GLOBE GLOBAL GOVERNANCE AND THE EUROPEAN UNION Future Trends and Scenarios

REPORT

Mapping Global Financial Institutions

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Table of Contents

Mapping Global Financial Institutions 4
Section 1: Global Financial Governance as a Global Good 7
1.1 Finance as a Global Public Good 8
1.2 Financial Stability as the Global Public Policy Good? 10
1.3 Beyond Financial Stability – Mobilizing Finance for the Greater Good 13
1.4 Global Financial Governance as the Global Public Good 14
Section 2. Actors and Institutions in Global Financial Governance 16
2.1 Formal International Organizations (The Bretton Woods Institutions) 16
2.1.1 The International Monetary Fund [IMF] 17
2.1.2 The World Bank 21
2.2 Informal Governmental Organizations 25
2.2.1 The Bank of International Settlements [BIS] 25
2.2.2 The Basel Committee on Banking Supervision [BCBS] 29
2.2.3 The BIS Committee System 33
2.2.4 International Organization of Securities Commissions [IOSCO] 39
2.2.5 International Association of Insurance Supervisors [IAIS] 43
2.2.6 International Organization of Pension Supervisors [IOPS] 45
2.2.7 The Financial Stability Board [FSB] 47
2.2.8 The Financial Action Task Force [FATF] 50
2.3 Informal Intergovernmental Club Governance 52
2.3.1 The Group of Ten [G**1**0] 52
2.3.2 The Group of Seven [G7] 54
2.3.3 The Group of Twenty [G20] 55
2.4 Business, Professional and Private Governance Actors 56
2.4.1 International Business Associations 56
2.4.2 Professional Associations 62
2.4.3 Private-Public Collaboration 64
Section 3. The Architecture of Global Financial Governance 68
Section 4: Conclusions 73
Bibliography 76
Footnotes 82

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Mapping Global Financial Institutions

Why map the network of actors and institutions that govern global finance? The answer might be simple: we map because it is an opportunity to identify the actors and the institutions that shape the daily governance of global finance, their goals, and their jurisdictions. Moreover, the task is both challenging and interesting. Finance is highly mysterious and complex. The governance of global finance is usually and mainly a matter for informal networks of actors, a highly technical and complex domain where deliberations proceed in closed circles of experts and privileged interests (private and public alike). If these reasons are not good enough, then perhaps consider the risks and uncertainties of global financial regulation at a time when central bankers have become involved in one of the most daring policy experiments of quantitative easing and negative interest rates. This paper features actors and institutions that carry much of the responsibility for our financial welfare. Their policies and decisions are shaping our world in much the same way, perhaps more, than any other actors do. If all this is not enough - consider the uncertainties inherent in the new financial innovations known together as "Fintech", including and perhaps most important the rise of private or non-state digital currencies and the invasion of global digital giants such as Google, Facebook, Alibaba, Amazon and Apple to the financial word.

Let me start with a series of definitions that clarify the scope of our subject. By finance, I mean the activities, institutions and actors involved in the production and allocation of money, financial instruments, and the coordination of activities among financial actors and between those actors and savers, loaners, investors and regulators. Finance thus denotes the set of activities and collection of actors, institutions and practices that deal with the creation, management, and distribution of money between creditors and debtors. The financial industry subsumes five major highly connected tasks and fields: monetary, banking, capital markets, pensions, and insurance (Armour et al., 2016; Moloney et. al, 2015). The administrative governance of these functions and institutions differ across countries in more than one respect (Zysman, 1983). Financial regulation is sometimes integrated and at times fragmented between different regulatory institutions. Central banks sometimes supervise banking but not always. Capital markets are often supervised by an? autonomous agency - but on other occasions they are not. Pensions and insurance are governed jointly with the stock exchanges in some countries and independently in others (Jordana & Rosas, 2018; Jordana and Levi-Faur, 2010).

Finance covers three distinct areas, the first of which is public finance (government and sub-government borrowing from different sources of lending institutions while using different forms of finance such as taxes, bank loans and bonds). The second area is corporate finance (loans, bonds, stocks from domestic and international markets for small/medium/big size businesses) and consumer finance (e.g., mortgages, short term loans from banks, alternative lenders, or credit cooperatives). Money, which is governed tightly by governments and their institutional agents in this day and age, offers means of payment, a store of value, and a unit of account. At the same time, banks are still the cornerstone of the financial system as they produce money easily? in the loans and credit-making process. Their position is grounded and facilitated by their privileged access to cheap loans from the central bank. Banks play an essential role in our financial system, but at the same time they are economic, regulatory, and political actors with private interests. Sometimes their private interests serve the public interests. In many other cases - they do not. Banking has negative and positive externalities. The negative externalities may sometimes inflict disastrous consequences on the financial system to the detriment of the economy and society by and large.

Finance carries some significant public good characteristics and therefore plays a functional role in society. It is the process in which money in the waiting (e.g., savings or short-term deposits) circulates while transforming from one entity to another in any domestic or global jurisdiction via financial instruments (e.g., different types of loans or stocks) for various purposes. It is useful to understand that while finance has a social and economic function, it is also an industry with private interests in and of itself, with world views, and particular ways of self-organization and norms. While there are some overlaps between the interests of finance and the public good, the extent of these overlaps is highly contested in some circles, but a matter of agreement in the closed financial policy network that composes finance. A pro-market approach for financial regulation – at the global and national level - seems to be the norm. In practice, the extent to which the approach is light? (lightly regulated?) varies greatly across different parts of the system (with insurance on the light side comparing to banks) depending on the country, region, size of the institution, era and type of issue.

Cross-border capital flows have grown substantially in the last three decades. People often assume that global finance lacks institutions and actors, and that this growth goes against the will and interests or control of state- and other public institutions (Porter, 2005, 25). This unfounded suggestion tends to ignore the interests of some of the most powerful states (or better yet, important financial constituencies in these states) in an era of capital liberalization. It also ignores the degree to which this liberalization rests on systems of rules and institutions that are mainly public. As Tony Porter already observed: "no one is going to transfer millions of dollars electronically without being confident that the transaction is governed by a wide variety of rules" (Porter, 2005, 25). Perhaps most important is the extent to which this liberalization involves uncertainty and instability, which in turn requires even more controls.

The globalization of capital thus goes hand in hand with globalization of governance institutions and actors. "Governance", in contrast to the term "government", represents a paradigmatic shift in the way we think about the social and economic order. By governance, we mean that order, its scope, intensity, and legitimacy, is made up of more than governments and states. Private and transnational orders co-exist with governmental and intergovernmental ones. Together, they constitute more decentralized, multi-level and hybrid forms of orders than the conventional theory of government suggests (Dingwerth & Pattberg, 2006; Levi-Faur, 2012). By global financial governance, I refer to the collection of governance arrangements – public, business, and civil - that compose the incomplete and evolving institutional landscape, which in turn, governs the financial industry and its governing bodies themselves.

As I will demonstrate in the coming sections, the overriding and most prominent issue organizing the global financial regulation regime is financial stability. Stability - rather

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than development, access, fairness, antitrust or consumer affairs - is the driving force behind global financial organization. Against a backdrop of global regulatory competition, when global financial stability is in question, it is assessed against divergent national interests and the autonomy of the pertinent regulators. Domestic institutional structures, traditions of financial governance, a normative approach to finance, markets and governments, variations in the size of finance (and the economy) and financial capacities (including governance ones) define the interests of the actors and the extent to which actors are promoting informal or formal global financial institutions and policies.

The rest of this paper is organized in four parts as follows: the first one deals with global financial regulation as a public good. The second part depicts the institutions and actors that govern finance. The third, penultimate section sets out to assess the architecture of the regulation of global finance. The fourth part concludes.

Section 1: Global Financial Governance as a Global Good

In highly developed capitalist systems, everyone, or at least almost everyone, suffers when the financial system is dysfunctional; everyone benefits when the financial system functions well. I write almost everyone because instability itself is sometimes in the short-term interest of financial actors that can gain from certain degrees of instability or even from a very profound instability. Nonetheless, a "resilient financial system" is a public good. But who will provide for well-functioning and resilient financial system? What is a well-functioning and resilient financial system? Is it stock market based, or bank based? Should it prioritize stability or flexibility and innovation? To what extent do the two differ at all? (Ford, 2017). How much risk should we allow the financial system to take? How should we value the short-term compared to the long-term financial strength? And, how should the short- and long-term benefits of a strong financial system be distributed? All these questions, and more, come into play when it comes to the discussion of finance as a global public good. This section discusses finance as a global public policy good before bringing up financial instability as the major issue orchestrating the supply of global regulation as a public good. It concludes

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with a brief discussion of some public goods that the global financial regime does not provide.

1.1 Finance as a Global Public Good

Public goods are goods (including services, institutions and values) that constitute the community (that is, define its identify, mission and boundaries) or benefit it via practices such as exchange, gift, stability, legitimacy, trust and efficacy. In other words, public goods are both the institutions that govern the society and the goods that are provided for the public. When we say public good, we deal both with the constitutive elements of the "public" and the efficiency aspects.

The distribution of public goods can be done with or without subtracting from the potential or actual benefits of others (living on the Pareto frontier). This distribution can be efficiency-driven or normatively driven. This definition of public goods is rather broad. A narrower and more common definition of public goods aims to draw the lines between goods that are public by nature and goods that are more private. It confines the term "public good" to goods that are both non-rivalrous and non-excludable. Financial stability, for example, can be conceived of as a public good. We all enjoy it (though not to the same extent), but at the same time we cannot charge for it or sell it on the basis of personal benefit. Everyone enjoys financial stability and reaps its benefits, but its costs are not chargeable to individuals in a way whereby each one pays according to his or her benefit. What makes public goods unique and interesting for scholars and public policy analysts is that they are prone to undersupply and free riding. Unlike public goods, private goods are supplied for a fee. Private goods are 'private' in the sense that their consumption is excludable, i.e., it is conditional on a fee or price.

At the same time, the consumption of private goods makes them less available or scarcer to others. Take for example a financial service such as a loan. Loans are private goods in the sense that their provision is conditional upon repayment and once available for one - they are unavailable for others. We would say in such cases that loans are excludable and rival. The conventional wisdom suggests that the provision

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of public goods is the domain of government action and hierarchies, whereas the provision of private goods is the realm of the market. A significant part of the discussion around public goods – at both the national and global levels – revolves around the claim that public goods represent a classic collective action problem. At the same time, the debate has evolved around the actual match between a certain industry and a good as a public or private good. It is perhaps not surprising that only few goods are purely private or public (Kaul, Grunberg & Stern, 1999). In our context, the discussion is to which extent finance, or its constitutive parts and functions, is a public or private good. And of course, we should later on discuss to what extent it is a national, regional or global public or private good.

		Rivalry	
		Rivalrous	**Non-rivalrous**
Excludability	**Excludable**	**Private Good** (e.g., Loans, payment systems)	**Club Good** (e.g., financial education)
	Non excludable	**Common Pool Good** (e.g., Sovereign Wealth Fund)	**Public Good** (e.g., financial stability, deposit insurance)

Figure 1: A Narrow Perspective on Public Goods
Distinction on the basis of excludability and rivalry

Before discussing this last question, it is useful to distinguish between two hybrid types of goods and services (see Figure 1). Given that public and private goods are distinguishable based on their excludability and rivalry, what about situations where one of the conditions is met but not the other? Here comes a useful conceptualization of two more types of goods and services with some example from the field of finance, both of which are hybrids between private and public goods. Club goods are those

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goods and services that are non-rivalrous and excludable. Since consumption is non-rivalrous, the “tragedy of the commons” would hardly be applicable here. An example for a club good is financial education. One can provide it to some (members of the club) to the exclusion of others. In a world of angles, one’s financial education does not come at the expense or ability of others to get the same financial education. Still, when one’s financial education is not one constant or coherent thing but rather a process of learning, it might become an instrument of gaining benefits at the expense of others. Common-pool resources, on the other hand, are goods and services that are rivalrous and non-excludable. Here the tragedy of the commons – overconsumption or production of goods or services – hits forcefully, requiring some mechanism (be it economic, social, or administrative) to limit the depletion of common resources. An example is a Sovereign Wealth Fund that limits present consumption for the benefits of future generations.

It is useful to note that simply because a good is in the public sector does not mean it is a public good (Stiglitz, 2006, 150). The fact that we treat some service or good as a public good does not mean that it is provided necessarily by governments or intergovernmental organizations. Sometimes private hierarchies in the form of meta-organizations or simply trade organizations provide a public good either to everyone without discrimination or solely to their members. The same holds true for private goods: supply by the private sector does not necessarily make a good private. Economic and political power and social norms determine the provision of goods as much as the degree of their rivalry or excludability. It is also important to note that public goods – for example, knowledge – can be turned by government legislation into a private good via techniques or procedures such as patents and copyrights. Paywalls erected by commercial publishers or other entities turn what is in essence a public good – scientific knowledge – into a club good.

1.2 Financial Stability as the Global Public Policy Good?

Financial stability is widely considered a virtue; financial instability a vice, even if it may carry some positive externalities. Financial instability destroys not only economic assets, also but human lives. In this sense, stability of financial markets, at the global,

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regional, and national levels, is priceless. This does not mean that there is a full consensus around the desirability of stability; it only means that the issue of global financial stability is the overarching public good that so far has had the largest effect on the shape of global financial governance (Frieden, 2016). Stability nonetheless – like meals – does not come for free. It has costs, and these costs are not necessarily distributed evenly. To achieve stability, one needs to limit business risks, uncertainty and the liability of the main actors and institutions. This is especially of interest in finance because financial markets are notoriously unstable and subject to periodic crises, with substantial economic and social costs. This instability is expressed in runs on banks; volatility of capital markets, currency and exchange rate crises; over-indebtedness of sovereigns, corporations or households and general instability in the rules of the game (e.g., sudden changes in the capital account regimes or interest rates). Table 1 provides a summary list of the sources of instability. The more economically and financially interdependent countries and regions are, the greater the effects of instability and measures to reduce the impact of instability on other countries and regions. Uncoordinated national response in the form of devaluation of the currency, for example, may

Table 1: Financial Source of Global Financial Instability

Issue	Potential Problems	Elaboration
The stability in the value of money over time	Inadequate or volatile inflation rates	Too high and too low inflation rates are costly for economic growth and therefore for the stability of the financial system.
The price of credit	Inadequate or volatile Interests on the price of credit	Interest rates that are too high or too low lead to under or over-borrowing or to quick changes in the price of credit, which in turn, leads to the collapse of countries, corporations or consumers.
Exchange rates (currency crises)	Inadequate or volatile exchange rates	Inadequate exchange rates negatively affect the conditionals of trade and may create manipulative capital flight; volatility in exchange rates is a cost and source of risk for business, countries and consumers.
Debt problems by corporations, the public sector, and consumers	Too much or too little debt by corporations, the public sector, and consumers	Sustainable debt for productive and constructive purposes affects positively the financial and economic system. Too much or too little is a source of risk (e.g. sovereign defaults).
Saving problems	Too much or too little saving	While too little saving by countries increases their risks and creates, too much savings reduces economic activity
National Balance of Payments	Consistent surpluses or deficits	Deficits and surpluses have to be recycled through the international system, but this recycling cannot continue without limit.

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Reckless behavior of the financial industry	Speculation, schemes, high leveraging, asset liability mismatch, creative reporting	Competitive pressures create incentives for unruly behavior.
Problematic regulatory rules, strategies or institutions	Regulatory failures, regulatory completion, blame shifting, blame avoidance	Regulation adds its own risks to the system even if on balance it is necessary and useful
Growing Systemic Risk	Integration of the financial system and its regulation in one center creates systemic risks	Response, surveillance and preemptive measures
Trust panics	banking panics, stock market crashes, currency panics, contagion, herd behavior	Cases where lack of confidence in the financial institutions or their regulators lead to cycles of destructive behavior by both rational and irrational actors.

have significant impact well beyond national borders. Financial instability is highly transmittable and highly infectious. Against this background, it is widely recognized that measures taken to stabilize the international financial system can benefit all countries and are therefore considered a public good (Kaul et al. 1999, Porter, 2005; Frieden, 2016).

