**Call for Papers
Financial Innovation and Regulation
Cambridge, MA: April 17-18, 2020**
To promote research on the interaction between financial innovation and regulation, the National Bureau of Economic Research (NBER), with the support of the Puelicher Center on Banking at the University of Wisconsin, will convene a conference in Cambridge on April 17-18, 2020. The conference will be organized by Dean Corbae (University of Wisconsin and NBER), Eduardo Davila (Yale and NBER), Edward S. Prescott (Federal Reserve Bank of Cleveland), and Robert Townsend (MIT and NBER). The workshop will draw together researchers from financial economics, industrial organization, contract theory, public finance, financial history, and macroeconomics to investigate how financial innovation, asymmetric information, market liquidity, contracting imperfections, and other features of financial markets affect regulatory design and financial stability. Key goals are to understand how various market frictions interact with existing regulations and to explore the efficiency and other properties of alternative designs.

Issues that may be addressed at this workshop include, but are not limited to:

• The operation of credit and insurance markets with adverse selection, moral hazard, and other information problems.
• The effect of competition among banks on the stability of lending markets and on the efficacy of regulatory changes in affecting credit access for households and firms.
• The role of networks and “financial supply chains” in connecting banks, other financial institutions, and firms that rely on short-term loans to conduct their business activities.
• The pricing of liquidity risk and the role of capital requirements such as those embodied in Basel III in affecting the equilibrium provision of liquidity.
• The design of disclosure regulation, such as mandates for information reports on portfolio holdings and risk exposures to regulators and market participants, publicly-disclosed stress testing, and other regulatory constructs.
• The impact of e-commerce and digital currencies on the efficacy of traditional financial regulations, and the design of regulation for these emerging financial technologies.
• The importance of, and consequences of, competition and regulatory arbitrage between banks and non-bank financial institutions, such as money-market mutual funds, that are regulated under different regimes but serve overlapping market needs.
• The impact of financial innovation and regulation on the productivity of financial institutions and the financial system.
• The impact of financial innovation and regulatory policy on macroeconomic and financial stability, the internal organization of financial firms, and the structure of the financial industry.
• Lessons from financial history about the impact of financial innovation on regulatory policy and market performance more generally.
• The role of credit policies and financial regulations in complementing taxes and transfer programs to achieve both efficiency and distributional goals.

The conference will begin in the early afternoon on Thursday, April 17, 2020. There will be a conference dinner that evening with a keynote address by Dr. Loretta Mester, President of the Federal Reserve Bank of Cleveland. On Friday April 18, a series of paper presentations will be complemented by one or more panel discussions that will address issues related to the conference theme.

The organizers welcome both empirical and theoretical research, papers by researchers with and without NBER affiliations, and submissions from scholars who are early in their careers, and who are members of groups that are under-represented in the economics and finance professions. To be considered for inclusion on the program, papers must be uploaded by December 30, 2020 to the following site:

<http://papers.nber.org/confsubmit/backend/cfp?id=FIRs20>

Please do not submit papers that will be published by April 2020. Authors chosen to present papers will be notified in January, 2020. The NBER will cover the travel cost for one author per paper and for invited discussants; others are welcome to attend at their own expense. Questions about this conference may be addressed to confer@nber.org.