

InterConnectedness Newsletter

2017-Q4



HALLOWEEN EDITION

- In the media:
 - [“Leave zombies be”](#) - Point of view in *Finance & Development* by Paul Krugman
 - [“The spectre of zombie banks”](#) - International Banker article
 - [“Death of Spain’s zombie lenders sends bank jobs to decade low”](#) - Bloomberg article
 - [“China’s zombie companies and Japan’s lost two decades”](#) - The Diplomat article
 - [“Zombie oil companies could hit banks with \\$20 billion in loan losses”](#) - Forbes article
 - [“The rise of zombie companies - And why it matters”](#) - Mises Institute article
 - [“Resolving zombie firms is key for sustaining growth in China”](#) - VoXChina article
 - [“The challenge posed by Europe’s zombie megabanks”](#) - INET workshop presentation
- Research papers:
 - [The walking dead? Zombie firms and productivity performance in OECD countries](#)
 - [Do we want these two to tango? On zombie firms and stressed banks in Europe](#)
 - [Credit-supply socks and firm productivity in Italy](#)
 - [Credit misallocation during the financial crisis](#) (and [VOXEU](#) article)
 - [Zombie lending and depressed restructuring in Japan](#)
 - [How not to create zombie banks: Lessons for Italy from Japan](#)

CONFERENCE ANNOUNCEMENTS

- The Chicago Financial Institutions Conference (CFIC) 2018 will take place during Apr 5-6, 2018 in Chicago (IL). Deadline: **Oct 30**. <https://www.eventbrite.com/e/chicago-financial-institutions-conference-2018-registration-36778277819>
- The Annual Conference of the Swiss Society for Financial Market Research (SGF) will take place at the SIX Convention Point in Zurich on Apr 6, 2018. Deadline: **Oct 31**. <http://www.fmpm.ch/conference>
- The 10th Anniversary of Financial Crisis Conference will take place during Sept 14-15 2018 in Chicago. Deadline: **Oct 31**. <https://research.chicagobooth.edu/stigler/events/single-events/september-14-2018/call-for-proposals>
- The “Securities Markets: Trends, Risks and Policies” Conference will take place on Mar 2, 2018 in Milan. Deadline: **Oct 31**. Among other topics, papers on financial innovation and systemic risk in securities markets are welcome. Submissions to convegna@consob.it.
- The Columbia University/The Clearing House Conference: “Optimal Bank Liquidity Regulation” will take place in NYC on Feb 9, 2018. Deadline: **Nov 1**. Submissions to sipa_conf@columbia.edu.
- The “Global financial linkages” Conference will take place at the Central Bank of Ireland in Dublin during Feb 1-2, 2018. Deadline: **Nov 1**. [https://www.dropbox.com/s/wt3x14yet7irk0j/CBI75 Call for Papers%20%281%29.pdf?dl=0b](https://www.dropbox.com/s/wt3x14yet7irk0j/CBI75%20Call%20for%20Papers%20%281%29.pdf?dl=0b)
- The 2018 Financial Intermediation Research Society (FIRS) Conference will take place in Barcelona during Jun 1-3, 2018. Deadline: **Nov 1**. <https://firsociety.org/submissions/>
- The Timisoara Workshop on Research Methods - Network science applications in social sciences will take place in Timisoara, Romania during Nov 29-30. Special issue in the *Romanian Journal of Political Science*. Deadline: **Nov 6**. <http://silvianeamtu.wixsite.com/methodsworkshop2017>
- The 2018 New Frontiers in Banking Conference will take place in Rome during Mar 15-17, 2018. Dual-track submission to the *Review of Financial Studies*. Deadline: **Nov 6**. <https://www.dropbox.com/s/vx7bmennesvk3a4/New%20frontiers%20in%20banking%20research.pdf?dl=0>
- The 5th Annual Conference on Financial Market Regulation will take place during May 10-11 in Washington, DC. Deadline: **Nov 10**. <https://www.rhsmith.umd.edu/centers-excellence/center-financial-policy/news-events/cfp-events/annual-sec-conference>
- The International Research Forum on Monetary Policy will take place during Mar 23-24, 2018 at the FRB in Washington, DC. Deadline: **Nov 15**. <https://www.federalreserve.gov/conferences/irfmp-2018.htm>
- The 6th HEC-McGill Winter Finance Workshop will take place in Sunshine Village (Alberta) during Mar 8-11, 2018. Deadline: **Nov 19**. <https://sites.google.com/site/winterfinanceworkshop/>
- The ASU Sonoran Winter Conference 2018 will take place during Feb 15-17, 2018 at Arizona State University. Deadline: **Nov 19**. <http://blogs.wpcarey.asu.edu/financeconference/>
- The Eastern Economic Association Meetings are organizing several sessions on agent-based economics, computational economics, and related areas (e.g., banking and sustainable finance, forecasting and machine-learning in finance, and microeconomic networks). Deadline: **Nov 22**. <https://docs.google.com/forms/d/e/1FAIpQLSdtfqBEqYVr9hoYjGEfAOnonISNrV7n8o2RxvPzHPdax9KRvA/viewform>

