
Index

- accounting standards 26, 151, 236
Adams v Cape Industries 33
adjustment cost 68, 73, 76–7
Adler, F. 373
advanced internal ratings based approach
 (A-IRB) 91
Advanced Measurement Approach 127
Aggarwal, R. 84
Aglietta, M. 431
Agosin, M.R. 202
AIG 241, 273, 424
Alexander, K.R. 343
Alliance and Leicester 140
Alston, P. 352
Alternative Investment Management
 Association (AIMA) 427
Alternative Investment Market (AIM) 154
Altwater, E. 416
American Depositary Receipt (ADR) 371
Antilles 286
antitrust 236, 289
Argentina 55, 357
Ashikaga Bank 283
Asia 109, 121, 196, 204, 359
Asian crisis 195–6, 200
asset deflation 329
Asset Protection Scheme 177, 180–181
asset purchase 259–60, 267, 271–2, 277
Asset Purchase Facility 177, 180–181
Asset Swap Facility 184–5
asset-backed commercial paper (ABCP) 24, 39
asset-backed securities (ABSs) 11–12, 20, 32,
 180
Attac Germany 424
Australia 138, 144, 328, 335
Australian dollars 178
Austria 285
Austrian School 418
*Aviles del Estado a las nuevas emisiones de
 deuda de las entidades de crédito* 182–3
Ayuso, J.D. 78

back-stop facility 444–5
BaFIN 187
Bahrain 286
bail out 54, 79, 281–2, 421, 437, 439, 441
Baker, D. 404–5
balance of payments 196, 199–200, 269

balance sheet 25–7, 172, 335, 339, 399, 409, 422
 analysis 342
 banks 34, 48, 50–52, 57, 59, 92, 177, 182, 443
 Japanese banks 259–77
 management 17
 tax 397
 see also off-balance sheet
Bank for International Settlement (BIS) 332–4,
 340, 342, 344, 351, 405, 415
bank holding companies (BHCs) 274
Bank of America 54
Bank of England 52, 68, 135, 143, 177, 179–82,
 245, 250–251, 339, 421, 437, 440
Bank of Italy 184–5
Bank of Japan 265, 267, 276, 280–281, 283–4
Bank Recapitalisation Act 281
Bank Recapitalisation Fund 178
Bankers' Association for Finance and Trade
 (BAFT) 109, 119, 121–2, 128, 194
Banking Act 143, 440
Banking Commission 109–10, 117, 121
Banking Communication 172, 188
Banking Directive 229
bankruptcy 156, 265, 269, 337, 416
 central counterparties (CCPs) 218–20,
 224–6, 234–5
 credit events 36
 German banks 227
 Japan 259
 probability of default (PD) 96
 remote 32, 34
 United States code 228
Banks' Shareholdings Purchase Corporation
 (BSPC) 267
Barry, C.B. 375
Basel Accords 67–9, 82, 85, 90–93, 97
Basel Capital Accord *see* Basel II Agreement
Basel Committee of Banking Supervision 69,
 73, 108, 351–2, 398
Basel I Agreement 17, 45, 113, 118–19, 125–6,
 128–9
Basel II Agreement 2, 4, 45, 68, 73, 82, 91,
 108–9, 114–26, 128, 135, 340–343, 398,
 435, 442, 446
Pillar 1 process 83, 120
Pillar 2 process 69, 129, 136, 140
Pillar 3 process 69, 129
Pillars 140

- Basel III Agreement 2, 4–5, 17, 67, 82, 84–5, 91, 108–9, 115, 117–19, 125, 129
 credit conversion factors (CCFs) 113
 Pillar 1 process 120
 Pillar 3 process 69
- Basic Indicator Approach 127
- Baumann, U. 79
- Baumol, W. 56
- Bear Sterns 47, 51, 54, 62, 134, 141–2, 337, 436
- Beatty, R.P. 375, 378
- Belgium 154, 285
- Ber, H. 373, 376
- Berger, A.N. 75, 80–81
- Bermuda 286
- Bhopal disaster 203
- bid-ask spread 330
- bilateral investment treaties (BITs) 207–8
- Blass, A. 371, 374–5
- Bluestone, B. 194
- BOEHMTFSA proposals 135
- bonds 11–15, 78, 149, 178, 334, 407, 409
 asset purchase 181
 central counterparties (CCPs) 219
 collateralized debt obligations (CDOs) 15–20, 37
 corporate 182
 Credit Guarantee Scheme 182
 G10 state 180
 government 123, 188
 holders risk 67
 Italy 184–5
 Japan 275–6
 liquidity 339
 ratings 93–4
 securitisation 32–3
 Spain 183
 special purpose vehicle (SPV) 34–35
 tax 397
 Tremonti Bonds 185
- Bookstaber, R. 343
- Borse Dubai 154
- Boyer, R. 417
- Bradford and Bingley 140
- Brazil 200, 357, 359, 363, 407
- Bretton Woods 198, 351, 360, 416, 420
- bridge banks 144
- broker-dealer 148–53, 155–7, 164, 247, 425
- Brown, G. 421
- Bruner, R.F. 371
- Bryant, R. 336
- building societies 4, 67–76, 78, 80–82, 140, 178, 182
- Building Societies Commission 68
- Bundesanstalt für
 Finanzdienstleistungsaufsicht (Bafin) 227
- Burgundy 155
- Bush administration 22
- CAMELS 138, 140
- Canada 328, 334, 369, 372
 dollars 178
- Cancun 193
- capital adequacy 221, 264, 276, 397, 406, 442–3
 banks 65–85, 125, 129, 134
 cross-border banks 138
 French banks 175
 ratio 34, 265, 271
 regulation 13
 requirement 11, 179, 229
- capital injection 272
- capital instruments 274
- capital markets 372–3
- capital ratio 67–73, 77, 80–85
- capital requirement 34, 45, 50, 67–85, 91, 248, 250, 419, 443, 445
- Basel Committee of Banking Supervision 108–9, 117
- Basel II Agreement 128–9
- Basel III Agreement 442
- borrowing costs 122
- central counterparties (CCPs) 229, 246
- collateralized debt obligations (CDOs) 423
- credit conversion factors (CCFs) 120
- estimating 123–4
- European Commission 156
- G20 Pittsburgh Summit 242
- International Monetary Fund 361
- liquidity 338, 342
- mortgages 59
- Organisation for Economic Co-operation and Development (OECD) 125
- shadow entities (SEs) 50–51
- Capital Requirements Directive *see* European Union
- capitalisation 144, 149, 154, 174, 186, 229, 259, 265, 277, 293, 340–341
see also recapitalisation
- capitalism 415, 421, 426
- Caprio, G. 55
- Carter, R.B. 375–6, 381
- Cato Institute 429
- Cayman Islands 286
- CDO squared 37
- Central Bank Dominated Multiple Supervisor Regimes 290
- Central Bank Financial Authority Index (CBFA) 289, 293
- central banks 48, 53, 115–16, 234–5, 328, 442
- central counterparties (CCPs) 229, 245, 249–51

