ARIA PRESIDENT: GSU RMI DEPARTMENT LEADING THE WAY

The strategic plan adopted by the department in 2003 envisioned a very different Department of Risk Management and Insurance for the future. The plan called for us to revise our approach to the study of risk based on two fundamental premises: (1) the quantification of risk will become central to the practice of risk management and (2) efficient risk management requires a broad, integrated view of risk. Since then, the department has revised and realigned its undergraduate, graduate, and Ph.D. programs consistent with this vision. In addition, the department has substantially increased our research capabilities by hiring some of the world’s best, brightest, and most innovative young researchers.

The plan we adopted was itself risky and some questioned why one of the top RMI programs in the country would move in such direction at a time when none of our competing institutions were going where we were. But the practice of risk management has indeed moved in the direction the department predicted three years ago and now our academic colleagues around the country are beginning to take note. The most public recognition we have received came from Professor James R. Garven of Baylor University who noted the department’s leadership role in his presidential address given last summer at the 2006 Annual Meeting of the American Risk and Insurance Association—the pre-eminent academic association of insurance scholars in the United States—in Washington D.C.:

“While a number of truly outstanding risk management programs are represented within ARIA, I would like to call your attention to Georgia State’s RMI program in particular. By consistently producing high quality risk management research characterized by depth as well as breadth, GSU’s RMI department has successfully managed to make itself the focal point for risk management research and education at the Robinson School of Business. Our colleagues at GSU have staked a legitimate intellectual claim to risk management by earning the respect of their academic peers throughout the business school, especially finance. Apparently their finance colleagues understand that there is more to risk management than just financial risk management, and that there are advantages to having a separate department offer a more comprehensive risk management perspective. This outcome could not have been possible without their steadfast commitment to high quality scholarship and pedagogy.”

While we appreciate Dr. Garven’s kind comments, we also understand that more work remains to fully implement the vision outlined in the RMI Department’s strategic plan. However, we are excited our colleagues are starting to take note of our early successes.

RMI DEPARTMENT RANKED AMONG THE NATION’S TOP FIVE

For the eighth consecutive year, the Department of Risk Management and Insurance in the J. Mack Robinson College of Business at Georgia State University has been ranked among the top five programs of its kind in the nation by U.S. News and World Report. The department’s undergraduate program is ranked fifth best overall in U.S. New’s 2007 annual survey of America’s

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RMI’S NEWLY REDESIGNED WEB SITE IS UP AND RUNNING

The RMI Department launched its redesigned web site in December, offering users a more valuable web experience. The new site features a more user-friendly navigation structure, streamlined content, global pull-down menus, and “quick links” to our most popular pages directly from the home page. Additional content, including interactive alumni and employer pages, is still being developed and will be introduced throughout the first and second quarters of 2007. We invite you to visit www.rmi.gsu.edu and give us your input.
FROM THE RMI DEPARTMENT CHAIR...

Although I have been a faculty member in the RMI department for 13 years, the past eight months have given me the opportunity to evaluate the state of the department from the unique vantage point of the chair’s office. I’ve reached a number of conclusions that I want to share with you.

First, we have made remarkable progress implementing the goals of the RMI Strategic Plan that was adopted in 2004. Examples of our successes appear in this and past issues of the RMI Report. Much hard work by many people made these successes possible. However, I would be remiss without acknowledging the leadership provided by my predecessor Professor Sanjay Srivastava. On behalf of the faculty, staff, students, and the Trustees of Educational Foundation, I want to thank Sanjay for the two years that he led the department and effected so much positive change.

Although a strong foundation has been laid, our recent successes do not justify complacency. To the contrary, the challenge for the future is not only to solidify our strategic direction but also to increase the external reputation of the department. Frankly put, the department’s new-found strength is also our biggest challenge. To see why, just consider the two opposing events that occurred last summer. On the positive side, the incoming president of the American Risk and Insurance Association (ARIA) publicly acknowledged, during his presidential address, the preeminence of our program relative to similar programs housed in universities around the country (see story on page 1). As proud as I was to hear these comments, I was equally dismayed to learn just a couple of weeks later that the ranking of our undergraduate program by U.S. News and World Report slipped from number two to number five nationally.