- The 2018 Fixed Income and Financial Institutions Conference will take place during Apr 27-28, 2018 at the Univ. of South Carolina (Columbia, SC). Dual track submission to the *Review of Asset Pricing Studies*. Deadline: **Nov 23**. <https://2018callforpapers.eventbrite.com>
- The 2018 Capital Markets Conference will take place at Dunboyne Castle in Ireland during May 23-25. Deadline: **Nov 30**. <https://www.ssrn.com/en/index.cfm/arn/ads/arnann17044/>
- The Bank of Italy - Bocconi Conference “Financial stability and regulation” will take place during Apr 5-6, 2018 in Rome. Deadline: **Dec 1**.
https://www.dropbox.com/s/n5gxqovpktgk8xu/CfP%20BdI%20Bocconi_final.pdf?dl=0
- The Federal Reserve/Maryland Short-Term Funding Markets Conference will take place in Washington DC on Apr 6, 2018. Deadline: **Dec 1**. <https://www.rhsmith.umd.edu/centers-excellence/center-financial-policy/news-events/cfp-events/2018/fed-reserve-short-term-funding>
- The World Finance Conference will take place during Jul 25-27, 2018 in Mauritius. Deadline: **Dec 12**.
<https://www.world-finance-conference.com/>
- The Mid-Atlantic Research Conference in Finance Program (MARC) will take place on Mar 23 in Villanova PA. Deadline: **Dec 16**. <http://www1.villanova.edu/villanova/business/newsevents/calendar/marc.html>
- The Conference “Showcasing Women in Finance” will take place at the University of Miami on Mar 2, 2018. Deadline: **Jan 10**. <http://forms.bus.miami.edu/women-finance/paper-submission/>
- The NBER Conference “Capital Flows, Currency Wars and Monetary Policy” will take place during Apr 5-6 2018 in Boston. Deadline: **Jan 15**. <http://www.nber.org/callforpapers/capitalflows.html>
- The European Financial Management Association 2018 Annual Meeting will take place in Milan during Jun 27-30, 2018. Deadline: **Jan 15**. <http://www.efmaefm.org>
- The Conference “Ten Years after the Global Financial Crisis: What Have We Learned about Ensuring Financial Stability?” will take place during Jun 25-28, 2018 in Amsterdam. Special issue in the *International Journal of Central Banking*. Deadline: **Feb 28**.
http://www.ijcb.org/ijcbconf/2018_annual_ijcb_cfp.pdf