- crisis 59
- currency transaction tax (CTT) 403, 405–6
- fragmentation 291
- liquidity 260, 332–40
- loans 52
- monetary policy 182
- Organisation for Economic Co-operation and Development (OECD) 125
- PCA 142
- Settlement Finality Directive (SFD) 224
- shadow banking 34
- supervisory role 285–6, 289–95
- central counterparties (CCPs) 6, 217–52
- certificates of deposit 178
- Certificati di scambio del Tesoro* 185
- CGS Bond Secondary Market Scheme 181–2
- charitable trust 33–4
- Chicago School 418
- China 159, 201, 203, 208, 400
- Citigroup 276
- Civil Rehabilitation Law 282
- Claessens, S. 200
- clearing 217–36, 241, 251–2
- clearing house 217–18, 222–35, 241, 247, 408–9, 424–5, 435
- Cliff, M.T. 376–7, 379
- climate change 409
- Clinton Administration 441
- collateralized debt obligations (CDOs) 11–22, 24–7, 35–6, 38–9, 180, 422, 443–4
- commercial paper 14, 178, 276
 - asset-backed 39
- Commission Bancaire* 175
- Committee of European Banking Supervisors (CEBS) 135, 137
- Committee of European Securities Regulators (CESR) 159–61, 163, 220, 425
- Committee of Supervisors on the Implementation of the Plan 176
- Committee on Capital Markets Regulation 163
- Committee on Payment and Settlement Systems (CPSS) 224, 232, 234, 242, 249
- commodities exchange 48, 114
- Commodity Exchange Act 424
- Commodity Futures Trading Commission (CFTC) 220, 233, 243, 245
- common rule-book 133, 142
- Community Guidelines on State Aid for Rescuing and Restructuring 173
- company law 31
- Compendium of International Standards and Codes to Strengthen Financial Systems 351
- compliance 43–4, 49, 120, 142, 148–9, 164, 359
 - IFRS 151
 - substituted 148, 152–4, 157–8, 160–164
- conduit financing vehicles (CFVs) 13–14
- conduits 13, 31–2, 34, 56, 59, 422, 425
- conflict of interest 37–8
- constitutionalism 350, 354–5
- contingent liability 113, 116, 119–20
- Continuous Link Settlement Bank 403–5
- Continuous Link Settlement System 244
- contract law 31, 34, 38, 221
- Copenhagen Summit 206
- Cornett, M. 77
- Corporate Bond Secondary Market Scheme 181
- Corporate Credit Purchase Company 280
- corruption 340–341
- Council of Ministers 251
- counterparties 79
- Countrywide Financial Corp 54
- Coval, J.D. 370
- cov-lite loans 25
- credit cards 13, 20, 332
- credit conversion factors (CCFs) 113–15, 118, 120–121, 123, 125
- credit default swap (CDS) 13–14, 20, 35–7, 343, 401, 425
- credit derivatives *see* derivatives, credit
- credit enhancement 33
- Credit Guarantee Scheme (CGS) 177–8, 180–182
- credit liberalisation 331
- credit rating 13–14, 16, 18–19, 22, 27, 33–5, 38–9, 79, 81
 - see also* rating agencies
- credit risk 13–21, 24, 27, 30, 36–40, 44, 90–91, 94, 108, 110, 122–8, 156, 177, 217, 221–2, 224, 231, 241–2, 247, 270, 335–8, 342, 352, 443–4
- cross-border finance 439
 - banking 133–45, 150, 436
 - capital 403
 - CCPs 224, 232, 246, 248
 - enforcement 148
 - Israel 373
 - market consolidation 153–4
 - mergers and acquisitions (M&A) 203, 213
 - mobility 155
 - protection 225
 - regulation 148–65
 - transactions 108, 157, 371, 373
- cross-margining 234
- crowding in 202
- cuotas participativas* 183
- currency transaction tax (CTT) 400, 402–6, 408–9