As I have thought about the mixed signals presented by these two events, it became clear that although the faculty and current students know of all the exciting changes, we had not clearly communicated our story to important external constituencies. Drawing on resources from both the department and from the Office of External Relations for the college, we have responded to this challenge in a number of ways. The department’s website was completely revamped in the fall, targeted marketing campaigns have been initiated, and we are making an effort to better reach out to our alumni by reinvigorating the Georgia State University RMI Alumni Club.

To aid our efforts, I have several requests of our alumni, a most important component of our success. First, please become involved financially. Currently only nine percent of our alumni participate in the department’s annual fundraising campaign. The college and university have allocated to us significant new financial resources, but we cannot fully reach the goal of being recognized as the world’s premier risk management program without broad-based support from our alumni. Your gifts to the annual fund make a critical difference in the academic programs provided to students.

In addition to a financial commitment, we need and welcome alumni commitment of time. There are opportunities to attend alumni meetings, mentor our students, or send representatives from your companies to interview current students for internships or full-time employment at our annual job fair.

Finally, we need information. I ask each of our alumni to complete and return to us the biographical information form included in this newsletter. The information we are requesting allows us to demonstrate to companies and foundations the impact we have in the industries where we place students.

I am reminded of a wise observation I once heard made by an alumnus of another school. He said he remains active in the college’s alumni affairs because it was his belief that his degree from the college “...was worth no more—and no less—than the degree most recently awarded.” He saw his support of his alma mater as an investment in his future as well as a means for helping current students. I look forward to continuing to work with each of you to maximize the value we provide to all of our alumni—past and future. Please join me in this effort.

Regards,
FROM THE EFI BOARD CHAIRMAN

The past year was a very good one for the Board of Trustees of Educational Foundation, Inc. (EFI), for the Foundation itself, and for the RMI Department. A special thanks goes to all of you who so generously gave us your support, both with your time and/or with your help. With your support, the department continues to move toward its goal to be the leading program in risk and insurance in the world!

It is both a pleasure and a challenge to undertake being Chairman of EFI’s Board following such a successful year as 2005 was for the Foundation. In 2006, fund balances increased by 11%, having doubled over the last 10 years. EFI annual contributions have steadily increased, with funds up considerably from 2003. The EFI Board has become a critical component in helping the department grow and stay on the cutting edge of risk and insurance. Again, your support has been key.

Actuarial Science alumna Teresa Russ Winer (MAS 1982) continues to head the Board’s Investment Committee, while J. Gary Meggs (MIN 1982) has assumed responsibility as Chair of the Program Liaison Committee, which works to connect the RMI Department and the business community. Gary and RMI alum Lorilee Schneider (MS 1994, PhD 1995)—an assistant professor in the department and Director of Student and External Affairs—are working with other alumni to reestablish the RMI Alumni Club. New officers are in place and the club is set to resume its operation this spring. John Pisano, Munich American Reassurance Company, continues to keep our funds in order as Treasurer and Budget and Finance Chair, while Brad Brown, Crum & Forster, has joined us as Development Chair. W. Pat Hopkins, McGriff Siebels, continues to assist with our fundraising as Vice Chairman of the Board.

We completed our 3rd Bermuda Railway Walk in October 2006. Participants included EFI Board members, RMI faculty and staff, and alumni (see article on page 4 of this issue). We invite you to join us on this beautiful island in the fall of 2007 for the 4th Bermuda Railway Walk. The Association of Bermuda International Insurance Companies (ABIC) have joined with the RMI Department to provide a graduate fellowship for a Bermudian to study in the RMI program at Georgia State.

I am looking forward to completing another successful year with the Foundation, and invite all of you to join with me and other members of the Board of Trustees in supporting the RMI Department. It is an excellent investment of your time and money, and makes your degree that much more valuable.

