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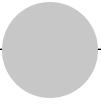
EDITED BY DEBORAH LUCAS



Measuring and Managing Federal Financial Risk



**A National Bureau
of Economic Research
Conference Report**



Measuring and Managing Federal Financial Risk

Edited by

Deborah Lucas

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Preface

The papers and commentaries that appear in this volume were prepared for a conference held at the Kellogg School of Management in February 2007. The project was funded through the generous support of the Zell Center for Risk Research, and cosponsored by the Zell Center for Risk Research and the National Bureau of Economic Research.

The conference brought together a diverse group of academics and researchers in the areas of finance, economics, public policy, and accounting, and a distinguished group of federal policymakers and budget practitioners. The aim of the project was to encourage new research directed at improving the measurement and management of federal financial costs and risks, and to foster discussion about the prospects for, and impediments to, integrating the tools of financial economics into federal accounting practices. The discussion of these issues was greatly enhanced by the formal but unpublished presentations made by Tom Allen, Daniel Crippen, Douglas Elliott, Bill Hoagland, Howell Jackson, Katherine Schipper, and Kent Smetters.

Special thanks are due to Robert Korajczyk and Deborah Brauer for Zell Center support, to the staff of the finance department at Kellogg for help with the conference, and to the many people at the Congressional Budget Office who have shaped my understanding of these issues over the years.

Any opinions expressed in this volume are those of the respective authors and do not necessarily reflect the views of the National Bureau of Economic Research or the Zell Center for Risk Research.

