

Central bankers as epistemic community? The example of the Basel Accords

Aleksander Miłosz Zieliński, Berne, Switzerland

A prominent example of an epistemic community that does not belong to academics are central bankers (Helleiner 1994). It has been argued that they exhibit the four traits which are characteristic for epistemic communities (Haas 1992): 1) They share a set of normative beliefs, 2) They agree on certain causal relationships, 3) They have a shared notion of validity and 4) they manage a common set of policy actions and practices (Marcussen 1998). A prominent example of the influence of central bankers as epistemic community on the policy-making process has been the Delors committee and the creation of the European Monetary Union (EMU) (Verdun 1998). However, their influence on other institutions and actors can take many different forms such as eg. the setting of standards. This is why I would like to focus on the so-called Basel Accords which focus on the capital adequacy of financial institutions and require internationally operating banks to meet certain standards especially concerning minimal capital requirements.

In my presentation I would like to focus on two aspects of the epistemic community of central bankers:

1) The institutional aspect: How does the participation in the regular meetings of the Bank for International Settlements (BIS) and the Basle Committee on Bank Supervision (BCBS) help develop and crystallize a common set of normative beliefs.

2) Haas (1992) explicitly underlines the transnational character of epistemic communities. This is especially evident regarding the Basel Accords which set international standards regarding capital adequacy at a time when national banking supervisors were not able to agree on such standards. The interesting question is whether central bankers indeed focus on a higher good as theorized by Haas or if they represent particular interests.

Literature:

Haas, P. (1992) Introduction: epistemic communities and international policy coordination, *International Organization* 46:1, 1-35.

Helleiner, E. (1994) *States and the Reemergence of Global Finance*, Cornell University Press: New York.

Marcussen, M. (1998): *Central Bankers, the Ideational Life-Cycle and the Social Construction of EMU*, European University Institute, Working Paper RSC No 98/33.

Verdun, A. (1998), *The Role of the Delors Committee in the Creation of EMU: An Epistemic Community?*, European University Institute, Working Paper RSC No 98/44.