

CSFI

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Counter-cyclical capital: building buffers against the next crisis. A round-table discussion with Charles Goodhart (LSE), Ian Mackintosh (ASB), Jesús Saurina (Banco de España) and Mark Rhys (Deloitte). To be held on Tuesday, March 16, 2010, from 12:30-2:15pm.

Ever since it became clear that it wasn't different this time – i.e. that boom and bust live on – counter-cyclical measures have been near the top of the crisis-response agenda. The Banco de España, which imposes loan-loss provisioning in an upswing, has gained international credit even though a property bubble inflated anyway. Charles Goodhart was co-author of a Geneva Report (*The Fundamental Principles of Financial Regulation*) more than a year ago advocating that: "Macro-prudential regulation should be countercyclical and lean especially against bubbles". The Basel Committee finally responded in December. Even the International Accounting Standards Board has not been deaf to calls for reform, though standard-setters generally balk at the idea of "through the cycle" provisioning.

It's all in the name of financial stability. But since cycles exist, how successful can any regulation be in smoothing them out? To debate who should do what in this battle against economic forces of nature, we are delighted to have:

- Charles Goodhart, the Norman Sosnow Professor of Banking and Finance at the LSE. He has been a member of the Bank of England's Monetary Policy Committee and, in the 1980s, was the Bank's chief adviser on monetary matters. He has written extensively on central banks – their history and how they should operate in theory and practice.
- Ian Mackintosh, chairman of the UK Accounting Standards Board. He also plays a leading role in international groupings of standard setters. Ian is an adjunct professor and fellow of the University of Canberra.
- Jesús Saurina, director of the Financial Stability Department at the Banco de España. He is also a member of the Banking Supervision Committee of the European Central Bank/Eurosystem.
- Mark Rhys, audit partner in the Banking & Securities group at Deloitte & Touche since 2002. Previously, he was at Arthur Andersen, becoming a partner in the Financial Markets Division in 1996. He is a member of the ICAEW and is Chair of its Financial Services Faculty.

If you (or a colleague) can join us for what is bound to be a lively discussion, please let us know by emailing sophie@csfi.org.uk or by telephoning 020 7493 0173. As usual, wine and sandwiches will be provided.

Sincerely yours,

Jane Fuller
Co-director