- Dahl, R.A. 359
 Davydenko, S.A. 102
 De Larosiere report 5
 Debt Management Office 181
 debt restructuring 35, 277
 deleveraging 273
 Delta hedging 20
 Demsetz, R.S. 74
 Denis, D.J. 376–7, 379
 Denmark 285
 Deposit Insurance Corporation of Japan (DICJ) 264–5
 Deposit Insurance Law 264, 281
 Depository Trust and Clearing Corporation (DTCC) 224
 deregulation 57, 329, 331, 336, 415, 419–20
 derivatives 6, 39, 217–52, 421–2, 444
 contract 37
 contracts 218, 245
 credit 11–15, 31, 35–37, 62, 342, 435
 equity 246
 FDI 200
 foreign exchange 246
 Germany 186
 innovation 333
 leverage ratio 119–20
 market 242, 422, 429
 mark-to-market 19
 neo-liberalism 415
 restrictions 343
 securities 61
 Spain 183
 transaction tax 397, 401–2, 407
 see also exchange-traded derivatives; over-the-counter (OTC) derivatives
 derivatives clearing organizations (DCOs) 243, 245
 Derivatives Market Transparency and Accountability Act 424
 deterrence 48
 Deutsche Bank 54
 Deutsche Bundesbank 186
 developing countries 195–6, 199, 201–4, 208, 362–4, 400
 Directive on Alternative Investment Fund Managers 426–7
 disclosure 81, 136, 153, 266, 269, 273
 accounting standards 26
 Basel Accords 69
 Basel rules 129
 expected loss (EL) 104
 market discipline 78
 rating agencies 79
 regulators 80
 rules 21
 Discount Window Facility 177, 179
 disintermediation 2–3, 11–12, 443
 dividends 50, 140–141, 174, 178–9
 Dodd-Frank Act 157, 241–8, 251–2, 435
 Draghi, M. 437
 Dubai 155
 Eatwell, J. 344, 420
 Ecofin 424
 Economic and Financial Affairs Council (ECOFIN) 171, 173, 177
 economic freedoms 85
 Efficient Markets Theory 341
 Eisenbeis, R.A. 144
 electronic trading systems 252
 emerging markets 110, 121–2, 129, 212, 338, 363, 369, 371
 EMIR 242–52
 employment 334, 421
 contracts 61
 FDI 194, 204–6
 Spain 182
 see also unemployment
 enforcement 359
 enforcement networks 351
 equity 13–15, 77, 267, 291, 399, 409, 445
 analysts 70
 banks 266
 capital 11, 116
 EU 149
 funds 25, 328
 market 19–20, 25, 72, 93–4, 369
 private 425, 436
 shareholdings 275
 shares 17
 trading 374
 US 154
 ESMA 243, 245
 Estonia 286
 ethics 42–63
 EU-J 194, 196, 198–9, 203–8
 Eurex Clearing AG 226–7
 Euro 178, 251, 437
 Euro Stoxx 50 index 20
 Euronext NV 154–5, 157
 European Banking Authority 443
 European Banking Federation (EBF) 425
 European Central Bank 137, 144, 247, 249–52, 339, 426, 437
 European Commission 156, 172–4, 244–6, 426, 439
 Capital Requirements Directive 424
 central counterparties 218, 224–5, 232–3
 cross-border banks 135
 Financial Services Action Plan (FSAP) 158

