

Shadow Banking

Perspectives

- Regulators
- Industry
- Academics

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SUMMARY: The financial crisis highlighted the extent to which unregulated non-bank financial activity can impact both the banking system and the broader economy. However, dealing with activities which fall outside the regulated banking system is providing headaches for regulators. ‘Shadow banking’ can be more or less precisely defined, but it is unclear whether activity referred to as shadow banking makes up a discrete sector of the financial system analogous to, for instance, the banking sector. Indeed, the diversity of activities which are said to comprise shadow banking may mean that regulatory initiatives are more fragmented than the catch-all name suggests.



“We should be wary about the wide ranging use of the term ‘shadow banking’, and now might be an opportunity to explore some key questions about the future structure of the financial system.



The Regulators

The Industry

The Academics

et al