

Banking Law and Regulation

Collegio Carlo Alberto

Professor Jacopo Carmassi

Topics
Fundamentals of banking regulation
Financial reforms in Europe and the United States after the 2008 global financial crisis
Banking union in Europe
Regulatory/supervisory response to the COVID-19 crisis

Reading material

1. Course slides

2. Suggested readings

Abrams, R. and M. Taylor (2000), *Issues in the Unification of Financial Sector Supervision*, IMF Working Paper 00/213.

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- Alessandri, P. and A.G. Haldane (2009), *Banking on the State*, Bank of England, November.
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- Allen F. and A.M. Santomero (1996), *The Theory of Financial Intermediation*, Wharton Financial Institutions Center, working paper n. 96-32.
- Angeloni, I. (2020), *Beyond the Pandemic: Reviving Europe’s Banking Union*, CEPR.
- Anginer, D., A. Demirgüç-Kunt and M. Zhu (2014), “How does deposit insurance affect bank risk? Evidence from the recent crisis”, *Journal of Banking & Finance*, 48, pp. 312-321.
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- Basel Committee on Banking Supervision (2020), *Measures to reflect the impact of Covid-19*, April.
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- Carmassi, J., S. Dobkowitz, J. Evrard, L. Parisi, A. Silva and M. Wedow (2018), “Completing the Banking Union with a European Deposit Insurance Scheme: who is afraid of cross-subsidisation?”, ECB Occasional Paper No. 208, April.
- Carmassi, J., S. Dobkowitz, J. Evrard, L. Parisi, A.F. Silva and M. Wedow (2020), “Completing the Banking Union with a European Deposit Insurance Scheme: Who is Afraid of Cross-subsidisation?”, *Economic Policy*, May.
- Carmassi, J., D. Gros and S. Micossi (2009), “The Global Financial Crisis: Causes and Cures”, *Journal of Common Market Studies*, vol. 47, n. 5, Wiley-Blackwell, Oxford (UK) and Malden (USA), pp. 977-996, November.
- Carmassi, J. and R.J. Herring (2015), *Corporate Structures, Transparency and Resolvability of Global Systemically Important Banks*, Systemic Risk Council, Washington DC, 27 January.
- Carmassi, J. and R.J. Herring (2019), *Corporate Complexity and Systemic Risk – A Progress Report*, in A.N. Berger, P. Molyneux and J.O.S. Wilson (eds.), *Oxford Handbook of Banking*, 3rd edition, Oxford University Press, New York, November.
- Carmassi, J. and S. Micossi (2012), *Time to Set Banking Regulation Right*, CEPS Paperback, Brussels, March.

Claessens, S., R.J. Herring and D. Schoenmaker (2010), *A Safer World Financial System: Improving the Resolution of Systemic Institutions*, Geneva Report on the World Economy, 12.

Cohen, B.H. and G.A. Edwards Jr (2017), *The new era of expected credit loss provisioning*, BIS Quarterly Review, March.

Constâncio, V. (2014). *Banking Union and European integration*, speech at the OeNB Economics Conference, Vienna, May 12.

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De Guindos, L. (2020), *Euro area: economic outlook and financial stability during the pandemic crisis*, remarks at the Institute of International and European Affairs, Dublin, 10 June.

Dewenter, K. L., A.C. Hess and J. Brogaard (2018), “Institutions and deposit insurance: empirical evidence”, *Journal of Financial Services Research*, 54(3), pp. 269-292.

Di Giorgio, G. and C. Di Noia (1999), “Should banking supervision and monetary policy tasks be given to different agencies?”, «*International Finance*», Blackwell, 2, n.3, pp. 361-378.

Diamond, D.W. (1984), “Financial Intermediation and Delegated Monitoring”, in «*Review of Economic Studies*», vol. 51, pp. 393-414.

Diamond, D.W. and P.H. Dybvig (1983), “Bank Runs, Deposit Insurance and Liquidity”, «*Journal of Political Economy*», vol. 91, n. 3, pp. 401-19.

Draghi, M. (2019), “Macprudential policy in Europe”, speech at the fourth annual ESRB conference, Frankfurt am Main, 26 September.

Elliott, D.J. and R.E. Litan (2011), *Identifying and Regulating Systemically Important Financial Institutions: The Risks of Under and Over Identification and Regulation*, Brookings Policy Brief, January.

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European Commission Services, European Central Bank and Single Resolution Board (2019), *Monitoring report on risk reduction indicators*, November.

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Financial Stability Board (2015), *Principles on Loss-absorbing and Recapitalisation Capacity of G-SIBs in Resolution - Total Loss-absorbing Capacity (TLAC) Term Sheet*, 9 November.

Financial Stability Board (2017), *Guiding Principles on the Internal Total Loss-absorbing Capacity of G-SIBs ('Internal TLAC')*, 6 July.

Goddard, J., Molyneux, P. and Wilson, J.O.S. (2015). "Banking in the European Union: Deregulation, Crisis and Renewal", in Berger, A.N., Molyneux, P. and Wilson, J.O.S., *Oxford Handbook of Banking*, 2nd Edition, Oxford University Press.

Goodhart, C. and D. Schoenmaker (1995), "Should the Functions of Monetary Policy and Banking Supervision Be Separated?", *Oxford Economic Papers*, 47, pp. 539-560.

Gorton, G. and A. Metrick (2009), *Securitized Banking and the Run on Repo*, Yale ICF Working Paper No. 09-14, November.

Haldane, A.G. (2011), *Capital discipline*, remarks based on a speech given at the American Economic Association, Denver, Colorado, 9 January.

Haldane, A.G. (2012), *The dog and the frisbee*, speech given at the Federal Reserve Bank of Kansas City's 36th economic policy symposium, "The Changing Policy Landscape", Jackson Hole, Wyoming.

Herring, R.J. (2003), "International Financial Conglomerates: Implications for National Insolvency Regimes", in G. Kaufman (ed.), *Market Discipline and Banking: Theory and Evidence*, Elsevier, 2003, pp. 99-130.

Herring, R.J. (2010), "Wind-down Plans as an Alternative to Bailouts: The Cross-Border Challenges", in K.E. Scott, G.P. Shultz and J.B. Taylor (eds.), *Ending Government Bailouts as We Know Them*, Hoover Institution Press, Stanford University, Stanford, March.

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Schnabel, I. and N. Véron (2018), *Breaking the Stalemate on European Deposit Insurance*, Bruegel Blog Post, 5.

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3. Key legal texts on banking union

- *Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions.*
- *Regulation (EU) No 1022/2013 of the European Parliament and of the Council of 22 October 2013 amending Regulation (EU) No 1093/2010 establishing a European Supervisory Authority (European Banking Authority) as regards the conferral of specific tasks on the European Central Bank pursuant to Council Regulation (EU) No 1024/2013.*
- *Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes.*
- *Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council.*
- *Regulation (EU) No 806/2014 of the European Parliament and of the Council of July 15 2014, establishing uniform rules and a uniform procedure for the resolution of credit*

institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) NO 1093/2010.