

Working Group on Global Markets and Economic Policy

Policy Workshop on the Financial Crisis: Root Causes, Policy Evaluation, Next Steps

Annenberg Conference Room
Hoover Institution, Stanford University
December 3, 2008

On December 3, the Hoover Institution's Working Group on Economic Policy held a policy workshop to address questions including the following:

- What were the causes of the crisis? Why has it worsened so much over time? Was there market failure, government failure, or an interactive blend of both? Which causes were global or which were country-specific?
- Have policy responses and interventions to date been appropriate and effective?
- How can policy be improved in the short term to keep the crisis from getting worse? More facilities, more clarity, more stimulus packages?
- What is required in the long term? Reform of the international financial architecture? Specific reforms in each country?

Presentations

- The View from the Official Sector by John Lipsky, International Monetary Fund
- The View from the Private Sector by John Powers, Stanford Management Company
- The Role of the CDS Markets and Proposals for Reform by Darrell Duffie, Stanford Graduate School of Business
- Update on the Fed's Facilities by John Williams, Federal Reserve Bank of San Francisco
- The Economic and Financial Crisis and Policy Responses Before and After the TARP by Michael Boskin, Hoover Institution and Stanford Economics Department
- The G20 Proposals for the Financial Stability Forum and the IMF by Andrew Crockett, J.P. Morgan

Selected Background Readings (from Workshop Participants)

- [Bursting the Bubble](#) by Michael J. Boskin, *New York Times*, Nov. 29, 2008
- [The Financial Crisis and the Recession: What is Happening and What the Government Should Do](#) by Robert E. Hall and Susan E. Woodward, Nov. 2008
- [Unblocking Credit Markets by Reducing Counterparty Risk](#) by Ronald McKinnon, SIEPR Policy Brief, Nov. 2008
- [China and the United States: Partners for Managing the Global Economic Crisis?](#) by Ronald McKinnon, Oct. 2008
- [Responses to the Credit Crisis](#) by Kenneth Scott, November 2008
- [Why Permanent Tax Cuts Are the Best Stimulus](#) by John B. Taylor, Wall Street Journal, Nov. 25, 2008