- mutual recognition 148, 150–151, 160–163
- substituted compliance 152
- transaction tax 397, 400
- European Deposit Insurance Corporation 145
- European Economic Area (EEA) 138, 145
- European Investment Grade debt 21
- European Market Infrastructure Regulation (EMIR) *see* EMIR
- European Monetary System (EMS) 425
- European Monetary Union 420
- European Organisation of Financial Supervisors (EOFS) 137, 144
- European Parliament 425–6
- European Securities and Markets Authority *see* ESMA
- European Supervisory Agencies 436
- European System of Central Banks (ESCB) 249, 252, 425
 - Statute 251
- European System of Financial Supervisors 438
- European Systemic Risk Board (ESRB) 436, 438
- European Union 48, 68, 248, 289–90, 328, 334, 355, 415, 422, 424–5
 - Capital Requirements Directive (CRD) 2, 84, 135, 140, 424, 443, 446
 - Growth and Stability Pact 440–441
 - state aid regime 5
 - state aid rules 171–89
 - Treaty 172, 437
- Eurozone 328, 339, 441
- EU-US Coalition on Financial Regulation 164–5
- EU-US Financial Markets Regulatory Dialogue 150
- Evans, T. 420
- exchange rates 3, 58–9, 404, 406
 - Basel Accords 125–6
 - FDI 200, 202
 - International Monetary Fund 362
- exchange-traded derivatives 217–19, 222, 231, 233–5
 - see also* derivatives
- Eximbank 117–19
- expected loss (EL) 90–106
- export targets 197–8
- exposure at default (EAD) 91
- external regulation 31
- fair trade 353
- Fannie Mae 47, 51, 54, 62
- Federal Deposit Insurance Corporation (FDIC) 62, 138, 143, 145
- Federal Deposit Insurance Corporation Improvement Act 84, 133–4, 145
- Federal Register 163
- Federation of Industries 283
- Financial Accounting Standards Board (FASB) 26, 151
- financial activities tax (FAT) 399
- financial authorities concentration (FAC) index 286, 289–90
- Financial Collateral Directive (FCD) 225
- Financial Instrument Directive 152
- Financial Market Stabilisation Fund 186
- Financial Reconstruction Commission 270
- Financial Revitalization Law 281, 284
- Financial Services Action Plan (FSAP) 158–9, 422, 438
- Financial Services and Markets Act 69–70
- Financial Services Authority (FSA) 68–70, 84, 135, 141, 143, 155, 177, 179–80, 437
- Financial Services Oversight Council 246
- Financial Stability Board (FSB) 2, 398–9, 435
- financial stability contribution (FSC) 399
- Financial Stability Forum (FSF) 351–2
- Financial Stability Report 250
- financial supervision 156, 281–2, 285–327
 - consolidation 292
 - unification 293
- financial supervision consolidation 292
- Financial Supervisory Agency 282
- Financial Times* 37, 429
- financial transaction tax (FTT) 400–401, 405, 407–9
- financial unification 287–8
- fiscal policy 59, 261, 264, 416, 440–441
- Fitch 20, 33, 40
- fixed charges 33
- fixed-income assets 12
- floating charges 33
- Fondo de Adquisición de Activos financieros* 182–3
- foreclosure 22–3
- foreign direct investment (FDI) 193–208
- foreign exchange 12, 48, 152, 197, 200–201, 269, 401–3, 405–6, 408, 422
- France 154, 174, 246, 399, 416, 426
 - Civil Code 220
 - government 175, 179
 - Treasury 176
- franchise value 50, 74
- Francis, B. 374–5, 379
- Franck, T.M. 350, 353–4
- Frankfurt 218
- Franks, J.R. 102
- fraud 31, 161, 340
- Freddie Mac 47, 51, 54, 62
- French Central Bank 175
 - Chairman 176

- Friedman, M. 415
 Fukao, M. 271
 full employment 206
 funding markets 1
 funding mechanism 331
- G10 countries 217, 352, 364
 OTC derivatives report 217
 State bonds 180
 G20 countries 108–9, 364, 398–400, 424, 435
 Pittsburgh Summit Communiqué 242
 G22 countries 364
 G7 countries 355, 364, 397, 402
 Ganesan, A.V. 207
Garanzia sulle Passività 184
 Gaussian copula 19
 Geithner, T.F. 424
 General Agreement on Trade in Services
 (GATS) 197, 249–50, 252, 356
 Generally Accepted Accounting Principles
 (GAAP) 80, 148, 151
 Geneva 193
 George, S. 428
 German Banking Act 186, 226
 German Insolvency Code 186
 German Insurance Supervision Act 186
 Germany 53, 174, 186–8, 220, 226, 246, 285,
 293–5, 334, 399, 421, 426
 Gibraltar 286
 Gleneagles 397, 402
 Global Financial Stability Report 426
 globalisation 349, 358–9, 372, 402, 409, 414,
 418
 Goldman Sachs 337, 373
 Goodhart, C.A.E. 83–4, 138, 422, 429, 443
 governance 349–65
 government bonds *see* bonds, government
 government networks *see* networks
 Gramsci, A. 416, 420
 Granlund, P. 136
 Gray, H.P. 202–3
 Greece 188, 440–441
 green field investment 203–4
 Green New Deal Group 430
 Greenspan, A. 421, 424, 428
 Gross, B. 31
 gross domestic product (GDP) 55, 264, 271
 Growth and Stability Pact 440–441
 Guarantee Scheme for Asset-Backed Securities
 (ABS) 180
- Halifax Bank of Scotland 141
 Halifax Bank of Scotland (HBOS) 179
 Hambrecht & Quist 373
 Hanley, K.W. 377, 379
- Hannan, T.H. 75
 harmonization networks 351
 Harrison, B. 194
 Hasan, I. 374–5, 379
 Hayek 415
 Heavily Indebted Poor Countries Initiative
 (HIPC) 357, 362
 hedge funds 16, 22, 24, 56, 105, 332, 335, 337,
 342–3, 402, 425–7, 436
 Herring, R. 31
 hidden variable 287
 high net-worth individuals 16
 HM Treasury 52, 135, 141, 143, 177–81
 Hoekman, B. 207
 Hokkaido Takushoku Bank 264, 281
 Hong Kong 201
 Hoshi, T. 260, 271
 Housing Loan Administration Corporation
 281
 housing prices 59, 274
 Howse, R. 353
 human rights 353–5, 357–8, 365
 Hungary 286
 HypoReal Estate 187
- Impaired Assets Communication 172–3, 188
 India 159, 400
 Indonesia 61
 Industrial Revitalization Corporation of Japan
 (IRCJ) 266–7, 283
 inflation 59, 269, 328, 331, 333, 339, 369,
 442
 Ingves, S. 144
 initial public offering (IPO) 154, 156
 foreign 369–96
 insolvency 32, 35–8, 59–60, 143, 224–6, 230,
 331, 439
 Institutional Broker Estimates System (IBES)
 374
 institutional investors 57
 insurance companies 12, 101, 186, 260, 398,
 424
 insurance industry 288, 422
 intellectual property law 199
 interest rates 3, 14, 49–52, 62, 338, 408
 Banking Commission 172
 banks 78
 Basel I Agreement 126
 French state 175–6
 liquidity 333–4
 OECD 125
 setting 32
 subsidies 197
 Internal Ratings-Based Approach 113–15,
 117–19