(Submitted by Frank Beard)

EFI TRUSTEE RECEIVES ROBINSON ALUMNI AWARD

RMI alumnus Wes Duesenberg Jr. (MPA AC 1973, MIN INS 1978), a member of the Educational Foundation, Inc. (EFI) Board of Trustees since 1996, was recognized by the Robison College of Business as recipient of the 2006 Alumni Award for Service. This award honors those alumni, like Mr. Duesenberg, whose dedication and volunteer service have significantly enriched the substance of the Robinson College. Mr. Duesenberg’s efforts on the EFI Board, including a term as Chairman from 2005-2006, have added depth and stature to the reputation of the College, as well as that of the Department of Risk Management and Insurance—the primary beneficiary of EFI’s work.

Mr. Duesenberg is currently chairman of Century Casualty Company and president of Southern Insurance Underwriters, Inc. He graduated from Emory University in 1970 with a Bachelor of Business Administration (Accounting) degree and later earned Masters degrees in Accounting (1973) and in Insurance (1978) from Georgia State University. He is past president of the American Association of Managing General Agents (AAMGA) and currently serves as the organization’s secretary and treasurer. In 1988, he founded AAMGA University and served as its chancellor until 1996. In 2005, he was named “Insurance Company Man of the Year” (continued on page 12)
The Association of Bermuda International Companies (ABIC) and the Department of Risk Management and Insurance at Georgia State University have announced a partnership to offer the Masters Degree Fellowship program. The program awards financial support of up to $50,000 to an outstanding Bermudian student pursuing graduate studies in risk management, actuarial science, or personal financial planning at Georgia State’s Robinson College of Business.

ABIC represents the internationally owned businesses which are physically located in Bermuda, but conduct their operations worldwide. There are more than 1,500 exempted or international companies currently registered in Bermuda, of which some 400 have a physical presence.

For over 26 years, the ABIC Education Awards program has provided scholarships to Bermudian students pursuing higher education in studies that ultimately benefit the efficient functioning of international business in Bermuda. Georgia State’s Masters Degree Fellowship is their first ever graduate-level scholarship.

“This is an exciting addition to ABIC’s already-extensive program to support Bermudian students,” said ABIC Education Awards Committee Chairman Roy Fellowes. “This new initiative with Georgia State University broadens ABIC’s support to include students pursuing post-graduate insurance studies,” he said. “It is a fantastic opportunity for a Bermudian to study at this nationally rated institution and enhance their insurance career opportunities.”

For additional information about the Bermuda Scholarship fund or the ABIC/GSU Masters Degree Fellowship program visit the “Financial Awards” section of the RMI Department web site at www.rmi.gsu.edu/finaid/finaidindx.htm or call Dr. Lorilee Schneider at 404.651.2322.

Friday, October 20, 2006—“Rain or shine,” they said—and the sun did shine on us as RMI faculty, EFI trustees, alumni, and friends of the RMI Department began the approximately eighteen mile walk, west to east along the Bermuda Railway Trail. Less athletic walkers had the option of joining the group or stopping altogether at the Harmony Club, what has become our traditional “rest stop” as well as a great place to have lunch. Park Bermuda and McGriff, Seibels & Williams were, again, our gracious sponsors for the 3rd Annual Bermuda Railway Trek in support of the Bermuda Scholarship Fund. This fund was created to attract talented and qualified students from Bermuda into any of the degree programs offered by the RMI Department.

Fundraising for the Bermuda Scholarship Fund began in 2004, under the leadership of J. Gary Meggs, RMI alumnus (MIN 1982) and EFI Trustee. This year, we saw a nice increase in the number of industry professionals who contributed to the Bermuda Scholarship Fund, attended the Bermuda Walk Reception, and/or participated in the walk. We raised over $20,000 in support of the scholarship and signed an agreement to establish the Association of Bermuda International Companies (ABIC)/GSU Masters Degree Fellowship program, designed for Bermudian students interested in pursuing graduate studies at Georgia State University. Our first Bermudian student was admitted into the program last year, and we hope to admit at least one new student from the island every year.

RMI Department Chair Richard Phillips and Assistant Professor Lorilee Schneider, who is also the department’s Director of Student and External Affairs, arrived a few days prior to the Railway Walk to meet with potential recruits. They visited with guidance counselors and graduating students at several of the island’s high schools.

