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Europe Needs to Talk About Resilience

by Michael Heise

Ten years have passed since the U.S. subprime crisis spilled over into Europe and beyond. Questions of financial resilience have been hotly debated on the Continent ever since.

For many, the global financial crisis shattered the belief that highly developed financial markets tend to be robust and good for economic growth. Their purported benefits, such as efficient capital allocation and the monitoring and transfer of risk, were nowhere to be seen. Rather, it was the “efficiency” of financial markets, in the shape of ever more complex instruments and cross-border schemes, that tipped the Western world into what has become known as the Great Recession.

Full article here:

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