Financial Innovations and the Real Economy
A Conference Sponsored by the Center for the Study of Innovation and Productivity
November 16 & 17, 2006
Federal Reserve Bank of San Francisco

Thursday, November 16
12:00 PM  Informal lunch
1:00 PM  Introduction
Janet Yellen, President, Federal Reserve Bank of San Francisco

Afternoon Session: Financial Innovation and the Consumer
1:10 PM  "The Macroeconomic Transition to High Household Debt"
Jeffrey Campbell, Federal Reserve Bank of Chicago
Zvi Hercowitz, Tel Aviv University

Discussants:
Eric Hurst, University of Chicago
Richard Rogerson, Arizona State University

2:25 PM  "Financial Innovation and the Great Moderation: What Do Household Data Say?"
Karen Dynan, Board of Governors
Douglas Elmendorf, Board of Governors
Daniel Sichel, Board of Governors

Discussants:
Chris Carroll, Johns Hopkins
Paul Willen, Federal Reserve Bank of Boston

3:40 PM  Break

4:10 PM  "The Supply and Demand Side Impacts of Credit Market Information"
Craig McIntosh, University of California, San Diego
Alain de Janvry, University of California, Berkeley
Elisabeth Sadoulet, University of California, Berkeley

Discussants:
Steve Boucher, University of California, Davis
Atif Mian, University of Chicago

5:30 PM  Reception

Friday, November 17
8:00 AM  Breakfast

Morning Session: Financial Innovations, Risk Sharing and Systemic Risk
9:00 AM  "Has the Development of the Structured Credit Market Affected the Cost of Corporate Debt?"
Adam Ashcraft, Federal Reserve Bank of New York
Joao Santos, Federal Reserve Bank of New York

Discussants:
Simon Gilchrist, Boston University
Christine Parlour, University of California, Berkeley

10:15 AM  Break

10:45 AM  "Financial Innovation, Macroeconomic Stability and Systemic Crises"
Prasanna Gai, Bank of England
Sujit Kapadia, Bank of England
Stephen Millard, Bank of England
Ander Perez, LSE
Discussants:
Arvind Krishnamurthy, Northwestern University
William Nelson, Board of Governors

12:00 PM Lunch

Afternoon Session: Financial Innovations, Borrowers and Lenders

1:00 PM "Financial Innovations and Macroeconomic Volatility"
Urban Jermann, The Wharton School
Vincenzo Quadrini, University of Southern California

Discussants:
Wouter den Haan, University of Amsterdam
Giorgio Primiceri, Northwestern University

2:15 PM Break

2:45 PM "Financial Innovations, Idiosyncratic Risk, and the Joint Evolution of Real and Financial Volatilities"
Christina Wang, Federal Reserve Bank of Boston

Discussants:
Brad DeLong, University of California, Berkeley
Richard Rosen, Federal Reserve Bank of Chicago