

Deposit Insurance Around The World Issues Of Design And Implementation Mit Press | 992146fcbb60de7137e86e9e9b89f498

How Deposit Insurance Affects Financial Depth Deposit Insurance Design and Implementation World Scientific Reference On Contingent Claims Analysis In Corporate Finance (In 4 Volumes) Deposit Protection Arrangements Deposit Insurance Database Deposit Insurance Around the Globe Deposit Insurance Schemes Deposit Insurance Deposit Insurance Around the Globe Financial Structure and Economic Growth Global Financial Development Report 2019/2020 Deposit Insurance Banking Risks Around the World Design, Structure and Implementation of a Modern Deposit Insurance Scheme Deposit Insurance Around the World The Regulation and Supervision of Banks Around the World Cross-Border Banking TARP and other Bank Bailouts and Bail-Ins around the World Bank-based and Market-based Financial Systems Resolution of Failed Banks by Deposit Insurers The Design and Implementation of Deposit Insurance Systems Deposit Insurance Around the World Modis Deposit Insurance Around the World Deposit Insurance Systemic Banking Crises Revisited The Political Economy of Deposit Insurance Handbook Of Financial Econometrics, Mathematics, Statistics, And Machine Learning (In 4 Volumes) Crisis and Response Modis Does Deposit Insurance Increase Banking System Stability? The Global Findex Database 2017 Banking Systems Around the Globe Pricing of Deposit Insurance Deposit Insurance and Financial Development Deposit Insurance Around the Globe Deposit Insurance Around the World Deposit Insurance Around the World: a Comprehensive Database Systemic Risk, Crises, and Macroprudential Regulation Following the Money

How Deposit Insurance Affects Financial Depth

Deposit Insurance Design and Implementation

This paper provides a comprehensive, global database of deposit insurance arrangements as of 2013. We extend our earlier dataset by including recent adopters of deposit insurance and information on the use of government guarantees on banks' assets and liabilities, including during the recent global financial crisis. We also create a Safety Net Index capturing the generosity of the deposit insurance scheme and government guarantees on banks' balance sheets. The data show that deposit insurance has become more widespread and more extensive in coverage since the global financial crisis, which also triggered a temporary increase in the government protection of non-deposit liabilities and bank assets. In most cases, these guarantees have since been formally removed but coverage of deposit insurance remains above pre-crisis levels, raising concerns about implicit coverage and moral hazard going forward.

World Scientific Reference On Contingent Claims Analysis In Corporate Finance (In 4 Volumes)

Deposit Protection Arrangements

This paper argues that an optimal deposit insurance scheme would allow the level of insurance coverage to be determined by the market. Based on this principle, the paper proposes an insurance scheme that minimizes distortions and embodies fairness and credibility, two essential characteristics of a viable and effective deposit insurance scheme. Using a simple model for the determination of the optimal level of insurance coverage, it is shown that the optimal coverage is higher for developing compared to developed countries; a condition that is broadly satisfied by

prevailing deposit insurance practices around the world.

Deposit Insurance Database

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Deposit Insurance Around the Globe

Deposit Insurance Schemes

Financial crises are recurring phenomena that result in the financial distress of systemically important banks, making it imperative to understand how to best respond to such crises and their consequences. Two policy responses became prominent for dealing with these distressed institutions since the last Global Financial Crisis: bailouts and bail-ins. The main questions surrounding these responses touch everyone: Are bailouts or bail-ins good for the financial system and the real economy? Is it essential to save distressed financial institutions by putting taxpayer money at risk in bailouts, or is it better to use private money in bail-ins instead? Are there better options, such as first lines of defense that help prevent such distress in the first place? Can countercyclical prudential and monetary policies lessen the likelihood and severity of the financial crises that often bring about this distress? Through careful analysis, authors Berger and Roman review and critically assess the extant theoretical and empirical research on many resolution approaches and tools. Placing special emphasis on lessons learned from one of the biggest bailouts of all time, the Troubled Asset Relief Program (TARP), while also reviewing other programs and tools, TARP and Other Bank Bailouts and Bail-Ins around the World sheds light on how best to protect the financial system on Wall Street and the real economy on Main Street. Presents a well-informed and rich account of bailouts, bail-ins, and other resolution approaches to resolve financially distressed banks. Uses TARP as a key case study of bailouts that has been thoroughly researched. Provides valuable research and policy guidance for dealing with future financial crises.

