

The Economics of Payments

March 31 and April 1, 2004

Federal Reserve Bank of Atlanta

Wednesday, March 31

- 8:15 Continental breakfast available
- 8:45 Introductory Remarks: Richard Oliver (Federal Reserve Bank of Atlanta)
- 9:00 Invited Lecture
- Edward Green (Federal Reserve Bank of Chicago), “Challenges for Research in Payments”
- 10:00 Break
- 10:30 Session 1: Analyses of Large-Value Payment Systems, Chair: Sean O’Connor (Bank of Canada)
- Cornelia Holthausen (European Central Bank) and Jean-Charles Rochet (University of Toulouse), “Efficient Pricing of Large Value Interbank Payment Systems”
Discussant: John Weinberg (Federal Reserve Bank of Richmond)
 - Matthew Willison (Bank of England), “Real-Time Gross Settlement and Hybrid Payments Systems: A Comparison”
Discussant: Morten Bech (Federal Reserve Bank of New York)
- 12:00 Lunch
- 2:00 Session 2: Monetary Theory and Payment Systems, Chair: Warren Weber (Federal Reserve Bank of Minneapolis)
- Ping He and Randall Wright (University of Pennsylvania) and Lixin Huang (City University of Hong Kong), “Money and Banking in Search Equilibrium”
Discussant: Charles Kahn (University of Illinois)
 - Hiroshi Fujiki (Bank of Japan), “Institutions of Foreign Exchange Settlement in a Two-Country Model”
Discussant: David Mills (Board of Governors)
- 3:30 Break
- 4:00 Session 3: Payment Systems and Fragility, Chair: Stacey Schreft (Federal Reserve Bank of Kansas City)
- Scott Freeman (University of Texas) and Paula Hernandez-Verme (Texas A&M University), “Default and Fragility in the Payments System”
Discussant: Cyril Monnet (European Central Bank)
 - Jeffrey Lacker (Federal Reserve Bank of Richmond), “Payment System Disruptions and the Federal Reserve Following September 11, 2001”
Discussant: William Whitesell (Board of Governors)
- 5:30 Reception

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Thursday, April 1

- 8:30 Continental breakfast available
- 9:00 Session 1: Empirical Studies of Retail Payments, Chair: Paul Bauer (Federal Reserve Bank of Cleveland)
- Geoffrey Gerdes (Board of Governors), Presentation on the Federal Reserve Check Survey. Discussant: Joanna Stavins (Federal Reserve Bank of Boston)
 - Jonathan Zinman (Federal Reserve Bank of New York), “Why Use Debit Instead of Credit? Consumer Choice in a Trillion Dollar Market”
Discussant: Elizabeth Klee (Board of Governors)
- 10:30 Break
- 11:00 Invited Lecture
- Jean-Charles Rochet, “Two-Sided Markets and Tying in Payment Systems”
- 12:00 Lunch
- 1:30 Session 2: Competition in Payment Systems, Chair: Scott Frame (Federal Reserve Bank of Atlanta)
- Sujit Chakravorti (Federal Reserve Bank of Chicago) and Roberto Roson (Universita’ ca’ Foscari di Venezia), “Competition Between Payment Networks”
Discussant: Wilko Bolt (De Nederlandsche Bank)
 - Antoine Martin and Michael Orlando (Federal Reserve Bank of Kansas City), “Hold-Up on a Monopoly-Owned Network”
Discussant: Thor Köppl (European Central Bank)
- 3:00 Break
- 3:30 Session 3: Electronic Payment Adoption, Chair: Alton Gilbert (Federal Reserve Bank of St. Louis)
- David Humphrey (Florida State University), Magnus Willeson, Göran Bergendahl, and Ted Lindblom (University of Gothenburg), “Cost Savings from Electronic Payments and ATMs in Europe.”
Discussant: Juha Tarkka (Bank of Finland)
- 4:15 Close

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