CONFERENCE PROGRAMS

- The San Francisco Fed “Macroeconomics and Monetary Policy” Conference took place on Mar 31. Program and slides on <http://www.frbsf.org/economic-research/events/2017/march/conference-macroeconomics-monetary-policy/>
- The San Francisco Fed “Do changes in the economic landscape require a new policy framework?” Conference took place on Apr 21. Program and slides on <http://www.frbsf.org/economic-research/events/2017/april/do-changes-in-the-economic-landscape-require-a-new-policy-framework/>
- The LSE Workshop on Networks in Macro & Finance took place on Jun 19 in London. Presentation slides on <http://www.systemicrisk.ac.uk/events/lse-workshop-networks-macro-finance>
- The 2017 RiskLab/BoF/ESRB Conference on Systemic Risk Analytics took place at the Bank of Finland during Jun 28-30. Program on <https://risklab.fi/events/sra2017/>
- The IWFSAS Conference took place at HEC Montreal in Canada during Aug 24-25. Program on <http://iwfsas.org/iwfsas2017/wp-content/uploads/2017/02/Final-Program-IWFSAS-2017-Aug17.pdf>

- The 3rd IWH-FIN-FIRE Workshop on “Challenges to financial stability” took place during Aug 28-29 in Halle. Program and keynote speeches on <http://www.iwh-halle.de/en/about-the-iwh/events/detail/detail/3rd-iwh-fin-fire-workshop-on-challenges-to-financial-stability/>
- The 17th FDIC Annual Bank Research Conference took place in Washington DC during Sept 7-8. Program on <https://www.fdic.gov/bank/analytical/cfr/bank-research-conference/annual-17th/17th-agenda.html>
- The ECB workshop “Monetary policy in non-standard times” took place during Sept 11-12 in Frankfurt. Program on https://www.ecb.europa.eu/pub/conferences/html/20170911_monetary_policy_workshop.en.html
- The 4th Bank of Canada-Bank of Spain Workshop on International Financial Markets took place on Sept 21 in Ottawa. Program on <http://www.bankofcanada.ca/2017/09/4th-bank-canada-bank-spain-workshop/>
- The Joint Banco de Portugal and ECB Conf. on Risk Management for Central Banks took place in Lisbon during Sep 25-26. Program on <https://www.bportugal.pt/en/evento/conference-risk-management-central-banks>
- The 2nd Conference on Network Models and Stress Testing for Financial Stability took place in Mexico City during Sept 26-27. Program on <http://www.banxico.org.mx/publicaciones-y-discursos/publicaciones/seminarios/second-conference-on-network-.html>
- The Workshop “Measurement and control of systemic risk” took place during Sept 26-28 in Montreal. Program on <http://www.crm.umontreal.ca/2017/Financier17/horaire.pdf>
- The CREDIT 2017; Interest Rates, Growth and Regulation Conference took place during Sept 28-29 in Venice, Italy. Program on <http://www.greta.it/credit/credit2017/programme.html>
- The ESE Conference 2017 “Financial supervision--Ready for future challenges?” took place in Vienna during Sept 28-29. Program on https://www.es-initiative.org/ESE/Redaktion/EN/Standardartikel/conferences_2017_vienna.html
- The Conf. “Fintech: The Impact on Consumers, Banking, and Regulatory Policy” took place during Sept 28-29 at the Philadelphia Fed. Program (including videos) on <https://www.philadelphiafed.org/bank-resources/supervision-and-regulation/events/2017/fintech?tab=1>
- The 9th EBC/CEPR Network Conference “Financial regulation, bank credit and financial stability” took place in Lancaster UK during Sept 29-30. Program on https://www.tilburguniversity.edu/upload/8c7c1881-eb0b-4c53-8a8c-0c36ac0bf546_9th%20EBC%20Network%20Conference%20Program.pdf
- The 2017 Federal Reserve Stress Testing Conference took place on Oct 3 in Boston. Program on <https://www.bostonfed.org/news-and-events/events/federal-reserve-stress-testing-research-conference/2017.aspx>
- The 5th Annual CIRANO Workshop on Networks in Trade and Finance took place during Oct 3-4 in Fayetteville (AK). Program on https://docs.google.com/document/d/1Ji_a4KjpPnxI5O8Z_6rDDCqG65OfilTTWEDZM0hKX3A/edit
- The Annual Int’l Macro and Finance (IMF) Meeting took place in Zurich during Oct 6-7. Program on https://www.snb.ch/n/mmr/reference/sem_2017_10_06_program/source/sem_2017_10_06_program.n.pdf
- The NBER Conf. on Financial Market Regulation took place on Oct 6-7 in Cambridge MA. Program on <http://papers.nber.org/sched/FMRf17>
- The 9th Baffi Caferin International Banking Conference “Banking and financial regulation” took place on Oct 9 in Milan. Program on https://didattica.unibocconi.it/mypage/upload/182751_20170913_095814_9OCTOBER2017PROGRAMME.PDF

