

Heyden, Eric

Article — Published Version

The power of the banking lobby and its consequences: a scoping review

Public Choice

Suggested Citation: Heyden, Eric (2025) : The power of the banking lobby and its consequences: a scoping review, Public Choice, ISSN 1573-7101, Springer US, New York, Vol. 206, Iss. 3-4, pp. 521-564,
<https://doi.org/10.1007/s11127-025-01327-9>

This Version is available at:

<https://hdl.handle.net/10419/338582>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.



<http://creativecommons.org/licenses/by/4.0/>



The power of the banking lobby and its consequences: a scoping review

Eric Heyden¹

Received: 25 September 2024 / Accepted: 13 August 2025 / Published online: 12 September 2025
© The Author(s), under exclusive licence to Springer Science+Business Media, LLC, part of Springer Nature 2025, modified publication 2026

1 Introduction

While the number of US bank lobbyists has declined since the Global Financial Crisis, lobbying expenditures by US banks have risen to their highest level since 2008 in response to intense regulatory pressure (Center for Responsive Politics 2025a). In 2023, for example, US banks launched a campaign to block planned mandatory capital increases that threatened to reduce their profits (Reuters 2024). In the EU, the financial industry spends less on lobbying, but the number of bank lobbyists has risen to an all-time high (Administrative Board of the Transparency Register 2023; European Union 2025). The increase in lobbying there is due, in part, to the prospect of the introduction of a digital euro. Banks see their business model threatened because the digital euro would compete directly with bank deposits. The banks thus have lobbied to save their business model and shape the digital euro in their favor (Voxeurop 2024).

While banks spend less money on lobbying than other industries (Center for Responsive Politics 2025b), it is worth focusing on banks because banking is among the most heavily regulated industries (Chalmers 2020; Igan and Lambert 2019). For example, Al-Ubaydli and McLaughlin (2017) show, based on the US Code of Federal Regulations, that the banking industry is among the top ten industries with the most regulatory restrictions. And Simkovic and Zhang (2020) show that the financial industry is among the top industries in terms of regulatory burden, measured as the cost of labor required to comply with regulatory tasks.

The regulatory environment of the banking sector is shaped by a long history of political negotiations. As Calomiris and Haber (2014) demonstrate, banking systems around the world reflect historical alliances between governments and financial actors. Lobbying has become a central mechanism of institutional design. The relationship between the state and the financial sector is unique because banks and other financial institutions play a crucial role in economic functioning. The state needs banks to facilitate economic growth, provide liquidity, and ensure financial stability (Braun and Raddatz 2010). And the financial sec-

✉ Eric Heyden
eric.heyden@uni-rostock.de

¹ Chair of Banking and Finance, University of Rostock, Ulmenstraße 69, 18055 Rostock, Germany

tor relies on the state for regulation, financial support during crises, and protection of its interests. This nexus of political power and banks is long-standing. Bodenhorn (2017) and Schwartz (1947), for example, show that the US banking sector had close ties to political decision-makers as early as the eighteenth century.

Against this background, three questions are posed in an attempt to illuminate how regulatory policy is shaped and how financial interests influence overall economic outcomes. First, what motives drive banks to lobby? Second, what lobbying tactics do banks use? Third, what are the consequences of bank lobbying? This last avenue of inquiry plumbs not only bank lobbying's impacts on regulations, policies, and the financial sector, but the potential risks and unintended consequences of banks leveraging their power and influence. To the best of the author's knowledge, there has been no systematic compilation and synthesis of academic findings in this area. This paper aims to fill this gap and support future research.

Section 2 explains lobbying and its theorization. Section 3 discusses the study's methodology. Sections 4, 5, and 6 address the research questions. Section 7 identifies the research's implications and limitations, and Sect. 8 concludes with areas for future research.

2 Theoretical background

Though several studies examine lobbyists and lobbying, the term lobbying remains inconsistently defined (Sinčić Ćorić 2014). In particular, differences arise between European and non-European countries. The non-European understanding centers on the provision of information to policy makers by people who primarily represent industry interests (Hillman and Hitt 1999). In the European understanding, the term refers to any political activity by any individuals. Accordingly, in Europe lobbying refers to all active political strategies. Lobbying has negative connotations in Europe because lack of transparency about lobbying fuels suspicions of undue influence and private interests being placed before public interests (Hillman 2003).

For the purposes of this study, lobbying can be understood as the representation of a group's interests in proposed legislation or other policies (Andrews 1996; Hojnacki and Kimball 1998). This representation can be achieved through exercising pressure or providing information (Andrews 1996; Hansen and Mitchell 2000). According to Maslennikov and Sokolov (2006), lobbying can be defined as the active behavior of industry advocates aiming to create a favorable climate for themselves in a given environment and to reduce the influence of factors causing reactive behavior in that environment. Following Igan et al. (2012), lobbying is more precisely defined in this paper as any legal activity aiming to change or maintain existing or future rules or policies to obtain personal benefits. In the financial industry, the personal benefits may include preferential access to loans, bailouts, or procurement contracts (Faccio and Parsley 2009; Fisman 2001; Johnson and Mitton 2003).

Bank lobbyists are people who lobby on behalf of a bank, whether they work for the bank or not (Korkea-aho 2022). Bank lobbyists champion banks' interests before policy makers, with the latter defined as those who set policy and draft legislation (Colebatch 2018). Such policy makers may be assisted by bureaucrats who act as their advisers (Alesina and Tabellini 2008). In addition, bureaucrats may make certain decisions independently, in which

case policy makers have less influence. Bureaucrats, independent of other political actors, can thus also be influenced by bank lobbyists.

The literature offers assorted views of how financial sector policy and regulation varies across countries and over time. Regulatory capture, a term coined by Stigler (1971), concerns the idea that regulators are under pressure from various actors seeking to advance their own interests. Regulatory capture occurs when organized groups exert excessive influence on regulators so they act primarily in the interests of the industry they regulate, rather than in the interests of the public. As Stigler puts it, where there is regulatory capture, “regulation is acquired by the industry and is designed and operated primarily for its benefit” (p. 3). The government increasingly turns to the private sector to better regulate it. This turn brings the private sector closer to the state and allows the sector to exert influence (Young 2013). This view is also referred to as private interest theory, as the various actors act in their own interests and maximize the private rather than public good. This form of rent-seeking reinforces the view that lobbying is not socially optimal, as distorted incentives lead to government intervention in such forms as bailouts (Igan et al. 2012).

Building on Stigler’s (1971) work, lobbying research has developed in two directions: Some research examines the connection between lobbying efforts and particular regulations, laws, or ordinances (Facchini et al. 2011; Goldberg and Maggi 1999; Grossman and Helpman 1994; Igan et al. 2012; Kroszner and Strahan 1999; Kroszner and Stratmann 1998; Ludema et al. 2010). Other research examines the impact of lobbying on firm-specific performance indicators (Bertrand et al. 2004; Claessens et al. 2008). Stigler’s concept of regulatory capture illustrates that private actors tend to pursue the goal of increasing regulatory costs rather than reducing them. Banks are often perceived as lobbying to weaken financial regulation (Young 2013). However, in Stigler’s view, increasing regulatory density can affect the conditions of competition between the players to the benefit of some. For example, an actor in the financial sector could seek stricter regulation that may somewhat affect it but more severely affect its competitors (Stigler 1971; Young 2013).

Another perspective comes from information transmission theory, or public interest theory. Although certain actors have more or better information than regulators, some do not use this informational advantage for their own interests. Instead, they lobby to cooperate with and better inform the authorities (Delis et al. 2022), thereby mitigating policy errors due to limited information (Hantke-Domas 2003). In this view, lobbying is a socially beneficial channel for facilitating informed decision-making (Igan et al. 2012). Several studies have shown that lobbying is engaged in to exchange information with policy makers rather than exchanging favors (Cotton 2012; Hall 1996; Hansen 1991). This type of information exchange has often prompted better-informed policy decisions (Austen-Smith and Wright 1992; Cotton 2009).