On a historic note, the Bermuda Railway was in operation from 1931 until 1948, being the only form of public transportation on the island.

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The 9th Bowles Symposium: The ERM Research Track will be held again this year in conjunction with the 2007 Annual Premier Global Event on Enterprise Risk Management on March 28-30 at the Chicago Marriott Downtown – Magnificent Mile. The world’s top managers, senior executives, directors, academics, and other risk management experts will gather at the Symposium to present the latest on ERM theories and practices.

The ERM Research Track is sponsored by Georgia State University’s Bowles Symposia Series, named after founder Thomas P. Bowles Jr., as a research program of the university’s RMI Department. Led by Samuel Cox, RMI professor and holder of the Bowles Chair of Actuarial Science, the series represents a collection of actuarial science research and education seminars that focus on specific issues relevant to the changing and complex environment in which contemporary actuaries practice.


To assess student opinion on a variety of topics, many of the nation’s business schools are turning to a common survey, typically administered at the conclusion of every semester. Among the topics assessed in the survey are (1) quality of instruction in different core fields, (2) quality of placement services at the corresponding institution, (3) faculty responsiveness to student needs, (4) quality of facilities, and (5) overall program effectiveness of the corresponding program.

For the 2005-2006 assessment period, 98 MBA programs and 163 undergraduate business programs were surveyed, including those offered by Georgia State University’s Robinson College of Business. Survey results suggest that the RMI Department’s business law faculty are among the nation’s best and most effective instructors.

For the undergraduate survey, students were asked to rate the quality of their institution’s business law course. The RMI department’s undergraduate course (BUSA 2106) was ranked third out of 163 schools. If that is not impressive enough, the Robinson College placed first in the nation on the same measure for the MBA course (MBA 8030, formerly MBA 8423). Both Robinson’s undergraduate and graduate level business law courses are taught primarily by RMI faculty.

In the next issue of the RMI Report (Summer 2006), look for a full-length feature on the department’s Legal Studies Program, its students and faculty.

In this issue of the RMI Report, the Alumni Spotlight falls on actuarial science alumna Teresa Russ Winer (MAS 1982), a current member of the Board of Trustees of Educational Foundation, Inc. (EFI) and chair of EFI’s Investment Committee. Under Ms. Winer’s outstanding leadership, the Foundation’s investment policy was revised leading to increased earnings in excess of 10% during our last fiscal year. Last summer, she graciously hosted a lovely farewell event for outgoing department chair Sanjay Srivastava.

Ms. Winer is an Actuarial Consultant with Bragg Associates and Chastain Financial Services (CFS), where she is responsible for attracting and serving clients, writing research grants, managing CFS, and educating her clients about actuarial methods. Prior to devoting twelve years to personal actuarial work, she managed and priced life and health insurance in both the individual and group areas for several life insurance companies.

The consummate volunteer; Ms. Winer has managed several school volunteer programs involving actuaries, all funded by The Actuarial Foundation. She has been involved with the Society of Actuaries (SOA) in various capacities including as an outgoing member of the Board of Governor’s, past chair of the Personal Actuarial Task Force, and past chair of the Actuary of the Future Section Council. She has designed and written several research project grants for the SOA and The Actuarial Foundation. She has also been a Girl Scout leader for over 7 years and an assistant leader prior to that.

Ms. Winer’s latest passion is recruiting math tutors for Sutton Middle School, where she is sometimes assisted by current Georgia State actuarial students who find time in their busy schedules to help out. More about the tutoring program can be found on their web site at www.mathclubonline.org.

(TO volunteer, contact jwilcox@gsu.edu. Help is also needed to help improve their web site.)
Does Competition Improve Ratings?

