Banking systems are important not only for countries’ finances but also to help spur economic growth. This volume presents and discusses a new database on bank regulation in more than 150 countries. It offers the first comprehensive cross-country assessment of the impact of bank regulation on the operation of banks and assesses the validity of the Basel Committee’s influential approach to bank regulation. A key finding is that societies that emphasize market-based monitoring of banks enjoy superior outcomes along a range of criteria. Viewing the reform of bank regulation and supervision as a narrow technical issue is risky because the impact of bank regulation reflects host countries’ complex economic and political institutions. The data also indicate that restrictions on the entry of new banks, government ownership of banks, and restrictions on bank activities adversely affect banking system performance.

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Rethinking Bank Regulation

Till Angels Govern

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Preface

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Rethinking Bank Regulation