

Financial Stability and Financial Intermediary Firms' Behavior

A Conference Cosponsored by the Federal Reserve Bank of New York and the Review of Corporate Finance Studies (RCFS)

September 23-24, 2010 at the Federal Reserve Bank of New York

Conference Organizers: Mark Flannery, Paolo Fulghieri, Hamid Mehran, and Anjan Thakor
RCFS Editorial Sponsor: Paolo Fulghieri

Overview

Financial intermediary firms indeed played a central role in the recent financial crisis--yet the reasons for some of their actions are not well understood. This conference aims to promote a better understanding of the corporate-level decisions made by financial intermediaries. This understanding may in turn help regulators promote efficiency and financial stability.

Paper Submission

The conference organizers encourage the submission of papers relating to all aspects of financial stability. Topics of interest include but are not limited to:

Firm-Level Issues

The role of contracts, law, regulation, and reputation in corporate decisions and financial stability.

Managerial incentive effects on financial stability and corporate behavior.

Internal bank capital allocation decisions within and across units of financial holding companies.

The effect of short-term versus long-term funding on incentives.

Risk management for financial firms.

The effect of bank capital on safety and soundness.

The ways by which banks determine their capital structure and their cost of capital.

Design of compensation and risk management.

Asset securitization decisions and policies.

The divergence between privately-optimal and socially-bank-optimal capital structures and the design of prudential capital regulation.

Geographic considerations: The decision to use domestic or off-shore funding; international location choices, including subsidiary branch locations; issues associated with differences in the effects of international governance on bank location.

Synergies between investment and commercial banking.

Financial Market Issues

The determinants of the level of vertical or lateral integration and of the boundaries for financial intermediation.

The determinants of the choice between bank bond issues, securitization, and bank deposits.

The role of leverage in fueling aggregate asset price valuations and increasing the risk of disorderly deleveraging.

Financial Stability Issues

The effect of firm governance on financial stability.

The effect of industry concentration on financial stability.

Submission Details

There is no charge to submit. Papers will be subject to a blind-refereeing process by the conference program committee. Authors wishing to submit to the RCFS through the dual-review process (details below) should indicate so when submitting for conference consideration. The RCFS will waive the regular submission fees for these papers and subject them to the journal's rigorous refereeing process. If a sufficient number of conference papers are accepted for publication by the RCFS, they will be published in a special issue of the journal. Papers already submitted to other journals can also be submitted to the conference, but not to the RCFS. Submitted papers should not have already been accepted for publication elsewhere.

The conference organizers will provide accommodations as well as financial support for travel expenses to authors whose papers are accepted for the conference.

Please send a PDF version of your paper, with a separate title page and abstract, by August 10, 2010, to hamid.mehran@ny.frb.org; specify "NYFed/RCFS Financial Stability Conference" in the subject line.

Authors of papers accepted for the conference will be notified by August 31, 2010. Dual-Review Submissions

You must indicate in the cover letter accompanying your submission that you are interested in consideration by the RCFS under the dual-review process. There is no charge for dual submissions.

Dual submissions will be reviewed by the conference program committee and will be made available for consideration by the RCFS.

Dual submissions must not be under review at another journal.

At the discretion of the RCFS, dual submissions will be sent out for a formal referee report. If such a report is sought, the paper's author will receive a copy.

Papers rejected at any stage of the dual-review process are not considered to have been "rejected" by the RCFS. This also applies to articles sent out for formal review. Thus, authors will be permitted to submit a future version of their paper (unchanged, if they wish) to the RCFS without prejudice.

While under consideration by the conference and the RCFS, a paper may not be submitted to another journal (or to the RCFS) until the author has been notified.