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and insurance rating agencies have a significant impact on the opinions of participants in their respective markets and, therefore, on the functioning of the markets themselves. Yet surprisingly little is known about the incentives of the agencies and how one agency’s system performs relative to another’s. In particular, very little research is available to answer the question whether greater competition in the ratings business will lead to increasing efficiencies in the performance of insurance and bond markets or, as the rating agencies themselves claim, will lead to a “race to the bottom” (see White 2002 for a review of the debate). There are several studies in the literature that look at the determinants of ratings across multiple rating agencies and they document significant differences across the various systems (e.g., see Cantor and Packer 1997 for bond ratings; Pottier and Sommer 1999 for insurance). However, a shortcoming of this line of research is that the authors do not have any reason to suspect why the ratings should differ and they only study the differences where the degree of competition among the agencies remains fixed. The purpose of this research project, conducted in collaboration with Drs. Doherty (Wharton) and Philips (GSU) is to both theoretically and empirically investigate the incentives a single rating agency has to produce ratings and then how those ratings are likely to change when another agency enters the market.

To study these questions, we consider a model in which a monopoly rating agency decided both the precision of information of the firm’s financial quality estimate and how the information is aggregated into ratings. Lizzeri (1999) contains an important result of information intermediation literature: A monopoly rating agency’s optimal policy is to disclose no information. We argue that this result hinges on the assumption that the buyers do not value the quality of information contained in the rating. In our model we assume that precision of information has value to buyer. In this case, the no disclosure result no longer holds. Since purchasing a rating is voluntary to a company, the rating agency has to maximize its coverage of the market. As a result, the optimal rating system of the agency is designed to trade-off between the ability of the high quality companies to signal their quality by purchasing a rating and the benefits for the low quality companies to be pooled with better companies. We study how the market coverage, precision and information disclosure depend on the value of information to buyers.

We use the basic model to study the impact of competition on both agencies’ rating systems. The questions we address are whether these choices are affected by competition between agencies and how that competition impacts the disclosure of information. We distinguish between two types of equilibria. In the short run equilibrium we take the rating system of the incumbent rating agency as given, and identify the potential market for the entrant. It is composed of the firms who were downgraded by the incumbent rating agency, and firms who benefit from more precise information about their quality when purchasing a second rating. In the long run, the incumbent firms acts as a Stackelberg leader in designing its rating system.

We apply the qualitative predictions of the theoretical model to study the data on the US insurance market. The insurance industry provides a wonderful natural experiment as the ratings market was originally dominated by A.M. Best but it has seen significant new entrants come into the market over the past two decades. During the early 1990’s, A.M. Best was the dominant agency and provided opinions regarding the financial quality on nearly all insurers operating in the U.S. marketplace – over 1700 insurers were rated in 1992. Standard and Poor’s entered the insurance ratings market in the early 1990’s and produced only 385 ratings in 1992. By year 2004, S&P is the second largest insurance rating agency and now rates almost 800 companies which represent in excess of 90 percent of the industry’s assets.

Our empirical objective is to investigate the strategies employed as the new entrant came into the insurance ratings business and also to document how A.M. Best changed its own standard following the introduction of competition. A fundamental component of our analysis is to determine an objective measure of the probability of default for each insurer in the data set and then map how the rating standards and the accuracy of the implementation of those standards changed over time for each agency. The literature on determining bankruptcy probabilities is rich and provides a number of alternative models we could use including structural models of default (e.g., Merton 1974) and reduced form models based upon estimates from econometric specifications. For various reasons discussed in the paper, we opted for the reduced form models and estimate the bankruptcy probabilities of the firms in our data using an approach similar to the discrete-time hazard rate model suggested by Shumway (2001). We show S&P entered the market by providing ratings on only high quality insurers and assigning their ratings in more stringent manner than was A.M. Best. In addition, we find evidence the S&P rating methodology more accurately classified insurers into rating categories. We also find evidence A.M. Best significantly adjusted their rating methodology as S&P’s presence in the market grew.

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How Does Law Affect Finance?

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Prior research in finance argues that the legal environment is a significant factor in explaining capital market growth and development. In economies where securities laws offer investors better protection, stock markets tend to be more liquid and companies often finance their projects through public issuance of shares. Countries with poor legal protections, in contrast, tend to have illiquid markets and concentrated ownership structure. This research implies that law may affect finance, but offers little insight into the specific mechanisms by which this linkage occurs since legal protection is typically estimated in the aggregate and evaluated across countries.