Deposit Insurance

The paper surveys the characteristics of explicit systems of deposit insurance in 68 countries. It compares these actual practices with a set of best practices that has been adopted by IMF staff for their advice to member countries. These best practices seek to establish a system of deposit insurance that provides incentives for all parties—whether they are directly or indirectly affected by the guarantee—to keep the financial system sound. The paper discerns some convergence toward best practices in recent years, but notes several areas where improvements in the incentive structure are still necessary.

Deposit Insurance Around the Globe

Abstract: This paper updates the Demirgu?-Kunt and Sobaci (2001) cross-country deposit insurance database and extends it in several important

dimensions. This new data set identifies both recent adopters and the ones that were not covered earlier due to a lack of data. Moreover, for the first time, it provides historical time series for several variables and adds new ones. The data were collected by surveying deposit insurance institutions and related agencies as well as through the use of various other country sources.

Financial Structure and Economic Growth

Global Financial Development Report 2019/2020

Deposit insurance was initiated in the 1930s to help restore confidence in the banking system after thousands of banks failed and millions of dollars in deposits were lost during the Great Depression. In 1990, the federal government insured about \$3 trillion in deposits in the nation's banks, thrifts, and credit unions and has to date fulfilled its goal of maintaining the stability of the banking system. This report discusses issues associated with reforming the deposit insurance system, specifically changes to the system that will promote a safe, sound, and stable banking industry. Charts and tables.

Deposit Insurance

A framework for macroprudential regulation that defines systemic risk and macroprudential policy, describes macroprudential tools, and surveys the effectiveness of existing macroprudential regulation.

Banking Risks Around the World

CD-ROM contains: World Bank data.

Design, Structure and Implementation of a Modern Deposit Insurance Scheme

This paper updates the database on systemic banking crises presented in Laeven and Valencia (2008, 2013). Drawing on 151 systemic banking crises episodes around the globe during 1970-2017, the database includes information on crisis dates, policy responses to resolve banking crises, and the fiscal and output costs of crises. We provide new evidence that crises in high-income countries tend to last longer and be associated with higher output losses, lower fiscal costs, and more extensive use of bank guarantees and expansionary macro policies than crises in low- and middle-income countries. We complement the banking crises dates with sovereign debt and currency crises dates to find that sovereign debt and currency crises tend to coincide or follow banking crises.

Deposit Insurance Around the World

Many questions have been raised about America's status in the increasingly interconnected global economy. Yet key facts--such as the amount of foreign assets abroad owned by U.S. citizens--are not known. The crucial data needed to assess the U.S. position are unavailable. This volume explores significant shortcomings in U.S. data on international capital transactions and their implications for policymakers. The volume offers clearcut recommendations for U.S. agencies to bring data collection and analyses of the global economy into the twenty-first century. The volume

explores How factors emerging since the early 1980s have shaped world financial markets and revealed shortcomings in data collection and analysis. How the existing U.S. data system works and where it fails how measurements of international financial transactions are recorded; and how swaps, options, and futures present special reporting problems. How alternative methods, such as collecting data, from sources such as global custodians and international clearinghouses, might improve coverage and accuracy.

The Regulation and Supervision of Banks Around the World

Cross-Border Banking

TARP and other Bank Bailouts and Bail-Ins around the World

Bank-based and Market-based Financial Systems

Resolution of Failed Banks by Deposit Insurers

Explicit deposit insurance (DI) is widely held to be a crucial element of modern financial safety nets. This book draws on an original cross-country dataset on DI systems and design features to examine the impact of DI on banking behavior and assess the policy complications that emerge in developing countries.