Every financial action has some externalities – negative and positive. Some externalities are costly, and some are less so. The distribution of the costs and benefits of externalities vary across and between groups, which adds another dimension to the complex considerations of financial governance. In the provision of financial stability for example, the positive externality enjoyed by all actors is a more stable economic environment, but when providing too much of this stability, the negative externalities can hit economic growth, for instance, in the form of less funding for new industries. When one moves the concept of "public good" upwards to the global level, the distribution and scale of externalities often changes, and the structure of incentives, the access to resources and the ability to enforce agreements and contracts vary with the 'globalization' of the public good. In this context, 'globalization' of the public good means purposeful collective action to provide goods and services at the global level by international institutions. Still, the globalization of public goods - such as financial in/stability - may be also the result of unilateral moves of national or domestic actors that have negative and positive effects on other nations. Financial stability in the United States has positive direct and indirect effects on other countries and actors,

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simply because it is the biggest economy in the world and the major global financial actor. Financial inclusion in one country may lead to a spiral of norms and actions that increase financial inclusion in other countries. Actors – state and corporations alike – cannot or do not want to confine the effects of their actions within their borders. Devaluation of the Chinese Renminbi directly affects China's trade partners. This means that the stability, but also 'efficient' rate of the Chinese currency has some of the characters of a global public good. Of course, not all currencies or exchange rates have the same distributive effects. Some are of minor importance in global commerce, even if they have highly significant effects in their domestic environment. In the grand scheme of things, since a certain financial interdependence is accepted as 'virtue', the use of regulation to maximize benefits and minimize costs is ineluctable. The more interdependent the world is, the more important are the problems of negative and positive externalities of financial in/stability - and the more important it is for the global system to provide the right incentives for maintaining stability.

1.3 Beyond Financial Stability – Mobilizing Finance for the Greater Good

Finance and its governance systems can contribute to the greater financial good. They can do it in regard to global and particular national and regional stability and in a number of other spheres such as development, social inclusion, sustainability, human rights, security and equality. For now, as our analysis suggests, the ambitions surrounding these other goods are limited, with the exception of security (via the global anti-money laundering regime (AML) and counter terrorist finance (CTF)). Global action and resources for financial, economic and social developments are relatively limited at both the global (e.g., the World Bank) and the regional level (e.g., Inter-America Development Bank, Asian Development Bank). The efforts to coordinate action at the global level for financial inclusion have come about via new financial technologies rather than via international or intergovernmental action even more than global business. Progressing at a slow pace, the greening of the economy via the creation of sustainability criteria at the financial level has been modest and sluggish, not unlike the conditionalities with respect to human rights criteria in financial action. At the current normative order where inequality is growing without effective response

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in the rich countries, the probability of concerted global action for re-distributive policies is rather low.

While some examples of important progress do exist, they are marginal to the main interest of the chief players. Take for example human right considerations in the UN Guiding Principles on Business and Human Rights. The guidelines are promoting, inter alia, good corporate citizenship, but stop short of determining the responsibility of business for working relations with a nonconforming business or state entity. The relevant guideline puts forth a governance model that eschews not only hard law measures but also stipulates the liability of the actors only for their own direct actions. This narrow approach regarding the liability and responsibility of the actors is the rule - with one notable exception in the case of AML&CTF regime. Here banks, accountants, lawyers, and real estate agents have been increasingly held accountable not only for their own business practices but also for those of their clients. They have been forced to report and avoid doing business with money launderers or, of course, suspected terrorists. Sanctions have become more and more salient, and the reach of that regime has been extending to the global level. As noted, this is the exception. Still, this exception may suggest interesting avenue for progress. Most important, but perhaps quite exceptional, is the mobilization of the financial system in the fight against all types of illicit financial flows where banks and other economic actors have been obliged to report suspicious financial activities. Here, the financial system works as an agent of drug enforcement, terrorist activity, human trafficking, tax evasion and corruption. Banks and their senior officers are increasingly subject to big fines and criminal prosecution when they fail to meet the more and more demanding standards of the institutional regulatory, compliance and training systems. Thus, a public good – not directly connected to stability or even to good financial governance – is achieved by means of the financial system. Banks – and other actors – have become regulators of money laundering and foot soldiers of the fight against crime and terrorism.

1.4 Global Financial Governance as the Global Public Good

The challenge of global public policy goods is that despite the widespread benefits they carry for many people and across borders, there is no immediate, for-profit or not-

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for-profit interest to produce them. The demand is there, the supply is less so (Frieden, 2016, 34). This is not an issue of negligence or cost of coordination, but rather a matter of interests. Neither globally, nor even in the European Union, do we have a formal, well resourced, official body that acts, for example, as a lender of last resort. No central global financial institution exists to set and enforce global rules on finance, and instead, the main mechanisms of compliance are still market discipline and voluntary compliance. In other words, unlike national or state level financial markets, global financial markets – for states, corporates and individuals - lack clear "rules of the game", nor is there any comprehensive formal institutional setting to govern them, or a global sovereign to act as lander of last resort, or a bankruptcy option for dealing with financial instability. There is neither a clearly defined international lender of last resort nor an institutionalized sovereign or bankruptcy procedure to ensure that financial crises are managed and resolved in an orderly fashion. Absent such tools, responsibility has been laid at the feet of the International Monetary Fund (Copelovitch, 2010, 12), but as we will see later on, the mandate of the IMF is limited. In the language of the public goods literature we can say that the benefits of financial stability are not excludable (we do not charge globally or nationally for stability) and it is not rivalrous (one's benefits does not come on the expense of others). To overcome this challenge, we need to trust governments to identify stability as a good and balance it against gains and risks. However, at the global level, there is no one clear governor. So, how should an architecture be designed, one that will solve the problem without leading to only some carrying the costs or reaping the benefits at the expense of others? The answer to that question is not that clear, and the US has not signalled any decisive move towards a stable formal solution for the last decades. Instead, some narrow regimes and informal institutions have emerged to tackle the issue. Governments' approaches to global financial regulation still differ widely, torn between a hands-off (self-regulation) and a hands-on approach. The EU is very active in this domain through its membership and participation in (informal) bodies such as the G20 or the Financial Stability Board.

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Section 2. Actors and Institutions in Global Financial Governance

This section identifies the main international organizations operating in the sector and discusses the extent to which they have the capability (and authority) to articulate policy initiatives, promote instruments and orchestrate multiple actors in pursuing their objectives. It identifies three types of actors: a) formal international organizations, intergovernmental and transnational; b) informal international organizations, intergovernmental and transnational, and c) private and hybrid actors.

2.1 Formal International Organizations (The Bretton Woods Institutions)

Any exercise in identifying the institutions of global financial governance should start with the Bretton Woods conference of July 1944. Seven hundred and thirty official delegates from all 44 Allied nations convened in the Washington Hotel in Bretton Woods, New Hampshire under the auspices of the US. It was the first time ever for public delegates to negotiate an international monetary and financial order. The goal was to win the peace and not only the war and therefore to draw a plan for a stable economic system.[1]

The two main negotiating partners were the US and Britain. While the officials of the US State Department wanted to reconstruct an open trading system, the British officials of the wartime cabinet promoted an order of full employment and economic stability. In the words of John Ikenberry, "one vision was of a nondiscriminatory, multilateral trading system; the other, although not fully articulated, was of preferential economic groupings" (Ikenberry, 1993, 156). Both sides held Keynesian ideas and were interested in a system that would moderate economic tensions and policies of Beggar-Thy-Neighbor (in trade) or competitive devaluations of national currencies. For that purpose, it was agreed that exchange rates would be maintained within one percent, tying national currencies to the United States dollar and to the gold standard. The US made a commitment to peg its dollar to gold and convert dollars to a fix priced of gold (rate of $35 an ounce). In addition to exchange rate stability, the Bretton woods agreements emphasized reconstruction and development (hence the World Bank) and free trade (de-facto managed trade) in the form of the General Agreement on Trade

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and Tariffs (GATT). The monetary part of the Bretton Woods agreement came to a rater abrupt end on 15 August 1971 when the United States unilaterally decided to stop converting dollars to gold (due to a run on its gold reserves and a decline in the purchasing power of the dollar). This decision had ended a period of exceptional stability in finance, but the twilight of stability marked the dawn of an unstable epoch, when global financial regulation became more concretely and urgently a global public good.

While starting this part with Bretton Woods and the formal organizations of global financial governance, one should not exaggerate their role or impact. While the post-war era was characterized by exceptional growth and economic stability, the IMF and the World Bank were unable to assume their role in the new order. As observed by Germain (2010, 48) "the onus of leadership fell to the United States", which has remained at the center of the global financial governance to this day.

2.1.1 The International Monetary Fund [IMF]

The International Monetary Fund is one of the most visible, and at the same time contested, institutions of the postwar order and the Bretton Woods system. The formal aim of the IMF is "to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world".[2] Eventually, the IMF was in practice instrumental in managing and thereafter monitoring the exchange rate system of the postwar period. With the collapse of the Bretton Woods' exchange rate regime, the IMF shifted its orientation and mission. Striving to enhance overall macroeconomic activity – sustaining stability while allowing for economic growth – the IMF nowadays pushes forward an agenda of open capital markets and "responsible" fiscal policy via conditionalities imposed on countries in need of its loans in crises (Jensen 2004; Lipscy, 2015). Accordingly, the Fund's mandate was formally updated in 2012 to include "all macroeconomic and financial sector issues that bear on global stability".[3]

One of the processes that is most revealing about the IMF's international status and influence is the expansion of its membership. During its inception in 1945 it had 29

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member countries, whereas in 2019 the Fund boasts 189 members, which makes it a near global membership organization. The members states must pay quotas (proportional to their GDPs) and are subjected to the organization's monitoring, however in exchange they are not only entitled to its loans in case of crises, but also to its technical counsel, data and analysis.[4] While membership is widely open, and even includes some non-state members such as Hong Kong,[5] voting rights are weighted according to the members' gross national product. The OECD countries hold a substantial majority of the electorate, and though much it has opposition, a special majority requirement grants the United States veto power on much of the Fund's operation and over its agenda (Weisbrot & Johnston, 2016).

Elected by the executive board for a renewable term of five years, the managing director holds the key office. Under an informal agreement, the IMF managing director is usually a European, however he must be approved by the US treasury department, reflecting the US's power over the organization (Weisbrot & Johnston, 2016). He/she heads the staff and chairs the executive board, which includes 24 directors who represent the member countries.[6] The IMF works from the main headquarters in Washington DC, assisted by seventeen support and regional departments, with staff coming from 150 nationalities.[7] The administrative and capital budget of the IMF amounts to about $1.2 billion US for the year 2019.[8] Much of the budget, about $300 million US is spent on technical advice, policy-oriented training and peer learning.[9]

The two main tools by which the IMF promotes its goals are surveillance and lending. The goal of the surveillance is "to help head off risks to international monetary and financial stability, alert the institution's 187 member countries to potential risks and vulnerabilities, and advise them of needed policy adjustments"[10] (Moschella, 2012). The IMF achieves this by monitoring and assessing economic developments at global and national spheres. In order to properly recommend countries to adapt policies to domestic and external trends, following the adoption of the 2007 Decision on Bilateral Surveillance, the IMF has expanded its monitoring efforts to areas "including monetary, fiscal, and financial sector policies".[11] Indeed, by its surveillance operation,

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the IMF directs its member countries to act both independently and collaboratively against occurring trends, striving to conserve stable economic growth.

However, crises do still occur. In the face of them the IMF utilizes its second important tool: lending. Thus, IMF's loans to member countries are for short-term crisis management rather than for the purpose of development or welfare. The fund has the capacity to loan to member countries up to 1 trillion $US. In 2018 the IMF has been running about 36 loans, with 0% interest rate on loans to low-income countries (through the PRGT). The primary borrowers since the 1970s have been middle-income developing countries (emerging markets) (Copelovitch, 2010, 12). Since 2010, following the financial crises, the distribution of the IMF's loans has changed dramatically, and ever since Europe became the greatest recipient of IMF lending (Weisbrot & Johnston, 2016). In parallel the EU and the IMF have become intimately synchronized in their lending operations, (Lutz & Kranke, 2014). The resources for IMF loans, currently amounting to one trillion US dollars, are provided by member countries, primarily through their payment of quotas.

The IMF loans terms include conditionalities, that is, a demand for a commitment from the receiving country for balanced budgets and some austerity measures. As Jensen states, the main focus of these conditions is to control deficits and to encourage market liberalization. Through conditionalities the fund strengthens its involvement in economic policy issues promoting its financial goals. Moreover, these changes are expected to enhance the overall macroeconomic performance of the state, thus increasing the probability that the loan will be returned (Jensen, 2004). Before the 1990s, standards and codes had revolved mostly around macroeconomic matters such as budget deficits and exchange rates, while by the end of the 1990s they began to include compliance with international financial standards (Porter, 2005, 42) and wider structural changes (Jensen, 2004). However, since the 2009 there has been a change in the trend, and nowadays the IMF focuses less on advancing structural reforms, narrowing its policy advice to borrowing states (Broome, 2015).

The IMF has drawn fierce criticism and attracted wide social protests at times. The scholarly community suggests that the IMF is too weak to act independently, does not have the resources or capacities that are needed to serve as a lender of last resort for the major economies of the world and lacks the authority to set the "rules of the game". While increasing its resources significantly, it does not act nor has the capacities to act as the Global Central Bank and the Global lender of last resort. "When an outbreak of instability does occur and contagion threatens the entire system, the funds available to the IMF for lending to member countries are far too small" (Griffin, 2003, 804). Its responses for crises in member countries have been tailored on a case-by-case basis, allowing arbitrary discretion in the conditionalities for the loans. According to Germain: "[T]he IMF has an appalling track record in discharging its crisis rescue responsibilities. It is not only that 'successful' rescues are nowhere to be found. The IMF takes an inordinate amount of time to swing into operation, and its lending carries a set of conditions, which, why they may seem too harsh for some and too lenient for others, are movable feast: sometimes they are applied; sometimes they are fudged; sometimes they are negotiated. They are, however, never straightforward" (Germain, 2010, 143).

These criticisms on the professional conduct of the fund are complemented by criticisms on its political nature. Evidently, while the IMF is a highly technical institution, with considerable financial expertise, it is at the same time a highly political institution. Its policies depend on the interest of not only its largest shareholders, namely the West and America, but also its bureaucrats, both of whom exercise partial but incomplete control over IMF policy making (Copelovitch, 2010, 6). "The high correlations between voting with the US on the Security Council and the lending decisions of the IMF" attest to the dominance of the US (Vreeland, 2019). Austerity policies and lending conditions have been more demanding when a country was challenging Western and especially US interests. Additionally, As Dreher and others show, members of the UN Security Council consistently receive loans from the IMFfor less stringent conditions, pointing to the fact that the main shareholders of the IMF grant these countries certain privileges in return for influence in the UNSC (Dreher et al., 2015). Although the criticism on the marginal role of developing countries in the IMF resulted in some

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changes, the less economically and financially powerful countries are hardly on an equal footing with their rich, influential counterparts (Porter, 2005, 130-131).

2.1.2 The World Bank

The World Bank was created alongside the IMF. The two organizations were a major part of the Bretton-Woods agreement, were created from a similar motivation– raising global living standards and offering economic stability – and have always worked closely together, and thus they are often referred to as “Twin organizations”. However, though there are some fundamental similarities, the Bank has different objectives than the IMF and it pursues them with different means.[12] As opposed to the IMF’s activities described above, broadly speaking the World Bank has focused on fostering development and increasing welfare in poor or crisis-stricken areas, typically through a fiscal toolkit. As Gavin and Rodrik make clear, the very idea that a multilateral institution is to pursuit a goal such as this is subjected to much debate, thus putting not only the Bank’s operations at question, but its very goal (Gavin & Rodrik, 1995).