My recent paper with Vlado Atanasov (William and Mary), Bernard Black (University of Texas), and Stanley Gyoshev (University of Exeter) examines more precisely how law matters to the creation of functional capital markets. It is available through the Social Science Research Network as ECGI - Finance Working Paper No. 123/2006. We begin by modeling the legal framework for a fundamental investor property right - the protection from expropriation of the investor’s “stock” of firm value through “financial tunneling” mechanisms. Financial tunneling involves transactions such as secondary equity offerings to dilute minority ownership and below-market-value “freeze-out” tender offers, which eliminate or reduce minority shareholders’ claims of future cash flows. The model predicts that (1) stronger preemptive rights will reduce equity dilution from equity offerings, and (2) stronger appraisal rights will reduce freeze-out of minority shareholders at less than fair value.

To test the model’s predictions, we use stock market and ownership data from the creation and early years (1998-2002) of the Bulgarian stock market. We document weaknesses and “loopholes” in investors’ preemptive and appraisal rights in the initial (post “Big Bang”) Bulgarian securities laws, and show that financial tunneling in Bulgaria prior to 2002 is widespread. Detailed stock ownership, trade, and price data on over 800 firms reveals how secondary share offerings are at highly dilutive prices, and minority shareholders rarely participate. Formal freeze-outs occur at an average of less than 35 percent of market value, which had often already been severely depressed by a prior dilutive offering. During 1999-2001, over 400 companies, more than half of all the firms on the Bulgarian Stock Exchange, de-list.

Legal changes adopted in June 2002 altered provisions related to investors’ preemptive and appraisal rights, effectively offering the minority investor enhanced “call” and “put” option protection against dilution and freeze-out, respectively. We rely on this natural experiment, a change of law in an emerging market, to examine how law affects financial tunneling mechanisms. The results are striking and clearly show the link between law and financial tunneling. Post-2002, secondary equity offerings result in significantly less ownership dilution. They tend to be subscribed to by both minority and majority shareholders, as opposed to being bought totally by the controlling shareholders. Buyouts of minority shareholders decline in frequency, and when they occur, are at premiums consistent with those in developed markets instead of the large discounts that existed prior to the legal changes.

The paper then turns to examining the second piece of the linkage between law and finance. While changes in law can impact financial tunneling, how does the reduction in financial tunneling impact the capital market? We show that improved minority investor protection in Bulgaria leads to higher corporate valuations. Moreover, the valuation increases are concentrated in the firms which were previously most vulnerable to financial tunneling—firms with a private owner who holds a majority interest.

From a policy perspective, our combined results suggest that stopping widespread financial tunneling is critical for emerging markets to emerge. While prior research tends to measure legal protection in the aggregate or in a highly-stylized manner, we provide a more granular understanding of specific provisions in the law and their impact on wealth expropriation mechanisms.

Conrad Ciccotello is an active researcher, having published more than 35 articles in academic and professional journals. His research focuses on law & finance, financial intermediation, and organization & contracting. Professor Ciccotello is currently the Editor-in-Chief of Financial Services Review, a premier journal dedicated to the study of individual financial management, and an Associate Editor of the Journal of Financial Service Professionals. He has earned both a J.D. from Suffolk Law School and a Ph.D. in Finance from Pennsylvania State University. He is a member of both the Pennsylvania and Supreme Court Bars.
SUNTRUST LAND PURCHASE A HUGE BENEFIT TO ROBINSON

Georgia State University Foundation, Inc. recently announced the $52 million purchase of the SunTrust Bank, Atlanta property, adjacent to the university campus. The two-block area includes a 26-story office tower at 25 Park Place, a three-story bank building, a six-story annex building, a four-story vacant building, and an eight-story parking deck. SunTrust will lease the property back from the university for up to five years.

Georgia State University President Carl V. Patton announced that, pending Board of Regents approval, the eastern portion of the site will be developed as a professional education center for the university’s Robinson College of Business and the College of Law. The center would include separate buildings for business and law, as well as a joint classroom building and auditorium. President Patton suggests that even though the concept of a center that merges business and law colleges is somewhat unprecedented in the academic community, the potential synergy created will likely cause other institutions to follow Georgia State’s lead.