- International Accounting Standards Board (IASB) 151
- International Association of Insurance Supervisors 351
- International Bar Association 163
- International Chamber of Commerce (ICC) 120–121
- Banking Commission 109–10, 117, 121
- Global Survey 121
- Trade Finance Default Register 121
- international financial institutions (IFIs) 353, 356–7, 360, 363
- International Financial Reporting Standards (IFRS) 148, 151
- International Monetary Fund (IMF) 2, 344, 349–65, 397–9
- Articles of Agreement 363
- bank holding companies 274
- FDI 194, 200
- Global Financial Stability report 274
- inflation 328
- liquidity 338
- neoliberalism 415
- silent runs 52
- trade finance survey 109
- International Organisation of Securities Commissions (IOSCO) 159, 161, 163, 224, 232, 242, 245, 249, 351
- International Swaps and Derivatives Association (ISDA) 35
- investment banks 16, 43–5, 47, 50, 56–9, 63, 77, 92, 99, 101, 105, 435
- investment funds 26, 419, 426, 436
- Investment Management Association (IMA) 427
- Ireland 285
- Israel 369–96
- Italy 174, 184–5, 363
- Minister of Economy and Finance 184
- Stock Exchange 185
- ith 287
- iTraxx 36
- Jackson, P. 79
- Jacques, K.T. 84
- Japan 53, 125, 159, 193, 197–8, 222, 247, 328, 334, 400, 407
- banking crisis 259–77
- Financial Services Agency 265–6, 268
- government 277
- Ministry of Finance 263–4
- yen 178
- Jessop, B. 417
- JETRO (Japanese External Trade Organisation) 197
- JPMorgan Chase 276
- judicial review 49
- jusen 263–4, 281
- Kashyap, A.K. 260, 271
- Kaufmann, G.G. 144
- Kazakhstan 286
- Keynes, J.M. 269, 328, 332–5, 337, 344, 401, 415, 421, 428
- Kindleberger, C. 27, 418
- King, M. 436
- Kingdon, J.W. 417
- Kiwibank 138
- Klingebiel, D. 55
- Konings, M. 419, 428
- Korea 53, 61, 197–8, 200, 286, 363
- Kregal, J.A. 200
- Krugman, P. 275, 427
- KWOTRO 197
- Lamfalussy Committee 436
- Lamfalussy process 137, 159, 438
- land prices 261, 268
- Larosière, de J. 424
- Larosière, de, Committee 429
- Latin America 53, 151, 202, 204
- Latvia 286
- LCH.Clearnet 217
- Lehman Brothers 109, 134, 141, 241, 272–3, 276, 373, 402, 405, 436–7, 439
- Leland, H. 378
- lender of last resort 4, 30–31, 34, 437
- leverage 53, 95, 101, 105, 341–3, 435
- bank products 422
- central counterparties (CCPs) 246
- collateralized debt obligations (CDOs) 17, 24
- deleveraging 273
- home ownership 58–9, 61
- liquidity 334–6
- mergers and acquisitions (M&A) 419
- ratio 117, 119–21, 123, 138, 274, 398
- shadow entities (SEs) 50–51
- transparency 427
- leveraged loans 25–6, 31, 180
- Li, F. 374
- liability 401
- liberalisation 418–20
- liberalisation of trade *see* trade liberalisation
- Libor 18–19
- Lindblom, C.E. 418
- liquidity 11, 13, 22, 24–5, 31, 34–5, 51, 140, 154, 175–8, 180, 182, 243, 328–44, 402, 404, 435, 438
- assistance 172

- emergency 184
- Italy 185
- low 105
- risk 14, 39–40, 115, 336
 - funding 340
 - market 340
- search 340
- stress 116
- systemic 340
- Liquidity Coverage Ratio 116–17
- Lisbon Treaty 422, 440
- Lloyds Bank 179
- Logit model 290
- Loi 175
- London Stock Exchange 155, 407
- Long Term Capital Management (LTCM) 105, 331, 337, 425
- Long-Term Credit Bank of Japan (LTCB) 264–5, 281–2
- Lorrho Ltd v Shell Petroleum Co Ltd* 33
- loss given default (LGD) 91, 95–6, 101, 118, 128
 - up-to-date 93
- low default portfolios (LDPs) 94
- Lufthansa 244