Originally, the bank was created to grant loans to countries who could not receive commercial loans, offering them aid until they would become more independent financially (Clemens & Kremer, 2016). In the bank’s first years its loans helped rebuild countries devastated by World War II (Mason, & Asher, 1973). Since the late 1950s, the focus shifted from war reconstruction to development, from Europe to Africa and Asia (and later on Latin America as well).[13] The preliminary notion of the bank was to focus on infrastructure, believing that this was the key to triggering development, thus the bank funded projects such as dams, electrical grids, irrigation systems, and roads (Einborn, 2001). The establishment of the International Development Association in 1960 had an important influence and it “put greater emphasis on the poorest countries, part of a steady shift toward the eradication of poverty becoming the Bank Group’s primary goal” [14]. The 70’s saw a broadening of the development policy, led by the chairman Robert McNamara, and the bank focused evermore on the poorest. Starting in the late 80’s the need to complement loans with policy changes became better understood, and the Bank added conditionality requirements (Mallick & Moore, 2005). Thus, ever since the mission has become increasingly focused on knowledge,

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technical advice and surveillance around a set of development and governance indicators. In the last decade of the previous millennium the bank continued to emphasize the eradication of poverty as its mission and implemented it on a growing number of diverse fields, making its operations gradually more complex (Einborn, 2001).

And so, after a long process of drifting towards it, currently, the bank's proclaimed aim is to reduce extreme poverty around the world and promote shared prosperity by fostering the income growth of the bottom 40% for every country.[15] The World Bank sees itself as a vital source of financial and technical assistance to developing countries around the world. It is not a bank in the ordinary sense but a funding institution for developmental and reconstruction aid. As of now the banks aims to influence through three main channels: fostering sustainable growth, investing in human capital, and shielding markets against possible crises.[16] Accordingly, to shift to more policy-oriented activity, in recent years the bank has promoted major social and economic reforms. For example, it led a vast liberalisation of agriculture markets in Africa, helped to increase dramatically the number of children enrolled to schools in the developing world, and worked to spread health services to rural areas (Clemens & Kremer, 2016).

The bank achieves this through its different institutions. Although often referred to together, the World Bank Group is comprised of five different organizations. The International Bank for Reconstruction and Development (IBRD), with 189 countries as members, focuses on lending to middle-income and creditworthy low-income countries. Even though IBRD's harder lending terms exclude it from lending to the poorest countries, a substantial portion of its loans are targeted to the poorer areas in the lending countries (Clemens & Kremer, 2016). The IDA, including 173 members, centers on interest-free loans and grants to governments of the poorest countries. The International Finance Corporation (IFC) focuses exclusively on developing countries' private sector finance and advice, while the core rational being that in modern economy development must be fostered through commercial means as well. The Multilateral Investment Guarantee Agency (MIGA) offers political risk insurance

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(guarantees) to investors and lenders, by that encouraging investments in poor areas as well. Finally, the International Centre for Settlement of Investment Disputes (ICSID) provides international facilities for conciliation and arbitration of investment disputes.

Putting the current bank operations in a historical perspective, Gavin and Rodrik (1995) note two aspects of the institution that make it exceptional. The first is its character as a public, multilateral organization responsible for direct credit to countries in need. The second aspect is that the World Bank acts as a source of ideas on economic and social matters and issues of governance as some sort of a knowledge Bank (Stone, 2003). To these two exceptional features, one may add the surveillance and monitoring role that the bank increasingly takes alongside other international organizations such as the IMF. While the first role goes hand in hand with its founders' anticipation, the last two are not. Both reflect a search for new relevance that reaches back at least to the 1980s. Its role has largely been supplanted by other financial development and regional agenda and of course China.[17] A new agenda of financing "global public goods" such as managing migration and combating the effects of climate change (Nielson & Tierney, 2003) has been emerging within the World Bank, but it faces difficulties given the current US administration hostility to both issues and multilateralism more generally.[18]

Member countries, or shareholders, are represented by the Bank's Board of Governors. The governors are member countries' ministers of finance or ministers of development. They meet once a year at the Annual Meeting of the Boards of Governors of the World Bank Group and the International Monetary Fund. While all the powers of the banks are held by the board, it has delegated most of its authorities to the executive directors. [19] This forum consists of 25 directors who run the daily affairs of the organizations that make up the bank. [20] The President is selected by the Board of Executive Directors for a five-year, renewable term. By an informal agreement, the US selects who will fill the position. The bank has more than 10,000 employees in more than 120 offices worldwide.[21] One third of the staff are based in country offices. The staff includes economists, public policy experts, sector experts, and social scientists. The administrative budget of the bank is approximately 2.5 billion

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$US for 2019. [22] The loans portfolio rose from four loans totaling $497 million in 1947 to 45.5 billion in 2019.[23]

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2.2 Informal Governmental Organizations

An extensive system of informal global institutions that act largely as clubs of central bankers and other financial regulators lie at the heart of global financial regulation. This section starts with the Bank of International Settlements, the organization that provides the platform for much of this informal activity; thereafter it deals with the sectoral bodies in banking, insurance, securities and pensions. The ultimate discussion deals with two institutions that provide specific public goods – the Financial Stability Bard (stability) and the Financial Action Task Force (anti money laundering and counter terrorism finance). Table 2 presents the general characteristics of the main institutions covered here.

2.2.1 The Bank of International Settlements [BIS]

Though it has received relatively little public and academic attention thus far, the Bank of International Settlement is one of the most influential institutions of global financial governance and one of the most important symbols of the informal ways of global financial governance. symbols of the informal ways of global financial governance. It is often referred to as the “central bank of central banks” (Hughes & Palke, 2019; Seabrooke, 2006). Headquartered in Basel, Switzerland, the BIS is an international organization, subject to international law, and is owned by 60 central banks of countries that together account for about 95% of world GDP.[24] While as such the bank is a formal institution, the role of various networks and committees running therein are not formally grounded in international agreements between sovereign states. The bank aims to serve as a platform for cooperation and information-sharing of central banks and financial regulators in their pursuit of monetary and financial stability (Seabrooke, 2006; Kern, 2010). Indeed, following the collapse of the Bretton-Woods agreement, the BIS has managed to position itself as a key player in creating and maintaining global financial collaboration. Moreover, the BIS has become an important actor in shaping international financial and monetary policies (Felsenfeld & Bilali, 2004).

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The BIS was established in 1930 in Basel as a public-private bank to bring some stability to German reparation payments following World War I, and offered emergency assistance to the Austrian and German central banks throughout the 1930s (Seabrooke, 2006). Although ostensibly neutral during World War II, accusations abounded that the BIS was aiding the Axis powers. As such, the US and Britain set out to create a new global monetary system (Bretton Woods) and organization (the IMF) to replace BIS after the war (Hughes & Palke, 2019). Despite nearly being liquidated during this time, the bank eventually found new purpose in the Bretton Woods era. In the 1950s it was instrumental in the creation of the European Payments Union, which eliminated financial payment barriers in Europe to ease the establishment of free trade across the continent. The BIS acted as the main clearing house in this system (Felsenfeld & Bilali, 2004). In the 1960s the BIS was asked by the G10 to monitor the size of Euromarkets (Porter, 2005, 32). The bank even aided the Bretton Woods system in the 1960s by helping to shore up the US dollar through enormous swaps of gold (Hughes & Palke, 2019).

After the Bretton-Woods era, throughout the 1970s, 1980s, and early 1990s, other similar initiatives were launched by the G10 and housed at the BIS, such as the creation of the bank's committee system as a forum for the G10 central banks to coordinate various financial activities (Felsenfeld & Bilali, 2004). Utilizing this coordination, the bank was instrumental in the 1980s and 1990s in aiding responses to debt crises around the world. BIS helped lead a global response to the Mexican debt crisis of 1982, by officially lending the Mexican government $1.85 billion. In practice, however, most of those funds were from central banks in G10 countries, such as the Federal Reserve and Bank of England, with the BIS acting as the main coordinator between the different actors (Hughes & Palke, 2019). The bank undertook similar efforts with Peru in 1977, the Asian financial crisis of 1997, Ivory Coast in 1998, and the Brazilian debt crises in the 1980s and 1990s (Felsenfeld & Bilali, 2004).

As with the EPU two decades prior, BIS acted as the main agent for the European Monetary System between 1979-1994. However, the European focus of the first decades of its operation has been overtaken since the 1990s by a more global focus. This has been due in part to the creation of the European Union and European Monetary Institute (now known as the European Central Bank) in the early 1990s,

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which have rendered moot the bank's role as a financial agent across the continent. Moreover, while the US had been involved in BIS activities through the G10, it was only in 1994 that the Federal Reserve officially joined the bank, which has increased American involvement in its activities (Ibid, 2004). Furthermore, by that time, the rapid liberalization of markets around the world has led to the emergence of a new international financial order, an order in which the BIS had centered itself as a prominent global coordinator (Borio & Toniolo, 2006). Today, the bank often functions as an influential think tank serving as a platform for the network of central bankers and financial regulators, and as the host of a number of highly important and specialized committees in financial oversight, such as the Basel Committee on Banking Supervision (Westermeier, 2018, 171). Its operation and status reflect the centrality of central bankers in financial and monetary governance. In this capacity, the BIS aims to foster dialogue and cooperation amongst central banks, coordinate central bank activities with other relevant actors, and carry out research and analysis on issues of importance to monetary and financial bodies (Hughes & Palke, 2019). An important role of the BIS in this regard is encouraging information-sharing between the representatives of different banks. To that end, the BIS usually forms both regional and global networks and relationships, working with national institutions and encouraging their participation in policymaking (Seabrooke, 2006).

The BIS has another significant function within the prevailing international system. The bank continues to serve as a central agent in international transactions and lending, providing services to over 130 banking institutions. As such, BIS is active in the purchasing and selling of gold and negotiable securities, lending and borrowing with central banks, entering into short-term obligations on behalf of central banks, and maintaining accounts and deposits with those institutions. Of special importance is its' ability to provide asset liquidity (Hughes & Palke, 2019). Properly understood, BIS provides banking services to central banks (hence the moniker, "the central bank of central banks"), an unusual genre of an international institution in that it has a revenue source from its own banking operations that it controls (Porter, 2005, 32). However, the bank does not engage in redistributive services, such as targeted aid to developing economies. Those programs are often left to the IMF and World Bank. Despite this, BIS utilizes the IMF currency, Special Drawing Rights (SDRs), in all its' transactions

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(Seabrooke, 2006). At the same time, the BIS' major role in international monetary affairs reflects the diminishing influence of the IMF as the manager of intergovernmental rules (Abdelal, 2007, 14).

Since the beginning of the millennium, the BIS has gradually complemented its micro-prudential approach with a macroprudential (MPR) orientation, focusing more on systematic risks and collective behaviors rather than individual institutions. Although the MPR approach was first laid out in 1979, it has been prevalent in BIS policy since the 1986 release of the Cross Report, in which the term "macro-prudential" was first used. Moreover, the approach has come to the forefront of BIS strategy in the 21st century as a result of increasing innovation and globalization in the financial sector, and in the aftermath of the 2008 Financial Crisis. MPR highlights the growing connectivity between financial institutions by attempting to limit system-wide distress in the global financial world, as well as aggregate GDP costs. The approach focuses on connected and correlated failures amongst institutions since it views the global macroeconomy as a product of the collective behavior of financial institutions. This is in contrast to the micro-prudential approach, which attempts to ensure the protection of individual institutions, and views changes in macroeconomics as exogenous to the actions of individual financial actors (Maes, 2010).

As Westermeier shows, after the 2008 crisis, MPR became a prominent term in the international financial discourse, and as its advocate, the BIS has gained substantial impact on shaping financial policy in various countries (Westermeier, 2018). Moreover, since MPR focuses on the financial system as a whole and the connections between financial players, the approach calls for top-down regulation and supervision, which the BIS has helped provide (Maes, 2010). Consequently, by utilizing its authoritative status and position as an international host, as well as its' ability to conduct research and policy analysis, the BIS has gradually increased its influence on senior policy-makers, both inside and outside the banking system. Indeed, gradually the BIS has become not only an institution that fosters cooperation, but one that takes active role in shaping policy. (Westermeier, 2018).

The BIS hosts six committees, which are overseen by three senior groupings in the context of the Basel Process. Most important of these committees is the Basel

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Committee on Banking Supervision (BCBS); the others include the Committee on the Global Financial System, the Committee on Payments and Market Infrastructures; the Markets Committee; the Economic Consultative Committee Central Bank Governance Forum and the Irving Fisher Committee on Central Bank Statistics. In addition, the bank hosts three institutions that keep some independent presence: The Financial Stability Board, the International Association of Insurance Supervisors, and the International Association of Deposit Insurers. Although traditionally led by the G10 (Andersson, 2016), the Bank currently employs about 600 staff members from more than 60 countries, most of whom work from the headquarters in Basel, and some at the two regional offices: Hong Kong and Mexico City.[25]

2.2.2 The Basel Committee on Banking Supervision [BCBS]

The Basel Committee on Banking Supervision was established 1974 as the Standing Committee on Banking Regulations and Supervisory Practices and was renamed the Basel Committee on Banking Supervision in 1990. The Committee marks the most significant progress toward global financial governance. It was originally made up of regulatory and monetary authorities from 12 principal countries (the G7 plus Belgium, the Netherlands, Sweden, Switzerland – which make together the G10 –and Luxembourg). The committee was first convened by authorities from the G10, after a German bank, Herstatt Bank, and an American bank, Franklin National Bank of New York, each failed in 1974. The collapses were two of the first financial panic events after the end of the Bretton Woods system, causing a paradigmatic shift in financial regulatory thinking amongst monetary officials (Rost, 2009). These two events practically froze the international interbank market (Frieden, 2016; Zaring, 1998), highlighting growing globalization and interconnectedness of the financial sector, and the potentially hazardous influence of banks on financial activity (Hughes & Palke, 2019). Therefore, the primary purposes of the BCBS were to act as a forum for increasing cooperation and coordination of banking supervision between the member countries, and to improve communication between member central banks, in order to prevent a crisis such as the one that happened from reoccurring (Rost, 2009).

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The Basel Committee has been seeking to improve the quality of banking worldwide "by adopting international standards of prudential supervision covering such issues as capital adequacy and consolidated supervision of a bank's cross-border operations" (Zaring, 1998). In accordance with the collaborative logic of the BIS, an important function of the BCBS is to host regular meetings of supervising agencies to discuss banking regulation. These forums are intended to further BCBS' goals by promoting exchange of information, mutual policy learning on best practices and emerging risks and better cross-border cooperation (Rost, 2009). Importantly, the Committee has also established, promoted, and monitored global standards, guidelines and best practices for the regulation and supervision of banks. Although the Basel Committee disseminates guidance and information on best banking and regulatory practices to its members regularly, these are advisory in nature because the committee has no legal supervisory authority over any country's banking system (Felsenfeld & Bilali, 2004).

The most important of the BCBS's publications are the influential Concordat and Basel accords. The Concordat, published in 1975 and revised in 1983, 1990, and 1992, was the first document to regularize cross-border regulation of international banks and define the responsibilities of parent and host supervising agencies.[26] The document's principles, known as "consolidated bank supervision," stipulate that the state in which the bank was chartered (the "home state") would be responsible for the institution's financial well-being, while the state where the institution conducted business (the "host state") would be responsible for oversight of the bank's powers and functions. The Concordat states that the host state should not accept a bank unless the institution is under sufficient home state supervision and encourages the two countries to communicate with one another (Felsenfeld & Bilali, 2004).