Becker’s (1983) theory of political competition represents another theoretical perspective. Becker argues that political competition between interest groups improves political efficiency. However, this efficiency depends on each group’s size, ability to exert political pressure, extent of free riding, and welfare losses due to taxes and subsidies. Building on this view, Wittman (1989) argues that democracies tend to produce efficient outcomes because interest groups compete. Politicians have an incentive to make decisions that maximize general welfare because they are competing for votes. According to Wittman, it is therefore simplistic to view interest groups as producers of inefficient policies. Inefficient policies persist only when the expected costs of change exceed the potential benefits. Albrecht et al.

(2022) similarly emphasize that despite the short-term distortions caused by interest groups, political competition tends to produce outcomes that are efficient in the long run. According to Albrecht et al., even a political system that appears statically inefficient can be dynamically efficient if the costs of policy change are too high but there is an opportunity to wait out uncertainties.

While Becker (1983) and Albrecht et al. (2022) acknowledge that interest groups can produce politically inefficient outcomes, Wittman (1989) argues that competition in democracies generally leads to efficient outcomes. The debate indicates lobbying remains a critical subject to study. This is because of both its influence on policy outcomes and its rent-seeking costs, which exist regardless of whether the resulting regulation is efficient. Importantly, in all the above theories, private interests are benefited by lobbying, even if in the public interest theory such interests do not motivate lobbying.

3 Methodology

As a scoping review, this study takes a systematic approach to identifying and summarizing the existing literature on a research topic or question (Arksey and O'Malley 2005; Paré et al. 2015). The literature search aims to identify both conceptual and empirical contributions regarding the different dimensions of bank lobbying. A PRISMA diagram (Fig. 1) was created to summarize the flow of information in this review (Moher et al. 2009).

The initial literature search used Boolean operators to find “bank lobbying” OR “bank lobbyism” OR “financial industry lobbying” OR “financial industry lobbyism.” “Lobbying” and “lobbyism” were used because they appear in the literature. The second literature review used search terms related to lobbying: “interest group,” “private interest,” “special interest,” and “regulatory capture.” The final search string was as follows: (“interest group” OR “private interest” OR “special interest” OR “regulatory capture”) AND (“bank” OR “banking” OR “financial industry”). In addition to “bank,” “financial industry” was used to cover as wide a range of articles as possible and because banks are part of the financial industry. This treatment is appropriate given that the search strategy is intended to be comprehensive.

The initial literature search was conducted from December 2022 to January 2023 using Google Scholar and Scopus. Scopus was chosen to ensure high-quality results from predominantly peer-reviewed journals. Google Scholar was chosen to ensure the most comprehensive coverage of the relevant literature. The second literature search via Scopus was conducted from March 2025 to April 2025. The search was limited to publications with no time restrictions. Three publication formats were searched: articles, papers, and chapters. This search yielded a total of 952 hits, with 483 via Google Scholar and 469 via Scopus.

After removing duplicates and publications included already in the initial literature search, the search yielded 835 articles. Results were also excluded if they were dissertations or non-academic articles, to represent only validated academic knowledge (Denyer and Tranfield 2009). To separate relevant from irrelevant publications, the author screened the remaining 716 publications. This screening aimed to identify publications whose titles or abstracts indicated the publications were likely to contain statements about lobbying by banks, in particular, or the financial industry in general. This screening resulted in 303 articles, of which 10 were irretrievable.

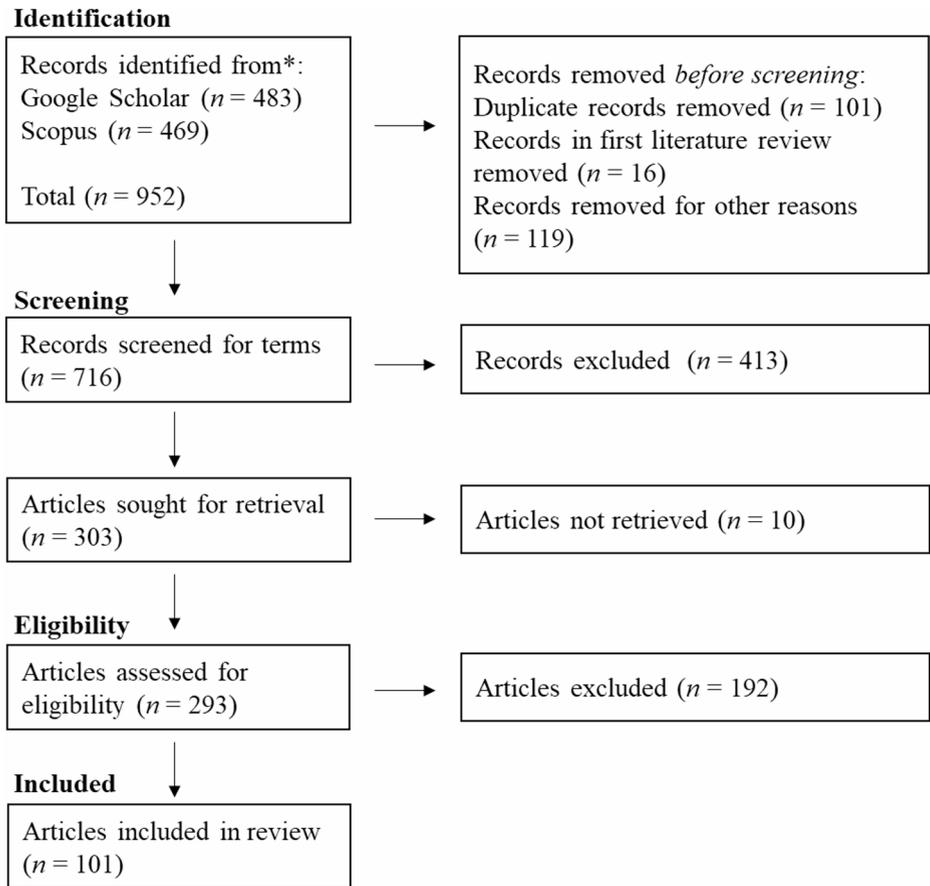


Fig. 1 The PRISMA diagram

After the initial screening, articles were selected for the literature review if they explicitly referred to lobbying by banks or the financial sector. For example, it was insufficient for articles to state in general terms that banks lobby or that regulatory changes are likely to result from lobbying. This detailed selection resulted in sixty-five articles in the first literature search and thirty-six articles in the second literature search (see Appendix Table 4).

The results of the selection were independently reviewed by a second person. For the review of the 716 articles, the level of agreement was 88.68%. For the selection of the 293 articles, the level of agreement was 81.91%. All cases of disagreement were reviewed by the author.

4 Why do banks lobby??

It is often difficult to identify the most likely motives for lobbying, as it is not always clear which lobbying activities funds are used for and not all lobbying activities are directly observable (Igan et al. 2012). Lobbyists benefit from the complexity of politics and political decision-making processes. This complexity allows them to introduce their own ideas into the regulations under discussion. The public can review these proposals only to a limited extent (Igan and Lambert 2019).

