

Call for papers for a workshop on:

## **The costs and benefits of international banking**

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International financial integration has increased tremendously over the past decades. Greater financial integration has been closely associated with the internationalisation of banking: banks' gross cross-border positions have expanded significantly, foreign subsidiaries and branches are more common, and bank ownership has become more internationally diversified. These trends have positive and negative consequences for financial systems, for the economies that host them, and for the relevant authorities (central banks and regulators). Yet, there is surprisingly little consistent evidence on the costs and benefits of international banking. Research in this field has been hampered by a lack of appropriate data, but better theoretical models are also needed to inspire empirical work on international banking.

Against this backdrop, the Bundesbank is organising a workshop that aims to bring together researchers who are interested in discussing these issues from a theoretical and empirical perspective. Studies concentrating on industrialised countries and using micro-data are particularly welcome. Topics on which we are soliciting papers include, but are not limited to:

- What are the determinants of banks' cross-border assets and liabilities (including institutional factors like regulation and taxes)? Do banks facilitate, attenuate or distort international capital flows?
- What can international banks do that capital markets cannot achieve? What are the implications for regulation?
- How does globalisation influence banks' performance in terms of efficiency, riskiness and market power?
- How did international banks contribute to the propagation of the recent financial crisis, and how have they reacted to losses, rescue packages and regulatory reform?
- What are the real effects of international banking for home and host countries?

Keynote speakers are Linda Goldberg, Federal Reserve Bank of New York and Eric van Wincoop, University of Virginia. The workshop will also serve as an information platform for data which are helpful for empirical research in this field. It will take place on 17-18 October 2011 at the Deutsche Bundesbank's training centre in Eltville (30 minutes from Frankfurt by shuttle bus). Participants at the workshop are also invited to attend the Bundesbank Fall Conference on "Basel III and Beyond: Regulating and Supervising Banks in the Post-Crisis Era", which will be held on 19-20 October 2011. Academic speakers' travel expenses will be reimbursed.

Drafts or (preferably) full papers can be submitted to [submissions2@bundesbank.de](mailto:submissions2@bundesbank.de) by 29 August 2011. Authors will be notified by 12 September 2011.