



## Call for Papers

### Workshop on

# Challenges in Interconnected Financial Systems

September 1-2, 2016  
Sveriges Riksbank, Stockholm, Sweden

Links between households, firms, and financial institutions help channel credit, reallocate capital, and share risks in the economy. At the same time, links can transmit, and even amplify, negative economic shocks throughout the financial system as a result of cross-holdings and counterparty exposures. The propagation of shocks may cause contagion and lead to cascading failures in the system, imposing high costs to society.

Financial integration, globalization, and developments in information technology have increased interconnectedness and interdependency in the financial system. Integration leads to various economic and financial challenges for policy-makers, regulators, and central banks. This calls for new research to understand the role and consequence of financial interconnectedness in formal and informal financial networks.

We invite empirical and theoretical contributions on the following and related topics:

- i) Tensions between ex-ante risk allocation and ex-post contagion
- ii) Asset pricing from a network perspective
- iii) Propagation and amplification of idiosyncratic shocks in networks
- iv) Aggregate shocks and transmission in the economy
- v) Cross-border banking and financial integration
- vi) Financial regulation, bank risk management, and regulatory arbitrage
- vii) Financial stability with interconnected banks
- viii) Non-banking finance channels and shadow banking
- ix) Social networks, household decisions and financial stability

The conference will feature two keynote speakers: Robert Townsend (MIT) and Stijn Van Nieuwerburgh (NYU).

Papers should be submitted in PDF format by May 15<sup>th</sup>, 2016 to [research@riksbank.se](mailto:research@riksbank.se). Authors will be notified by June 15<sup>th</sup>, 2016. Sveriges Riksbank will cover expenses for economy-class travel and accommodation for presenters and discussants.

The organizing committee consists of Tore Ellingsen (SSE), Tor Jacobson (Riksbank), Thomas Jansson (Riksbank), Alexander Ljungqvist (NYU), Peter van Santen (Riksbank), and Xin Zhang (Riksbank).

The program and other information about the conference will be posted on the Riksbank website ([www.riksbank.se/en/research/conferences](http://www.riksbank.se/en/research/conferences)), which also contains information about past conferences. Questions can be directed to Lena Löfgren ([lana.lofgren@riksbank.se](mailto:lana.lofgren@riksbank.se)).