The Design and Implementation of Deposit Insurance Systems

This paper updates the Demirgüç-Kunt and Sobaci (2001) cross-country deposit insurance database and extends it in several important dimensions. This new data set identifies both recent adopters and the ones that were not covered earlier due to a lack of data. Moreover, for the first time, it provides historical time series for several variables and adds new ones. The data were collected by surveying deposit insurance institutions and related agencies as well as through the use of various other country sources.

Deposit Insurance Around the World

This paper is a survey of deposit protection arrangements and it compares the key elements of deposit protection schemes around the world. There are more implicit arrangements that guarantee deposits than explicit ones, but there has been a growing tendency since the 1980s for countries to adopt explicit ones largely in response to emerging problems with their financial systems.

Modis

Explicit deposit insurance has been spreading rapidly in recent years, even to countries with low levels of financial and institutional development.

Economic theory indicates that deposit-insurance design features interact--for good or ill--with country-specific elements of the financial and governmental contracting environment. This paper documents the extent of cross-country differences in deposit-insurance design and reviews empirical evidence on how particular design features affect private market discipline, banking stability, financial development, and the effectiveness of crisis resolution. This evidence challenges the wisdom of encouraging countries to adopt explicit deposit insurance without first stopping to assess and remedy weaknesses in their informational and supervisory environments.

Deposit Insurance Around the World

"Explicit deposit insurance tends to be detrimental to bank stability-- the more so where bank interest rates are deregulated and the institutional environment is weak"--Cover.

Deposit Insurance

"There is a wide cross-country variation in the institutional structure of bank failure resolution, including the role of the deposit insurer. The authors use quantitative analysis for 57 countries and discuss specific country cases to illustrate this variation. Using data for over 1,700 banks across 57 countries, they show that banks in countries where the deposit insurer has the responsibility of intervening failed banks and the power to revoke membership in the deposit insurance scheme are more stable and less likely to become insolvent. Involvement of the deposit insurer in bank failure resolution thus dampens the negative effect that deposit insurance has on banks' risk taking. "--World Bank web site.

Systemic Banking Crises Revisited

Over a decade has passed since the collapse of the U.S. investment bank, Lehman Brothers, marked the onset of the largest global economic crisis since the Great Depression. The crisis revealed major shortcomings in market discipline, regulation and supervision, and reopened important policy debates on financial regulation. Since the onset of the crisis, emphasis has been placed on better regulation of banking systems and on enhancing the tools available to supervisory agencies to oversee banks and intervene speedily in case of distress. Drawing on ten years of data and analysis, Global Financial Development Report 2019/2020 provides evidence on the regulatory remedies adopted to prevent future financial troubles, and sheds light on important policy concerns. To what extent are regulatory reforms designed with high-income countries in mind appropriate for developing countries? What has been the impact of reforms on market discipline and bank capital? How should countries balance the political and social demands for a safety net for users of the financial system with potentially severe moral hazard consequences? Are higher capital requirements damaging to the flow of credit? How should capital regulation be designed to improve stability and access? The report provides a synthesis of what we know, as well as areas where more evidence is still needed. Global Financial Development Report 2019/2020 is the fifth in a World Bank series. The accompanying website tracks financial systems in more than 200 economies before, during, and after the global financial crisis (<http://www.worldbank.org/en/publication/gfdr>) and provides information on how banking systems are regulated and supervised around the world (<http://www.worldbank.org/en/research/brief/BRSS>).

The Political Economy of Deposit Insurance

This paper describes recently established deposit insurance systems, identifying emerging trends. In line with previous IMF work on the subject, it argues against the development of "best practices" applicable to all systems. Rather, it stresses the importance of incorporating each country's individual objectives in adopting a deposit insurance system, as well as that country's characteristics, to ensure an effective system that

minimizes disincentives and distortions to financial sector intermediation. The paper includes a summary of the academic literature.

Handbook Of Financial Econometrics, Mathematics, Statistics, And Machine Learning (In 4 Volumes)

The degree of risk taking by a bank is related to the size of the gross subsidy that has been extended to the bank by the safety net. This subsidy can be calculated by applying a technique that models deposit insurance as a put option on the bank's assets.