- The “Unconventional Monetary Policy: Lessons Learned” Conference organized by HKMA/Federal Reserve Board/FRB Atlanta, took place in Hong Kong during Oct 12-13. Program on http://www.hkimr.org/conferences_detail-id101
- The 7th Annual FDIC Consumer Research Symposium took place in Arlington VA during Oct 13. Program on <https://www.fdic.gov/news/conferences/consumersymposium/2017/index.html>
- The Financial Stability Conference 2018 took place in Berlin on Oct 18. Agenda on <http://financial-stability.org/events/#conference2017>
- The NBER IFM program meeting will take place during Oct 26-27 in Cambridge MA. Program on <http://papers.nber.org/sched/IFMf17>
- The Atlanta Fed “Financial regulation: Fit for the future?” Conference will take place during Nov 2-3 in Atlanta. Program on <https://www.dropbox.com/s/7imcxsua3qpftqx/Financial%20Regulation%20-%20Fit%20for%20the%20future-%20agenda%201.docx?dl=0>
- The Eighteenth Jacques Polak Annual Research Conference will take place at the IMF in Washington, DC during Nov 2-3. Program on <http://www.imf.org/en/News/Seminars/Conferences/2017/09/18/2017-eighteenth-annual-research-conference>
- The 3rd Conference on Banking Development, Stability, and Sustainability will take place in Santiago de Chile on Nov 3. Program on <http://conference.sbif.cl/>
- The ECB Workshop on “Money markets, monetary policy implementation and central bank balance sheets” will take place during Nov 6-7 in Frankfurt. Program on https://www.ecb.europa.eu/pub/conferences/html/20171106_workshop_on_money_markets.en.html
- The 31st Annual Meeting of the Canadian Macroeconomics Study Group will take place at Carleton University during Nov 10-11. Program on <https://carleton.ca/economics/wp-content/uploads/cmsg-program-carleton-2017.pdf>
- The 2017 Conf. on Financial Economics and Accounting will take place at the Fox School of Business of Temple University in Philadelphia during Nov 10-11. Registration on <https://noncredit.temple.edu/portal/events/reg/participantTypeSelection.do?method=load&entityId=15482807> and program on <http://www.fox.temple.edu/conferences/conference-on-financial-economics-and-accounting-2017/program/>
- The Centre for Central Banking Studies (CCBS) “Big data empirics and policy analysis” workshop will take place in London (BoE) during Nov 13-14. Program on <https://custom.cvent.com/8B47FE07E9844C2097FB30AEC2D90EE4/files/12e37669604b4aabbf5f5a06498814bf.pdf> Registration by Oct 20 on <http://www.cvent.com/events/centre-for-central-banking-studies-ccbs-big-data-empirics-and-policy-analysis/event-summary-8c962bd04868475b9fa3703d62edacb2.aspx>
- The XXI Annual Conference of the Central Bank of Chile “Monetary policy and financial stability: Transmission mechanisms and policy implications” will take place during Nov 16-17 in Santiago. Program on <https://www.dropbox.com/s/5e806fq0p8yzwc3/ProgramaConfAnual2017.pdf?dl=0>
- The 20th Central Bank Macroeconomic Modeling Workshop on Policy Coordination will take place during Nov 16-17 in Paris. Program on <https://www.banque-france.fr/en/conferences-and-media/seminars-and-symposiums/research-seminars/seminars-partnership/banque-de-france-tse/20th-central-bank-macroeconomic-modeling-workshop-policy>
- The 3rd Annual Volatility Institute Conference at NYU Shanghai “Derivatives and volatility” will take place on Nov 17. Program on <https://research.shanghai.nyu.edu/centers-and-institutes/vins/vins-third-annual-conference>
- The Arne Ryde Conference on Financial Intermediation will take place during Dec 1-2 in Lund. Program on <http://files.financelund.se/200000020-83b4884ac4/Program-9.pdf>