- M0 aggregate 332
- M2 aggregate 339
- M3 aggregate 339
- macroeconomics 60, 78, 182, 194, 199, 263, 269, 271, 329, 339, 351, 358, 420, 441
- macroprudential indicators (MPIs) 344
- Malaysia 53, 61, 201, 208
- Maldives 286
- Malta 286
- Manaster, S. 375–6, 381
- Manias, Panics and Crashes* 27
- margin class 234
- market dampening 408
- market gridlock 2
- Market Infrastructure Regulation 425
- Markets in Financial Instruments Directive (MiFID) 152–3, 155, 162, 164, 229, 232, 244
- mark-to-market (MTM)
 - investor 24
 - valuation 12, 19
- Marx, K. 415
- Marxism 419, 427
- Matten, C. 79
- Mayer, R. 202
- Mayes, D.G. 134, 141
- McCreevy, C. 425–7, 429
- McCreevy, C. 160
- MEDEF/AFEP 176
- Megginson, W.L. 375
- Memoranda of Understandings (MOUs) 137
- mergers and acquisitions (M&A) 12, 75, 156, 205, 218, 419
 - cross-border 203
- Merton, R.C. 370
- Merton model 98
- Mexico 199
- microeconomics 344
- Millennium Development Goals 397, 400, 402, 409
- Millennium Summit 206
- Milne, A. 83
- Minsky, H. 333–4, 341
- Mitsubishi UFJ Financial Group FG 267, 276
- Miyazawa, K. 280
- Mizuho FG 267
- modelling 95–7
 - LDPs 94
 - loss 92
 - loss given default (LGD) 101, 104–5
- monetarism 333, 338–9, 415
- monetary policy 58–9
- monopoly 56
- Moody's 20, 33, 40
 - KMV model 98
- Morgan Stanley 54, 337
- mortgage backed securities (MBS) 22–3, 32–3, 38, 50, 59, 180
- mortgage insurers 56–7
- mortgages 13, 20, 177, 274, 422, 443
- Moskowitz, T.J. 370
- most-favoured nation (MFN) 198, 249–50
- multilateral agreement on investment (MAI) 198–9, 201
- multilateral investment treaties 207
- multinational companies (MNCs) 193–4, 196, 198, 202–3, 205–6, 208
- mutual recognition 148, 151, 153, 157–64

- Nasdaq 154–5
- NASDAQ 372–3, 375–81
- National Diet 270
- National Market System 153
- national treatment 205–6, 250
- nationalisation 52, 142, 144, 173–4, 264, 277, 424
 - banks 406
 - Germany 186
- neo-liberalism 414–15, 418–19, 421, 425, 427–9
- net income to sales (NITS) 375, 379–80, 389–95
- net regulatory benefit (NRB) 46
- Net Stable Funding Ratio 116–17
- Netherlands 154, 286

- netting 219, 221, 224, 226, 235
 - bilateral 225, 230
 - close-out 225, 227
 - multilateral 225, 252
- networks 350, 352–3
 - enforcement 351
 - harmonization 351
- New England 135
- New Green Deal 431
- New International Financial Architecture (NIFA) 340
- New World Order, A.* 350
- New York Stock Exchange (NYSE) 154–5, 157, 375
- New Zealand 138, 144–5
- newly industrialising countries (NICs) 203–4
- Nicaragua 286
- Nier, E. 78–9
- Nippon Credit Bank 264–5, 281–2
- Nomura 276
- non-governmental organizations (NGOs) 349–50, 358, 431
- non-performing loan 265–72, 275–7, 283
- non-performing loan (NPL) 263
 - ratio 259–60
- Nordea 142
- Northern Rock 52, 134, 140–142, 172, 437
- Norway 285
- novation 218–26, 235
- Nugée, J. 343

- Obama, B. 431
- Obama administration 22
- off-balance sheet 30, 50, 118–21, 125
 - commitment 116
 - entities 26, 32
 - exposure 34, 110, 113–14
 - risk 45
- Official Development Assistance 402
- offshore banking 46, 56, 61, 338
- offshore financial centres 425
- OMX Stock Exchange 154–5
- open market operations 180, 338
- open offer 221, 223–6, 235
- opportunity cost 44, 61–3, 73, 76–7
- Options Clearing Corporation 233
- ordoliberalism 418
- Organisation for Economic Co-operation and Development (OECD) 125, 198–9, 351, 364, 421
- Originate, Rate and Relocate 2, 25
- orphan company 33–4
- over-regulation 421
- over-the-counter (OTC) derivatives 6, 217–18, 222–3, 234–5, 241–2, 248, 424–5

- Bafin 227
- collateralized debt obligations (CDOs) 443
- credit risk 338
- Dodd-Frank Act 252
- monitoring 342
- outstanding value 334
- ratings 79
- reporting requirements 244
- risk mitigation 231
- risk regulation 414
- transaction tax 401, 407–9
- transparency 39

- Padoa-Schioppa, T. 142
- Panitch, L. 419, 428
- Panzar, J.C. 56
- Party of European Socialists (PES) 426
- pension funds 12, 16, 56, 186, 406
- Permanent Interest Bearing Shares (PIBS) 178
- Persaud, A. 341, 343
- Persson, M. 144
- Petersmann, E-U. 350, 353, 355
- Philippines 53, 61
- Pimco 31
- place of the relevant intermediary account (PRIMA) 230
- Plan Espanol para el Estimulo de la Economia y el Empleo 182
- Plaza Accord 261
- Polanyi, K. 415
- Polly Peck International 33
- Ponzi finance 334, 422
- pool rating 99
- portfolio investment 199–200
- Portugal 154, 363
- Posner, R. 428
- poverty reduction 206
- Poverty Reduction Strategies 357, 362
- preference shares 17, 175, 179, 182–3, 185
- PricewaterhouseCoopers 84
- principal-agent 46
- private law 30, 37
- private-public investment program (PPIP) 275
- privatization 419
- probability of default (PD) 91, 94–5, 97, 101, 113–14, 118, 128
 - up-to-date 93
- Probit model 290
- Program for Financial Revival (PFR) 265, 275
- Project Turquoise 155
- prompt corrective action (PCA) 62, 134, 138, 140–143, 145
- protectionism 417
- public law 1, 3
- Pyle, D.H. 378

