

Call for Proposals
Credit Market Turmoil: Implications for Policy
April 2009

The **Carnegie-Rochester Conference on Public Policy** is now soliciting paper proposals for a conference on “Credit Market Turmoil: Implications for Policy.” This Conference will be held in Rochester, at the William E. Simon Graduate School of Business, University of Rochester, on April 17-18, 2009. The proceedings of the Conference are scheduled for publication in a special issue of the **Journal of Monetary Economics** in January 2010.

The November 2008 **Carnegie-Rochester Conference** is being held on various aspects of the “credit crunch of 2007-2008.” The response to the call for proposals for the Conference was strong, indicating the degree to which recent market events are shaping economic research in the area. The Board of Advisors selected six papers for the Conference centered on topics of ranging from ratings to liquidity, and securitization to agency problems.

The Board has decided to extend the Conference’s focus on this topic to the April 2009 Conference in Rochester. Our goal for this Conference is to focus on the wide range of policy responses that might be considered in light of the significant disruptions. Papers might consider the current and future role of central banks. For example, how does a central bank fulfill its role as lender-of-last-resort in a global financial marketplace? How should moral hazard considerations shape the choices of central bank actions? What tools does the central bank need to address liquidity crises? How does one distinguish between a liquidity problem and a solvency problem? Were the special facilities created by the Federal Reserve “effective?” Does the failure of Northern Rock in the U.K. convincingly demonstrate that splitting the roles of monetary policy and financial supervision is a flawed strategy? Papers might also consider the broader questions of the appropriate regulatory environment. What is the appropriate balance between government regulation and market discipline? What are the options for restructuring the regulatory landscape?

The editors invite detailed abstracts of no more than two pages describing the proposed research. (If a preliminary version of the paper is available, authors may include it with their abstract.) Proposal should be submitted electronically to Sue North (north@simon.rochester.edu), Editorial Assistant for the **Journal of Monetary Economics**, no later than Friday, October 31, 2008. The Carnegie-Rochester Advisory Board in collaboration with the Editors of the **JME** will make the final selection of papers to be included in the Conference. Authors will be notified no later than December 1, 2008 if their paper has been selected. Authors will receive an honorarium of \$2500 and be expected to present their research at the Conference. The papers should represent original research not slated for published elsewhere. Since papers are intended for publication, authors will not be able to publish or reprint the work elsewhere without permission of the Editors and the publisher. Please note that the Editors will contact authors only if their paper is accepted.