4.1 Information transfer

Lobbyists provide legislators and regulators with information that can contribute to the development of regulations (Delis et al. 2022; Igan and Lambert 2019). Technocratic institutions such as the International Organization of Securities Commissions, the Basel Committee on Banking Supervision, the European Commission, and the International Accounting Standards Board are particularly suitable targets for lobbying, as these regulatory institutions are characterized by a high degree of technical complexity and affect many nations (Bell and Hindmoor 2014; Chalmers 2020; Montalbano 2015; Young 2013). The financial sector is especially inclined to lobby because it is highly regulated and technical (Chalmers 2020; Igan and Lambert 2019). One reason for this tendency is that financial regulation tends to generate less public interest because it is complex (Chalmers 2020). Second, the workings of international regulators are less transparent and accessible than domestic regulators, increasing the influence of the financial sector (Young 2013). Regulators depend on the regulated industry to allow them to adopt efficient regulations (Buck 2013). Lobbyists often have in-depth knowledge about complex financial products and risks. Through lobbying, they seek to make this information accessible to less-informed policy makers so it can be considered in the design of regulation (Igan et al. 2012; Buck 2013).

Empirical studies show that banks in fact lobby to transfer information. Igan et al. (2012) show that US bank lobbyists emphasize their informational support for regulators. At the same time, these banks take greater risks, which at least calls into question whether information transfer is their sole motive. Delis et al. (2022) also conclude that US bank lobbyists provide information to regulators, but they find it is primarily because of the potential impact of regulation on the banks themselves. These studies show that information transfer plays a role, but this information is shared primarily to benefit the banks' own interests.

4.2 Prevention of unwanted regulation

Lobbying in the financial sector is most likely when the political pressure to regulate is strong enough and the financial players are directly affected by the regulator's proposed changes (Hodder and Hopkins 2014). The stringency of regulation also plays a role. If banks are subject to strict regulation that they believe is inefficient and restricts their business activities, they are more likely to lobby for a reduction in regulatory requirements (Chalmers 2020; Heckelman and Wood 2008). Banks also lobby when the scope of their activity is restricted (Hodder and Hopkins 2014). Hodder and Hopkins's review of comment letters shows that banks lobbied against the Financial Accounting Standards Board's proposal to account for loans at fair value because they viewed the proposal as restricting their

accounting scope. Montalbano (2015) explains that the European Commission's proposal to amend both the Basel III agreement on capital requirements and the legislative process for structural reform of banks was met with strong resistance from the financial sector. Banks expected their business to be harmed, which led them to lobby against this proposal. Similarly, banks in Turkey lobbied against a regulation on fees, commissions, and charges in retail banking because they feared it would reduce the bank's profitability (Coban 2020). Hendrickson (2001) concludes that banks lobbied against the Glass-Steagall Act because it would harm banks through increased competition and a resulting loss of revenue. The financial sector lobbied against the European General Data Protection Regulation because it introduced certain costs (Atikcan and Chalmers 2019).

Cammett (1999) examines the response of the financial sector to economic liberalization in Morocco and Tunisia. The major economic reform introduced in Morocco in 1983, and in particular the banking law of 1993, included many financial sector reforms. In both countries, these reforms included deregulation of the credit system, liberalization of interest rates, and entry of new competitors such as brokerage firms and mutual funds. In particular, banks have lobbied against the entry of new domestic and foreign players and against the reduction of credit and loan guarantees, and they have tried to block the development of new financial instruments offering alternatives to bank credit. These findings suggest that lobbying is often triggered by perceived regulatory threats and it aims to either dilute such measures or prevent their adoption.

4.3 Promotion of favorable regulation

Lobbying is also engaged in to promote rules in banks' self-interest. For example, Hodder and Hopkins (2014) find that some bank lobbyists supported accounting standards by the Financial Accounting Standards Board that continued to give them accounting discretion or provided new opportunities for optimizing their balance sheets. Similarly, Brück and Sun (2007) study the legislative process surrounding Taiwan's Financial Holding Company Law of 2001 and show that commercial bank lobbyists supported the law because it allowed them to expand. From the banks' point of view, the previous regulatory structure was inefficient, so they pushed for the reform. Similarly, Carney (1997) shows that lobbying by large German banks was instrumental in maintaining institutional arrangements that secured their control over shareholder voting rights. These studies show that bank lobbyists can not only hinder regulation, but promote it if the regulation is favorable to banks, for example by strengthening their market position.

4.4 Maintenance of competitive advantage and reduction of uncertainty

Lobbying also maintains an institutional framework that has proven profitable, in turn promoting general economic activity given the close links between the financial sector and the economy (Bell and Hindmoor 2014). According to Levitin (2016), the fractional reserve banking system and the subsidization of shadow banking promote economic volatility, the distributional effects of which are highly regressive, but financial institutions benefit from these effects. Financial institutions have an interest in maintaining the current system because profits are privatized and losses are socialized, and their lobbying helps to maintain the system. Hodder and Hopkins (2014) show that banks, in particular, have lobbied to

maintain the existing accounting system in order to exploit accounting loopholes. Busch (2007) concludes that because of uncertainty about the outcome of banking liberalization in the US, Switzerland, and Spain, banks sought to preserve the status quo. Banks also lobby to defend their monopoly position and profits. For example, banks feared competition and market power from the Second Bank of the United States, which they expected to lure customers away by opening branches and granting loans (Rouanet and Wroblewski 2024). Suárez (2016) concludes that banks in Kenya and Mexico lobbied regulators because they wanted to prevent mobile operators from also offering mobile payments, fearing loss of market power. On the other hand, Bengtsson (2020) finds no evidence that European banks are trying to raise entry barriers to fend off competitors.

The incentive for banks to lobby may be reduced if they have to share the benefits of lobbying with their competitors (Butler and Macey 1988). Hodder and Hopkins (2014) also point out that bank lobbyists try to limit transparency to gain unobservable private benefits. According to Maslennikov and Sokolov (2006), other motives include maintaining a positive information environment, preserving competitive advantages, and creating an optimal regulatory framework promoting the banking sector. New regulatory proposals and resulting changes are fraught with uncertainty, so banks lobby to reduce uncertainty and mitigate the risk of financial instability (Howarth and Quaglia 2018). Because of uncertainty, of all social groups the financial sector has the greatest interest in lobbying the central bank (Broz 2024). Price stability is critical for financial institutions. It allows them to reduce the risk of asset-liability mismatches by providing accurate forecasts of future revenues and costs. For example, Carré and Gauvin (2018) show that to support profitability, banks try to get the central banks of the EU, UK, and US to raise or lower interest rates depending on the circumstances. In sum, banks lobby not only to shape or avoid regulation, but to preserve a familiar and profitable status quo. Uncertainty itself is a regulatory threat, and lobbying minimizes its impact.

4.5 Alignment of regulatory conditions and weakening of competitors

Another motive for lobbying is banks' desire to create a level playing field for them and their direct international competitors (Chalmers 2017). Chalmers analyzes responses to Basel Committee consultations and finds that banks based in more heavily regulated countries tend to lobby for international standardization, thereby using global rules to neutralize burdens imposed in their home countries. Consequently, lobbying is not limited to weakening regulations or creating preferential treatment, but may aim to ensure that all competitors are subject to the same rules. In Canada, a deposit insurance program was introduced only for trust companies. Such a program was not considered necessary for banks because of their size, branch network, and strong federal supervision (Wagster 2007). However, Wagster shows that banks lobbied for inclusion in the program because they wanted to counter an emerging competitive threat from federally insured and regulated trust companies.

Beyond ensuring a level playing field, lobbyists can also limit the advantages of their competitors by promoting rules that strengthen their own position or create barriers to new entrants (Kane 1996). For example, Igan and Mishra (2014) find that banks with stronger lobbying connections tend to oppose proposed deregulation that could benefit more aggressive competitors or competitors outside the banking sector. Similarly, Kane shows how large US banks used their political influence to delay nationwide reform of interstate bank-

ing until it could be implemented on favorable terms. These results suggest that banks may engage in lobbying to level the playing field, either by harmonizing burdens across jurisdictions or by erecting barriers against perceived threats.