Crisis and Response

Developing countries should first address weaknesses in their informational and supervisory environments before adopting explicit deposit insurance.

Modis

Black and Scholes (1973) and Merton (1973, 1974) (hereafter referred to as BSM) introduced the contingent claim approach (CCA) to the valuation of corporate debt and equity. The BSM modeling framework is also named the 'structural' approach to risky debt valuation. The CCA considers all stakeholders of the corporation as holding contingent claims on the assets of the corporation. Each claim holder has different priorities, maturities and conditions for payouts. It is based on the principle that all the assets belong to all the liability holders. The BSM modeling framework gives the basic fundamental version of the structural model where default is assumed to occur when the net asset value of the firm at the maturity of the pure-discount debt becomes negative, i.e., market value of the assets of the firm falls below the face value of the firm's liabilities. In a regime of limited liability, the shareholders of the firm have the option to default on the firm's debt. Equity can be viewed as a European call option on the firm's assets with a strike price equal to the face value of the firm's debt. Actually, CCA can be used to value all the components of the firm's liabilities, equity, warrants, debt, contingent convertible debt, guarantees, etc. In the four volumes we present the major academic research on CCA in corporate finance starting from 1973, with seminal papers of Black and Scholes (1973) and Merton (1973, 1974). Volume I covers the foundation of CCA and contributions on equity valuation. Volume II focuses on corporate debt valuation and the capital structure of the firm. Volume III presents empirical evidence on the valuation of debt instruments as well as applications of the CCA to various financial arrangements. The papers in Volume IV show how to apply the CCA to analyze sovereign credit risk, contingent convertible bonds (CoCos), deposit insurance and loan guarantees. Volume 1: Foundations of CCA and Equity Valuation Volume 1 presents the seminal papers of Black and Scholes (1973) and Merton (1973, 1974). This volume also includes papers that specifically price equity as a call option on the corporation. It introduces warrants, convertible bonds and taxation as contingent claims on the corporation. It highlights the strong relationship between the CCA and the Modigliani-Miller (M&M) Theorems, and the relation to the Capital Assets Pricing Model (CAPM). Volume 2: Corporate Debt Valuation with CCA Volume 2 concentrates on corporate bond valuation by introducing various types of bonds with different covenants as well as introducing various conditions that trigger default. While empirical evidence indicates that the simple Merton's model underestimates the credit spreads, additional risk factors like jumps can be used to resolve it. Volume 3: Empirical Testing and Applications of CCA Volume 3 includes papers that look at issues in corporate finance that can be explained with the CCA approach. These issues include the effect of dividend policy on the valuation of debt and equity, the pricing of employee stock options and many other issues of corporate governance. Volume 4: Contingent Claims Approach for Banks and Sovereign Debt Volume 4 focuses on the application of the contingent claim approach to banks and other financial intermediaries. Regulation of the banking industry led to the creation of new financial securities (e.g., CoCos) and new types of stakeholders (e.g., deposit insurers).

Does Deposit Insurance Increase Banking System Stability?

This new and comprehensive database on the regulation and supervision of banks in 107 countries should better inform advice about bank ewgulation and supervision and lower the marginal cost of empirical research.

The Global Findex Database 2017

Banking Systems Around the Globe

"This paper illustrates the trends in deposit insurance adoption. It discusses the cross-country differences in design, and synthesizes the policy messages from cross-country empirical work as well as individual country experiences. The paper develops practical lessons from this work and distills the evidence into a set of principles of good design. Cross-country empirical research and individual-country experience confirm that, for at least the time being, officials in many countries would do well to delay the installation of a deposit insurance system."--World Bank web site.

Pricing of Deposit Insurance

Crisis and Response: An FDIC History, 2008¿2013 reviews the experience of the FDIC during a period in which the agency was confronted with two interconnected and overlapping crises¿first, the financial crisis in 2008 and 2009, and second, a banking crisis that began in 2008 and continued until 2013. The history examines the FDIC¿s response, contributes to an understanding of what occurred, and shares lessons from the agency¿s experience.

