



Basel Committee on Banking Supervision
BANK FOR INTERNATIONAL SETTLEMENTS



Banking and regulation: the next frontier

**A joint workshop by the Research Task Force of the Basel Committee
on Banking Supervision,
the Centre for Economic Policy Research and the Journal of Financial
Intermediation**

**Bank for International Settlements, Basel, Switzerland,
22-23 January 2015**



Thursday 22 January

08.30 Registration

09.00 Opening Remarks

Mathias Dewatripont, co-Chair, Basel Committee Research Task Force

09.10 Session 1: The Role of Government in the Financial System

Chair: Mathias Dewatripont, National Bank of Belgium

Government guarantees and financial stability ([paper](#))

Franklin Allen, Imperial College

Elena Carletti, Bocconi University

Itay Goldstein, University of Pennsylvania

Agnese Leonello, European Central Bank

Discussant: Anna Zabai, Bank for International Settlements

09:50 Shadow Banks as “Cream Skimmers”

Diana Hancock, Federal Reserve Board

Wayne Passmore, Federal Reserve Board

Discussant: Janet Mitchell, National Bank of Belgium

10.40 Coffee break

11.00 Session 2: Macroprudential Policies Before and During a Crisis

Chair: Morten Bech, Bank for International Settlements

Banks’ Endogenous Systemic Risk Taking ([paper](#), [presentation](#))

Javier Suarez, Centro de Estudios Monetarios y Financieros

David Martinez-Miera, Universidad Carlos III

Discussant: Martin Summer, Oesterreichische Nationalbank

11.50 Liquidity Trap and Excessive Leverage ([paper](#), [presentation](#))

Anton Korinek, Johns Hopkins University

Alp Simsek, Massachusetts Institute of Technology

Discussant: Mathias Drehmann, Bank for International Settlements

12.30 Keynote presentation: On book equity: why it matters for monetary policy

([paper](#), [presentation](#))

Hyun Song Shin, Bank for International Settlements

13.00 Lunch

14.00 Session 3: Impacts of Bank Regulation

Chair: Rodney Ramcharan, Federal Reserve Board



The Limits of Model-Based Regulation ([paper](#))

Markus Behn, Bonn University, Deutsche Bundesbank
Rainer Hanselmann, Bonn University
Vikrant Vig, London Business School

Discussant: Emrah Arbak, National Bank of Belgium

14.50 The Impact of Liquidity Regulation on Banks: Evidence from the UK ([paper](#), [presentation](#))

Ryan Banerjee, Bank for International Settlements
Hitoshi Mio, Bank of Japan

Discussant: Linda Goldberg, Federal Reserve Bank of New York

15.40 Coffee break

16.00 Session 4: Policy discussion

Chair: Diana Hancock

A Critical Evaluation of Bail-ins as Bank Recapitalisation Mechanisms ([paper](#))

Charles Goodhart, London School of Economics
Emilios Avgouleas, University of Edinburgh

16.45 Spanish Boom and Bust: Some lessons for macroprudential policy ([presentation](#))

Angel Estrada, Banco de España
Jesús Saurina, Banco de España

17.30 End of sessions for the day

19.00 Dinner

Restaurant Filou, Ramada Plaza Basel, Messeplatz 12, Basel
Transport will leave the BIS at 18.30

Friday 23 January

08.30 Session 5: Capital and Liquidity Regulations

Chair: Neil Esho, Basel Committee Secretariat

Jointly Optimal Regulation of Bank Capital and Liquidity ([paper](#))

Ansgar Walther, Oxford University

Discussant: Alexandros Vardoulakis, Federal Reserve Board

09.20 Liquidity Policies and Systemic Risk ([paper](#))

Tobias Adrian, Federal Reserve Bank of New York
Nina Boyarchenko, Federal Reserve Bank of New York

Discussant: Enrico Perotti, University of Amsterdam

10.00 Coffee break



10.30 **Session 6: Effects of Capital Requirements on Bank Lending**

Chair: Diana Hancock, Federal Reserve Board

Higher Bank Capital Requirements and Mortgage Pricing: Evidence from the Countercyclical Buffer ([paper](#), [presentation](#))

Christopher Basten, Swiss Financial Market Supervisory Authority
Catherine Koch, Bank for International Settlements

Discussant: Kasper Roszbach, Sveriges Riksbank

11.20 **Capital Requirements, Risk Shifting, and the Mortgage Market**

Tomasz Wieladek, Bank of England

Discussant: Kostas Tsatsaronis, Bank for International Settlements

12.10 **Keynote presentation:**

Building the New Regulatory Framework: Challenges Ahead ([presentation](#))

Xavier Freixas, Universitat Pompeu Fabra

12.40 Lunch

13.40 **Securities Trading by Banks: Micro Evidence** ([paper](#))

Puriya Abbassi, Deutsche Bundesbank
Rajkamal Iyer, Massachusetts Institute of Technology
Jose-Luis Peydro, Universitat Pompeu Fabra and Cass Business School
Francesc R. Tous, Universitat Pompeu Fabra and Deutsche Bundesbank

Discussant: Stefan Gissler, Federal Reserve Board

14.30 **Session 7: Private Incentives and Bank Risk-Taking**

Chair: Fabrizio Lopez Gallo Dey, Banco de Mexico

Incentive Pay and Bank Risk-Taking: Evidence from Austrian, German, and Swiss Banks ([paper](#), [presentation](#))

Mathias Efing, University of Geneva and Swiss Finance Institute
Harald Hau, University of Geneva and Swiss Finance Institute
Patrick Kampkötter, University of Cologne
Johannes Steinbrecher, Ifo Institute Branch Dresden

Discussant: Patrick Bolton, Columbia University

15.20 Coffee break

15.40 **Convertible Bonds and Bank Risk-Taking** ([paper](#))

Natalya Martynova, de Nederlandsche Bank
Enrico Perotti, University of Amsterdam

Discussant: Daniel Foos, Deutsche Bundesbank

16.30 **Closing Remarks**



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17.00 End of work shop



Programme committee

Franklin Allen (Wharton School of the University of Pennsylvania)

Mathias Dewatripont (National Bank of Belgium)

Douglas Gale (New York University)

Diana Hancock (Board of Governors of the Federal Reserve System)

Fabrizio López Gallo Dey (Bank of Mexico)

Janet Mitchell (National Bank of Belgium)

Thilo Pausch (Deutsche Bundesbank)

Rodney Ramcharan (Board of Governors of the Federal Reserve System)

Jesús Saurina (Bank of Spain)

Workshop organisation

Martin Birn (Basel Committee Secretariat)

Tamara Gomes (Basel Committee Secretariat)

Christian Schmieder (Basel Committee Secretariat)

Sabina Schnyder (Basel Committee Secretariat)