The Dual Effect of Board Gender Diversity on R&D Investments,” *LONG RANGE PLANNING* 55(2), 101884. ISBN/ISSN: 0024-6301
- **Lee, Sang Mook**, Bazel-Shoham, Ofra., Shoham, Amir., & Tarba, Slomo, 2022, “The effect of economic freedom on board gender diversification,” *JOURNAL OF BUSINESS RESEARCH* 149(2), 833-849. DOI: <https://doi.org/10.1016/j.jbusres.2022.05.076>
- **Lee, Sang Mook**, Krishnan, Jayanthi , Son, Myungsoo, & Song, Hakjoon, “Social Capital and Internal Control Material Weaknesses,” *ACCOUNTING HORIZONS*. Forthcoming
- **Park, Hyuna**, 2022, “An Intangible-adjusted Book-to-market Ratio Still Predicts Stock Returns,” *Critical Finance Review*, 11(2), 265-297.
- **Park, Hyuna**, 2022, “Warrants in the Financial Management Decisions of Innovative Firms,” *Journal of Futures Markets*, 42(2), 276-295.
- **Park, Jung Chul**, Joon Mahn Lee and Guoli Chen, 2022, “A Cognitive Perspective of Real Options Investment: CEO Overconfidence,” *Strategic Management Journal*, forthcoming.

- **Park, Jung Chul**, Yun Meng and Christos Pantzalis, 2022, “Why Corporate Political Geography Matters for Stock Returns,” *International Review of Economics and Finance*, forthcoming.

2. New Positions / Promotions / Awards

Promotions and Appointments

- Professor **Jaewon Choi** at the University of Illinois Urbana-Champaign was appointed the Associate Editor at the Review of Financial Studies.
- Professor **Joonki Noh** at Case Western Reserve is promoted to Associate Professor as of July, 2022

Awards

- Professor **Joonki Noh** at Case Western Reserve has received the Shinhan Finance Investment Best Paper Award from the 3rd Summer Finance Roundtable (SFR), 2022, organized by the Korean Securities Association.

VII. Other Announcement

1. KAFA website (www.mykafa.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 Cyber Director, Kiseo Chung at kiseo.chung@ttu.edu.
2. We need active participation of inactive members, and involvement of new finance professors and Ph.D. students. We strongly encourage the current members to introduce KAFA to their colleagues for new membership.
 - Please become a life-time member by sending one time due of \$300 along with the Membership Application.

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

<i>Optional information</i>
Home Address: _____ Street City State Zip
Phone 2: () _____ Phone 3: () _____

Please send this form and a check (*payable to Kafa*) to: Dr. Taek-yul Kim (김택렬)
 310 Paoli Woods
 Paoli, PA 19301

For questions/comments, please contact Kafa Treasurer Dr. Taek-yul Kim (김택렬)
 Mobile: 267-888-8546
 Email: tkim@wcupa.edu