4.6 Regulatory evasion

Bank lobbyists are incentivized not only to introduce their own ideas or oppose others' ideas, but to try to circumvent the implementation of regulations (Bell and Hindmoor 2014). This incentive is evidenced by the facts that, in addition to regulation and legislation, the supervisory process is subject to influence by interest groups and that banks attempt to circumvent enforcement (Lambert 2019). Such attempts are particularly common when lobbyists believe that regulatory measures are too strong in relation to the problems they purport to solve (Bell and Hindmoor 2014).

Importantly, not only personal motives, but social motives, play a role, as actors influence each other within their networks (Chalmers and Young 2020). In practice, financial regulation is a very diverse lobbying arena in which uniform lobbying objectives and preferences are the exception rather than the rule. Chalmers and Young conclude that an organization's regulatory preferences are determined by social influence through its broader environment, with its motives more likely to be influenced by those closest to it within the complex network of relationships.

Table 1 summarizes the motives for bank lobbying. Research has shown that bank lobbyists seek to ensure that legislation and regulation conform to their interests. They try to create favorable conditions for their business activities to strengthen their competitiveness. And they protect themselves from regulatory changes that could harm them. Lobbyists try to ensure that regulations do not create major uncertainties that could threaten their financial stability. Thus, lobbyists' objections are driven less by conceptual concerns than by self-interest. This opportunism underscores the account offered by private interest theory. In most cases, banks seek to maximize their own benefits without regard to the public good. Notably, the studies dealing exclusively with motives for lobbying are largely conceptual. As a result, this matter is contested, and no reliable empirical evidence is available regarding whether the above motives for lobbying are prevalent.

5 How do banks lobby??

When regulators face two lobby groups whose interests align exactly, the regulators will not be influenced in favor of one group or the other (Igan and Lambert 2019). Legislators act more rationally when confronted with competing lobby groups because they can better weigh different interests (Abrams 1977). According to Igan and Lambert, however, interest groups' influence is asymmetric, as not all interest groups have the same information and resources with which to engage in political activities. Therefore, an interest group's organizational characteristics indicate its ability to lobby effectively. For example, the power of banks derives from their ability to influence policy makers through financial means (such as donations) or private meetings, or to fill government positions with their preferred politicians (Hacker and Pierson 2002).

Table 1 Summary of bank lobbying motives

Author(s) & year	Nature of source	Lobbying object	Key findings
Atikcan and Chalmers (2019)	Empirical	General Data Protection Regulation (EU)	Opposed to avoid the high potential costs of data protection requirements and potential fines.
Bell and Hindmoor (2014)	Conceptual	Basel I/II/III (international); Volcker Rule (US)	Diluting or delaying reforms; seeking exemptions.
Broz (2024)	Conceptual & empirical	Central bank (US)	Ensuring influence on monetary policy and price stability.
Brück and Sun (2007)	Conceptual & empirical	Financial Holding Company Law (Taiwan)	Support the implementation of the law because of potential expansion and efficiencies.
Buck (2013)	Conceptual	Regulatory authorities in general	Information transfer for efficient regulation.
Busch (2007)	Conceptual & empirical	Regulatory authorities (Spain, Switzerland, US)	Maintain market advantage.
Butler and Macey (1988)	Conceptual	Regulatory authorities (US)	No sharing of private benefits with other competitors.
Cammatt (1999)	Conceptual & empirical	Regulatory authorities (Marocco, Tunisia)	Prevention of market entry by new competitors.
Carney (1997)	Conceptual & empirical	Regulatory authorities (EU, US)	Preferential treatment for shares held by banks.
Carré and Gauvin (2018)	Empirical	Central banks (EU, UK, US)	Banks' influence on central bank interest rate policy for profitability reasons.
Chalmers (2017)	Empirical	Basel Committee on Banking Supervision (international)	Leveling the international playing field.
Chalmers (2020)	Empirical	Capital Requirement Regulation No. 575/2013 (EU), Capital Requirements Directive 2013/36/EU	Reduce regulatory requirements.
Coban (2020)	Empirical	Fee regulation in retail banking (Turkey)	Lobbying based on fears that regulation will reduce bank profitability.
Delis et al. (2022)	Empirical	Regulatory authorities (US)	Provide information on regulatory developments.
Heckelman and Wood (2008)	Empirical	Regulatory authorities (US)	Reduce regulatory requirements.
Hendrickson (2001)	Conceptual & empirical	Glass-Steagall Act (US)	Lobbying against the Glass-Steagall Act because of potential loss of revenue.
Hodder and Hopkins (2014)	Empirical	Financial Accounting Standards Board (US)	Lobbying against accounting standards because of restrictions on accounting freedom; lobbying for accounting standards when associated with private benefits.
Howarth and Quaglia (2018)	Conceptual & empirical	Regulatory authorities (EU)	Reduction of uncertainty and mitigation of financial instability.
Igan and Lambert (2019)	Conceptual	Regulatory authorities in general	Provide information on regulatory developments.
Igan and Mishra (2014)	Empirical	Regulatory authorities (US)	Restriction of competition among risk-taking banks.
Igan et al. (2012)	Empirical	Regulatory authorities (US)	Provide information on regulatory developments.

Table 1 (continued)

Author(s) & year	Nature of source	Lobbying object	Key findings
Kane (1996)	Conceptual	Regulatory authorities (US)	Promoting regulations that strengthen the position of banks or create barriers to new entrants.
Lambert (2019)	Conceptual & empirical	Regulatory authorities (US)	Circumvention of enforcement actions.
Levitin (2016)	Conceptual	Regulation in general	Maintaining existing systems that provide benefits to banks.
Maslennikov and Sokolov (2006)	Conceptual	Regulatory authorities (Russia)	Maintaining a positive information environment, preserving competitive advantages, and creating an optimal regulatory framework that promotes the further development of the banking sector.
Montalbano (2015)	Conceptual	Basel III (international)	Lobbying against Basel III because of expected negative impact on banks' business activities.
Rouanet and Wroblewski (2024)	Conceptual & empirical	Second Bank of the United States	Defending the monopoly position and profits of the banks.
Suárez (2016)	Empirical	Regulatory authorities (Kenya, Mexico)	Lobbying regulators due to fear of loss of market power.
Wagster (2007)	Empirical	Regulatory authorities (Canada)	Lobbying to avoid competitive disadvantage.

5.1 Direct private lobbying methods

Direct private lobbying methods are unobservable, and banks employing such methods are in direct contact with policy makers. Lobbyists use private consultations and cultivate close relationships with senior decision-makers to win over leading figures in regulatory and political circles (Adams and Mosk 2023; Douglas 2019; Maslennikov and Sokolov 2006). These private meetings also serve to form quiet alliances (James and Christopoulos 2018). These relationships lead to effective lobbying methods and give lobbyists an information advantage over other interest groups, allowing them to better exploit their power (Chalmers 2020).

Broulík (2021) describes these personal interactions as social capture. The other two channels of social capture, which can occur without direct interaction, are identity and social status. In the first channel, policy makers identify with lobbyists who represent the industry before the agency. In the second, policy makers tend to rate lobbyists' expertise as very high, in some cases even superior. Ultimately, these channels of social influence mean that the views and actions of policy makers are shaped by this social environment (Broulík 2021). This means lobbyists and politicians or bureaucrats develop a shared view and thus become similar in their positions on regulatory issues (Broulík 2021; Buck 2013). Aalbers et al. (2011) use the term "cognitive closure" to describe how bank lobbyists seduce policy makers with their stories.