Deposit Insurance and Financial Development

Empirical results highlight the downside of imposing certain regulatory restrictions on commercial bank activities. Regulations that restrict banks' ability to engage in securities activities and to own nonfinancial firms are closely associated with more instability in the banking sector, and keeping commercial banks from engaging in investment banking, insurance, and real estate activities does not appear to produce positive benefits.

Deposit Insurance Around the Globe

This book provides a comprehensive overview of funding arrangements for explicit deposit insurance schemes. Responding to international guidelines and best practice, it discusses policy decisions and operational challenges which deposit insurers face in the financial management of ex-ante deposit insurance funds. Numerous examples are provided, and solutions offered on sources and uses of funds, focusing on target and optimal funding. Coverage includes: the role that modern deposit insurance schemes play in ensuring financial stability how to design the main deposit insurance features in order to maximize compliance with international standards the different types of funding and financial planning for deposit insurance methods for setting the target fund size level optimal deposit insurance funding challenges faced by the European Union members following new deposit insurance and bank resolution directives. The book concludes by providing a comprehensive overview of funding issues and recommendations for deposit insurance schemes in the European Union.

Deposit Insurance Around the World

This four-volume handbook covers important concepts and tools used in the fields of financial econometrics, mathematics, statistics, and machine learning. Econometric methods have been applied in asset pricing, corporate finance, international finance, options and futures, risk management, and in stress testing for financial institutions. This handbook discusses a variety of econometric methods, including single equation multiple regression, simultaneous equation regression, and panel data analysis, among others. It also covers statistical distributions, such as the binomial and log normal distributions, in light of their applications to portfolio theory and asset management in addition to their use in research regarding options and futures contracts. In both theory and methodology, we need to rely upon mathematics, which includes linear algebra, geometry, differential equations, Stochastic differential equation (Ito calculus), optimization, constrained optimization, and others. These forms of mathematics have been used to derive capital market line, security market line (capital asset pricing model), option pricing model, portfolio analysis, and others. In recent times, an increased importance has been given to computer technology in financial research. Different computer languages and programming techniques are important tools for empirical research in finance. Hence, simulation, machine learning, big data, and financial payments are explored in this handbook. Led by Distinguished Professor Cheng Few Lee from Rutgers University, this multi-volume work integrates theoretical, methodological, and practical issues based on his years of academic and industry experience.

Deposit Insurance Around the World: a Comprehensive Database

Systemic Risk, Crises, and Macroprudential Regulation

In 2011 the World Bank—with funding from the Bill and Melinda Gates Foundation—launched the Global Findex database, the world's most comprehensive data set on how adults save, borrow, make payments, and manage risk. Drawing on survey data collected in collaboration with Gallup, Inc., the Global Findex database covers more than 140 economies around the world. The initial survey round was followed by a second one in 2014 and by a third in 2017. Compiled using nationally representative surveys of more than 150,000 adults age 15 and above in over 140 economies, The Global Findex Database 2017: Measuring Financial Inclusion and the Fintech Revolution includes updated indicators on access to and use of formal and informal financial services. It has additional data on the use of financial technology (or fintech), including the use of mobile phones and the Internet to conduct financial transactions. The data reveal opportunities to expand access to financial services among people who do not have an account—the unbanked—as well as to promote greater use of digital financial services among those who do have an account. The Global Findex database has become a mainstay of global efforts to promote financial inclusion. In addition to being widely cited by scholars and development practitioners, Global Findex data are used to track progress toward the World Bank goal of Universal Financial Access by 2020 and the United Nations Sustainable Development Goals. The database, the full text of the report, and the underlying country-level data for all figures—along with the questionnaire, the survey methodology, and other relevant materials—are available at www.worldbank.org/globalfindex.

Following the Money

Do deposit insurance programs contribute to financial development? Yes, but only if the regulatory environment is sound.

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