

Treasury Guest Lecture:

The Treasury is pleased to sponsor the following Guest Lecture



Guest Lecturer Dirk Schoenmaker



Resolution of International Banks: Can Smaller Countries Cope?

Date:

Friday 17 November

Venue:

Level 5

The Treasury

1 The Terrace

Wellington

Time:

10:00 am - 11:30 am

RSVP:

Treasury.Academiclinkages@treasury.govt.nz

by Wednesday
15 November 2017

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Abstract:

The stability of a banking system ultimately depends on the strength and credibility of the fiscal backstop. While large countries can still afford to resolve large global banks on their own, small and medium-sized countries face a policy choice. This paper investigates the impact of resolution on banking structure. The financial trilemma model suggests that smaller countries can either conduct joint supervision and resolution of their global banks (based on single point of entry resolution) or reduce the size of their global banks and move to separate resolution of these banks' national subsidiaries (based on multiple point of entry resolution). Euro-area countries are heading for joint resolution based on burden sharing, while the UK and Switzerland have implemented policies to downsize their banks.

About Dirk Schoenmaker:

Dirk Schoenmaker is Professor of Banking and Finance at the Rotterdam School of Management, Erasmus University Rotterdam.

His research and teaching focus on the areas of sustainable finance, central banking and financial stability, financial system architecture and European financial integration. He is regular speaker at academic and professional conferences.

Dirk Schoenmaker is also a Senior Fellow at the Brussels-based think tank Bruegel, a Research Fellow at the Centre for European Policy Research (CEPR), and a member of the Advisory Scientific Committee of the European Systemic Risk Board at the ECB. He is author of the books 'From Risk to Opportunity: A Framework for Sustainable Finance' (Rotterdam School of Management, Erasmus University) and 'Governance of International Banking: The Financial Trilemma' (Oxford University Press) and co-author of the textbook 'Financial Markets and Institutions: A European perspective' (Cambridge University Press). He earned his PhD in economics at the London School of Economics.



Before joining RSM, he was Dean of the Duisenberg school of finance from 2009 to 2015. From 1998 to 2008, he served at the Netherlands Ministry of Finance. In the 1990s he served at the Bank of England. He is a regular consultant for the IMF, the OECD and the European Commission.