

INTRODUCTION

This book is devoted to selected papers from the International Finance Conference, IFC4, held during 15–17 March 2007, in Hammamet, Tunisia under the authority of the Ministry of Higher Education, Technology and Scientific Research and in cooperation with the Association Française de Finance (AFFI), Association Méditerranéenne de Finance, Assurance et Management, AMFAM, <http://amfam.France-paris.org>, the Network “Réseau Euro-Méditerranéen”, <http://remereg.France-paris.org>.

The Organizing Committee from University of Cergy and ISC Paris, in collaboration with local organizers, FSEG Tunis, University of Tunis 7 November, and Universities of Sfax and Sousse and UMLT Nabeul (www.umlt.ens.tn) have done an excellent job in managing the different aspects of the conference.

We would like to thank our members of the committee and in particular our keynote speakers, Nobel Laureates James Heckman (USA) and Harry Markowitz (USA), and the main speakers such as George Constantinides (University of Chicago, USA), Dilip Ghosh (USA), Ephraim Clark (Middlesex University, UK), Gérard Hirigoyen (University of Bordeaux 4, France), and many others.

The conference attracted nearly 1,200 participants. Due to space constraints, the committee is obliged to select only some of the papers presented in the conference. In collaboration with the members of the scientific committee, the papers come from different fields covering value, volatility, and risk management in a range of areas.

We would like to thank finally the Minister of Higher Education, Technology and Scientific Research, Professor Lazhar Bououny; the Minister, Governor of the Central Bank, Toufik Baccar; the Secretary of State for

Scientific Research, Ridha Mesbah; the Tunisian Government and in particular the President Zine El Abidine Ben Ali, for his role in the success of the Fourth International Finance Conference (IFC4).

Mondher Bellalah

Conference President, President AMFAM, President of the Network REMEREG THEMA, and ISC Group, Paris.

“This conference brought together leading scholars of Economics and Finance from around the world. It provided an opportunity to exchange ideas across diverse fields. The discussions were at a high level and the setting was very beautiful. The organizers are to be praised for convening such an excellent conference.”

James Heckman

Professor in Economics and the College, University of Chicago. Awarded Nobel Prize in Economic Sciences in 2000.

“I spoke to the Conference briefly via satellite. I used the fact that I was in San Diego and the Conference in Tunis to illustrate Adam Smith’s observations concerning the importance of large markets. You can hardly imagine a larger market than the one which ties San Diego directly to Tunis and anywhere else in the world. You do not need video conferencing equipment to participate in this market. Frequently a cell phone will do. At first information flows, but then often goods follow. I tied this to the theme of the conference. I wish to thank the sponsors and organizers of the Conference, those who assisted me in speaking to it from San Diego, and those who asked great questions at the end of my talk.”

Harry Markowitz

Professor of Finance, Rady School of Management, University of California, San Diego. Awarded Nobel Prize in Economic Sciences in 1990.