- qualitative analysis 20, 67–9, 73, 75–8, 80–84, 96, 98–100, 105
 quantitative analysis 20, 67–9, 73–4, 76, 79, 81–4, 96–100, 102–3, 106
 quantitative easing 267, 437
 Rajan, R. 342
 Rasmussen, P.N. 426–7
 rating agencies 13–14, 16, 20–22, 33, 39–40, 45, 56–7, 61, 79–80, 93–4, 156, 187, 438
 real estate 273
 real-time gross settlement (RTGS) 405
 Rebérioux, A. 431
 recapitalisation 5, 53–5, 172–3, 189, 260, 265, 267, 270–272, 338, 440
 Germany 186–7
 Italy 188
 US banks 260
 Recapitalisation Communication 172–3, 188
 recession 417
 reciprocity 249–50
 Recommendations for Central Counterparties 425
 regulatee 42–4, 47
 Regulation NMS 162
 Regulation Theory 417, 419
 regulatory breach 42, 82–4
 regulatory capital 67–9, 85, 90, 227, 245
 management 17, 34
 ratio 128
 requirement *see* capital requirement
 regulatory competition 43, 45–7, 49, 60
 regulatory exemption 123
 regulatory recognition 164
 regulatory subsidies 48
 Reichsgericht 220
 re-insurance companies 16, 18
 remuneration 171–3, 176, 178, 180, 399
 Germany 187
 reporting requirements 162, 181, 244, 424
 reporting standards 14, 49, 148, 162, 165
 required stable funding (RSF) 116
 research and development (R&D) 205, 372
 Reserve Bank of New Zealand 138
 resolution agency 145
 Resolution and Collection Bank 281
 Resolution and Collection Corporation (RCC) 267, 271, 282
 Resona Bank 283
 restructuring 276, 336
 banks 143, 145
 debt 35
 Restructuring Communication 172–3
 Richardson, J. 73
 Riksbank 137
 Rio Summit 416
 risk aversion 270
 risk based capital (RBC) 17
 risk management 2, 13, 18, 67, 74–5, 84–5, 91, 156, 181, 219, 221, 224, 230, 241–2, 250–251, 271, 336–7, 341, 414, 420, 422, 435, 444
 loans 263
 Ritter, J.R. 375
 Robertson Stephens 373
 Rock, K. 381
 Rolls-Royce 244
 Royal Bank of Scotland 179, 181
 Russia 53, 159, 359, 425
 Sachs, J. 275
 safety net subsidies 42–63
 Saggi, K. 207
Salomon case 32
 sanctions 171–3, 185, 359
 Sanyo Securities 264, 281
 Sarbanes-Oxley Act 150, 154
 Saunders, D. 427
 Scandinavia 293–5
 Scherrer, C. 428
 Schmidt, R. 404–5
 Schoenmaker, D. 138
 Schulmeister, S. 407
 Schumpeter, J. 416
 Second Company Law Directive 439–40
 securities 148–63, 182–5, 218–36, 241–3, 398, 401, 422, 437
 collateralized debt obligations (CDOs) 36–38
 EU plan 171
 France 175–6
 government 332
 market 241, 288
 markets 414
 rating agencies 33
 Special Liquidity Scheme 177
 see also asset-backed securities (ABSs); mortgage backed securities (MBS)
 Securities and Exchange Commission (SEC) 4, 57, 150–151, 153, 155–8, 160–164, 233, 243
 Securities Data Corporation (SDI) 374
 securities swap dealer 247
 securitisation 30–40, 45, 56–7, 59, 61, 126, 128, 156, 183, 273, 275, 291–2, 336, 341, 422, 435
 security index 233
 security rights 222–3
 segmentation 260, 330, 337, 371
 Segoviano, M. 443
 self-regulation 31

