Stability of the Financial System
Illusion or Feasible Concept?

Edited by Andreas Dombret, Adjunct Senior Research Scholar, Columbia University School of International and Public Affairs, New York, US and Otto Lucius, Managing Director, Austrian Society for Bank Research, Austria

In the aftermath of the financial crisis, new financial market regulation is being implemented, and increasing numbers of countries are establishing new legislation for macroprudential oversight. Against this backdrop, this thought provoking book provides a platform for the leading international experts to discuss and encourage future debate on financial stability.

‘[the book] addresses the stability of the entire financial system and does so exceptionally well. It is a critical analysis and a treasure trove of specialist information and analytical viewpoints for the subject matter expert.’

– Banking & Finance Law Review

‘With its comprehensive list of topics addressed by an eminent line-up of authors on an impressive 550 pages (including introductory pages and a brief index), this book indeed goes a long way towards shedding light on the difficult question to what extent, and how, stability of the financial system can realistically be achieved.’

– Ernest Gnan, SUERF

‘There was a world BC (Before Crisis) and there will be a world AD (After Deleveraging) – the challenge is to create an effective, efficient yet stable and sustainable financial system for this “new world”. This book provides the most comprehensive and thought-provoking basis for action I have seen so far.’

– Paul Achleitner, Chair of Supervisory Board Deutsche Bank AG

‘The financial crisis demonstrated conclusively that for central bankers and other policymakers financial stability must always be of paramount concern, for without it the macroeconomy will perform badly and monetary policy will lose its effectiveness. This book underscores the importance of financial stability, laying out the key issues and what must be done to avoid such disasters in the future.’

– William C. Dudley, President of the Federal Reserve Bank of New York, US

‘Since 2008, financial stability has moved to the center of the policy stage. This volume, combining contributions from leading policy makers and academics, is the essential introduction to the issues. Must reading.’

– Barry Eichengreen, George C. Pardee and Helen N. Pardee Professor of Economics and Political Science, University of California, Berkeley, US

‘Financial stability is an overarching goal. In open and democratic societies, ensuring financial stability is a matter of interest not only to central bankers, academics and financial market players, but also to all well-informed citizens. This book provides an excellent basis for a wide-ranging and rewarding debate.’

– Thomas J. Jordan, Chairman of the Governing Board of the Swiss National Bank

‘Financial stability is necessary. To achieve this common target an on-going dialogue is required between industry, policymakers, academia and other relevant stakeholders. This book provides a welcome and refreshing perspective from different standpoints on the issues at stake, and reminds us of the remaining work ahead.’

– Axel Weber, Chair of Supervisory Board, UBS