

ECONOMICS OF BANKING

Javier Suarez

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Reading List and Slide Sets

(For the slide sets click on the [PDF] signs next to unit titles)

(Readings location: [LIB]=library, [PDF]=PDF file)

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A useful reference for most of the course is the textbook of Xavier Freixas and Jean-Charles Rochet, *Microeconomics of Banking*, 2nd Edition, Cambridge, MA: MIT Press, 2008 [LIB]. The chapters of this book relevant for each unit are indicated in square brackets [#] after each unit's title. Lecture notes (slides) available as pdf files also appear after each unit's title.

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1. The Industrial Organization view of banks [PDF] [3]

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3. Verifiability and debt contracts [\[PDF\]](#) [4]

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Stiglitz, J. E., and A. Weiss (1981), "Credit Rationing in Markets with Imperfect Information," *American Economic Review*, 71, 393-410. [\[PDF\]](#)

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5. Banks as suppliers of liquidity [\[PDF\]](#) [2, 7]

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6. The prudential regulation of banks: capital regulation [\[PDF1\]](#) [\[PDF2\]](#)

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8. Banks in dynamic general equilibrium [\[PDF1\]](#) [\[PDF2\]](#)

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