- Seoul Summit 109
 settlement 217–36, 242
 obligations 230
 systems 227, 235
 Settlement Finality Directive (SFD) 224–5, 235
 shadow banking 30–40, 45, 120, 421, 425–7
 shadow entities (SEs) 50–51
 shadow rating 21
 shareholder voting rights 157
 Siemens 244
 silent runs 52
 Silicon Valley 372–3
 Singapore 193, 286
 Singh, A. 198
 Single Financial Authority Regimes 290
 Slaughter, A-M. 350, 353
 small to medium sized enterprises (SMEs) 110, 113, 115, 185, 188
 Smouts, M-C. 349
 Social Democratic Party 426
Société de Financement de l'économie française (SFEF) 175–6
Société de prise de participation pour l'État (SPPE) 175
 Society for Worldwide Interbank Financial Telecommunications (SWIFT) 403
 SoFFin 186
 Soros, G. 418
 sovereign bonds 441
 sovereign debt 328, 399, 437, 440–441
 Soviet Union 372
 Spahn, P.B. 407
 Spain 78, 182–3, 188, 442
 Minister of Economic and Financial Affairs 183
 Special Liquidity Scheme 177
 special purpose vehicle (SPV) 13, 15, 17, 22, 24–6, 30, 32–36, 38–9
 spot trading 403
 Stalinism 427
 stamp duty 407
 Standard & Poor's (S&P) 20, 33, 96
 Standardised Approach 113
 Stephenson, M. 73
 Stiglitz, J.E. 194, 275, 427
 Stockholm 218
 stress testing 229, 259–60, 271–2
 Structured Credit Company 37
 structured early intervention and resolution (SEIR) 133, 145
 structured investment vehicles (SIVs) 11–14, 32, 34–5, 37, 39, 422, 425, 444–5
 subprime 58, 156
 loan 31, 37, 275
 markets 337
 mortgage 1, 22–4, 35, 38, 328
 subsidies 42–63, 197–8, 232
 substituted compliance *see* compliance, substituted
 Sumitomo Mitsui FG 267, 276
 super senior swap 18
 supervision 23, 42–63, 68–9, 83–4, 127–9, 135–8, 285–95, 343, 435
 agencies 289
 banks 114–19
 CAMELS 140
 capital requirement 82
 central counterparties (CCPs) 251
 European Union 143–5
 EU-US 149–63, 243
 exemptions 123
 Financial Stability Forum (FSF) 351
 financial tax 400, 409
 France 175
 Germany 186–7, 226–7
 Japan 261
 liquidity risk 39
 shadow banking 32, 35
 United Kingdom 181
 United States 247, 274
 Supervisory Capital Assessment Program 274
 supervisory practice 438
 SwapClear 217
 Sweden 140, 155, 162, 217, 285, 399
 National Debt Office 399
 Swiss franc 178
 synthetic credit instruments 435
 synthetic credit risk transfer 13
 systematic risk exemption 143
 systematically important derivatives clearing organizations (SIDCOs) 246

 Taiwan 200
 takeovers 204
 Target Asset Liquidity Fund (TALF) 259
 taxation 69, 145, 397–410
 deductions 58
 haven 331
 incentives 269
 losses 374
 relief 197
 taxpayers 43, 45–8, 50–55, 59, 63, 171–2, 174, 181, 183, 185, 267, 270–271
 Taylor, L. 420
 technological change 45–6, 56
 technology transfer 194, 196, 201–3
 Tehranian, H. 77
 Tel Aviv Stock Exchange (TASE) 373
 Thailand 53, 61

- theory of path dependencies 428
- Tobin, J. 400, 403–4, 416, 420
- Toho Sogo Bank 263
- Tokyo Kyodo Bank 280–281
- tort 34
- toxic assets 171, 183, 259–60, 273, 414
- trade financing 108–29
- trade liberalisation 196, 341, 356, 358
- Trade-Related Intellectual Property Rights (TRIPS) 197, 356
- Trade-Related Investment Measures (TRIMS) 197, 205–6
- transaction costs 1, 207, 405, 443
- transaction tax 400–402
- transparency 21, 39, 48–9, 52, 158, 173, 338, 352, 356, 359–62, 405, 424–5, 427, 429, 443–4
 - data 351
 - fees 233, 236
 - over the counter market 241–2, 252
 - rules 219
- Tremonti Bonds 185
- Trichet, J.-C. 437
- Troubled Asset Relief Program (TARP) 259, 275
- trust law 31, 34
- Turner, J.A. 424

- Uij 287
- UNCTAD 203
- undercapitalisation 138, 274
- underpricing 369–71, 374–80
- underwriting 22–3, 375–80
- unemployment 194, 269, 275
 - see also* employment
- United Arab Emirates 286
- United Kingdom 52–3, 154, 162, 174, 204, 246, 285, 328, 399, 437
 - banks 178
 - central bank 438
 - courts 32
 - plan 177
 - Treasury *see* HM Treasury
- United Nations 350, 353–4, 360
 - International Law Commission 356
- United Nations Declaration on Human Rights 353
- United Nations High Commissioner on Human Rights 356

- United States 1, 53, 133, 144, 199, 204, 247, 359, 420, 441
 - Bankruptcy Code 228
 - Board of Governors of the Federal Reserve 272
 - Congress 52
 - dollars 178
 - Federal Court 426
 - Federal Reserve 246, 274, 328, 338, 421
 - House Agriculture Committee 424
 - housing market 422
 - mortgage market 61
 - Treasury Department 150, 156
- United States Export-Import Bank *see* Eximbank
- Uruguay Round 196–7, 208

- venture capital 370, 372–3, 375, 378–80
- Vogel, D. 417
- Volcker rule 435
- Volker rule 436
- voluntary agreements 419

- Wall Street Reform and Consumer Protection Act *see* Dodd-Frank Act
- Weiss, K.A. 375
- Welch, I. 375, 378
- White, W.R. 342
- Willig, R.D. 56
- Winding-up Directive 235
- Windsor Declaration 228
- Woods, N. 359
- Woolfson v Strathclyde Regional Council* 33
- Working Group on Financial Markets 156
- Working Group on Trade and Investment 193
- Working Group on Trade, Debt and Finance 109
- World Bank 2, 195, 200, 207, 349, 356–7, 359–60, 364, 402
- World Trade Organization (WTO) 5, 109, 193, 196, 198–9, 205–6, 208, 249–50, 252, 350, 353, 355–7, 361

- Yafeh, Y. 371, 373–6
- Yamaichi Securities 264, 273, 281

- Zammit, A. 198
- zombie institutions 51–3, 60–61