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Nota di contenuto	Cover; Banking Crises, Liquidity, and Credit Lines; Copyright; Contents; List of illustrations; Preface; Acknowledgements; 1. Introduction; 1.1 A perspective on banking crises, liquidity, and credit lines; 1.2 A glimpse of the main contents; 1.3 Plan of the book; 2. Bank solvency and systemic stability; 2.1 Diversifiable risks; 2.2 Non-diversifiable risks and capital; 2.3 Non-diversifiable risks and liquidity; 3. The rationale for demand deposits (and short-term funds); 3.1 Demand deposits as money; 3.2 Demand deposits for consumption smoothing; 3.3 Demand deposits as a check on moral hazard 4. Literature review, and the road ahead 4.1 Banking crises and liquidity; 4.2 Credit lines; 4.3 The road ahead; Appendix: storage technology; 5. Near-systemic bank runs, given a flexible more-reputed bank; 5.1 Reserves; 5.2 Liquid loans: purchase of loans by the more-reputed bank; 5.3 Illiquid loans: near lender of last resort; 5.4 Illiquid loans: line of credit from the more-reputed bank; 5.5 A model of a possible market for lines of credit; 5.6 Price-level stability and near-systemic bank runs; 5.7 A two-way credit line and a mediator; 5.8 Competition and stability

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Sommario/riassunto

The banking crises in 2007-10 are not exceptional. There have been many such crises in the past in both developed countries and emerging economies. A banking crisis can be related to solvency or liquidity (or both). This book focuses on banking crisis and liquidity. This book starts from basics and gradually builds up with very few technicalities. Though the analysis is primarily theoretical, we provide a historical background, a macroeconomic perspective, and policy implications for both closed and open economies.
