

Index

- accounting standards 154–5
- agency costs 42–3
- Andrew Fastow 104
- Anglo-American model of corporate governance 18–19, 234–5, 237
- audits 156, 287–90
- Australia
 - governance 212–15
- Australian Prudential Regulatory Authority (APRA) 136–7, 213, 219
- Australian banks 136, 222–6

- Banca Popolare Italiana (BPI) 30–1
- Bank of America 98, 116–8
- Banking Act of 1933 (Glass-Steagall Act) 3, 8
- bank capital 5–6, 15, 196–7, 215–6
- bank efficiency 46–50
- bank managers 52–5
- bank mergers 78–9
- bank performance 41–5, 68–71
- bank regulators *see also* Federal Reserve, FDIC, OCC, and Australian Prudential Regulatory Authority
- Bank Holding Company Act of 1956 3
- Barings Bank 146
- Basel II 15, 134, 196, 215–6
- BCCI 31, 146
- Bernie Ebbers 113, 115–18
- best practices 253
- board composition 23, 188, 192–5, 212–3, 287–90
- board of directors 46, 188, 194–5, 227–30, 287–90

- CAMEL(S) 6–7
- capital requirements *see* bank capital
- chaebol 280
- Chase *see* J.P. Morgan Chase

- Citigroup Inc. 29–30, 98, 112, 120–24
- committees 188–9, 195, 226, 229, 287–90
- community banks 63–5
- competition 213–4
- complexity (organizations) 141
- consolidation agreement 261–7
- Continental European corporate governance system 237–9
- cooperative banks 240
- corporate culture 136–9, 142
- corporate governance
 - definitions 18–20
 - goals 22–3
 - corporate governance index (CGI) 185
 - codes 214–15
 - Korean banks 286–91
- Corporate SOS (State Owned Successor) Bank 253–67
- corruption 144–6
- credit ratings 157–9
- Credit Suisse 107–10

- daily managing officer (DMO) 66, 71, 74
- deregulation 4–5
- Deutsche Bank 29
- directors *see* board of directors
- distance 143–4

- Enron 100–112
- enterprise risk management 7, 11
- European corporate governance system 237–9
- External Governance Index (EGI) 159

- family ownership 48–50
- Fannie Mae 32–3, 139
- Federal Deposit Insurance Corporation (FDIC) 8, 11–12, 19

- Federal Reserve 7–10, 12
 Financial Accounting Standard 133 (FAS 133) 137
 financial crises, Korea 281–4
 financial holding companies 9
 financial incentives 142–3
 financial repression 284–5
 First Southern Bank 25–6
 Franco-German model of corporate governance 19–20
 Freddie Mac 138
- German banking system 238–43
 General Re 141
 Generally Accepted Accounting Practices (GAAP) *see* accounting standards
 Glass-Steagall Act *see* Banking Act of 1933 3, 97
 geographic distance 143–4
 governance index 185
 Gramm-Leach-Bliley Act (GLBA) 9–10, 97–8
- holding company 290–91
 Hungarian banking sector 253
- industrial loan corporation (ILC) 1–2, 11, 98
 insider trading 78
 laws 79
 trading results 92
 internal controls 24, 139–41
 International Accounting Standards (IAS) *see* accounting standards
 International Monetary Fund (IMF), 281–4
 investor activism 27–8
- J.P. Morgan Chase 98, 112, 116
 Jack Grubman 120–24
 Jeffery Skilling, 101
- Kenneth Lay 101
 Kookmin Bank 291–2
 Korean banks 279–80
- large complex banking organizations (LCBO) 5
- large complex financial organizations (LCFOs) 134, 191–2
- market discipline *see* external governance
 mergers *see* bank mergers
 Merrill Lynch 98, 109, 112
- National Australia Bank Group (NAB) 136–9
 National Bank of Hungary (NBH) 253–4
 Nick Leeson 146
- OECD 19, 21
 Office of the Comptroller of the Currency (OCC) 8–9
 operational risk 135
 red flags 139
- P-bank 267–76
 profitability 68–71, 74, 197, 221–2, 244–5, 260
 provision for loan losses 197
- regulatory failures 26–7
 return on assets *see* profitability
 return on equity *see* profitability
 Riggs Bank 138–9
 Routine Activities Theory 146–7
 risk 50–55, 141
- Sarbanes Oxley Act (SOX) 7, 81, 140, 187
 savings banks 240
 Section 20 subsidiaries 97–8
 Securities Act of 1933 110
 Securities Exchange Act of 1934 79–80, 110
 size (asset) 141
 Sovereign bank 28
 special purpose entities (SPE) 103–12
 stakeholders 153–4, 325–7
 state owned successor bank (SOS) 253
 stock returns 23
 structured financing at Enron
 swaps 104
 minority interest transactions 104
 fictitious sales of assets 105
 hedged 106

- Subchapter S corporations 64–5
- supervision 6–7, 213
- survey 186–90
- too-big-to-fail 27
- transparency 156–7
- United American Bank 31
- universal banks 97–100
- Wal-Mart, 1–2, 11
- wealth 50–51
- WorldCom 112–24