- The Conference on Global Environment and Policy Challenges in Emerging Markets will take place during Dec 1-2 in Antalya. Program on <https://www.dropbox.com/s/xit9jfo290bopo6/Antalya-Draft%20Agenda.pdf?dl=0>
- The 15th Paris December Finance Meeting will take place on Dec 21. Program on <https://www.eurofidai.org/fr/paris-december-2017>

POLICY ARTICLES, SPEECHES, REPORTS

- "[Household Debt and Financial Stability](#)", Chapter 2 in October 2017 GFSR (IMF)
- "[Financial Conditions and Growth at Risk](#)", Chapter 3 in October 2017 GFSR (IMF)
- "[What global finance chiefs are saying about the economy](#)," Bloomberg, Oct 15 2017
- "[The state of global financial regulation](#)," Mr. W. Coen speech, Oct 13 2017
- "[Risk management in times of non-conventional monetary policy](#)," Y. Marsch, Sept 25 2017
- "[Are negative nominal interest rates expansionary?](#)," G. B. Eggertsson, Sept 12 2017
- "[Monetary easing, investment and financial stability](#)," V. Acharya, Sept 11 2017
- "[The interplay of markets and politics](#)," A. A. Weber, Sept 6 2017
- "[Reforming financial regulation after Dodd-Frank](#)," C. Calomiris, Aug 28 2017
- "[Systemic risk, macro shocks, and macroprudential analysis/policy](#)," M. Hellwig, Aug 28 2017
- Neurocomputing 7-paper Nov 2017 special issue on "[Machine learning in finance](#)"
- International Financial Review "[Compression analysis sheds light on efficiency](#)"

ACADEMIC RESEARCH

- Albanesi-De Giorgi-Nosal "[Credit growth and the financial crisis: A new narrative](#)"
- Bernard-Capponi-Stiglitz "[Bail-ins and bail-outs: Incentives, connectivity and systemic stability](#)"
- Branstetter-Gandal-Kunieskzy "[Network-mediated knowledge spillovers: A cross country comparative analysis of information security innovations](#)"
- Cai-Szeidl "[Interfirm relationships and business performance](#)"
- Carlin-Olafsson-Pagel "[FinTech Adoption Across Generations: Financial Fitness in the Information Age](#)"
- Cesa Bianchi-Ferrero-Rebucci "[International credit supply shocks](#)"
- Cerutti-Claessens-Rose "[How important is the global financial cycle? Evidence from capital flows](#)"
- Chakraborty-Joseph "[Machine learning at central banks](#)"
- Chen-Hanson-Stein "[The decline of big-bank lending to small business: Dynamic impacts on local credit and labor markets](#)"
- Chodorow-Reich-Falato "[The loan covenant channel: How bank health transmits to the real economy](#)"
- Cont-Schaanning "[Fire sales, indirect contagion and systemic stress-testing](#)"
- Diebold-Liu-Yilmaz "[Commodity connectedness](#)"
- D'Errico-Roukny "[Compressing over-the-counter markets](#)"
- Farhi-Tirole "[Shadow banking and the four pillars of traditional financial intermediation](#)"
- Flood-Kenett-Lumsdaine-Simon "[The complexity of bank holding companies: A topological approach](#)"
- Galati-Moessner "[What do we know about the effects of macroprudential policy?](#)"
- Gerko-Rey "[Monetary policy in the capitals of capital](#)"

