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## Preface

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The genesis of this book was a research project on international financial regulation at the Centre for Financial Analysis and Policy, University of Cambridge. The research was interdisciplinary in nature and its main aim was to address the economic, legal and regulatory issues that relate to the control of systemic risk in global financial markets. The project brought together academics, regulators and practitioners from a wide array of disciplines with the overriding objective of how best to rebuild the institutions and practices of financial regulation in the aftermath of the largest banking and financial crisis since the 1930s.

We are very grateful to the Cambridge Endowment for Research in Finance (CERF) for generously funding part of the research and providing the organisational support for several seminars and conferences for academics and other researchers to present their work on international, European, Japanese, UK and US financial regulation. We are also grateful to the publisher Edward Elgar for their support and in particular to David Fairclough for his editorial work. Special thanks to the University of Zurich Faculty of Law for providing institutional support and to the European Parliament's Committee on Economic and Monetary Affairs for providing a forum where some of the chapters in this volume were presented and debated.

Since the 1970s the growing number of financial crises has followed innovations in financial instruments and structures that created systemic risks which regulators and policymakers either did not foresee or ignored. Although financial innovation can benefit economic growth and development, it can also create new risks which threaten financial stability. In globalised financial markets, it is the role of international financial regulation to set standards and norms to mitigate systemic risk. We hope that the ideas in this book will contribute to a more thorough understanding of the role of regulation in financial markets and the challenge of building a robust international financial architecture to protect economies and societies from the financial storms that lie ahead in international financial markets.

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