In 1988 the committee adopted a formal set of harmonized regulatory principles, the Basel Capital Accord (ibid), which came to be called Basel I. The voluntary accord required banks to hold a certain amount of capital on their books for investment activities. Under the agreement ultimately adopted by over 130 governments, different kinds of financial activities were assigned different risks; the riskier the activities, the more capital banks were required to hold (Brummer, 2011, 277-8). According to Jeffry

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Frieden: "This was an unprecedented step toward cooperation among national bank supervisors, and it reflected the growing belief that there were clear systemic externalities that could not be addressed without explicit collaboration—an early step toward financial governance at the international level" (Frieden, 2016, 40). An amendment to Basel I was adopted in 1996 (Felsenfeld & Bilali, 2004), and the accord was further amended in 1998. This amendment allowed banks to use their own models to estimate market risks, thus giving banks authority to determine the capital needed to be held against it (Harnay & Scialom, 2015), provided the bank received approval from both its' home and host state. Approval from regulators was contingent on four principles: The bank's risk management system must be conceptually and practically sound, the bank must have trained staff, the model in use must be accurate, and the bank must conduct stress tests of its' model (Felsenfeld & Bilali, 2004).

Another landmark publication prior to the Basel II accord to be mentioned is the Core Principles for Effective Banking Supervision, published in 1997 (Borio & Toniolo, 2006). The agreement, which has been adopted by 140 countries, spells out best practices for banking regulators (Brummer, 2011, 277-8), and its Concordat on cross-border banking supervision, which provides broad principles "for co-operation between national authorities in the supervision of banks' foreign establishments" (ibid). The principles in the agreement can be grouped as dealing with seven areas of supervision: Ensuring preconditions for effective banking supervision, bank licensing and structure, prudential regulations and requirements, methods of ongoing banking supervision, information requirements, formal powers of supervisors, and cross-border banking (Rost, 2009). The regulation aims to increase confidence in the global banking market (Hughs & Palke, 2019). The Core Principles were updated in 2006, and further reviewed and revised in 2012.[27]

In 2004, five years after announcing it was working on new capital regulation, the BCBS published the Basel II accord (Felsenfeld &Bilali, 2004). The document consists of three pillars: the first determines capital requirements, the second sets internal supervisory criteria, and the third outlines an approach towards financial information disclosure (Penikas, 2015; Seabrooke, 2006). Expanding on the 1998 amendment to

Basel I, the second Basel accord was intended to allow banks to calculate and weigh the riskiness of their assets as perceived by the institution itself, using internal models. As a result of the Basel II accord, many institutions significantly decreased the amount of capital they held, something that contributed to the 2008 financial crisis and hampered recovery from the recession (Bodellini, 2019).

In the wake of the 2007-2009 financial crisis, , the BCBS drafted the final Basel accord, Basel III in 2011.Witnessing the failures of the financial system in 2007, as well as the failings of other Committee publications, Basel III aims to strengthen liquidity rules by raising both capital quantity and quality in institutions (ibid).. The new accord included raising capital requirements and quality, revising and standardizing approaches to different risks, and intertwining macroprudential elements in the overall regulatory structure leading to a decrease in systematic risks.[28] Importantly, the macroprudential elements introduced aim to encourage counter-cyclicality and the formation of capital during strong economic times, to avoid the need to raise significant capital during recessions, as occurred in 2008. Moreover, Basel III introduced liquidity ratios and requirements, as well as reforms to banks' corporate governance and risk management oversight.[29] Changes to the Basel III accord, published in December, 2017, aim to increase the amount of capital held by banks. The new reforms accomplish this by strengthening the standardized approaches to risk in the financial sector, and importantly, by minimizing banks' reliance on internal risk models. While the BCBS claims such changes are merely reforms to the existing accord, many in the banking industry see the reforms as sweeping changes to the sector and refer to this publication as "Basel IV" (Bodellini, 2019).

Throughout its' history, the BCBS has been criticized for its' small, exclusive membership circle, historically comprised of the G10 countries, despite the fact that non-member countries are encouraged to adopt the BCBS's standards, and important global organizations, such as the IMF, have done so (Young, 2011a). However, during the last decade, membership of the BCBS has been expanded to incorporate 45 members, such as central banks and bank supervisors, from 28 jurisdictions, including those of all G20 member states.[30] Though it has expanded, the BCBS's work is still guided by the G10's agendas. Moreover, the Committee has further been criticized

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since the 1990s for its' cooperation with banking trade organizations, such as the IIF and ISDA. Critics have questioned the validity of some of the Committee's output, including the 2004 Basel II accords, due to perceived influence and assistance from major banks and interest groups in crafting these publications (Young, 2011a).

Although the BCBS' governance structure is fluid, and the organization lacks binding governing treaties (Rost, 2009), the Committee generally meets four times per year and reports suggestions for best practices to a joint committee consisting of central-bank governors and banking supervisory officials from member countries. These supervisory authorities then may implement the practices back home as they see fit (Milano & Zugliani, 2019). The BIS provides the BCBS' Secretariat, which is staffed by officials on leave from positions at member institutions. The Secretariat not only oversees work at BCBS headquarters, but also advises banking regulators around the world (Rost, 2009).

Additionally, the BCBS supports The Financial Standard Institute – a joint initiative of the BCBS and the BIS to assist supervisors around the world in implementing sound prudential standards.[31] The BCBS assists FSI activities, in particular the BCBS-FSI High Level Meetings, which target senior policymakers within central banks and supervisory authorities, providing a series of regional fora for distributing information on BCBS standards, keeping participants updated on Committee work, sharing supervisory practices and concerns, and establishing and maintaining strong contacts.[32]

2.2.3 The BIS Committee System

Under the umbrella and alongside the Bank of International Settlement and its main organ – the Basel committee - several committees and forms that share the responsibility for global financial governance have been at work.

The Joint Forum on Financial Conglomerates was established in 1996. Its origins lie in an earlier precursor called the Tripartite Group that was established in 1993

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(Young, 2011b, 102). The Tripartite Group published a report in July, 1995 that highlighted the need for international discussion and cooperation in regulating the rise of financial conglomerates. This report prompted the creation of the Joint Forum, which first met in January, 1996 (McKeen-Edwards, 2010). The forum deals with issues common to the banking, securities and insurance sectors, focusing on the regulation of financial conglomerates (e.g., moral hazards of Too Big to Fail). These conglomerates deal in multiple financial industries, such as banking, insurance and securities, and as a result, those connected, diverse areas of activity are now collectively referred to as “financial services” (Felsenfeld & Bilali, 2004). Therefore, the Joint Forum was established under the aegis of the leading international supervisory bodies for each sector of financial services: Basel Committee on Banking Supervision (BCBS) for the banking industry, the International Organization of Securities Commissions (IOSCO) for the securities industry and the International Association of Insurance Supervisors for the insurance sector (IAIS), to promote cooperation in oversight of conglomerates (McKeen-Edwards, 2010).

In February, 1999, the Joint Forum published its’ first set of guiding principles for effective supervision of financial conglomerates called the Framework for Supervisory Information Sharing and the Principles for Supervisory Information Sharing. Those principles are the Coordination Paper, which aids regulators in identifying and cataloging the responsibilities of coordinators, the Fit and Proper Principles, which provide guidelines for effective supervision of entities within a conglomerate, and the Capital Adequacy Principles, which concern the capital needs of conglomerates. These initial principles were followed by the Risk Concentration Principles and the Intra-Group Transactions and Exposures Principles in December, 1999 (Ibid). Shortly thereafter, the Joint Forum received greater attention thanks to the passage of the Gramm-Leach-Bliley Act of 1999 in the US, which removed many barriers for companies in the banking, securities and insurance industries, paving the way for more financial conglomerates (Felsenfeld & Bilali, 2004). In 2001, the Joint Forum released the Core Principles – Cross-Sectorial Comparison report, which detailed the similarities and differences of the three sectors and identified shared core principles (McKeen-Edwards, 2010).

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The forum's main functions are to facilitate the flow of information among sectoral regulators, to provide a platform for professional learning, to foster networking, and to support policy research (Young, 2011b). In keeping with its work from the 1990s, the Joint Forum continues to issue guidelines and principles of best practices regarding financial conglomerates, and provide analyses concerning the intersection of the banking, insurance, and securities sectors. Areas of particular interest to the Joint Forum include risk assessment and management, proper corporate governance, firm outsourcing of activities, and the use of audit or actuarial functions in supervision and regulation. While merely guiding principles, the Joint Forum's work has influenced legislation across the globe, including the European Union's Financial Conglomerates Directive (McKeen-Edwards, 2010).

There are 13 member-states of the Joint Forum: The US, Australia, Canada, Japan, Germany, Italy, the UK, France, the Netherlands, Spain, Sweden, Switzerland and Belgium, as well as seats for the EU, the OECD, and the three parent organizations (ibid). The Joint Forum consists of an equal number of senior banking, insurance and securities supervisors representing the different supervisory constituencies. Comprising two main sub-groups working on Risk Assessment and Capital and Conglomerate Supervision, the Forum meets three times a year. The Joint Forum does not have its own secretariat but rather utilizes the Secretariat of the Basel Committee.[33] The forum also does not issue the standards it develops. Rather, its recommendations are submitted to the three parent organizations for dissemination (McKeen-Edwards, 2010).

The Committee on Payments and Market Infrastructures (CPMI) promotes the safety and efficiency of payment, clearing, settlement and related arrangements, supporting financial stability and the wider economy. CPMI monitors and analyses developments in these arrangements, both within and across jurisdictions (Alexander, 2009). In 1980, the Governors of the central banks of the Group of Ten (G10) countries set up a Group of Experts on Payment Systems, whose purpose was to advance the work on systemic payment issues identified by the G10's Group of Computer Experts. In 1989, G10 leaders created the Committee on Interbank Netting Schemes to create guidelines for the operations and oversight of bilateral and multilateral netting systems.

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The committee subsequently released reports on electronic payment systems, clearing arrangements, and securities arrangements, among other topics (Felsenfeld & Bilali, 2004).

A year later, in 1990, the G10 Governors established the Committee on Payment and Settlement Systems (CPSS) as a follow up to the Committee on Interbank Netting Schemes, and to take over and extend the activities of the Group of Experts on Payment Systems. CPSS was especially focused on cross-border payment and clearing systems, such as electronic payment systems and cross-border cooperation (ibid). It also serves as a forum for central banks cooperation in related oversight, policy and operational matters, including the provision of central bank services; the CPMI is a global standard setter in this area. It aims at strengthening regulation, policy and practices regarding payment systems, securities settlements, and more worldwide. However, like the BCBS, the committee's guidelines are not legally binding, although they are considered the norms for financial conduct in much of the world (Alexander, 2009).

Organizationally, the committee meets about three times every year. The Secretariat is provided by the BIS. First in 1997-98, subsequently in 2009 and then again in 2018, CPSS membership was enlarged to include more members. Its membership currently consists of 28 central banks.[34] In order to reflect this enlarged membership, the committee started to report to the BIS' Governors of the Global Economy Meeting (GEM) instead of the G10 Governors. In September 2013, in light of the Committee's standard-setting activities and the associated greater public scrutiny, the Committee has been renamed, finally receiving its current name.[35]

The Committee on the Global Financial System [CGFS] monitors developments in global financial markets and makes recommendations regarding financial stability for central bank Governors. Formerly known as the Euro-currency Standing Committee, it was established in 1971 with a mandate to monitor international banking markets (Alexander, 2009). Its initial focus was on the rapid growth of offshore deposit and lending markets, but attention increasingly shifted to financial stability questions. The CGFS has three main responsibilities: monitoring of global financial conditions in the short-term, analyzing the long-term functioning of the global financial system, and

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articulating policy proposals aimed at ensuring proper market functions and promoting financial stability (Felsenfeld & Bilali, 2004). . As of 2010, the Chairman of the CGFS reports to the Global Economy Meeting, which comprises a group of 31 central bank Governors as members.[36] The Committee has a mandate to identify and assess potential sources of stress in global financial markets, further the understanding of the structural underpinnings of financial markets, and to promote improvements to the functioning and stability of these markets. The CGFS fulfils this mandate by holding regular monitoring discussions among its members, through coordinated longer-term efforts, including working groups involving central bank staff, and by publishing various reports (Alexander, 2009). The CGFS also oversees the collection of the BIS's international banking and financial statistics.[37]

The Irving Fisher Committee on Central Bank Statistics [IFC] is a forum of central banks' economists, statisticians and other participants who want to join forces in discussing statistical issues of interest to central banks. The IFC was established by and is governed by the international central banking community, operating under the auspices of the Bank for International Settlements (BIS). It is associated with the International Statistical Institute (ISI).[38]

Name, Abbreviation	Established, type	Location	Sphere	Membership	Annual Budget in Million $US, Number of employees
Bank of International Settlements [BIS]	1930; Public-Private Organization, Since 2001 fully public	Basel	Banking, Central Banking	Owned by 60 Central Banks	387 600 employees
Basel Committee on Banking Supervision [BCBS]	1975	Basel, BIS	Banking	Until 2009: Belgium, Canada, France, Germany, Italy, Japan, Netherlands, Spain, Sweden, Switzerland, United Kingdom and the United States. Since 2009: Argentina, Australia, Brazil, China, Hong Kong, India, Indonesia, South Korea, Luxembourg, Mexico, Russia, Saudi Arabia, Singapore, South Africa, Turkey	Part of the BIS budget
International Organization	1983	Montreal (until 1999)	Securities	228(115 Jurisdictions, Associated Members, Affiliate	

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of Securities Commissions [IOSCO]		Madrid		Members), all major emerging markets; 95% of the world securities markets	
International Association of Insurance Supervisors [IAIS]	1994; Nonprofit under Swiss law	Basel, BIS	Insurance	215 members, three different types, More than 200 jurisdictions, 97% of the worlds' insurance premiums.	
International Organization of Pension Supervisors [IOPS]	2004, nonprofit; under the French law	Paris, OECD	Pensions	87 members and observers representing supervisory bodies from 77 jurisdictions. Three types of members: Governing members; Associate Members; Observers	500,000 EUROs
Financial Stability Board [FSB], previously Financial Stability Forum [FSF]	Est 2009; FSF already in 1999	Basel, Independent	General Finance	25 members representing national governments, the government of Hong Kong and the European Union (with two seats, one for the ECB and one for the European Commission). In addition, the IMF, World Bank, BIS and OECD), as well as the Basel Committee, IOSCO, IAIS and IASB	
Financial Action Task Force [FATF]	1989	Paris, OECD	General Finance, Crime, Security	37 member jurisdictions and 2 regional organizations (EU, Golf Cooperation Council). In addition, Observers, Associate Members and Observer Organizations	

Table 2: Informal Governance in Financial Regulation – Main Institutions

The Markets Committee (formerly the Committee on Gold and Foreign Exchange) was established in 1962 following the formation of the so-called Gold Pool. Subsequently, members continued to meet and exchange views on market issues in an open and informal manner. Until the opening up of membership to the BIS and its committees, the CGFE was directly under the auspices of the G10 governors and met seven times per year (Bernholz, 2003). Over the years, the committee has widened its discussion of financial market developments beyond gold and foreign exchange, cooperating and focusing more closely on assessing current events. Moreover, the committee's discussions have also dealt with longer-term structural trends that may have implications for financial market functioning and central bank operations. To facilitate its discussions and enhance market transparency, the Markets Committee has epitomized the information on the monetary policy frameworks and market

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operations of its members, compiling it into an easily accessible document: "Monetary policy frameworks and central bank market operations" first published on 17 December 2007 and last updated in May 2009. A Foreign Exchange Working Group (FXWG) operating under the auspices of the Markets Committee was established in 2015 to strengthen code-of-conduct standards and principles in foreign exchange markets.[39]

2.2.4 International Organization of Securities Commissions [IOSCO]

The International Organization of Securities Commissions [IOSCO] is the international body that brings together the world's securities regulators; it is recognized as the global standard setter for the securities sector. IOSCO develops and implements internationally recognized standards for securities regulation while also advancing adherence to these standards. It works intensively with the G20 and the Financial Stability Board (FSB) on the global regulatory reform agenda (Donnelly, 2019).

