

# INDICES OF RISKINESS: MANAGEMENT AND REGULATORY IMPLICATIONS

Federal Reserve Bank of Atlanta, November 14-15, 2013

The Center for Financial Innovation and Stability (Federal Reserve Bank of Atlanta) and the Center for the Economic Analysis of Risk (Georgia State University), together with Department of Banking and Finance (University of Zurich) are organizing the conference “Indices of Riskiness: Management and Regulatory Implications”, to be held at the Federal Reserve Bank of Atlanta on the 14th and 15th of November 2013. The aim of the conference is to bring together mathematicians, economists, statisticians, banking professionals and regulators in order to discuss the development and application of financial risk measures for regulatory and managerial purposes. This workshop provides a practical follow-up to a more theoretical workshop titled “Indices of Riskiness and New Risk Measures.”

**Location:** Federal Reserve Bank of Atlanta (1000 Peachtree Street N.E.), Azalea Room, Third Floor.

## **Schedule:**

### **Thursday, November 14**

- 9:30 a.m. Registration
- 10:20 a.m. **Welcome**
- 10:30 a.m. **Regulatory enforcement and bank failures**  
Piotr Danisewicz, Bangor Business School  
“The real effects of regulatory enforcement actions: Evidence from U.S. counties”  
Keith Friend, Office of the Comptroller of the Currency  
“Predicting Bank Failures Using a Market-based Measure of Capital”
- 12:30 a.m. Lunch
- 1:30 p.m. **Interconnections: Due to common exposure and/or counterparty risk**  
Egon Zakrajšek, Federal Reserve Board  
“Interest Rate Risk and Bank Equity Valuations”  
Jean Helwege, University of South Carolina  
“Financial Firm Bankruptcy and Contagion”
- 3:30 p.m. Break
- 4:00 p.m. Alireza Tahbaz-Salehi, Columbia University  
“Systemic Risk and Stability in Financial Networks”
- 5:00 p.m. Reception
- 6:00 p.m. Dinner

Attendance is free, but we request interested parties to register by November 3. To do so, please go to [https://frbatlanta.co1.qualtrics.com/SE/?SID=SV\\_552939PkUEABY6h](https://frbatlanta.co1.qualtrics.com/SE/?SID=SV_552939PkUEABY6h).



**Friday, November 15**

- 8:00 a.m. Continental Breakfast
- 8:30 a.m. **Incentive compensation and risk taking**
- Paul Kupiec, American Enterprise Institute  
“Incentive Compensation for Risk Managers when Effort is Unobservable”
- Edward Simpson Prescott, Federal Reserve Bank of Richmond  
“Banker Compensation and Bank Risk Taking: The Organizational Economics View”
- 10:30 a.m. Break
- 11:00 a.m. John Thanassoulis, University of Warwick  
“Bank Pay Caps, Bank Risk, and Macroprudential Regulation”
- 12:00 p.m. Lunch
- 1:00 p.m. **Panel: Incentive Compensation**
- Mark Carey, Federal Reserve Board  
David Raikes, PricewaterhouseCoopers  
TBD
- 2:30 p.m. Break
- 2:45 p.m. Larry D. Wall, Federal Reserve Bank of Atlanta  
“Incentive Compensation, Accounting Discretion and Bank Capital”
- 3:45 p.m. Adjourn

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