

1. Record Nr.	UNINA9910464018703321
Autore	Al-Zein Eza
Titolo	Reserve requirements, the maturity structure of debt, and bank runs / / Eza Al-Zein ; authorized for distribution by Marc Quintyn
Pubbl/distr/stampa	[Washington, District of Columbia] : , : International Monetary Fund, , 2008 ©2008
ISBN	1-4623-4268-X 1-4527-9751-X 9786612840623 1-282-84062-2 1-4518-6968-1
Descrizione fisica	1 online resource (28 p.)
Collana	IMF Working Papers IMF working paper ; ; WP/08/108
Altri autori (Persone)	QuintynMarc
Disciplina	332.15
Soggetti	Bank reserves - Econometric models Banks and banking, Central - Econometric models Bank failures - Econometric models Debts, Public - Econometric models Electronic books.
Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	Description based upon print version of record.
Nota di bibliografia	Includes bibliographical references.
Nota di contenuto	Contents; I. Introduction; II. Motivation and Literature; III. The Model; A. The Domestic Economy; B. Date-Specific and Maturity-Specific Reserve Requirements; C. The Lenders' Problem; D. Defining the Equilibrium; Figures; 1. Structure of the Model; IV. The Emergence of Bank Runs; A. The Emergence of Bank Runs in the Setup Without Reserve Requirements; Defining the Illiquidity Condition; 2. Decision Tree at t=1 Summarizes How a Bank Run Would Occur.; B. Can Reserve Requirements Prevent the Occurrence of a Bank Run?; Illiquidity Conditions with Reserve Requirements Reserve Requirements and Market Failure C. International Lending After the Bank Runs: Are International Lenders "Throwing Good Money After Bad Money"?; International Re-Optimization Problem; V. Discussion;

Sunspot and Bank Run Probability; Incentive to Form a Bank; VI.
Conclusion; Appendix; References

Sommario/riassunto

The paper looks at the relationship between reserve requirements and the choice of the maturity structure of external debt in a general equilibrium setup, by incorporating the role of international lenders. A date- and maturity-specific reserve requirement is a fraction of the debt to be deposited in a non-interest bearing account at the central bank. At maturity, the central bank returns the reserves. There exist some specific combinations of date- and maturity-specific reserve requirements that reduce the vulnerability to bank runs. In such setup, lenders may still want to provide new short-