The origins of IOSCO lie in the InterAmerican Association of Securities Commissions, which was established in 1974 as a forum for discussion of securities matters amongst regulators in the Western Hemisphere. IOSCO was created in Montreal by an act of the Quebec Assembly in 1983, when 11 securities regulatory agencies from North and South America agreed to build their inter-American regional association into a global cooperative body (Sommer, 1996). A year later, securities regulators from France, Indonesia, Korea and the United Kingdom became the first non-American agencies to join the new organization (Kern, 2010). In July 1986, IOSCO held its annual conference in Paris, where members agreed to create a permanent General Secretariat that would be based in Montreal; it was the first conference outside the Americas. The Secretariat was moved to Madrid in 1999.[40] IOSCO is viewed as a continuation of the InterAmerican Association of Securities Commissions. As such, although the Paris event was IOSCO's first major global conference, it was actually the organization's 12th annual meeting. The organization's first annual report was released in 1988 and therefore, not much has been documented about the first dozen years of its activity (Sommers, 1996).

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IOSCO's first major report was *International Equity Offers,* published in 1989. The publication outlined six recommendations for standardizing the disclosure formatting of offerings worldwide. Recommendations included developing a standard annual report format to satisfy disclosure requirements for offerings, ensuring easier cooperation between regulators to expedite listings and offerings, seeking closer alignment of stabilization practices in primary markets. codifying principles to limit the extra-territorial application of domestic provisions governing offerings, developing greater standardization regarding restrictions on resale of non-publicly sold securities, and requiring the members of IOSCO's Technical Committee to submit annual reports detailing changes made in their jurisdictions that could affect offerings worldwide. Additionally, to help facilitate this standardization, the IOSCO aided the IASC (now the IASB) in the creation of international accounting standards (IASs). While the relationship between the two organizations was supportive at first, a rift emerged in 1994 as IOSCO began to pressure the IASC to quickly adopt a set of core principles (ibid). The re-named IASB completed formulation of these core principles in 1999 and they were accepted by IOSCO in 2000. Part of the delay in creation resulted from opposition from the SEC, as the US had up to that point operated its' own accounting standards. These core principles are considered by IOSCO to be the basis for cross-border filings of registration statements and listings on securities exchanges (Casabona & Shoaf, 2002).

In 1994, IOSCO released a report detailing issues its members faced due to differing securities regulations across countries, and difficulties in obtaining relevant information in foreign markets. This publication required every IOSCO member to submit a detailed self-evaluation of their securities' laws, regulations, and procedures. Realizing the lack of standardization across markets, in 1998, IOSCO adopted a comprehensive set of *Objectives and Principles of Securities Regulation* (IOSCO Principles), now recognized as the international regulatory benchmark for all securities markets. This document outlined three main objectives of securities regulation: Protection of investors, ensuring efficient, fair, and transparent markets, and reducing systemic risk. To achieve these objectives, the report detailed 30 main principles for effective securities regulation, including how and when regulators should share

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sensitive information with foreign counterparts (Austin, 2012). These principles have been amended and expanded upon over the years, most significantly in 2010 in the wake of the 2008 Financial Crisis, when IOSCO added one objective and eight additional principles, for a new total of 38 principles. The principles are grouped into nine categories: Principles for the regulator, principles for self-regulation, principles for enforcement of regulation, principles for regulatory cooperation, principles for issuers, principles for information providers, principles for collective investment schemes, principles for market intermediaries, and principles for the secondary market (Marcacci, 2012). In 2003, the organization endorsed a comprehensive methodology (IOSCO Principles Assessment Methodology) to conduct an objective assessment of the level of implementation of the IOSCO Principles in members' respective jurisdictions and facilitate the development of practical action plans to correct identified deficiencies (McVea, 2008). The *IOSCO Objectives and Principles of Securities Regulation* has been endorsed by both the G20 and the FSB as the relevant standards in this area. They are the overarching core principles that guide IOSCO in the development and implementation of internationally recognized and consistent standards of regulation, oversight and enforcement. They form the basis for the evaluation of the securities sector for the Financial Sector Assessment Programs (FSAPs) of the International Monetary Fund (IMF) and the World Bank (Donnelly, 2019).

Initially, exchange of securities' information was conducted by negotiations between individual members in bilateral or multilateral memoranda of understanding, with IOSCO merely acting as the forum for such exchanges and negotiations. However, following the 9/11 attacks, IOSCO members, led by the United States, realized that since financial and securities markets could be used to finance terrorism, it was necessary to standardize the obtaining of securities information to prevent future attacks. Therefore, in October, 2001, IOSCO established a Project Team to explore the creation of a standard Multilateral Memorandum of Understanding between its' members. In 2002, IOSCO embraced a Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information (IOSCO MMoU), which was designed to facilitate cross-border enforcement and exchange of information among international securities regulators (Austin, 2015). Among the areas in which the MMoU stipulates such exchanges should occur include regarding criminal cases in securities such as insider dealing, market manipulation, fraudulent reporting and registration, and regulation of market intermediaries and entities such as clearing houses, exchanges and settlement entities. The MMoU requires all parties to provide the fullest assistance necessary, including circumstances in which the act under investigation is not a crime in one of the relevant member states. In 2005, IOSCO endorsed the IOSCO MMoU as the benchmark for international cooperation among securities regulators, which compelled all IOSCO members who were also primary financial regulators in their respective states to sign and ratify the MMoU by 2010 (Marcacci, 2012). As of May, 2020, there are 124 signatories to the MMoU.[41] IOSCO's top priority for its members is to achieve effective implementation of the IOSCO Principles and the MMoU, thereby facilitating cross-border cooperation, mitigating global systemic risk, protecting investors and ensuring fair and efficient securities markets. [42]

IOSCO is formally lead at the top by a Presidents' Committee, which is comprised of the heads of member states' chief securities regulators and meets once a year. Additionally, the organization houses four Regional Committees: Europe, Asia-Pacific, Africa-Middle East, and the Inter-American Committee, for members to focus on issues in their respective regions. Regarding general issues in securities regulation, prior to 2012, much of the organization's policy formation and execution was conducted by the Technical Committee and Executive Committee, respectively. The Technical Committee was responsible for the drafting of major IOSCO publications, such as the IOSCO Principles and the MMoU. It was comprised of six working committees, focusing on accounting and disclosure, regulation of secondary markets, regulation of market intermediaries, exchange of information and enforcement of the MMoU, developments in investment management, and easing conflicts between credit rating agencies (Marcacci, 2012).

In 2012, IOSCO merged its Technical and Executive Committees into a new IOSCO Board (ibid). As of 2020, this Board is comprised of 34 senior regulatory authorities from 32 countries working in eight different policy committees, adding committees on Retail Investors and Derivates to the original six from the Technical Committee. In addition, IOSCO has several specialized committees focused on specific areas of governance, such as growth in emerging markets or systemic risk prevention. As a whole, the organization has 227 members across three categories of membership: ordinary, associate and affiliate. In general, the ordinary members (129) are the national securities commissions in their respective jurisdictions. Associate members (31) are usually agencies or branches of government other than the principal national securities regulator in their respective jurisdictions, which have some regulatory competence over securities markets or intergovernmental international organizations and other international standard-setting bodies, such as the IMF and the World Bank, with a mission related to either the development or the regulation of securities markets. Affiliate members (67) are self-regulatory organizations, stock exchanges, financial market infrastructures, investor protection funds and compensation funds, and other bodies with an appropriate interest in securities regulation.[43]

2.2.5 International Association of Insurance Supervisors [IAIS]

Established in 1994 in Basel and hosted at the BIS (Bernards, 2018), the IAIS is a voluntary membership organization of insurance supervisors and regulators from more than 200 jurisdictions, constituting 97% of the world's insurance premiums.[44] It is the international standard-setting body responsible for the development of principles, standards and other supporting material for the supervision of the insurance sector while facilitating implementation (Zaring, 1998, Baker & Mathews, 2010). The IAIS also provides a forum for members to share their experiences and understanding of insurance supervision and insurance markets (Masciandaro, 2011). In recognition of its collective expertise, the IAIS has been routinely called upon by the G20 leaders and other international standard setting bodies to provide guidance, assistance or advice (Baker & Mathews, 2010).

The mission of the IAIS is to further effective and globally consistent supervision of the insurance industry in order to develop and maintain fair, safe and stable insurance markets for the sake of policyholders while contributing to global financial stability.[45] It

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has also developed international best practices detailed in its *Insurance Core Principles and Methodology,* which has increasingly focused on matters of systemic risk management by insurance companies and providing guidance for jurisdictions wishing to strengthen their supervisory regimes (Brummer, 2011, 279). Furthermore, the Principles address issues such as markets and consumers, components for effective supervision and governance requirements, determining capital requirements, and the formulation of a standard assessment of insurer solvency (Baker & Mathews, 2010). These standards are updated regularly, with the latest updates published in November, 2019[46] and the most significant changes to the Principles occurring in 2011.[47] Additionally, IAIS developed a Multilateral Memorandum of Understanding (MMoU) in 2007 that facilitates cross-border exchange of information (Baker & Mathews, 2010). As of 2020, there are over 70 signatories to the MMoU.

IAIS is a co-founder of the Joint Forum, a member of the Financial Stability Board, and participates in Financial Stability Institute activities (Baker & Mathews, 2010). Moreover, the association has collaborated with the Islamic Financial Services Board (IFSB), which regulates financial and insurance matters in Islamic countries, since international insurance regulation is not always compatible with Islamic law. In 2006, the two organizations jointly published a paper on effective regulation of Takaful (Islamic insurance), and in 2008, they signed a working agreement to further collaboration (Brown, 2009). Additionally, because of its large, inclusive membership, the association has become increasingly influential in the development of microinsurance in developing countries. In 2009, IAIS, together with the Consultative Group to Assist the Poor, and German and British assistance, established the Access to Insurance Initiative (A2ii), which publishes reports and provides consulting to assist in enhancing the microinsurance industry in the developing world (Bernards, 2018). However, the IAIS' large membership may also be a hindrance to its' work and influence, as it is quite difficult for the members to reach agreement on new principles and standards (Brown, 2009).

The IAIS conducts its activities through a committee system designed to achieve its mandate and objectives. The General Meeting is the annual meeting, although members may schedule additional meetings if necessary. There, members approve or amend bylaws, standards and principles, with passage of such changes or additions requiring a two-thirds majority. The Secretariat houses the organization's professional and administrative staff (Baker & Mathews, 2010). Finally, the Executive Committee is supported by five Committees established in the By-Laws – the Audit and Risk, Budget, Implementation and Assessment, Macro-prudential and Policy Development Committees – as well as the Supervisory Forum.[48] The organization consists of three types of membership. The main members are insurance industry supervisors who exercise their function within their jurisdiction as long as such a supervisor or regulator does not actively underwrite, sell, or otherwise provide insurance. Most of these members are the insurance regulatory bodies of countries around the world. However, all 50 US states have participating regulatory bodies, and 15 of them are active members at any one time. These supervisory members have full voting and participation rights in the IAIS process. The second type of members are international organizations and the last member is the American National Association of Insurance Commissioners (NAIC), who selects the 15 active state members. These members and their organization can have partial even preferential voting power. Additionally, IAIS permits observers from the corporate world to participate in some activities. Among the most active observers are accounting firms and insurance companies (Baker & Mathews, 2010).

2.2.6 International Organization of Pension Supervisors [IOPS]

Formed in July 2004 in Paris, the IOPS was instituted by the Organization for Economic Co-operation and Development (OECD) as the successor to the International Network of Pension Regulators and Supervisors (INPRS). The OECD first saw a need for a group devoted to pension supervision in 1999, and created the OECD Working Party on Private Pensions. In 2000, the Party released 15 guidelines for effective pension supervision and the OECD created INPRS, which endorsed the guidelines a year later. INPRS transformed into IOPS in 2004 to create a formal body for pension supervisors independent of the OECD (Chatzimanoli, 2010).

IOPS' main objectives are to serve as the standard-setter in the world of pension supervision, to promote international cooperation and a forum for dialogue on pension

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issues, to assist other international bodies with best practices in pension regulation, and to assist countries with less developed systems in creating successful pension arrangements. To fulfill its' first aim, in 2006, the organization published the Principles of Private Pension Supervision (Chatzimanoli, 2010). Since then, IOPS has released and updated guidelines and good practices in a range of areas, including consumer protection, risk management, and guidelines for supervisory intervention.[49] To facilitate dialogue with other institutions, IOPS cooperates with the IMF, OECD, IAIS, IASB, the World Bank among others on pension insurance and regulation, and publishes a Working Paper series and an academic journal (Journal of Pension Economics and Finance) to connect with researchers in the field. IOPS supports developing countries' pension systems through dissemination of research and information on effective pension system design, hosting regional conferences, and publishing country specific reports. Moreover, many developing countries may be obligated to adhere to the organization's guidelines in some cases if they wish to receive assistance from IOPS affiliated members, such as the World Bank (Chatzimanoli, 2010).

Bringing together all types of pension or supervisory systems, IOPS has currently 87 Governing and Associate Members and Observers representing supervisory bodies from 77 jurisdictions. Of note, pension supervisors from large, important countries such as the United States and Japan are not IOPS members (ibid), and Canada only recently joined the organization.[50] This fact may be negatively impacting the external legitimacy of IOPS work. Governing members are pension supervisory authorities at either a national or subnational (provincial, state level), whereas associate members may be governmental agencies with an interest in pension regulation or international bodies such as the World Bank. Observer members are non-governmental groups with an interest in pension supervision, such as research centers, universities, and industry organizations. Of the three membership types, only governing members have voting rights (Chatzimanoli, 2010).

The IOPS operates by an Executive Committee and a Technical Committee assisted by a Secretariat. Participation in the Technical Committee meetings is open to all IOPS Members. The Technical Committee guides the development of principles, standards and good practices on both pension supervisory issues and regulatory issues related

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to pension supervision; it also oversees the extensive body of research that the IOPS members and Secretariat undertake. The Technical Committee develops the Program of Work, which is then submitted to the Executive Committee; it also serves as a forum to discuss, develop and analyze matters related to pension supervision that are of interest to the membership. Only governing members are eligible to chair these committees (Chatzimanoli, 2010)

2.2.7 The Financial Stability Board [FSB]

The Financial Stability Board is an informal international body that monitors, makes recommendations, and coordinates standard setting and implementation regarding the global financial system. The FSB was established in April 2009 at the G-20 London Summit as the successor to the Financial Stability Forum(FSF), which was founded in 1999 by the G7 Finance Ministers and Central Bank Governors at the BIS to overcome the fragmentation and instability in the financial world following the Mexican, Asian and Russian economic crises in the 1990s (Porter, 2009), and provide an arena for the coordination of standards in the financial regulation field (Weber & Staiger, 2014). Following the 2007-2008 Financial Crisis, amid claims that FSF membership was too exclusionary, the BIS replaced the FSF with the FSB, and expanded membership to include all the G-20 countries, Spain, and the European Union (Ozgercin, 2012). In addition, the FSB was created to act in a more structured, institutional approach to financial regulation than its' predecessor. This was partially achieved by including international financial bodies, such as the BCBS and IOSCO in addition to individual countries, in FSB membership to create a single entity devoted to global financial stability (Gadinis, 2013). As such, the organization's main objective is to reduce systemic risk in the financial world through enhancing the quality, coordination, and cohesion of standards set by other international organizations such as BCBS, IOSCO, and more. Furthermore, it oversees supervision of systematically important financial institutions (SIFIs) worldwide and shares information with SIFIs' host countries. Additionally, the FSB conducts and disseminates reviews of member states' financial systems and suggestions for reform and improvement (Weber & Staiger, 2014). However, as with many international organizations, the FSB's members are not legally

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bound by its decisions – instead, the organization operates by "soft power", using moral suasion and peer pressure in order to set internationally agreed policies and minimum standards that its members commit themselves to implementing at a national level (Crespo, 2017).