ROBINSON ALUM ENDOWS SCHOLARSHIP FOR WOMEN

Robinson graduate Sandra E. Bergeron and her husband, Doug, have generously contributed $1 million to the College to establish a scholarship-mentorship endowment that provides educational assistance to high-potential women seeking careers in technology leadership. The Bergeron Women in Technology Leadership Fund will be awarded annually to five qualified female undergraduate or graduate students and includes a one-on-one mentorship program. It is expected that the endowment, together with additional contributions from Georgia business leaders, will fund this award in perpetuity.

Sandra Bergeron is the current Chairman of the Board of TraceSecurity, Inc., one of the highest regarded female technology leaders in Silicon Valley. She has testified before Congress on how government and private industry can better prepare for virus attacks, and has served on the Silicon Valley Blue Ribbon Task Force on Aviation Security and Technology.
GEORGIA STATE NAMED AMONG TOP 50 SCHOOLS FOR AFRICAN AMERICANS

Black Enterprise (BE) Magazine ranked Georgia State University as one of the top 50 colleges for African Americans in its 2006 rankings issue. Georgia State was ranked 18th overall and 4th among public universities. The magazine surveyed more than 500 African American higher education professionals including presidents, chancellors, and directors of student affairs for their assessments of the social and academic environments for African American students at the nation's colleges and universities.

The rankings were derived using variables such as black student graduation rate, average survey score for the school's academic environment, average survey score for the school's social environment, total black undergraduate enrollment, and black undergraduate students as a percentage of total undergraduates.

ROBINSON’S EMBA RANKED AMONG WORLD’S BEST BY FINANCIAL TIMES

For the fourth consecutive year, the College’s EMBA program was ranked among the top Executive MBA programs in the world in a survey by The Financial Times. The 2006 survey places Robinson 58th among the top 85 programs, overall, and in the top 25 schools in the U.S. Robinson was also one of only two schools—Emory University being the other school—in Georgia ranked in the survey.

The Financial Times ranks only the top 85 EMBA programs in the world. The ranking is based on a survey of graduates from the 2003 EMBA class combined with statistical data in 16 categories from each school.

(Sources for this section: Robinson in Review, Robinson College Office of External Affairs, Georgia State Magazine)
aftermath of Hurricane Katrina’s devastation in 2005, he was invited by the American Enterprise Institute to participate in a panel discussion on the subject that was televised by C-SPAN.

Professor Grace’s work has also had real-world impact by influencing the thinking of government officials and industry professionals. One salient line of research examines the implications of changing insurance regulation from the state level to the national level. This is an important debate because insurance is the only financial service in the United States that is provided by firms regulated solely at the state level, even though the majority of the industry operates nationally. Congress is currently examining the possibility of replacing the state system with an optional federal regulatory system like the one used to monitor banks. Dr. Grace’s work has been critically influential in shaping the debate.

Professor Grace’s work on corporate income and insurance taxation has directly influenced the State of Georgia. For the past several years—in collaboration with colleagues from Georgia State University’s Andrew Young School of Public Policy—he has advised the Georgia Governors Office, the Georgia House of Representatives, and the Office of the Georgia Commissioner of Insurance on possible reforms of both the insurance and corporate income tax systems.
was also quoted in the Financial Times ("Insurers urged to adapt to new climate") and in Investment News ("Insurance industry wrestles with poor reputation").


ANASTASIA KARTASHEVA, assistant professor of risk management and insurance, presented her research findings at the European Meeting of the Econometric Society in Vienna, Austria and at the Latin Americas Meeting of the Econometric Society in Mexico City.

ELLWOOD OAKLEY, associate professor of legal studies, was quoted in the Atlanta Business Chronicle in an article entitled “Building an Ethical Foundation.”


Based on Professor Grace’s earlier academic work, the state corporate income tax was changed in 2005. His most recent work demonstrating how the Georgia insurance premium tax has hurt the growth potential of the state’s insurance industry, has resulted in a bill—currently under consideration by the state legislature—to reform Georgia’s insurance tax system.