Buck (2013) suggests that professional incentives feature in these private meetings, as the regulators' human capital is highly industry specific and the best place for people with this human capital to work is in the regulated industry. According to Adams and Mosk (2023), legislators will even take the same positions as lobbyists if they believe it will

advance their professional goals. Meanwhile, former lobbyists known as revolving-door lobbyists can use their background knowledge to work in regulatory agencies (Buck 2013; Vanatta 2024). Lobbyists even try to put certain people in positions of political responsibility to advance their interests (Wilmarth 2013). According to Igan and Mishra (2014) and Ignatowski et al. (2015), individuals who have worked for legislators and regulators in the past have also been hired as lobbyists. For example, Igan and Mishra show this relationship with data on Capitol Hill from 1999 to 2006 in the run-up to the Global Financial Crisis. Byrne (2023) finds that former bank employees responsible for lobbying are also hired by regulators. Additionally, built relationships can save some of the financial costs of lobbying by eliminating the need to buy access to institutions and sometimes information (Cao 2023).

The content of regulatory proposals is very technical and opaque, such that industry expertise is highly valued and other lobby groups tend not to present their arguments because they lack understanding (Young 2013). For this reason, special interest groups such as banks need not spend much money to assert their interests. Once the legislator or regulator has obtained what they consider the most important and relevant information, the value of additional information is zero (Igan and Lambert 2019).

The institutional characteristics of the place where lobbying occurs are also important. Lobbying processes that are institutionally open to diverse interests tend to be less susceptible to undue lobbying influence than those accessible to few actors only (Chalmers 2020). An example of an open process is the standard-setting process of private bodies such as the International Financial Reporting Standards Foundation, in which anyone with an interest in the proposed standard can submit comments (Hodder and Hopkins 2014). Opening the process to a wider range of stakeholders also heightens competition between stakeholders. This approach aims to limit the influence of individual groups by increasing competition among stakeholders (Pagliari and Young 2014). To assert their interests, bank lobbyists write reports, letters, editorials, or draft legislation (Douglas 2019; Igan and Lambert 2019). Submitting comments to the International Financial Reporting Standards Foundation is a form of direct private lobbying. Although the submission of comments is itself unobservable by bank lobbyists, the foundation publishes the comments on its website. Pagliari and Young also find that not only the often-unobserved policy consultations but the preparation of written responses to proposed regulatory measures are forms of lobbying. Bell and Hindmoor (2014) demonstrate that expertise is also relevant because it gives lobbyists an information advantage over legislators. In this context, the extent to which actors have already gained experience in lobbying is also important. Lobbying expertise increases with experience (Cammatt 1999; Hodder and Hopkins 2014).

One way lobbyists target their financial resources, such as through donations to political parties, is to promote the interests of the financial sector (Bischof et al. 2020; Maxim 2014; Tiberghien 2005; Young 2013). Epstein (2012) concludes that financial resources are crucial in weakening or eliminating reform proposals. He argues that the banks that spent the most money lobbying against the Dodd-Frank Act were the ones who could assert their interests. Kane (1996) notes that in an unobservable environment, such as Congress, laws are effectively bought by lobbyists. According to Adams and Mosk (2023), Broz (2005), and Vukovic (2021), lobbyists use campaign contributions or other financial contributions to influence the voting behavior of policy makers. For example, Mian et al. (2010) show a causal relationship between campaign contributions from the financial industry and congressional votes on the Emergency Economic Stabilization Act. Dorsch (2013) also shows

that members of Congress were influenced by campaign contributions from the financial sector when voting on the bank bailout bill. However, smaller actors lack sufficient lobbying resources to oppose or promote regulations (Brück and Sun 2007). Cao (2023), for example, shows that a few large banks, such as Bank of America, JPMorgan Chase, Wells Fargo, and Citibank, hold about 40% of the industry's assets in the US. However, bank size relates not only to resource capacity, but to their importance to the economy as a whole. Moreover, a concentrated financial sector has more lobbying resources and, therefore, better access to governments than does a highly fragmented sector (Grossmann and Woll 2014).

5.2 Indirect private lobbying methods

Indirect private methods are not always observable or obvious, and in using them banks seek to represent their interests through third parties rather than interact directly with policy makers. In addition, lobbyists promote lengthy and expert studies that support banks' positions (Howarth and James 2020; Igan and Lambert 2019).

According to Chalmers and Iacobov (2019), banks with branches in more countries have a greater chance of finding optimal venues. Their international reach allows their lobbyists to assess which regulatory institutions are most likely to be receptive to their lobbying. This is important because lobbying is usually directed at not only one institution, but several institutions at once, as political decision-making power is increasingly shifting to different global and national institutions.

Although money buys access to institutions, it is complemented by other mechanisms of influence (Igan and Lambert 2019). One such mechanism concerns the organization of the financial sector. Especially in advanced economies, lobbying by the financial sector is well organized because the sector has a complex network of relationships with other actors. It has club-like relationships with entrepreneurs and close ties to governments and individual policy makers. It also acts as an intermediary between entrepreneurs and investors (Grossmann and Woll 2014). It is clear that representatives of the financial sector lobby more when they are well networked with other groups. However, these relationships are not only with policy makers, but can also be with other actors. For example, Igan et al. (2022) show links between the boards of directors of different banks. Larger banks have more political connections (Ignatowski et al. 2015). Montalbano (2020) emphasizes that the formation of coalitions is important to assert one's own interests. In particular, the interests of the banking sector are usually aligned and well organized, while they face an unorganized group such as the public. The financial sector also benefits from its structural importance in the economy. Policy makers are more likely to consider the arguments of the financial sector (Young 2013).

However, banks cooperate not only with each other, but with other actors such as governments and individual policy makers (Fuller 1970; Thirkell-White 2018; Tiberghien 2005). For example, the US has worked with domestic banks to pressure Japan to reform its foreign exchange and foreign trade laws so that domestic and foreign banks are treated equally (Tiberghien 2005). Quaglia (2019) has also shown that banks often merge with firms in the real economy. According to Fuller, US bank lobbyists not only met with, but actively worked with, regulators. In such a case, the individual bank does not have to lobby directly, but can leave it to other groups.

5.3 Direct public lobbying methods

Bank lobbyists may also use public methods. Through these methods, banks communicate their positions and interests directly to the public. These avenues of influence include, among other things, public statements to gain support for their own preferred policies from other groups (Douglas 2019). For example, lobbyists can use the media to shape public opinion (James and Christopoulos 2018; Maslennikov and Sokolov 2006). Another direct method of public lobbying is the organization of public campaigns. In the United Kingdom, individual bank lobby groups have organized sustained public campaigns to warn against excessive regulation and highlight its consequences (Bell and Hindmoor 2014). Bank lobbyists have pointed out that proposed regulations could threaten the UK banking industry and London's role as a global financial center, reduce the supply of credit, and thus jeopardize economic recovery (Bell and Hindmoor 2014). Lobbyists thus highlight the impacts regulatory changes could have on both the financial sector and the real economy (Montalbano 2015). Lobbying thereby draws attention both to the negative impact of regulatory proposals on banks and to the impact on other players. Banks use their structural power by demonstrating their importance to other actors (Bell and Hindmoor 2014). However, according to Kane (1996), lobbyists can also use the media to spread credible disinformation about the negative impact of certain regulatory changes on other actors. This disinformation can influence the decision-making of legislators and regulators.

Financial sector lobbyists also use their influence to shape discourse (James et al. 2022). They can not only influence existing legislation, but set the legislative agenda (Shih 2011). They are therefore in a position to ensure that certain bills are introduced in parliament (Fuller 1970). Increasingly, lobbyists are setting their own parameters in political debates even before legislation is introduced (Shih 2011). In addition, the type of issue for which lobbying is conducted determines lobbying success (Cao 2023). Some issues receive a lot of public attention, while others receive comparatively little (Chalmers 2020). Examples of the former include climate change and sustainability standards. Both issues have become much more prominent in the public's mind, so the influence of interest groups is being tracked more closely in those cases than in the case of accounting standards. For issues with high public awareness, lobbying may be limited, as the high awareness puts lobbying in the public eye (Chalmers 2020). According to Howarth and James (2020), the influence of economic interests decreases as the importance of regulatory issues increases. One reason is that political issues move to more observable arenas where the public can scrutinize these proposals (Igan and Lambert 2019). However, this scrutiny also means that previously neglected organizations become seen as potentially attractive allies when a policy issue is seen to be very important (James and Christopoulos 2018).

