

**Call for Papers on “Macroprudential Policies, Regulatory Reform
and Macroeconomic Modeling”**

Rome, 14-15 December 2011

The reform process triggered by the recent financial crisis is gradually making progress. Advances are underway in the area of banking regulation, accounting standards, and market infrastructure (e.g. clearing houses for derivatives, etc.). A new framework for macroprudential policy is also emerging. A parallel development sparked by the crisis is the drive to include the financial sector in modern macroeconomic models. Models in this class will be required for the design and management of the new macroprudential policies. They will also be crucial for central banks, to understand new aspects of monetary policy transmission, and to analyze the interrelations between countercyclical macroprudential policies and traditional macro policies.

The conference represents a venue for theoretical and empirical papers advancing our knowledge in these areas. Specific issues of interest include:

Macroprudential policies: definition, implementation, open issues

- Measuring systemic risk; early warning indicators
- Evolution of banking regulation and implications for macroprudential policy
- Approaches to the problem of systemically important financial institutions: identification and regulatory options
- Relationship between credit, assets prices and business cycles
- Interaction between macroprudential and monetary policies, and with microprudential policy
- The interbank and repo markets as a source of systemic risk and a transmission channel for credit rationing
- Liquidity risk as a source of systemic risk and a contagion channel
- The contribution of market infrastructure to financial stability and efficiency

Quantitative macroeconomic models with a financial sector

- Including a realistic financial sector into macro models (heterogeneous intermediaries and instruments; leverage, capitalization, liquidity). Relationship between credit demand/supply and investment, consumption. Credit rationing and its effects.
- Interactions between the financial and the real sectors (wealth effects and collateral constraints; credit quality, banks and firms' defaults)
- Building a meaningful definition of systemic risk into macro models: externalities, credit and financial bubbles. Macroprudential instruments addressing these distortions
- Monetary policy and macroprudential policies: linkages and trade-offs

Researchers wishing to submit papers for consideration should send them by **June 15th, 2011**

Limited financial support for economy class air travel and lodging expenses will be available for university-based authors, discussants and chairpersons. Barring exceptional circumstances, central bankers and other public officials will be asked to cover their own expenses. Where financial support is offered, this will be in accordance with the new CEPR guidelines: www.cepr.org/meets/WKCN/misc/trp.pdf.

The Organising committee is composed of: Paolo Angelini, Markus Brunnermeier, Xavier Freixas, Anil Kashyap, Stefano Neri, Marco Pagano, Fabio Panetta, Daniele Terlizzese, Aleh Tsyvinski.

To respond, please visit <http://www.cepr.org/YourProfile/Meetings> and indicate whether or not you wish to present a paper or would be willing to act as a discussant. The deadline for replies is 18:00 GMT on Wednesday, 15 June 2011. You may also like to read our Guidelines on how to register online for CEPR Meetings at www.cepr.org/meets/emo/Guidelines.htm.

If you have any difficulties registering for this meeting, please contact Nadine Clarke, Meetings Manager, at nclarke@cepr.org or +44 20 7183 8808.