



BASEL COMMITTEE ON BANKING SUPERVISION
BANK FOR INTERNATIONAL SETTLEMENTS



PROGRAMME

Banks – how big is big enough?

**A joint workshop hosted by
the Basel Committee on Banking Supervision,
the Centre for Economic Policy Research (CEPR), and
the Journal of Financial Intermediation**

Basel, 24–25 May 2012

Venue: Meeting Room A, Bank for International Settlements, Basel



Thursday 24 May

- 8.00 Registration and coffee**
- 8.30 Opening remarks by Paul Kupiec, Federal Deposit Insurance Corporation and Chairman of the Research Task Force**
- 8.45 Session 1: Large banks and externalities**
Chair: Paul Kupiec (Federal Deposit Insurance Corporation and Chairman of the Research Task Force)
- 8.45 Too big to be efficient? The impact of implicit funding subsidies on scale economies in banking**
Richard Davies (Bank of England)
Belinda Tracey (Bank of England)
- 9.25 Discussion by Bent Vale (Central Bank of Norway)
General discussion
- 9.50 Quantifying structural subsidy values for systemically important financial institutions**
Kenichi Ueda (International Monetary Fund)
Beatrice Weder di Mauro (University of Mainz and CEPR)
- 10.30 Discussion by Ana Lozano-Vivas (University of Malaga)
General discussion
- 10.55 Coffee break**
- 11.25 Do we need big banks? Evidence on performance, strategy and market discipline**
Asli Demirgüç-Kunt (World Bank)
Harry Huizinga (Tilburg University and CEPR)
- 12.05 Discussion by Christoph Kaserer (Technical University Munich)
General discussion
- 12.30 Lunch**



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- 13.40 Keynote presentation by Rafael Repullo, Center for Monetary and Financial Studies**
Cyclical adjustment of capital requirements: a simple framework
- 14.20 Session 2: Financial crisis and financial regulation I**
Chair: Ernst-Ludwig von Thadden (University of Mannheim)
- 14.20 Equity friendly or noteholder friendly? The role of collateral asset managers in the collapse of the market for ABS-CDOs**
Thomas Mählmann (Catholic University of Eichstaett-Ingolstadt)
- 15.00 Discussion by Klaus Schaeck (Bangor Business School)
General discussion
- 15.25 Coffee break**
- 15.50 Session 3: Big banks, systemic risk and systemic relevance I**
Chair: Fabrizio López Gallo Dey (Bank of Mexico)
- 15.50 Determinants of banking system stability: a macro-prudential analysis**
Nadya Jahn (Finance Center Münster)
Thomas Kick (Deutsche Bundesbank)
- 16.30 Discussion by Julia Giese (Bank of England)
General discussion
- 16.55 Identifying systemically important financial institutions: size and other determinants**
Kyle Moore (Erasmus University Rotterdam)
Chen Zhou (Erasmus University Rotterdam)
- 17.35 Discussion by Stefano Battiston (ETH Zurich)
General discussion
- 18.00 End of Thursday sessions**
- 19.00 Bus for dinner participants leaving at the BIS entrance**
- 19.30 Aperitif and dinner at Restaurant Schloss Bottmingen**



Friday 25 May

8.00 Registration and coffee

8.30 Session 4: Financial crisis and financial regulation II

Chair: Ernst-Ludwig von Thadden (University of Mannheim)

8.30 Liquidity hoarding and the financial crisis: an empirical evaluation

Jose Berrospide (Board of Governors of the Federal Reserve System)

9.10 Discussion by Christian Castro

General discussion

9.35 “When the cat’s away the mice will play”: does regulation at home affect bank risk-taking abroad?

Steven Ongena (Tilburg University and CEPR)

Alexander Popov (European Central Bank)

Gregory F Udell (Indiana University)

10.15 Discussion by Fabrizio López Gallo Dey (Bank of Mexico)

General discussion

10.40 Coffee break

11.00 Banking and trading

Arnoud Boot (University of Amsterdam and CEPR)

Lev Ratnovski (International Monetary Fund)

11.40 Discussion by George Pennacchi (University of Illinois and JFI)

General discussion

12.05 Lunch



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- 13.00 Session 5: Big banks, systemic risk and systemic relevance II**
Chair: George Pennacchi (University of Illinois and JFI)
- 13.00 Credit risk connectivity in the financial industry and stabilization effects of government bailouts**
Jakob J Bosma (University of Groningen)
Michael Koetter (University of Groningen)
Michael Wedow (Deutsche Bundesbank)
- 13.40 Discussion by Paulo Cox (Central Bank of Chile)
General discussion
- 14.05 Keynote speech by Stefan Ingves,
Governor, Sveriges Riksbank and
Chairman of the Basel Committee on Banking Supervision**
- 14.35 Coffee break**
- 14.55 Measuring the systemic importance of interconnected banks**
Mathias Drehmann (Bank for International Settlements)
Nikola Tarashev (Bank for International Settlements)
- 15.35 Discussion by Iman van Lelyveld (The Netherlands Bank)
General discussion
- 16.00 Systemic risk contributions: a credit portfolio approach**
Natalia Puzanova (Deutsche Bundesbank)
Klaus Duellmann (Deutsche Bundesbank)
- 16.40 Discussion by Paul Kupiec (Federal Deposit Insurance Corporation)
General discussion
- 17.05 Closing remarks by George Pennacchi,
University of Illinois and JFI**
- 17.15 End of workshop**



BASEL COMMITTEE ON BANKING SUPERVISION

BANK FOR INTERNATIONAL SETTLEMENTS



Programme committee

Fabrizio López Gallo Dey (Bank of Mexico)

George Pennacchi (University of Illinois at Urbana-Champaign and JFI)

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Arnoud Boot (University of Amsterdam and JFI)

Markus Brunnermeier (Princeton University)

Mark J Flannery (University of Florida and JFI)

Xavier Freixas (University Pompeu Fabra and JFI)

Paul Kupiec (Federal Deposit Insurance Corporation)

Iman van Lelyveld (The Netherlands Bank)

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Anjan Thakor (Washington University in St Louis, Olin Business School and JFI)

Bent Vale (Central Bank of Norway)

Dimitri Vayanos (London School of Economics and JFI)

Workshop organisation

Martin Birn (Basel Committee Secretariat)

Sabina Schnyder (Basel Committee Secretariat)