As the Financial Stability Forum, the organization was heavily involved in the integration of standards issued by different international bodies such as the OECD, IMF, and IASB, an issue with which the FSB is still concerned today. Additionally, in 2000, the FSF issued recommendations regarding the supervision of high leveraged institutions (HLIs), which advised regulating bank lending to HLIs, rather than increased regulations on HLIs themselves. These recommendations were updated in 2007 as concerns increased about HLI practices. Finally, in its early years, the FSF was heavily involved in monitoring inadequately regulated offshore centers. However, by 2005, other international organizations such as FATF, the IMF, and IOSCO were concentrating on supervision of these centers, and the FSF became less involved in the issue (Porter, 2009).

With the transformation of the FSF into the FSB came new mandates and responsibilities. Today, the Board has eight functions: 1) To assess the vulnerability of the financial system and oversee the addressing of these issues; 2) to promote the coordination and exchange of information among authorities responsible for financial stability; 3) to monitor and advise on market developments and their implications for regulatory policy; 4) to advise on and monitor best practices that meet regulatory standards; 5) to undertake joint strategic reviews of the policy work of international standard setting bodies to ensure it is timely, coordinated, and focused on addressing regulatory gaps; 6) to support the establishment of supervisory colleges and set guidelines for such institutions; 7) to manage contingency planning for cross-border crisis management, particularly with respect to systemically important firms (SIFIs); and 8) to collaborate with the IMF to conduct Early Warning Exercises (Weber & Staiger, 2014). In keeping with the Board's fifth function, the FSB proposed new accounting rules to be incorporated into IASB and FASB standards. Additionally, to achieve the fourth function, the FSB has a robust peer-review system of government

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regulatory structures that aims to encourage countries to adopt new international standards (Gadinis, 2013).

Furthermore, much of the Board's work concerns its' seventh function, overseeing and monitoring the work of SIFIs. First, six overarching principles, as well as an in-depth report, on reducing the moral hazards of SIFIs were released in 2010, with additional recommendations on effective regulation coming in 2011 and 2013. Additionally, together with the BIS and IMF, the FSB has been instrumental in implementing macroprudential policies to limit systemic risk in the financial world, with these recommendations often targeted at SIFIs (Walker, 2013). Another major function of the FSB concerns the world of shadow banking, now called non-bank financial intermediation.[51] These entities are credit intermediaries outside the regular banking industry, and therefore, are not subject to much regulation or supervision. The Board employs a robust review and monitoring system of countries' shadow banking supervision. This review process is also extended to non-Board members as well, and to countries deemed uncooperative with FSB standards of information sharing. In this way, the review process can offer positive reinforcement such as technical assistance or even sanctions against these jurisdictions to encourage compliance with FSB recommendations (Weber & Staiger, 2014). The review system highlights five areas that are monitored, including indirect regulation and bank interaction, money market funds, other regulation related to shadow banking, securities lending and securitization, and repurchase agreements (Walker, 2013). Finally, in 2020, the FSB has prioritized information sharing, the coordination of policy responses to keep markets open and functioning, and to assess financial risk and vulnerabilities brought about by the Covid-19 pandemic.[52]

The FSB is incorporated as an association under the Swiss Civil Code and housed at the BIS headquarters in Basel; it comprises 25 members representing national governments, the government of Hong Kong and the European Union (with two seats, one for the ECB and one for the European Commission). In addition, the FSB has four members from the category of international financial institutions (the IMF, World Bank, BIS and OECD), as well as the Basel Committee and other BIS bodies, IOSCO, IAIS and IASB as ISSB (International Standard Setting Bodies) members. The membership is designed, for practical reasons, to cover jurisdictions responsible for the world's

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largest financial institutions (Weber & Staiger, 2014). The Plenary – which takes all formal decisions, primarily with regard to standards – has weighted representation, with countries having between one and three members. This reflects the fact that it is the authorities within the countries that have membership rather than the countries themselves, as is customary in international organizations (Donnelly, 2019, 381-384). The Plenary meets twice a year, reaches decisions via consensus, and has the ultimate authority over decisions concerning the FSB. Its work is also proactive, sometimes reaching out to other standard-setting bodies to commence or change the formulation of regulations in a particular area (Gadinis, 2013). Additionally, a Steering Committee takes forward operational work in between Plenary meetings, and four Standing Committees deal with identifying and assessing risks in the financial system. The Standing Committees are the Vulnerabilities Assessment Committee (SCAV), which identifies potential risks to the financial system, the Supervisory and Regulatory Cooperation Committee (SRC), which develops mechanisms and recommendations to adress those risk, and the Standards Implementations Committee (SCSI), which disseminates reports on each member's regulatory standards to all FSB members for peer review (Weber & Staiger, 2014). The final Standing Committee, the Committee on Budget and Resources (SCBR), is responsible for overseeing the Plenary and Secretariat budgets.[53]

Unlike its predecessor, the Financial Stability Forum, which was widely consider a "talking shop" (Donnelly, 2019) and a weak and sleepy organization (Brummer, 2011, 276-277), the Financial Stability Board has been far more productive and proactive. The extent to which this activity is sufficient to prevent another Global Financial Crisis remains unclear.

2.2.8 The Financial Action Task Force [FATF]

Following growing concerns about the prevalence of money laundering, specifically in the world of drug trafficking, in 1986, the U.S. became the first country to criminalize money laundering, and the United Nations first properly defined the activity in its 1988 Convention Against Illicit Traffic in Narcotic Drugs (the Vienna Convention). As a result, the FATF was established in 1989 by the United States to develop effective

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anti-money laundering (AML) policies. Shortly after its creation, other members of the G7 joined the body as well, with 11 members in the FATF by the end of 1989. The objectives of the FATF are to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system (Nance, 2018). The FATF is therefore a "policy-making body" that works to generate the necessary political will to bring about national legislative and regulatory reforms in these areas (Roberge, 2011).

Most significantly, the FATF has developed a series of Recommendations that are recognized as the international standard for combating money laundering, financing of terrorism, and proliferation of weapons of mass destruction. Leveling the playing field, these Recommendations form the basis for a coordinated response to these threats to the integrity of the financial system. First issued in 1990 as 40 core principles (Roberge, 2011) and intended for universal application, the FATF Recommendations were revised in 1996, 2001 (to add eight provisions on terrorism and money laundering in the wake of 9/11), 2003/2004 (where an additional provision on terrorism was added), and most recently in 2012 to ensure they remain up to date and relevant. Moreover, in 2013, the body issued an assessment Methodology for all the AML assessor bodies, such as the IMF, the World Bank, and FATF itself (Halliday, Levi & Reuter, 2019). While the principles behind the Recommendations are meant to be implemented in member states, the Recommendations themselves are intended to guide legislators, rather than dictate regulations verbatim (Nance, 2018).

However, unlike other international finance organizations, FATF tracks countries' efforts to implement the Recommendations (even non-members) and can reprimand them for lack of compliance. The current enforcement system, established in 2007, is based on mutual evaluations conducted by experts on all countries aiming to be FATF compliant. If a country is found to have serious weaknesses in its' AML controls, it is subject to frequent monitoring by the International Cooperation Review Group (ICRG). If the ICRG finds no efforts have been made to significantly reform AML policy, the

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country is blacklisted from FATF. Only two countries have been on the FATF blacklist: Iran and North Korea (Nance, 2018). Even prior to the ICRG system, Austria's membership in the Task Force was briefly revoked in 2000 for insufficient AML controls (Roberge, 2011).

Currently, there are 37 full members of FATF (including the EU), nine associate members, and 28 observer bodies, which include the IMF and the World Bank. Meetings are generally held three times a year at the Task Force's headquarters, which are housed within the OECD main offices in Paris. Due to this arrangement, some of the Task Force's Secretariat staff is seconded from the OECD, despite the fact that the two organizations are independent of one another (Nance, 2018).

2.3 Informal Intergovernmental Club Governance

Informal intergovernmental authority at the financial world has evolved as summit diplomacy in the form of clubs of rich countries and under the label the "Group of".
It is now considered as "pre-eminent forum for the formulation of international monetary policy and has been regarded as the most important locus of authority in global financial governance" (Baker, 2006, 1-2). It started most notably as the Group of 10 with a narrow mandate, but developed later as the Group of 5, then as the G7 and from 1992 onward also as the Group of 20. Currently the G7 processes and the G20 process operate in parallel. Most important is the small club of the G7 in charge of a process whereby heads of states, finance ministers and central bankers hold an annual cycle of meetings. The process has no official legal status, no permanent home base and no secretariat" (Baker, 2006, 3). Table 3 presents the origin and various forms of this process.

2.3.1 The Group of Ten [G10]

The Group of 10 was created in 1962 as a voluntary group by central bankers and finance ministers of major industrialized democracies around the initiative to provide the IMF additional funds to increase its lending ability under certain conditions. The initiative was successful, and the General Arrangements to Borrow (GAB) increased

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the lending capacity of the IMF under this arrangement by $6 billion. The successful result encouraged further grouping and enhanced the purpose of the group, gearing it towards cooperation on general economic, monetary and financial matters. In 1964 Switzerland joined the G10 as the 11th member but the group did not change its name. The IMF, the OECD and the BIS provided supporting services for the meetings of central bankers and finance ministers. Still, the key officials, the G10 deputies, who met frequently in preparation for ministerial meetings, remained placed in national bureaucracies (Baker, 2006, 23).

Yet, the heavy European representation in the G10 meetings (8 out 11 members) enabled the US to do three things. First, it narrowed down the agenda to issues that were safe from the American point of view; second, it was able to explore other avenues for informal flexible cooperation patterned after the G7 and, third, it could resist any institutionalization either in the form of surveillance and monitoring capacities or permanent secretariat (Baker, 2006). Despite that, one of the achievements of the G10 process is the establishment of the Basel Committee on Banking Regulation and Supervisory Practices, which would subsequently be renamed the "Basel Committee on Banking Supervision" (BCBS) (Porter, 2005, 32). The G10 has not been active in the last few decades, taken over by the Group of Seven.[54]

	Members	**Established**	**Established by**	**Challenges & Achievements**	**Comments**
G10	G7 plus Netherlands, Sweden Belgium; Switzerland (1964);	1962	Self-formed	Mostly focused on its own member's financial needs; Established the BCBS with the BIS	11 members; not active for the last 10 years
G7	Canada, France, Germany, Italy, Japan, United Kingdom, United States; (The EU Is invitee.)	1973-1977	Self-formed with the leadership of the US, first as the Library Group (four members)	Established the G20 and the FSB. Deep divisions between Trump's US and the rest of the members;	G8 with Russia (1997-2014)
G20	**G7 +** Argentina, Australia, Brazil,	1999	By the G7	Responses to the East Asian financial crisis of	

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	China, India, Indonesia, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, European Union (EU). + IMF, World Bank			the 1990s and the 2008 Financial Crisis	

Table 3: Informal Intergovernmental Club Governance

2.3.2 The Group of Seven [G7]

The Group of Seven is an informal forum of the most industrialized countries. The forum was established in 1975 by the Group of 10 in order to address the economic challenges of Bretton Woods system breakdown (Baker, 2006), the oil crisis, the emergence of the EEC, and the economic recession of 1974 (Hajnal, 2018, 4). For the US, it was a preferred informal forum with membership being less inconvenient than the G10 but still effective. The group originated from an informal gathering at the Library of the White House of the finance ministers from the US, West Germany, Britain and France, which was known in the 1970s also as the Library Group of four. The Four became the G5 with the inclusion of Japan in 1973, the G6 with the invitation of Italy in 1975, and the G7 with the invitation of Canada in 1976. The European Union has been represented since 1977. Russia formally joined in 1998 and, thus, the Group became the Group of Eight, but Russia was suspended in 2014 following the annexation of Crimea.[55]

After a while, this informal gathering became much more institutionalized, taking over the leading role played by the G10 (Porter, 2005, 33). It is clear nowadays that the G7 forum, summits and processes are central to global financial governance. Considerable attention was given by the G7 in its informal gathering to international monetary issues and especially the value of the dollar. Only in the 1990s did it become more institutionalized, when the discussions were shifted to financial regulation more broadly and later on to general economic concerns (Porter, 2005, 38). The 1991 London Summit cemented the meetings as an annual institution, and, with the help of the G30, goals and procedures for subsequent summits were developed (Hajnal, 2018, 3). The annual summit is important for the interdisciplinary discussion of political, security and economic matters, and for the formation of a consensus amongst the leaders of the world's major countries (Ibid, 5-6). Developments in this regard responded to increasing financial globalization, financial crises and instability. The Group of 7 went on in 1999 to create two new institutions: The Financial Stability Forum and the G20 (Frieden, 2016, 39).

2.3.3 The Group of Twenty [G20]

The Group of Twenty is an informal, though stable intergovernmental forum, for international economic cooperation. The G20 brings together the leaders of the largest economies. Collectively, G20 members represent around 80% of the world's economic output, two-thirds of the global population and three-quarters of all international trade. Throughout the year, representatives from G20 countries gather to discuss financial and socioeconomic issues.[56] The members are 19 countries and the European Union, with representatives of the International Monetary Fund and the World Bank, as well as a number of guest countries, such as Spain (a permanent guest) and Japan.[57] The G20 was formed in the wake of the Asian financial crisis of the 1990s, and there have been annual meetings since 1999. The leader of the G20 rotates every year, and each year's president plays a central role in setting the agenda and organizing the Leaders Summit, which is a gathering of G20 heads of state. The G20 does not have a permanent secretariat (Kharas & Lombardi, 2012).

At the Leaders Summit, the heads of state issue a declaration of issues to address and potential solutions. This declaration is based on meetings the G20 presidency hosts with Ministers, senior government officials and civil society representatives. At the government level, the G20 work is organized around the Finance and Sherpa Tracks, while civil society assembles through Engagement Groups. The Finance Track is comprised of finance ministers and central bank governors from the G20 countries. These representatives focus on fiscal and monetary policy issues such as the global economy, infrastructure, financial regulation, financial inclusion, international financial architecture and international taxation. The Sherpa (emissaries) Track is comprised of ministers and relevant senior officials focuses on socioeconomic issues such as agriculture, anti-corruption, climate, digital economy, education, employment, energy,

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environment, health, tourism, trade and investment.[58] It is called the Sherpa track because it is prepared by personal emissaries of the heads of states. The G20 also includes a collection of engagement civil and business groups that represent civil society.[59]

In November, 2008, President George W. Bush organized the first ever Leaders' Summit, which hosted G20 heads of state to discuss further actions in the wake of the Financial Crisis. That initial meeting was followed by a gathering in London five months later, where leaders coordinated a macroeconomic response to the crisis. Since then, the G20 has been seen as a major leader in financial global governance, and its' position has been augmented by, among other things, incorporating developing countries and their input, and expanding the Financial Stability Board (Frieden, 2016, 40).

