

The Role of Money Markets

A Conference Cosponsored by Columbia Business School
and the Federal Reserve Bank of New York

Thursday, May 29, 2008

8:30 a.m. Registration and Breakfast

9:00 a.m. Opening Remarks: Timothy F. Geithner, President, Federal Reserve Bank of New York

9:15 a.m. Session 1. *The Money Market and Monetary Policy*

“The Role of Interbank Markets in Monetary Policy: A Model with Rationing”

Xavier Freixas (Universitat Pompeu Fabra)
Jose’ Jorge (Universidade do Porto)

Discussant: Vish Viswanathan (Duke University)

“The impact of reserves averaging on banks’ management of payment shocks”

Claire Halsall (Bank of England)
John Jackson (Bank of England)
Ouarda Merrouche (Bank of England)

Discussant: Craig Furfine (Federal Reserve Bank of Chicago and Northwestern University)

11:00 a.m. Coffee Break

“Understanding Monetary Policy Implementation”

Huberto Ennis (Federal Reserve Bank of Richmond)
Todd Keister (Federal Reserve Bank of New York)

Discussant: Rafael Repullo (Center for Monetary and Financial Studies and Columbia University)

“Implementing Monetary Policy with No Reserve Requirements”

Cornelia Holthausen (European Central Bank)
Cyril Monnet (European Central Bank)
Flemming Wuertz (European Central Bank)

Discussant: Seth Carpenter (Board of Governors of the Federal Reserve System)

1:00 p.m. Lunch and Keynote Address. Keynote speaker: Glenn Hubbard (Columbia University)

2:30 p.m. Session 2. *Money Markets, Banking, and Liquidity*

“Liquidity Risk and Syndicate Structure”

Evan Gatev (Boston College)
Philip Strahan (Boston College)

Discussant: Linda Allen (Zicklin School of Business, Baruch College)

“Imperfect Competition in the Inter-Bank Market for Liquidity as a Rationale for Central Banking”

Viral Acharya (London Business School)
Denis Gromb (London Business School)
Tanju Yorulmazer (Federal Reserve Bank of New York)

Discussant: Douglas Gale (New York University)

4:30 p.m. Coffee Break

“The Price of Liquidity: Bank Characteristics and Market Conditions”

Falco Fecht (Deutsche Bundesbank)
Kjell Nyborg (Norwegian School of Economics and Business Administration)
Jorg Rocholl (European School of Management and Technology)

Discussant: Mark Carey (Board of Governors of the Federal Reserve)

5:45 p.m. Reception

6:30 p.m. Dinner (by invitation). Keynote speaker: Donald Kohn (Board of Governors of the Federal Reserve System)

Friday, May 30, 2008

9:00 a.m. Breakfast

9:15 a.m. Session 3. *Risk and the Money Market: The 2007-8 Experience*

“Deciphering the 2007 Liquidity Crunch”

Markus Brunnermeier (Princeton University)

Discussant: Marvin Goodfriend (Carnegie-Mellon University)

“Lessons from the North Atlantic Financial Crisis”

Willem Buiter (London School of Economics)

Discussant: Stephen Cecchetti (Brandeis University)

Coffee Break

“Collective Risk Management in a Flight to Quality Episode”

Ricardo Caballero (Massachusetts Institute of Technology)
Arvind Krishnamurthy (Northwestern University)

Discussant: Urban Jermann (University of Pennsylvania)

12:30 a.m. Lunch

1:30 a.m. Panel Discussion: *The 2007-8 Money Market Crisis*

Participants: Richard Berner (Morgan Stanley), Charles Calomiris (Columbia University), Peter Garber (Deutsche Bank), Henry Shilling (Moody's).

3:00 p.m. Adjourn