- Goetzmann-Kim “[Negative bubbles: What happens after a crash](#)”
- Heitfiel-Richardson-Wang “[Contagion During the Initial Banking Panic of the Great Depression](#)”
- Karimalis-Nomikos. “[Measuring systemic risk in the European banking sector: A Copula CoVaR approach](#)”
- Krishnamurthy-Muir “[How credit cycles across a financial crisis](#)”
- Loeffler-Raupach “[Pitfalls in the Use of Systemic Risk Measures](#)”
- Markose-Giansante-Eterovic-Gatkowski “[Early Warning and Systemic Risk in Core Global Banking: Balance Sheet Financial Network and Market Price-based Methods](#)”
- Morrison-Vasios-Wilson-Zikes “[Identifying contagion in a banking network](#)”
- Pedrono “[International integration, currency diversification and banking stability](#)”
- Romer-Romer “[Why some times are different: Macroeconomic policy and the aftermath of financial crises](#)”
- Scott Davis-van Wincoop “[Globalization and the increasing correlation between capital inflows and outflows](#)”
- Sun-Chan-Lau “[Financial networks and interconnectedness in an advanced emerging market economy](#)”
- Taschereau-Dumouchel “[Cascades and fluctuations in an economy with an endogenous production network](#)”
- Wong-Pei-Yee “[A network model for central counterparty liquidity risk stress testing under incomplete information](#)”

MISCELLANEOUS

- **[special issue]** The *Journal Information Economics and Policy* has issued a call for papers on “The Economics of Artificial Intelligence and Machine Learning,” which solicits papers on machine-learning and AI algorithms and AI and credit availability, among other topics. Deadline for special issue: **Mar 31**. The papers are going to be presented at a conference in Washington DC (Winter 2018) at the Technology Policy Institute. See <https://www.journals.elsevier.com/information-economics-and-policy/call-for-papers/the-economics-of-artificial-intelligence-and-machine-learnin>
- **[summer school]** The School on Nonlinear Time Series Analysis and Complex Networks in the Big Data Era will take place during Feb 19-Mar 2 2018 in Brazil. Deadline: **Dec 1**. http://www.ictp-saifr.org/?page_id=15600
- **[winter school]** The 4th International Winter School on Big Data BigDat2018 will take place in Timisoara, Romania during Jan 22-26 2018. Deadline: **Jan 15**. <http://grammars.grlmc.com/BigDat2018/>
- **[net platform]** The FNA launched the First Graph Analytics Platform for Finance. The FNA Platform has over 250 graph and machine learning algorithms that allow users to implement advanced analytics solutions to investigate the interconnectedness of data. FNA empowers business analysts to carry out and automate advanced data science tasks. Users can try the new platform for 30 days at www.fnalab.com.
- **[off-topic]** The international network of weapon trade <https://cns.ceu.edu/article/2017-09-01/international-network-weapon-trade>
- **[off-topic]** First evidence that night owls have bigger social networks than early risers <https://www.technologyreview.com/s/608976/first-evidence-that-night-owls-have-bigger-social-networks-than-early-risers/>

- **[sticky]** Yale School of Management is offering a *Master of Management Studies in Systemic Risk*. A first-of-its-kind, specialized master's degree for early- and mid-career employees of central banks and other major regulatory agencies with a mandate to manage systemic risk. The year-long program focuses in macro-prudential policy, financial crisis management, global financial regulation, monetary economics, capital markets, and central banking. <http://som.yale.edu/programs/mms-systemic-risk>
- **[sticky]** *The Journal of Network Theory in Finance* is accepting submissions. For more information see <http://www.risk.net/type/journal/source/journal-of-network-theory-in-finance>

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Newsletter archive: <http://www.bankinglibrary.com/e/fdz/IntBankLib/interconnectedness.asp>