2.4 Business, Professional and Private Governance Actors

2.4.1 International Business Associations

The Institute of International Finance [IIF]

The IIF is the global association of the finance industry with over 400 member organizations in 70 countries. The organization represents the interests of the global finance industry on three main fronts: advocacy, research, and convening power. Its mission is "to advocate for regulatory, financial and economic policies that are in the broad interests of its members and foster global financial stability and sustainable economic growth".[60] IIF members include commercial and investment banks, asset managers, insurance companies, sovereign wealth funds, hedge funds, central banks and development bank. IIF facilitates member meetings with policymakers and regulators, employs a team of economists to conduct independent research on the global financial market, and organizes member-only meetings and conferences. The association is headquartered in Washington, D.C., and has regional offices in London, Abu Dhabi, Singapore, Beijing, and Brussels. [61]

The IIF was founded in 1983 in response to the needs of the participants to cooperate on exchange of information and common interests (Surrey & Nash, 1984). The

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founding members saw a need for current information on debtor nations to be disseminated to private lenders. To this end, the IIF produces in-depth analysis and data on countries' economic and debt situations and policies (Hackney & Shafer, 1986) and since the 1980s, has continued to produce multiple reports on the global financial situation, debt situation, and region and country specific analysis.[62] In addition, the IIF facilitates communication between lender and debtor parties, as well as communication between industry leaders to improve lending and debt restructuring (Hackney & Shafer, 1986). Today, the association boasts several working committees, including those working on the Basel III Accords.[63] Senior members of the banking community, including a former chairman of the New York Federal Reserve and senior officials in the Bank of England and Bank of Italy chaired and aided the IIF. The organization was instrumental in the formation and adoption of the Basel II Accords in the early 2000s (Lall, 2012, 619), in reforms of the Paris and London Clubs (Josselin, 2009) and in the Greek Debt crisis (Kalaitzake, 2017).

	Established	**Membership**	**Location**	**Mission**
Institute of International Finance [IIF]	1983	450 members in 70 countries	Washington and regional offices in Asia, Europe and the Middle East	To advocate for regulatory, financial and economic policies that are in the broad interests of its members, and foster global financial stability and sustainable economic growth
World Federation of Exchanges [WFE]	1961	250 members	London with regional offices	The development, support and promotion of organized and regulated securities markets in order to meet the needs of the world's capital markets in the best interests of their users
Futures Industry Association [FIA]	1955	Over 15,000 members from 48 countries	Offices in London, Brussels. Washington, and Singapore	To promote open and competitive markets, protect the integrity of the financial system and promote high standards of professional conduct.
International Swaps and Derivatives Association [ISDA]	1985	875 member firms from 68 countries	New York with regional offices	To foster safe and efficient markets. ISDA achieves its mission by representing all market participants globally, promoting high standards of commercial conduct that enhance market integrity, and leading industry action on derivatives issues
The International Capital Market Association [ICMA]	2005	Three regional associations	New York, Hong Kong, London	To foster safe and efficient markets; to represent the industry through public policy engagement, education and communication; to develop standardized documentation globally and promote legal certainty and maximum risk reduction

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Table 4: Major International Business Associations

World Federation of Exchanges [**WFE**]

Formerly known as the *Federation Internationale des Bourses de Valeurs* (FIBV) or International Federation of Stock Exchanges, the WFE is the trade association of publicly regulated exchanges and clearinghouses around the world. It was founded in 1961 with a European outlook; the founding members included the Association of German Stock Exchanges, the Swiss association as well as the Stock exchanges of Amsterdam, Brussels, London, Luxembourg, Madrid, Milan, Paris and Vienna. The organization added numerous new members during the 1980s and 1990s, as more and more countries opened securities exchanges. The growth of the securities markets, as well as its' diversification, is at the heart of the 2001 change to the World Federation of Exchange (McKeen-Edwards, 2010).

WFE is engaged in a number of activities to further securities exchanges. Firstly, the federation lobbies for securities' interests on an international, transnational level, and has significant relationships with bodies such as the OECD, IOSCO, and IFAC, and was heavily involved in the creation of the IASB. In addition, WFE also collects and disseminates information to member exchanges and regional stock associations on the state of the market, including publishing 22 market statistics monthly. Finally, the organization supports the growth and development of new markets and exchanges, and holds conferences and forums devoted to furthering the industry worldwide (McKeen-Edwards, 2010). As such, the Federation was set up to contribute to "the development, support and promotion of organized and regulated securities markets in order to meet the needs of the world’s capital markets in the best interests of their users”. These aims remain WFE's mandate to this day.[64]
Today, WFE has about 250 members, 37% of which are spread across the Asia-Pacific region, 43% in Europe, Middle East and Africa, and 20% are the Americas.[65]
Member exchanges are rigorously screened to meet WFE standards; potential members who do not qualify can become affiliate or correspondent exchanges

(McKeen-Edwards, 2010). These exchanges are home to nearly 48,000 listed companies, the market capitalization of these entities is over $70.2 trillion, and around $95 trillion in trading passes through the various infrastructures WFE members safeguard annually.[66]

Futures Industry Association [FIA]

FIA is the main trade association representing the futures industry (Emm et al., 2019). FIA was founded in 1955 in New York as the Association of Commodity Exchange Firms. It was originally established to provide a forum to discuss issues, work with exchanges, represent the public customer, study ways to reduce costs, eliminate the abuse of credit, cooperate on education efforts and protect firms from fraudulent warehouse receipts. In 1973, the New York association expanded to include Chicago FCMs. In 1978 the association was renamed the “Futures Industry Association” and moved to Washington. FIA broadened its reach again in the mid-1980s, when international organizations were invited to become members.[67] Meanwhile, FIA Europe was founded in 1993 in London as the Futures and Options Association, just over a decade after the birth of financial futures in Europe. FIA’s Asia office was originally set up in 2005 to provide a forum for members to discuss issues relating to the futures and options industry in the Asia-Pacific region, becoming a formal branch – FIA Asia – in Singapore in 2012. In 2013, FIA, FIA Europe and FIA Asia formed an affiliation strengthening their influence on cross-border issues, substantially increasing the coordination and information flow between regions and providing a powerful global voice to express the views of their members. In January 2016, the merger of FIA, FIA Europe and FIA Asia into a single organization took effect.[68] The amalgamated organization serves both the global and regional needs of futures, options and centrally cleared derivatives markets. For example, the association served as a catalyst for the standardization of electronic communications amongst clearing houses and exchanges (Maguire, 2005), and recently, has become a vocal critic of bitcoin, given the cryptocurrency's potential to disrupt the futures market (Ryznar, 2019).

FIA operates offices in Brussels, London, Singapore and Washington D.C. FIA's membership includes representatives from clearing firms, clearinghouses, commodities specialists and exchanges from 48 countries; it aims to promote open

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and competitive markets, protect the integrity of the financial system, and advance high standards of professional conduct.[69]

International Swaps and Derivatives Association [ISDA]

International Swaps and Derivatives Association is a trade organization of participants in the market for over-the-counter derivatives (Flanagan, 2001). It was established in 1985 in New York. It represents all market participants globally in furtherance of high trading standards and market integrity.[70] Its mission includes the following goals: fostering safe and efficient markets, representing the industry through public policy engagement, education and communication, enhancing counterparty and market risk practices and ensuring a prudent and consistent regulatory capital and margin framework. To achieve these goals, the ISDA supports several committees and conferences on a wide variety of issues in the industry and is an influential lobbyist on regulatory issues worldwide (Morgan, 2008).

ISDA also attempts to develop standardized documentation globally in pursuance of legal certainty and maximum risk reduction while advancing practices related to trading in order to enhance the safety, liquidity and transparency of global derivatives markets. The most well-known of these standardized documents has been the "ISDA Master Agreement", which was first introduced in 1987. To facilitate international negotiations, the agreement is available in multiple languages, and can handle multiple transactions over a long period, which greatly simplifies future transactions between the parties involved (Flanagan, 2001). An important feature of the Master Agreement is the netting of finances, whereby all debts and credits are aggregated to net a single figure. This system is straight forward if all parties are solvent but can be complex if one party files for bankruptcy. Despite this, the netting system has been praised by international bodies, such as the Basel Committee (Borowicz, 2015). The overwhelming majority of OTC contracts use the Master Agreement (Morgan, 2008).

The headquarters of ISDA is in New York City, but it has offices also in London, Hong Kong, Tokyo, Washington D.C., Brussels and Singapore; it has more than 875 member firms from 68 countries. Members include derivatives dealers, service providers and end users.[71]

Global Financial Markets Association [GFMA]

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The Global Financial Markets Association (GFMA) represents the interests of the world's leading financial and capital market participants. It provides a collective voice on matters that support global capital market.[72] As a trade association, GFMA advocates policies to address risks that have no borders, regional market developments that impact global capital markets, and policies that promote efficient cross-border capital flows. The GFMA brings together three of the world's leading capital markets trade associations. the Association for Financial Markets in Europe (AFME) in London, Brussels and Frankfurt, the Asia Securities Industry & Financial Markets Association (ASIFMA) in Hong Kong and the Securities Industry and Financial Markets Association (SIFMA) in New York and Washington D.C. are, respectively, the European, Asian and North American members of GFMA (Porter, 2011). In that way, it provides a forum for the largest globally active financial and capital market participants to develop standards to improve the coherence and interaction of cross-border financial regulation. [73] For example, GFMA supports the Basel III Accords, and promotes and supports greater clarity and consistency in international standards and regulation (Porter, 2011)

2.4.2 Professional Associations

International Association of Financial Executives Institutes [IAFEI]

The IAFEI is a private, non-profit association of Financial Executives Institutes from all over the world. The IAFEI was formed in 1969 following the First International Congress of Financial Executives. Founding members came from 11 countries: Argentina, Australia, Belgium, France, Germany, Italy, Mexico, Peru, the Philippines, Spain and the US. Playing a role in the adoption and implementation of international accounting standards, the IAFEI has about 20,000 members. Currently, the headquarters are located in the Philippines,[74] and the organization has members from 22 countries: Argentina, Brazil, China, Taiwan, Cambodia, Germany, Greece, Indonesia, Italy, Japan, Mexico, Philippines, Poland, Portugal, South Africa, Spain, Tunisia, and Vietnam.[75] Since 2007, IAFEI has published a quarterly al al on issues facing financial executives, incorporating articles from both the business and academic worlds.[76]

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In 1997, the International Accounting Standards Committee (of which IAFEI was a member), began formulating international financial accounting standards (Flower & Ebbers, 2002, 242, 248). IAFEI played a significant role in their development[77] (Ibid, 244), and the International Accounting Standards Board, armed with unifying standards, replaced the IASC in 2001 (Ibid, 248). The IASB's standards, the International Financial Reporting Standards, are currently used in almost every country in the world.[78]

Financial Data and Technology Association [FDATA]

Financial Data and Technology Association is a global association whose members provide innovative financial applications and services to empower customers to make better decisions and take fuller control of their financial lives. FDATA was founded in 2014 in London to work with the UK government on Fintech issues. It has since expanded across Europe, encompassing 29 member companies[79] and to North America, with 20 members.[80] The organization is currently working to establish chapters in Australia and India.[81]

FDATA represents companies operating in Fintech in an attempt to open up the finance industry to technology by working with policymakers, regulators and other finance associations to improve and increase the use of and access to financial technology and data.[82] The branches of FDATA work to promote Open Banking practices across their respective regions[83], including testifying before policymakers (Nicholls, 2019, 138).

Finance Management Association International [FMA]

Finance Management Association International is "a global leader in developing and disseminating knowledge about financial decision making".[84] FMA was founded in 1970 to disseminate knowledge and bridge the gap between finance practitioners, academics and students. FMA members include academics, government officials and professionals worldwide. The association seeks to find common ground between professionals and academics, provide networking opportunities for these groups as well as for students, increase the development and understanding of finance research and sound finance practices, and enhance the quality of education in finance departments (Hunter & Rader, 1998).

To this end, FMA publishes the quarterly academic journal, *Financial Management*[85], and partners with the *Journal of Applied Corporate Finance*[86] and *Journal of Financial Education*[87], for practitioners and educators, respectively. In addition, the association operates a job placement service for both university and private sector employers and job seekers[88]. Moreover, FMA holds various conferences around the world targeting the needs of different audiences, such as conferences for students[89], finance professionals and academics[90]. FMA also runs a shadow finance committee and disseminates its statements with respect to the US, Europe and Asia to its members[91].

The International Association for Trusted Blockchain Applications (INATBA)

The International Association for Trusted Blockchain Applications was founded in April, 2019 as a public-private partnership with the European Commission and is headquartered in Brussels[92]. INATBA offers developers and users of DLT a global forum to interact with regulators and policy makers and bring Blockchain technology to the next stage. The association has a number of objectives, including promoting an inclusive platform for all stakeholders, developing international standards for Blockchain and DLT services, and developing guidelines for Blockchain usage in specific sectors, such as finance and health.[93] As such, INATBA can be seen as an initiative to bring together different stakeholders to study and influence the effects of Blockchain and DLT on economic growth and sustainability (Kucera & Bruckner, 2019). Despite its recent founding, the organization already has over 170 member companies across five categories: Large, medium, small and micro enterprise and the non-profit sector.[94]

2.4.3 Private-Public Collaboration

The Group of Thirty [G30]

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Established in 1978, the Group of Thirty was conceived as a successor to the original Bellagio Group (discussed below), and is a private, nonprofit, international body consisting of very senior representatives of the private and public sectors and academia from all countries, including emerging markets (Tsingou, 2015; Kenen, 2008; Chiang, 2012). As the name suggests, it has 30 members at any one time (Tsingou, 2015, 235). G30 aims to deepen the understanding of international economic and financial issues and explore the international repercussions of decisions taken in the public and private sectors. The Group suggests that it "is characterized by its knowledge of the past and broad-minded, forward thinking". [95]

To further its goals, the think tank meets twice a year, hosts study groups that incorporate the ideas of members and non-members alike, and publishes extensively on contemporary issues in the international financial system. These reports often include regulatory and policy recommendations, and several have been adopted by central banks and governments around the world. From its' inception, the organization has been committed to including representatives from developing countries, in addition to members from Western democracies (Kenen, 2008).

Paris Club

The Paris Club is an informal group of official creditors whose role is to find coordinated and sustainable solutions to the payment difficulties experienced by debtor countries (bilateral debt). As debtor countries undertake reforms to stabilize and restore their macroeconomic and financial situation, Paris Club creditors provide an appropriate debt treatment. The origin of the Paris Club dates back to 1956 when Argentina agreed to meet its public creditors in Paris, and to this day, the requests for debt assistance are handled by the French Treasury. Following criticism from the G-77 in the 1980s, the Paris Club codified rules and norms governing its handling of bilateral debt. The rules stipulated that firstly, the organization would only deal with countries that have or are very close to default, only reschedule (postpone) debt repayment and not engage in financing new money, and finally, reduce debt by consolidating principal and interest, leaving the old debt intact. Moreover, an agreement with the International Monetary Fund was a mandatory prerequisite to seeking assistance. These rules were relaxed somewhat with the Toronto terms in 1988 and the Houston terms in 1990 (Josselin, 2009).

By the late 1990s and early 2000s, the Paris Club had significantly changed and relaxed its conditions for debt treatment, allowing non-imminent default countries to be considered for assistance, the write-off of residual stock of debt, and the Evian Approach, which allows stock reprofiling or stock reduction for countries possessing unsustainable debts. The Evian Approach has helped ensure comparability of treatment for all debtor countries, and removed discrepancies between Paris Club and private rules (such as the London Club) governing debt reduction (Ibid, 2009).

Since its inception, the Paris Club has reached 433 agreements with 90 different debtor countries, and the debt treated in the framework of Paris Club agreements has amounted to $583 billion.[96]

London Club

Here, the members are private banks, the lenders of Third World states and companies. During the 70s, deposit banks had become the main source of credit for countries in difficulty. By the end of the decade, these countries were receiving over 50 per cent of total credit allocated from all lenders combined. At the time of the debt crisis in 1982, the London Club had an interest in working with the IMF to manage the crisis, and the Club has always advised debtor countries to ask for IMF support before applying for rescheduling or fresh loans from the deposit banks (Josselin, 2009). Only rarely does the London Club approve a debt treatment without IMF approval. [97] Unlike the Paris Club, imminent default has never been a condition of assistance from the London Club, new money has usually been included in assistance, and stock-of-debt treatment has always been an option in negotiations (Ibid, 2009).