5.4 Indirect public lobbying methods

In the last category, lobbying methods can be observed, but banks try to assert their interests through third parties. According to Cammett (1999), political or personal preferences are particularly important when groups pursue these methods. One such method is to lobby the state through collective action. For example, Cammett shows that Moroccan and Tunisian bankers successfully organized to defeat legislative reforms that would have limited their influence in the financial sector by allowing new entrants. Such bank lobbyists have devel-

oped a keen sense of the common interests of the industry and have been able to mobilize support for their interests through successful agreements with other actors. The lobbying power of these banks can be explained by the fact that they are primarily organized in associations such as the Groupement Professionnel des Banques Marocaines and the Association Professionnelle des Banques Tunisiennes.

Banks use lobbying expenditures in a coordinated manner. This is illustrated by the creation of the Global Financial Markets Association. This organization consolidates the Association for Financial Markets in Europe, the Asia Securities Industry and Financial Market Association, and the Securities Industry and Financial Markets Association in the US—three of the world’s leading financial trade associations (Ioannou et al. 2019). This organization is an example of how bank lobbying has moved toward international coordination of financial market regulation to promote banking interests (Ioannou et al. 2019). According to Blom (2021), these associations not only represent the changing interests of their members, but also ensure that association members remain in view of policy makers in the face of competing interest groups. Grossman (2004) also finds not only that organizing can take place in one’s own associations, but that it is also possible to strengthen one’s own presence and demands in EU associations.

However, Tompson (2006) points out that individual banks have different interests. Although banks pursue different interests, the development of uniform discourse strategies leads to collective action (James et al. 2022). Associations serve both to identify their own interests and to identify common preferences and develop unified strategies for action. James et al. conclude that coalition building fails when ideas are no longer viable or discourse becomes too contentious. For example, the American Bankers Association and the Independent Bankers Association of America have sometimes disagreed on regulatory policy because the American Bankers Association tends to represent larger banks and, thus, different interests (Butler and Macey 1988).

Banks also work with various associations to organize a broader front for or against regulatory proposals (Howarth and James 2020). Lobbying at the national level is increasingly overlaid by extensive transnational alliances. These transnational linkages thus complement existing interest coalitions (James et al. 2021). Goldbach (2015), for example, concludes that banks are particularly successful in asserting their interests through these indirect channels. Mosk (2021) also points out that these associations shape bank lobbying. For example, they organize conferences, training courses, and networking events, and they publish journals and educational materials and engage in public relations. However, the financial sector cannot be considered a homogeneous interest group (Pagliari and Young 2014). The degree to which actors act individually or in associations as a unit is also relevant (Chalmers 2020). Chalmers concludes that industry unity increases the chances of success, while industry conflict significantly reduces the chances of banks winning their lobbying efforts.

Grossman (2004) shows that such pluralistic transnational alliances are becoming increasingly visible. These alliances may include opposition from one’s own lobby group and support from other interest groups such as national representatives. However, these transnational alliances are sometimes limited in scope, and the expected mobilization of private and public actors is usually small (Howarth and Quaglia 2018). Furthermore, while this mobilization can strengthen and speed lobbying, the diversity of actors involved can also create problems. The mobilization of groups within the financial sector (for example, banks) and outside of it (for example, industrial firms) limits the influence of the financial sector

if policy makers are more sympathetic to the demands of the outside groups (Pagliari and Young 2014). However, banks do not need to actively mobilize other groups. It is also possible that crises facilitate the entry of new interest groups (Redert 2022). However, according to Redert, this makes experienced actors more selective in their lobbying activities.

Moreover, lobbying can also be supported by other groups (Hacker and Pierson 2002). For example, public methods do not merely aim to describe the complex banking system, but rather to build networks of support from other actors and to involve them as advocates (Douglas 2019). In this context, there is also talk of strategic issue framing by lobbyists with regulators, politicians, or the public. In other words, lobbyists try to convince other groups of their views on an issue (Young 2013). Bank lobbyists can therefore also mobilize grass-roots groups (Igan and Lambert 2019).

Furthermore, Pagliari and Young (2014) and Kastner (2018) show that banks specifically mobilize groups that are not the target of the proposed reform but share the preferences of the financial sector. Tompson (2006) indicates that lobbying is particularly effective when it is supported by other groups. These networks are also less club-like than, for example, pure banking associations (Redert 2022). Networks create an incentive for non-network banks to become politically active as well, if they are more likely to benefit from preferential treatment (Blau et al. 2022). Although these established networks are sometimes larger, they can also contribute to individual actors becoming more dispersed and less interconnected (Redert 2022).

In addition to their own associations, banks use existing lobbying and service organizations (Butler and Macey 1988). Other possibilities include opening their own offices close to political arenas such as the European Commission or membership in committees (Grossman 2004). Maslennikov and Sokolov (2006) also point out that lobbyists are increasingly working in government bodies. According to Grossman, this also shows the increasing institutionalization of the relationship between policy makers and lobbyists. If lobbying is not successful in the sense that proposed regulations are changed to the banks' advantage, lobbyists can litigate to overturn existing regulations (Wilmarth 2013). Banks generally use several lobbying methods rather than relying on only one (Adams and Mosk 2023; Wilmarth 2013). These methods are used at each stage of the legislative or regulatory process, both in the phase when reforms of banking regulation are cast into laws and in the phase when the new regulations are promulgated (Byrne 2023).

Furthermore, Blau et al. (2022) and Maxim (2014) have shown that lobbying increases significantly during periods of intense regulatory activity. In the post-financial crisis period (2009–2016), the number of actively lobbying banks increased by almost 71% compared to the pre-financial crisis period (2000–2008) (Blau et al. 2022). Blau et al. also show that lobbying expenditures have nearly doubled and that these expenditures have increased by nearly 567% as a percentage of total assets. Overall, the confluence of private and public methods also increases the influence of banks on fiscal policy (Cammatt 1999). These methods serve to reproduce national lobbying expertise at the international level (Grossman 2004). A systematization of the methods discussed so far is shown in Table 2. Donations to policy makers could be evaluated in the literature, especially in the US, where such donations must be published. In the EU, such financial contributions are not comprehensively recorded, but the identities of active lobbyists are. Although this level of tracking gives an idea of which policy makers are lobbied the most, the content of these private meetings is

Table 2 Systematizing bank lobbying methods

	Private	Public
Direct	<ul style="list-style-type: none"> • Private consultations—e.g., Adams and Mosk (2023), Douglas (2019), Maslennikov and Sokolov (2006) • Writing reports, letters, editorials, or draft legislation^a—e.g., Hodder and Hopkins (2014), Igan and Lambert (2019), Pagliari and Young (2014) • Donations or financial contributions to political parties—e.g., Bischof et al. (2020), Tiberghien (2005), Vukovic (2021) 	<ul style="list-style-type: none"> • Public state-ments—e.g., Douglas (2019), James and Christopoulos (2018), Maslennikov and Sokolov (2006) • Organization of public campaigns—e.g., Bell and Hindmoor (2014), Kane (1996), Montalbano (2015)
Indirect	<ul style="list-style-type: none"> • Cooperation with other actors—e.g., Grossman and Woll (2014), Igan et al. (2022), Thirkell-White (2018) 	<ul style="list-style-type: none"> • Organization in associations—e.g., Blom (2021), Cammett (1999), Ioannou et al. (2019) • Issue framing—e.g., Young (2013)

^a In the case of the International Financial Reporting Standards Foundation, this is a special form, as the comments are published by the foundation on its website

unknown. The positions of bank lobbyists can be deduced mainly from public lobbying methods or when statements by bank lobbyists are published.

