



The impact of banking regulation on financial markets

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

**Bank for International Settlements, Room A
Basel, Switzerland,
6–7 September 2017**



Wednesday 6 September

8.30 Registration and coffee

9:00 Opening remarks

*Diana Hancock, Board of Governors of the Federal Reserve System and
Chair of the Research Task Force*

9.05 Session 1: Regulation, efficiency and social welfare

Chair: *Diana Hancock (Board of Governors of the Federal Reserve System and
Chair of the Research Task Force)*

9:05 Credit misallocation during the European financial crisis

Fabiano Schivardi (LUISS University)

Enrico Sette *(Bank of Italy)*

Guido Tabellini (Bocconi University)

Discussant: Enisse Kharroubi (Bank for International Settlements)

9:55 Bank runs and macroprudential policy tools in a global game general equilibrium model

Daisuke Ikeda *(Bank of England)*

Discussant: Xavier Freixas (University Pompeu Fabra)

10.45 Coffee break

11.15 Session 2: Capital and liquidity regulation: theory and history

Chair: *Hyun Song Shin (Bank for International Settlements)*

11:15 The history of liquidity requirements as monetary policy tools: lessons for today

Eric Monnet *(Bank of France)*

Miklos Vari (Bank of France)

Discussant: Mark Carlson (Board of Governors of the Federal Reserve System)

12:05 Optimal bank regulation in the presence of credit and run risk

Anil K Kashyap (University of Chicago Booth School of Business)

Dimitrios P Tsomocos *(University of Oxford)*

Alexandros P Vardoulakis (Board of Governors of the Federal Reserve System)

Discussant: Jean-Charles Rochet (University of Zurich)

12.55 Lunch



14.00 Session 3: Macroprudential policies – unintended consequences

Chair: *Luiz Awazu Pereira da Silva (Bank for International Settlements)*

14:00 The anatomy of the transmission of macroprudential policies: evidence from Ireland

Viral V Acharya (New York University and Reserve Bank of India)

Katharina Bergant (Central Bank of Ireland)

Matteo Crosignani (Board of Governors of the Federal Reserve System)

Tim Eisert (*Erasmus University, Rotterdam*)

Fergal McCann (Central Bank of Ireland)

Discussant: Stijn Claessens (Bank for International Settlements)

14:50 The countercyclical capital buffer and the composition of bank lending

Raphael Auer (*Bank for International Settlements*)

Steven Ongena (University of Zurich)

Discussant: Gabriel Jimenez (Bank of Spain)

15.40 Coffee break

16.10 Session 4: Bank regulation and geography

Chair: *William Coen (Secretary General of the Basel Committee on Banking Supervision)*

16:10 Multinational banks and supranational supervision

Giacomo Calzolari (*University of Bologna*)

Jean-Edouard Colliard (HEC Paris)

Gyöngyi Lóránth (University of Vienna)

Discussant: Anastasia Kartasheva (International Association of Insurance Supervisors)

17:00 Regulation and the changing geography of interest rate swaps: the case of US banks' foreign branches

Carmela D'Avino (*Royal Docks School of Business and Law, University of East London, London*)

Discussant: Robert McCauley (Bank for International Settlements)

17.50 End Day 1

Conference dinner at Schloss Bottmingen



Thursday 7 September

8:45 **Session 5: Microprudential policies – unintended consequences**

Chair: *Fabrizio López Gallo Dey (Bank of Mexico)*

8:45 **Nonbanks and lending standards in mortgage markets: the spillovers from liquidity regulation**

Pedro Gete (Georgetown University, IE Business School)

Michael Reher (Harvard University)

Discussant: Farzad Saidi (Stockholm School of Economics)

9:35 **Specialisation in mortgage risk under Basel II**

Matteo Benetton (London School of Economics)

Peter Eckley (Bank of England)

Nicola Garbarino (Bank of England)

Liam Kirwin (Bank of England)

Georgia Latsi (4-most Europe)

Discussant: Leonardo Gambacorta (Bank for International Settlements)

10.25 **Coffee break**

10.50 **Session 6: Bank bail-in**

Chair: *Claudio Borio (Bank for International Settlements)*

10:50 **Equity versus bail-in debt in banking: an agency perspective**

Caterina Mendicino (European Central Bank)

Kalin Nikolov (European Central Bank)

Javier Suarez (CEMFI)

Discussant: Falko Fecht (Frankfurt School of Finance and Management)

11:40 **Sharing the pain? Credit supply and real effects of bank bail-ins**

Thorsten Beck (Cass Business School, London and CEPR)

Samuel Da Rocha-Lope (European Banking Authority and Nova SBE)

Andre Silva (Cass Business School, London)

Discussant: Cathérine Koch (Bank for International Settlements)

12.30 **Keynote speech**

Mathias Dewatripont (Université libre de Bruxelles)

13.00 **Lunch**



14.00 Session 7: Shadow banking

Chair: *Daniel Foos (Deutsche Bundesbank)*

14:00 Liquidity channels and stability of shadow banking

Sofia Priazhkina (*Bank of Canada*)

Discussant: Tirupam Goel (Bank for International Settlements)

14.50 Coffee break

15:20 Markets, banks and shadow banks

David Martinez-Miera (*Universidad Carlos III de Madrid*)

Rafael Repullo (*CEMFI*)

Discussant: Frederic Boissay (Bank for International Settlements)

16:10 Investors' appetite for money-like assets: the money market fund industry after the 2014 regulatory reform

Marco Cipriani (Federal Reserve Bank of New York)

Gabriele La Spada (*Federal Reserve Bank of New York*)

Philip Mulder (Federal Reserve Bank of New York)

Discussant: Egemen Eren (Bank for International Settlements)

17.00 Closing remarks

*Diana Hancock, Board of Governors of the Federal Reserve System and
Chair of the Research Task Force*

17.15 End of workshop



Programme committee

Franklin Allen (Imperial College London and CEPR)
Enrique Batiz (Bank of Mexico)
Frederic Boissay (Bank for International Settlements)
Olivier de Bandt (Bank of France)
Mathias Dewatripont (Université libre de Bruxelles and CEPR)
Daniel Foos (Deutsche Bundesbank)
Diana Hancock (Board of Governors of the Federal Reserve System)
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Workshop organisation

Martin Birn (Basel Committee Secretariat)
Amy Baker (Basel Committee Secretariat)