The groups of deposit banks meet to coordinate debt rescheduling for borrower countries. Such groups are known as advisory commissions.[98] These commissions were born out of the Banking Advisory Committee (BAC), which originally determined assistance to each debtor country. Due to fragmentations in the banking industry since the 1990s, at the recommendation of the IIF, the single committee was split into several advisory commissions (Josselin, 2009). These commissions consist of 5-20 banks that coordinate the assistance for all parties involved. The London Club does not have a fixed staff, headquarters or official rules, and each debt treatment is considered on a case-by-case basis (Berensmann, 2018). As such, the meetings, unlike those of the Paris Club that always meets in Paris are held in various cities worldwide, at the countries' and banks' convenience.[99]

Bellagio Group

The Bellagio Group is a group of academics and officials from G20 countries who meet annually to exchange views and discuss international economic and financial issues. The discussions are based on the personal viewpoints and opinions of the participants.[100] The group was first convened in the 1960s by Professor Fritz Machlup to allow academics to brainstorm on the prospects of the global monetary and financial system. The group originally met in the Rockefeller Foundation Center (Villa Serbelloni) in Bellagio 19 times between 1963-1974. In its early years, the group made several recommendations to the Group of Ten, and was instrumental in the creation of the IMF's Special Drawing Rights, providing academic voices and opinions to government and non-profit economists' research. The original Bellagio Group was diverse, with members coming from around the free world (Connell, 2011). After a long period of inactivity after 1974, the Group was resurrected and reconstituted by Professor Peter Kenen in the 1990s. The current chair of the group is Prof. Barry Eichengreen.[101]

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Section 3. The Architecture of Global Financial Governance

"The Western financial system is rapidly coming to resemble nothing as much as a vast Casino", wrote Susan Strange in her manuscript *Casino Capitalism* that was published in 1986. "Everyday games are played in this casino involving sums of money so large that they cannot be imagined. At night the games go on at the other side of the world", she added. "in towering office blocks that dominate all the great cities of the world, rooms are full of chain-smoking young men all playing these games. Their eyes are fixed on computer screens flickering with changing prices. They play by intercontinental telephone or by tapping electronic machines. They are just like the gamblers in casinos watching the clicking spin of a silver ball on a roulette wheel and putting their chips on red or black, odd numbers or even ones" (Strange, 1986, 1). The Casino metaphor is appealing in first read but appalling on a second. This was true in the 1980s as it is nowadays. There are changes of course; the financiers are probably smoking less. Many were replaced by fast computer algorithms and high-speed communication networks. But the gambling, to the extent that we are talking solely or even mainly about gambling, goes on. The main metaphor still holds. The managers and owners of the Casino usually win. The only problem with the Casino metaphor, however, is that from the time of Strange's publication, it took the gamblers and the Casino about two decades to bring the global house down. But perhaps the metaphor is not that useful? Maybe the structure of the system is resilient, and the price that was paid was worth it? Who can guarantee that a system that is more robust, centralized and formalized can provide better performance? The jury is still out on that question, even if reason and common sense suggest that financial stability is the victim of excessive risk taking and greed.

One thing is clear. The current regulatory architecture of global financial governance is **fragmented**. It is fragmented in more than one sense. First, it is fragmented in the sense that there is no one financial actor – neither weak nor strong, neither public nor private, neither formal nor informal - that supervises global finance. When we say fragmentation, we mean that in no sphere of the many spheres of action is there any single actor that supervises finance. There is no World Financial Supervision Organization in the same way we have the World Trade Organization since 1995 and

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the GATT before it (Singer, 2007, Brummer, 2011). Second, global financial governance is fragmented also in the sense that different types of public and private organizations act in tandem without any legal or normative clear lines of accountability. Third, global financial regulation is fragmented in the sense that it is not part of the United Nation system of governance in general and economic governance in particular. It is a world in and of itself, with strong boundaries vis-à-vis other arenas of governance. Fourth, it is fragmented functionally as it severs different industries and public goals. Perhaps the best way to demonstrate it is to draw the map of organizations that are involved in the methodology of minimal capital requirement of banks as done by Mugge and Perry (2014). The decision what elements count as bank capital lay at the feet of the Basel Committee on Banking Supervision. On the other hand, how these elements are calculated and measured is the responsibility of other organizations: it lies with the International Accounting Standards Board and the Financial Accounting Standards Board. The BCBS comes into play with its Risk Model Parameters, but the banks themselves and credit rating agencies assess the risks of assets. In addition, the risk on exchange-traded financial instruments are governed by the 24 principles of the Committee on Payment and Settlement Systems and the International Organization of Securities Commissions (see table 5). Fifth, fragmentation also manifests in the existence of three different governance pillars, formal international organizations (such as the IMF and the Word Bank), Club Organizations (G7, G20) and Technical Pillars (BIS committees). These various dimensions of fragmentation have been sustained and reinforced by fragmented domestic structures of regulatory governance in the US and split governance and organization of the financial system in the leading financial countries (Germain, 2010, 154).

Component	Parameters	Actors
Bank Capital	What elements count as Bank Capital?	BCBS
	How are the elements of bank capital calculated and measured?	IASB & FASB
	Risk weightings/Risk model parameters	BCBS

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Risk-Weighted asset	Risk assessment of assets	Credit rating agencies Banks' internal rating departments
	Counterparty risk on exchange-traded financial instruments	CPSS-IOSCO

Table 5: Organization and Substantive Fragmentation on Minimal Capital Requirements Source Mugge and Perry, 2014,

Second, global financial governance is highly **informal**. This informality is evident first and foremost in the rather loose manner whereby the authority to promote global goods and avoid global risks is not ratified by international conventions, namely it is not institutionalized. In this sense, one can say that the regulation of global finance is a notable exception to the trend of legalization in world politics (Singer, 2007, 9). Of course, this informality, often described as "soft law", serves the interests of the major players in the system, but in a highly globalized world, it also allows for flexibility of governance arrangements while safeguarding the priorities of national interests and policy communities in global financial regulation. Informality allows technical actors – central bankers and other financial regulators – to avoid ratification at the home arenas, leaving thus a room of maneuver under light supervision from other actors. At the same time, it potentially permits of criticism – in theory at least – for the lack of legitimacy. Informal arrangements are not legally bindings and thus compliance and enforcement are left to normative and peer pressures and "market discipline" - when markets work. Second, informality is apparent in the fact that many of the global regulatory and governance institutions are informal. Such is the case of the informal Group of Seven (G7) as well as the publicly obscure Bank of International Settlement with its various committees (Porter, 2005, 32; Westermeier, 2018, 175). To be more concrete, one can draw on David Zaring's (1998) examples. The founding document of the International Association of Insurance Supervisors is its certificate of incorporation as a nonprofit organization in the state of Illinois. The International Organization of Securities Commissions similarly derives its legal existence from a private bill passed by the Quebec National Assembly. The Basle Committee, unlike IOSCO and IAIS, does not even have a legal existence at some national level; its existence was first marked by a press release issued through the Bank of International Settlement. It is hardly surprising, therefore, that major accords such as the Basel

Concordat and the three Basel Accords do not have formal status and are ratified neither as global nor national laws (Zaring, 1998).

Third, global financial governance is dominated by technical and professional rather than political discourse. This is clearly the result of the complexity of the field. It nevertheless also reflects the fact that financial regulators themselves are professional bureaucrats, mostly with degrees and experience in finance rather than general economic policy. The field and the policy issues on the agenda rarely get public attention. This is especially the case when issues move to the global arenas (Singer, 2007; Frieden, 2016). This allows central bankers and the financial community to shape financial regulation and, indeed, respond to financial crises. Perhaps paradoxically, rather than diminishing the prominence of central bankers, the global financial crisis has resulted in an increase in the salience of central bankers. **Fourth**, global financial governance is highly **national,** with governments delegating little agency to international organizations and other forms of agents. Again, the national character of global financial regulation is expressed in the prominent role of nationally based central bankers and other financial regulators in the global arenas. **Fifth** and following the national character of financial regulation, domestic politics – especially of the most powerful nations – counts heavily in the decisions how much, when and in which form to migrate regulation to the global level. This suggests that the reluctance of national regulators to delegate upwards to global and regional jurisdictions reflects more than protection of their power. Domestic financial interests in the main center of finance exert influence that limits the powers of the global financial regulatory regime (Porter, 2005, 27; Underhill and Zhang, 2008; Donnelly, 2019, 362-3).

Sixth, global financial governance is organized around the **interests of the Western liberal and often rich democracies**. It reflects the priorities of the club of rich countries and their dominance in the economic and military spaces at least since the 19th century. This means, as observed by Jones and Knaack, that rule-making powers are restricted to a select number of mostly developed economies. “The Financial Stability Board (FSB) at the apex of international regulatory cooperation includes only 25 jurisdictions, while the Basel Committee on Banking Supervision has 28” (Jones & Knaack, 2019, 194). The “Asian Century” might prove to have significant effect in the future. For now, its effect on the direction of global financial regulation is rather modest. **Seventh**, global financial governance is more specifically **US-centered**. The US is the pivot and the veto player that exerts more veto roles (Posner, 2009). There are nonetheless changes towards more transatlantic cooperation, and the EU is fortifying the European bargaining position vis-à-vis the hegemon. **Finally**, global financial regulation, like domestic financial regulation, cannot be captured by the ethic story of states versus finance. Given the centrality of finance in the economy, the main storyline is state with finance (Porter, 2005, 18-20; Helleiner, 1995). More controls by the state blur the distinction between the political and the economy at the same time that professional elite of central bankers and financial regulators are more dominant and powerful than politicians are.

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Section 4: Conclusions

Finance and global financial governance are increasingly important and influential activities in our economies, polities and societies. Financialization, that is the embeddedness of financial institutions, ideas and incentives into our social, economic and political life is progressing at the national and global level (Epstein, 2005; Krippner, 2005; van der Zwan, 2014). Better regulatory governance at the national, regional and global level are of great import not only because it can bring more stability but also because they can bring more sustainable growth and a fairer, more equal world, all the while improving the life chances of millions that live in poverty. This will not come without a political agenda and a shift in priorities of governance in the major polities of the world. It will not come without a collaboration of actors and institutions that are profit-oriented but it will also not come from them or from them primarily. Truly global public policy goods require interest-based, ideational change that will lead both to a more comprehensive institutionalization of the institutionalization and formalization of the current informal institutions and an increase in their role perceptions and functional aims. More global financial regulation can allow faster and more stable growth of markets; it can allow them to grow in a manner that promote a just and fairer global society. The challenges of slow growth, instability, social, political and military stagnation and, of course, poverty, climate change demographic changes, and unsustainable growth can all be tackled by better financial governance. Better financial governance is not likely to come via experts' clubs, insulated technocratic governance or politically controlled finance. It can be advanced via open dialogue and better understanding of the world of finance by the attentive elites.

The first part of this paper suggests the existence of narrow and broader conceptions of global public good. It then identifies global financial instability as the major issue around which the current institutions and actors evolves. Preventive policies – around instability – dominates the global financial agenda despite the growing challenges of climate change, poverty and political instability. This should be a major agenda of reforming finance and global financial governance. Still and perhaps more important

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the first part of the paper identify – governance, more concretely, global financial governance – as public good. In doing so it moves beyond the narrow definition of public good that dominate much of the discussion in welfare economics. The second part moves beyond the discussion of global good and focuses on the actors and institutions of global governance. It identifies the relatively marginal role of Bretton Woods institutions (International Monetary Fund, the World Bank) in global financial governance. The major and expanding role of informal regulatory organizations such as the Bank of International Settlements, its systems of committees and organizations (The Financial Stability Board) as well as that of the Basel Committee on Banking Supervision. It then moves on to cover the role of set of institutions that work as forums that brings together regulators from securities regulation (International Organization of Securities Commissions), Insurance and pension supervision (international association of insurance supervisors; International Organization of Pension Supervisors). The case of Financial Action Task Force [FATF] suggests a much more powerful and assertive action for global financial governance by an informal group but one that is confined solely to anti-money laundering and counter terrorist finance. These informal global governance institutions are supported by informal intergovernmental club organization in the forms of the Group of Seven, the Group of Ten and the Group of Twenty. Private organizations in the form of Business associations (e.g. Institute for International Finance, The World Federation of Exchanges, Future Industry Association, International Swaps and Derivatives Association, The International Capital Market Association) and Professionals (e.g. International Association of Financial Executives Institutes, Financial Data and Technology Association, Finance Management Association International, The International Association for Trusted Blockchain Applications) as well as private public collaboration (e.g., the Group of Thirty, Paris Club, London Club, Bellagio Club) complete this section of the paper. The analysis reveals the existence and gradual expansion of informal expert- and industry- based institutionalization outside the reach of public scrutiny and democratic control.

The third part of the paper covers the principles that shape the current regulatory architecture. First, by demonstrating its multiple lines of fragmentation (i.e., no single global regulator, multiple spheres of financial governance, distance from the UN system of economic governance, multiple stages of the regulatory process and different governance pillars). Second, global financial governance is highly informal. This informality is evident first and foremost in the rather loose manner whereby the authority to promote global goods and avoid global risks is not ratified by international conventions, namely it is not institutionalized. Third, global financial governance is dominated by technical and professional rather than political discourse. Fourth, global financial governance is highly national, with governments delegating little agency to international organizations and other forms of agents. Fifth and following the national character of financial regulation, domestic politics – especially of the most powerful nations – counts heavily in the decisions how much, when and in which form to migrate regulation to the global level. Sixth, global financial governance is organized around the interests of the Western liberal and often rich democracies. Seventh, global financial governance is more specifically US-centered. The US is the pivot and the veto player that exerts more veto roles. Finally, global financial regulation, like domestic financial regulation, cannot be captured by the ethic story of states versus finance or states vs. markets. More controls by the state blur the distinction between the political and the economy at the same time that professional elite of central bankers and financial regulators are more dominant and powerful than politicians are.

In a world of nations and regions and global financial industry, the need in all or some forms of global governance ought not to be taken for granted. Functional reasoning around the existence of global commons and national interdependencies coexist in conjunction with normative reasoning about global virtues. Still, and with all due respect to functional and normative reasoning, global governance exists to serve the interests of the major actors and their coalitions. It is a product of power and interests entrenched in institutions that are themselves the product of the fusion of interests and norms. The advance and shape of particular forms of financial architecture is not shaped only by normative and functional needs but by the peculiarities of historical moments and developments, particular institutional trajectories and an impressive mosaic of softer and harder forms of governance.

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Footnotes

[1] The Soviet Union who took part in the conferenced declined to ratify the agreement.

[2] https://www.imf.org/en/About

[3] Ibid.

[4] https://www.imf.org/external/np/exr/center/mm/eng/mm_bnfts.htm

[5] https://www.imf.org/en/Countries

[6] https://www.imf.org/external/about/govstruct.htm

[7] https://www.imf.org/en/About/Factsheets/IMF-at-a-Glance

[8] https://www.imf.org/en/News/Articles/2018/05/11/pr18171-imf-approves-fy2019-fy2021-medium-term-budget

[9] Ibid.

[10] IMF, *Bilateral Surveillance over Members' Policies Executive Board Decision,* 2017.

[11] IMF, *The 2007 Surveillance Decision: Revised Operational Guidance*, 2019.

[12] https://www.worldbank.org/en/about/history/the-world-bank-group-and-the-imf

https://www.imf.org/en/About/Factsheets/Sheets/2016/07/27/15/31/IMF-World-Bank

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[13] https://www.worldbank.org/en/about/history

[14] *Ibid*

[15] https://www.worldbank.org/en/about/what-we-do

[16] https://www.worldbank.org/en/what-we-do

[17] https://www.ft.com/content/7b4e915e-a7b8-11e9-984c-fac8325aaa04

[18] https://www.ft.com/content/7b4e915e-a7b8-11e9-984c-fac8325aaa04

[19] https://www.worldbank.org/en/about/leadership/governors

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