

## **Project Update**

A working paper for the project can be found at this URL:

[http://www.its.caltech.edu/~melliott/papers/Financial\\_Networks\\_Efficiency\\_and\\_Stability.pdf](http://www.its.caltech.edu/~melliott/papers/Financial_Networks_Efficiency_and_Stability.pdf)

We have substantially revised the paper in the last year and submitted it for publication. The revisions have added new analysis and results, while simplifying the paper to present the key insights in as parsimonious way as possible. The paper now also discusses the bailouts of failing banks through the lens of the model.

Externally this project has been presented this year at the following workshops and conferences:

- (i) Society for Economic Dynamics (SED), June 29-July 2, 2016, Toulouse.
- (ii) 4<sup>th</sup> European Meeting on Networks, June 2-3, 2016, Aix-en-Povence.
- (iii) Workshop on Information and Social Economics, August 4-6, 2016, Caltech, California.
- (iv) Paris School of Economics, Roy Seminar, March 6, 2017

We have also presented the paper this year internally at Cambridge and MIT.

The paper is continuing to pick up citations. A discussion of it is included in a survey article for the INFORMS Tutorials in Operations Research ([http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2805773](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2805773)).