

Mgr Alicja Szyszko

The experience of bank bailouts during the financial crisis of 2007-2009 showed that the financial resources used for this purpose reached an unprecedented scale and, in most cases, represented a significant cost to public finances. Public interventions in the banking sector provoke many questions and discussions. Due to differing opinions, there is a need to evaluate the principles and analyse the costs of public aid provided to systemically important banks and to assess the efficiency of these actions. The aim of this dissertation is to discuss the mechanisms of stabilization of systemically important banks during the crisis of 2007-2009, and then to compare the efficiency and effectiveness of the implemented public intervention programs in the United States and in the Eurozone countries in 2008-2014.

The articulation of research objectives and the identification of existing research problems made it possible to pose the following hypotheses: H1: The efficiency of public intervention for systemically important banks between 2008 and 2014, measured by the cost of bank rescue expressed as the value of public assistance relative to the value of deposits from customers, was higher in the United States than in euro area countries. H2: The effectiveness of public intervention for systemically important banks during 2008-14 was higher in the United States than in the euro area. H2.1: The effectiveness of public intervention in restoring stability, expressed as the probability of bank failure as measured by the Z-score and the ratio of the capital adequacy ratio (CAR) to its 2006 level, was higher in the United States than in the euro area. H.2.2 The effectiveness of public intervention in terms of return on equity (ROE), expressed as the ratio of ROE to the 2006 level, was higher in the United States than in the euro area.

In order to achieve the aim of the study and verify the research hypotheses set, literature studies were used, an empirical database was developed containing financial indicators of systemically important banks from the United States and the euro area that received public aid in 2008-2014 and the volumes of this aid, econometric models were developed to assess the efficiency and effectiveness of public aid.