5.5 Communication strategy

Lobbying is a necessary but insufficient condition for political influence (James et al. 2021). Policy makers must also be convinced that the information provided by banks on the impact of regulatory changes is credible. In principle, banks do not need to lobby, but can benefit from the lobbying efforts of their national competitors if the benefits accrue to all competitors (Butler and Macey 1988). However, other bank lobbyists can make arguments that the regulator might not understand (Buck 2013), so banks use their networks and associations to signal credibility by carefully coordinating consultation responses to ensure consistency and clarity (James et al. 2021, 2022).

Despite their immense financial resources, banks rarely see their ideal preferences reflected in politics. Rather, the prospects for success are determined by the policy positions of the interest group (Chalmers 2020). Therefore, the communication strategy used by lobbyists is also relevant to the lobbying methods used. Chalmers examines lobbying activities on six EU financial regulations and concludes that lobbyists are more likely to be successful when they advocate the proposed regulation, or even a stricter one. If they lobby for a less stringent regulation, the chances of success drop dramatically. Ziegler et al. (2024) also emphasize that the financial industry lobby uses highly technical language. Lobbying success also depends on the extent to which regulators and supervisors agree with the lobbyists' views. Regardless of whether the proposal is rejected or supported by the lobbyists, the influence is particularly limited if the regulators or policy makers do not support the lobbyists' position (Young 2013).

The support or opposition of politicians to proposed regulation also depends on their attitudes (Abrams 1977). For example, Democrats were much more supportive of the positions

of credit unions than Republicans because the proposed reform of the Financial Institutions Act of 1976 was more likely to lead to consumer-friendly developments (Abrams 1977). Aalbers et al. (2011) show that policy makers in the Netherlands are almost never the initiators of change or regulatory development. Instead, policy makers respond to demands for regulatory change from industry insiders in the financial sector and use these arguments to convince political opponents. However, lobbying does not end with the passage of legislation but continues in order to ensure that banks' preferences are reflected in regulations (Byrne 2023).

6 What are the consequences of bank lobbying??

Identifying individual preferences and observing the extent to which individual laws or regulations changed in response to lobbying can illuminate the extent to which the financial sector has successfully lobbied (Chalmers and Malik 2021). The details of regulation are determined by the intensity of lobbying and the political pressure exerted by bank lobbyists (Levitin 2016). However, the complexity of regulatory proposals makes them opaque, making it difficult to identify the winners and losers of policy decisions. Thus, regulation can be seen as an insider game between players.

6.1 Increasing regulatory complexity

Regulation is complex, just as financial products are becoming more complex, and regulators are trying to keep up with the products' complexity. Since the financial crisis, regulators have been expected to stay ahead of the financial industry. Legislators and regulators therefore often turn to the financial sector for advice (Bell and Hindmoor 2014). The problem with lobbying is not necessarily that policy makers are offered something in return for their decisions, such as donations, but that their decisions are influenced by the worldview of the financial industry lobby (Buck 2013; Broulík 2021; Mosk 2021). Furthermore, regulators are more often subjected to lobbying because they lack the lobbyists' administrative and resource capacity (Bell and Hindmoor 2014).

Bank lobbying leads to longer and more complex regulations, which in turn contributes to the dilution of the regulations as banks demand more and more exemptions (Bell and Hindmoor 2014). For example, the Glass-Steagall Act prohibited US investment banks from engaging in multiple banking strategies at once. This included developing products that simulated retail bank products without being subject to retail banks' accounting rules. The law also prohibited borrowing from other banks to fund investments and prohibited mergers with retail banks and insurance companies (Sorell 2018). The law was intended to prevent lending for speculative investments. Investment bank lobbyists later lobbied for loosening or eliminating prohibitions on affiliating with commercial and speculative banks. Eventually, the Glass-Steagall Act was repealed and replaced by the Bank Modernization Act, which legalized mergers with and acquisitions of investment banks (Sorell 2018).

Wilmarth (2013) sheds light on the financial industry's lobbying to delay or weaken regulations mandated by the Dodd-Frank Act. The act was passed in response to the financial crisis and aimed to regulate banks more strictly, curb banks' appetite for risk, and prevent too-big-to-fail financial firms from failing (Blau et al. 2022; Wilmarth 2013). Blau et al. find

that lobbying expenditures by banks to oppose the act increased significantly, crowding out bank lending. Before and after the passage of the act, lobbyists exerted massive pressure on regulators to relax requirements and restrictions.

Wilmarth (2013) shows that bank lobbyists blocked certain regulations under the Dodd-Frank Act that would have forced banks to change their business model or reduce their riskiness of their actions. For example, Citigroup lobbyists were involved in drafting a House bill that would have relaxed the pushout rule associated with the act. This rule was designed to prevent banks from trading certain derivatives. Ultimately, policy makers included seventy lines written by Citigroup in the final bill, which contained eighty-five lines (Blau et al. 2022; New York Times 2013). Among other things, this rule allowed banks to continue to make speculative bets and to ignore regulatory restrictions (Wilmarth 2013).

Bell and Hindmoor (2014) reveal the increasing complexity of regulation. The Glass-Steagall Act was only 37 pages long, and just the Volcker rules, part of the Dodd-Frank Act, were 300 pages long. The Dodd-Frank Act itself is 800 pages long. Basel I is 30 pages long, while Basel II is 347 pages long and Basel III is 616 pages long, with implementation in the US bringing Basel III to more than 1,000 pages. Aalbers et al. (2011) conclude that securitization chains were deliberately designed by bank lobbyists in response to supranational regulations such as Basel I and II to allow banks to engage in regulatory arbitrage.

Mahoney (2003) shows that the decision to pass the Blue Sky laws was most influenced by broad-based coalitions. These laws were intended to prevent fraudulent investment advice by prohibiting the sale of securities by a company that had previously issued securities in exchange for patents, good will, or other intangible assets (Mahoney 2003). However, these laws treated banks more leniently than other securities issuers by exempting bank securities from registration. These laws were heavily influenced by banks competing with securities dealers for depositors' money. Although banks had aggressively lobbied for the laws, securities firms had not wanted them. Banks faced increased competitive pressure from the entry of new market participants that threatened to erode their profit margins. Ultimately, bank lobbying led to the adoption of the strictest form of Blue Sky laws, which increased the complexity of these laws but also increased bank profits.

Ioannou et al. (2019) examine the evolution of the size of too-big-to-fail, or systemically important, banks since the financial crisis. They conclude that size has barely changed, as these banks are part of a self-reinforcing system. Among other things, consolidation, encouraged by bank supervisors, has increased the size of the banks. Loose monetary policy has helped prevent banks from shrinking by increasing their liquidity and protecting their balance sheets. These banks have also generally used little money to lend to other economic entities. Furthermore, national and international financial regulations have not directly addressed the size problem, instead pushing for stricter and more complex capital requirements and closer supervision. According to Ioannou et al., this shift in focus was facilitated by extensive lobbying by banks at the national and international levels.

6.2 Distortion of policy priorities

According to Chalmers and Malik (2021), lobbying success should be operationalized in terms of not only whether a lobbyist's preferences are reflected in the final regulations, but the extent to which regulatory provisions are removed. With this in mind, the authors examined solvency regulations in the financial sector. Capital requirements should be in

place to allow agents to absorb unforeseen losses and to provide certainty. However, in the EU, a coalition of financial industry players, their associations, and national regulators issued warnings of potential market distortions due to such requirements. They argued that the costs of changing the rules outweighed the benefits, which the European Commission could not specify. And they argued that the existing rules were sufficient and that although implementation varied across member states, the agreed requirements would still be met, but if the new rules were to be instituted, then the European Commission should not be responsible for regulating this area. Ultimately, the European Commission not only refrained from amending the existing solvency requirements, but committed to language precluding incorporation of the amended solvency requirements into the Institutions for Occupational Retirement Provision Directive. In Ireland, banks successfully lobbied the government in September 2008 for a full guarantee of the entire Irish banking network. Bank debt thus became government debt (Barrett 2011).

