THE GLOBAL FINANCIAL CRISIS AND ITS AFTERMATH

HIDDEN FACTORS IN THE MELTDOWN

EDITED BY

A.G. Malliaris, Leslie Shaw, and Hersh Shefrin

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PREFACE AND ACKNOWLEDGMENTS

This book has its roots in a conference organized jointly by the Quinlan School of Business of Loyola University Chicago and the Leavey School of Business of Santa Clara University. The Chicago Mercantile Exchange Group through the Center for Risk Management at the Quinlan School of Business offered a generous grant to the three editors and charged them to organize a conference that examined the recent global financial crisis from the perspective of behavioral finance and ethical values.

The conference took place on April 11, 2013, and featured 11 speakers. A few months later, revised versions of these papers were submitted for possible publication to several publishers. Oxford University Press enthusiastically encouraged the editors to go significantly beyond the original 11 submissions and view the global financial crisis and its aftermath from various perspectives. To maintain cohesion, the editors were challenged to write both a lengthy introductory chapter and a concluding one.

This volume contains 21 chapters and offers a unique, innovative, and exciting exposition of the global financial crisis and its aftermath from three perspectives of hidden factors that intensified its meltdown. In particular, we explore hidden factors from economics, psychology, and values that help explain the intensity of the meltdown. Chapter 1 is ready to be read, so there is no need for duplication in this preface. It is our wish that readers begin with curiosity about the content of this book, and our hope that they find insight and instruction.

The editors are most thankful to the CME Group and the Center for Risk Management at the Quinlan School of Business for financing the original conference. Next, the editors are truly and profoundly grateful to Scott Paris, economics editor of Oxford University Press for his extensive advice to expand the volume and enrich its contents. We are also thankful to David McBride, Editor-in-chief for Social Sciences, Anne Dellinger, Associate Editor, Sasirekka Gopalakrishnan and Cathryn Vaulman for editorial expertise and generous encouragement. Finally, our sincerest thanks go to all of our valued fellow contributors.

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