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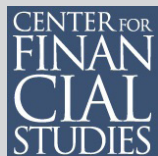
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#SAFEPolicyConf2019

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LOEWE

Exzellente Forschung für
Hessens Zukunft

7th Frankfurt Conference on
Financial Market Policy

European Banking – Too Much Competition?

15 November 2019

Festsaal, Casino building

Campus Westend, Goethe University Frankfurt

European Banking – Too Much Competition?

A substantial number of European banks do not earn their cost of capital. This is particularly true in certain, highly contested business lines. Industries, displaying such characteristics, typical for overcapacities, are up for structural adjustment. They are not viable as they are unless they can rely on continuous subsidies. From a societal perspective, there are hence compelling reasons for restructuring, given that this would mitigate value destruction. Does that also hold for European banking? How could banks respond? Is this an issue of public policy, for supervisors, regulators and competition authorities? Is there a role for industrial policy? How does banking policy interact with monetary policy?

The 7th Frankfurt Conference on Financial Market Policy will address a pertinent and highly contentious issue: are we faced with too much competition in the banking industry – too much from an efficiency as well as a stability perspective? What balance between efficiency and stability can be found?

We will bring together policymakers, academics as well as industry participants. Our objective is to allow an instructive debate, to contribute to the public's capacity to critically evaluate arguments and derive a judgment on policy initiatives proposed.

About SAFE

The Research Center SAFE – Sustainable Architecture for Finance in Europe – strives for excellent research and independent policy advice on all aspects of the financial system. Founded in 2013 as a cooperation of the Center for Financial Studies and Goethe University Frankfurt, in 2019 SAFE has been admitted to the Leibniz Association. From 2020 on, it will start operating as Leibniz Institute for Financial Research SAFE. The Institute will be dedicated to interdisciplinary research on an optimal regulatory framework for the financial markets and its economic and societal impact in Europe; further, it will maintain a dialogue with decision-makers from politics, central banks, and regulatory authorities. More than 100 researchers collaborate at SAFE. Until the end of 2019, the institute is funded by the research excellence initiative LOEWE of the State of Hessen.

Program

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| 9:00 | Introductory Remarks
Jan Pieter Krahnén (SAFE and Goethe University) |
| 9:15 | Keynote Address: Banking – Performance vs. Stability?
Kerstin af Jochnick (Single Supervisory Mechanism) |
| 10:00 | Coffee break |
| 10:30 | Panel 1: Competition vs. Stability: Where's the Trade-off?
Luc Laeven (European Central Bank), Jan Pieter Krahnén (SAFE and Goethe University), Isabel Schnabel (Bonn University and German Council of Economic Experts)
Chair: Ignazio Angeloni (Harvard Kennedy School and SAFE) |
| 12:00 | Lunch break |
| 13:00 | Panel 2: Contested Lines of Business: Payments, Asset Management
Andreas Hackethal (SAFE and Goethe University), Tara Rice (Bank for International Settlements), Alexandra Hachmeister (Deutsche Börse)
Chair: Jürgen Schaaf (European Central Bank) |
| 14:30 | Coffee break |
| 14:45 | Panel 3: Vulnerable Banks, Societal Opportunity Costs
Lorenzo Bini Smaghi (Société Générale and LUISS), Martin Hellwig (Max Planck Institute for Collective Goods), Olena Havrylchuk (Paris 1 Panthéon-Sorbonne)
Chair: Hans-Helmut Kotz (SAFE and Harvard University) |
| 16:15 | Concluding Remarks and Adjournment |