

## Timeline for *Microeconomics of Banking* Section

Here is a plan of the material covered in the first 6 lecture of ECON 4335

Tue. 23. Aug.	Handout
We. 30. Aug.	Handout + Ch12 Tirole's textbook
We. 6. Sep.	Handout + Holmstrom and Tirole (1997)
We. 13. Sep.	Handout + Diamond and Rajan (2011), Tirole (2011)
We. 20. Sep.	Handout + Hellmann, Murdoch and Stiglitz (2000)
We. 27. Sep.	(Handout + Vives (2010) + Allen and Gale (2004))? <sup>1</sup>

### MICROECONOMICS OF BANKING

(NOTE: the links provided work only in the UiO network)

Jean Tirole, "Consumer Liquidity Demand" Chapter 12 in his *Corporate Finance*, Princeton University Press, 2006 [K](#)

Bengt Holmstrom and Jean Tirole: Financial intermediation, loanable funds, and the real sector, *Quarterly Journal of Economics*, 1997 112: 3, 663-691 [Link](#)

Douglas W Diamond and Raghuram G Rajan: Fear of fire sales, illiquidity seeking, and credit freezes, *Quarterly Journal of Economics*, 2011, 126, 2, 557-591 [Link](#)

Jean Tirole: Illiquidity and all its friends, *Journal of Economic Literature* 2011. 49:2, 287-325 [Link](#)

Xavier Vives: Competition and stability in banking, *CEPR Policy insight*, 50, August 2010 [Link](#)

Franklin Allen and Douglas Gale: Competition and financial Stability, *Journal of Money, Credit and Banking*, 2004 36: 3(2), 453-480 [Link](#)

Thomas F. Hellmann, Kevin C. Murdoch and Joseph E. Stiglitz: Liberalization, Moral Hazard in Banking, and Prudential Regulation: Are Capital Requirements Enough?. *American Economic Review*, 2000 90:1, 147-165 [Link](#)

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<sup>1</sup> This last lecture might instead be used to cover unfinished material from previous lectures.