CONRAD CICCOTELLO

Conrad Ciccotello’s 2006 Faculty Teaching Award honors his accomplishments in classroom instruction and in curriculum innovation. As a classroom teacher, he has maintained exceptionally high student ratings—among the highest in the College—since arriving at Georgia State in 1999. Students consistently recognize his genuine enthusiasm and passion for education.

Under Dr. Ciccotello’s leadership, RMI’s Personal Financial Planning (PFP) Program has become a trend-setter in interdisciplinary curriculum design. Working with the Certified Financial Planner (CFP®) Board of Standards and the Academy of Financial Services, he has led the creation of a model curriculum that is being used by dozens of universities to develop financial planning programs. In addition, Dr. Ciccotello is a regular speaker at CFP® Board Conferences on curriculum design and is also a frequent presenter at pedagogical conferences. In his capacity as PFP Program director, he has developed innovative interdisciplinary coursework to serve those entering this dynamic profession. The PFP Program has more than tripled in size since Dr. Ciccotello took over in 1999.

Even more impressive, Dr. Ciccotello has accomplished all of his classroom success while maintaining a very productive research and service agenda. Since 2001, he has published 11 papers in high quality refereed scholarly academic journals including the Journal of Corporate Finance and Financial Markets, Institutions and Investments, and his research has twice been cited in congressional testimony. He has received national “best paper” awards from such organizations as the Southeast Academy of Legal Studies in Business and the Academy of Financial Services. He frequently serves as an expert source of information for major print and television media. As further evidence of Dr. Ciccotello’s professional status, he is currently serving a three-year term as Editor-in-Chief of Financial Services Review, the premier field journal in financial planning.
WE WANT TO HEAR FROM YOU...

Calling all alumni and students... send us your news! Do you have a great new job or internship? Have you won any awards lately? Are you involved in an interesting professional or community service project? Contact Janis Wilcox, Assistant Director, Educational Foundation, Inc. by e-mail at jwilcox@gsu.edu or by phone at 404.651.4201.

RMI RANKINGS (continued from page 1)

Best Colleges released last August. The Robinson College placed 24th among public universities and 42nd overall, an improvement of five places from last year. Earlier this year, the publication ranked the College’s part-time MBA program among the top ten programs in the nation for the eleventh consecutive year.

“We are pleased that as Georgia State and the Robinson College enroll a growing number of traditional students, we continue to be recognized among the top undergraduate business programs in the nation,” said H. Fenwick Huss, dean of the Robinson College of Business. “It is a testament to the quality of our students, faculty and staff. We are also pleased that our risk management and insurance program is once again ranked with an elite group of business schools nationwide.”

DUESenberg AWARD (continued from page 3)

by the Professional Insurance Agents.

The Fourth Annual Alumni Awards Celebration was held on November 15, 2006, at the High Museum of Art in Atlanta. In addition to Mr. Duesenberg, the College recognized six other business executives. The well-attended celebration coincided with the Museum’s opening of Louvre Atlanta.

BERMUDA WALK (continued from page 4)

island until 1946. The tracks were removed long ago, but much of the right-of-way remains and is today set aside as a scenic nature walkway (www.bermuda-online.org/railway.htm). We hope to have more of our faculty, staff, and alumni join us in the fall of 2007.

DR. KARTASHEVA (continued from page 6)

Anastasia Kartasheva’s research interests are wide-ranging within micro-economics, including contract theory, game theory, information economics, industrial organization, banking and corporate finance. Her most recent work focuses on the impact of competition and entry regulation in rating industry on the quality of risk estimates produced by rating agencies. She graduated from the University of Toulouse with a Ph.D. in Economics (2004) with highest honors. She also holds a D.E.E.Q.A. and D.E.A. in mathematical economics with honors (European Diploma in Economics) from the University of Toulouse (2000), an M.A. degree in economics from the New Economic School in Moscow (1998), and a B.Sc. degree in mathematical economics from Lomonosov Moscow State University (1997). Dr. Kartasheva has served as a consultant and researcher for the World Bank in Washington, DC and has published several studies under the auspices of the World Bank.