

# The Basel Committee on Banking Supervision

*A History of the Early Years, 1974–1997*

Charles Goodhart



CAMBRIDGE  
UNIVERSITY PRESS

# Contents

<i>List of figures</i>	<i>page</i> vii
<i>List of tables</i>	viii
<i>Foreword by Dr Nout Wellink, President of De Nederlandsche Bank, and Chairman of the BCBS</i>	ix
<i>Preface</i>	xi
1 Introduction	1
2 The antecedents of the BCBS	10
3 Modus operandi: Chairmen; Secretariat; members; structure of meetings	51
4 The Concordat	96
5 External and foreign exchange issues	127
6 Capital adequacy and the Basel Accord of 1988	146
7 The Market Risk Amendment	224
8 The Core Principles of Banking Supervision	286
9 Liquidity	317
10 Off-balance-sheet exposures and derivatives	351
11 Other topics addressed by the BCBS	372
12 The relationship of the BCBS with banks and other banking regulators	413
13 Relationships with other non-bank oversight and supervisory bodies	465
14 The legal position of the BCBS	542
15 The international relations of the BCBS	560

16	The BCBS and the social sciences	572
17	Epilogue	581
	<i>Bibliography</i>	583
	<i>Index</i>	589

# Figures

3.1 Participation record	<i>page</i> 66
3.2 Number of participants at each meeting	71
9.1 The changing composition of the UK banking system's assets	334

## Tables

3.1 Long-serving members of the BCBS	<i>page</i> 65
3.2 Number of BCBS meetings each year	73
3.3 External issues	79
3.4 Discussions on own regulatory practices	80
3.5 Measuring and influencing bank practices	81
3.6 Scheduled discussions of bank failures	82
3.7 Relationships with other groups connected with financial oversight	82
3.8 Infrastructural issues	83
3.9 General issues	83
4.1 Matrix of suggestions for sharing of responsibilities	98
6.1 Elements of capital in a tiered framework	161
6.2 Suggested tabular format for submitting responses to Secretariat	162