Thirkell-White (2018) sheds light on the short-selling rules in the Alternative Investment Fund Managers Directive. The Global Financial Crisis has put hedge fund activities—in particular, short selling—under the spotlight. Thus, the European Commission wanted to enact legislation including capital requirements and leverage ratios for managed funds and remuneration rules for employees. Furthermore, access to the EU internal market was restricted to firms not subject to regulatory restrictions, such as those operating in the EU.

The financial industry has argued that short selling is not specific to hedge funds and is crucial to price discovery. According to financial industry associations, short-selling restrictions lead to liquidity losses (Chalmers and Malik 2021). Furthermore, the financial industry has argued that the directive aims to move business from London to the EU rather than improving financial stability (Thirkell-White 2018). Ultimately, the directive was diluted by the European Commission, which did not include short selling in it (Chalmers and Malik 2021; Thirkell-White 2018). In addition, Kastner (2018) shows that bank lobbyists have portrayed a proposed financial transaction tax as harmful to economic growth. This portrayal has led to a compromise, as a result of which the financial transaction tax has failed to achieve its objective. It has neither raised revenue nor restricted speculative trading.

Mitchener (2007) shows that banking laws in the US were created in the 1920s in response to bank lobbying. However, bank lobbyists thwarted efforts to reform the banking system at the national level and blocked interstate banking, resulting in poorly structured regulatory and supervisory arrangements undermining the stability of state banking systems. During the Great Depression, this intervention led to higher failure rates among state-chartered banks in states that responded to the banking crisis with stricter reserve requirements (Mitchener 2007). Kahn (2024) examines Swedish banking law, which evolved in a stricter direction, for example by restricting the right to trade in corporate shares. However, because of the increasing influence of bank lobbyists, the law moved in a more liberal direction through relaxed credit regulation and lower capital requirements.

The above examples show that lobbying distorts political priorities. Legislation and regulation are changed to benefit the financial sector. The complexity of regulation dampens external political pressure (Levitin 2016). Successful lobbying leads to less transparency and enables lobbyists to obtain private benefits while increasing public costs (Hodder and Hopkins 2014). Sorell (2018) also points out that lobbyists have ensured that banking regulation is not purely in the public interest, but serves the purposes of banks. Thus, banks' interests are often promoted at the expense of the economy as a whole when certain reforms

would have a positive impact on the public but are prevented by lobbying (Morck and Nakamura 1999). For example, the influence of lobbyists erodes the accountability of financial institutions to society. As a result, the financial industry operates in an environment in which it is less responsible for its business practices and its impact on the economy than it would be absent lobbying.

Hassan et al. (2020) point out that the benefits of lobbying come at the expense of other stakeholders, such as clients, employees, competitors, and society at large, raising ethical questions for the financial industry and for policy makers and regulators. The influence of lobbying groups on political processes undermines public confidence in the integrity of political institutions. If society, which does not have its own lobby, perceives that decisions are made on the basis of money and influence rather than in the interest of the common good, this perception lowers their trust in political institutions and democratic processes.

6.3 Avoiding enforcement actions

In addition to individual laws and regulations, the supervisory process is subject to lobbying. Igan et al. (2012) show that lobbying the supervisory authorities can lower the probability of an examination, and lobbying banks are more likely to be bailed out.

Lambert (2019) also examines the relationship between bank lobbying and regulatory decisions. Banks that lobby are less likely to receive enforcement actions, such as formal written agreements, cease and desist orders, prompt corrective action orders, and the threat of deposit insurance. Higher lobbying expenditures increase the likelihood of preferential regulatory treatment, such as government assistance in emergencies (Ignatowski et al. 2015). However, lower lobbying expenditures have also been shown to be effective in obtaining preferential regulatory treatment.

Lambert (2019) finds that these observed effects were more pronounced during the financial crisis, suggesting that supervisors are subject to greater political pressure and are more politically influenced during periods of intense regulatory activity. The financial crisis meant that these lenders suffered *ex post* from high loan default rates, yet because they lobbied, they were more likely to be bailed out (Igan et al. 2012).

Igan and Lambert (2019) find that regulatory capture reduces support for stricter rules and enforcement, allowing riskier practices and causing worse economic outcomes. Lobbying banks engage in riskier practices and perform worse than their nonlobbying peers in terms of return on assets (Lambert 2019). These distortions outweigh the welfare-enhancing role of lobbying (that is, better information transmission). In a formal model, Boyer and Ponce (2012) show that the supervision of different dimensions of bank risk-taking should be executed by different supervisory authorities. This diversification would not only reduce the risk of regulatory capture, but limits the discretion of supervisors to pursue their private objectives, as the information available to them is limited.

6.4 Legal outlook, firm performance, and risk accumulation

Fuller (1970) points out that banks can prevent congressional investigations into their activities through their connections to committee members. Hassan et al. (2020) examine the relationship between financial sector lobbying and firm value, on the one hand, and the impact of lobbying on the probability and outcomes of litigation, on the other. The authors

conclude that lobbying lowers the probability of securities-related litigation. Financial firms that lobby also achieve better litigation outcomes than financial firms that do not lobby. Furthermore, lobbying by financial firms leads to higher short- and long-term firm value. These findings underscore that lobbying is associated with long-term private benefits and that it can create a more favorable regulatory environment.

Igan et al. (2022) examine the consequences of bank lobbying by focusing on the sale of failed banks. The authors find that bidding banks that lobby regulators are more likely to win an auction during the bank resolution process. However, the winners are less suitable as acquirers and perform worse after acquisitions than their nonlobbying competitors. Lobbying thus prevents the efficient allocation of failed banks.

Agarwal et al. (2018) examine the influence of lobbying on foreclosure actions. They find that the initiation of foreclosures was delayed by certain policy makers. They argue that the explanation is that banks reduce constituents' pressure on politicians. At the same time, lobbying allows banks to achieve favorable legislative outcomes.

In China, central bank lobbyists pushed through interest rate liberalization (Shih 2011). Bank lobbyists convinced other stakeholders, such as academics and politicians, that interest rate liberalization would have positive effects, such as improving the efficiency of capital market allocation.

According to Levitin (2016), the financial sector has successfully lobbied to maintain the fractional reserve banking system, in which profits are privatized and losses socialized. A preference for volatility, in particular, gives financial institutions an incentive to seek to maintain the system. The ability of financial institutions to create money through lending creates volatility. But such a volatile system is highly regressive, and citizens with less money than financial institutions are less able to protect themselves from shocks to savings and income.

In Canada, bank lobbyists convinced the authorities that it was socially beneficial to include banks, and not just trust companies, in the deposit insurance program (Wagster 2007). Ultimately, their inclusion significantly increased the wealth of bank shareholders. At the same time, bank lobbyists lobbied for low deposit insurance requirements to increase expected returns. According to Wagster, this resulted in lower-risk financial institutions subsidizing higher-risk institutions.

Igan et al. (2012) examine the relationship between lobbying by financial institutions and mortgage lending. The authors conclude that lobbying contributed to the accumulation of risk that led to the financial crisis. Lenders who lobbied harder pursued laxer regulations related to mortgage lending and securitization. The resulting lax regulation allowed these lenders to take on more risk.

Ultimately, lobbying for deregulation and the relaxation of financial regulations can lead to the dismantling of necessary controls and safeguards. Overly lax regulation and the influence of lobby groups have continued to contribute to the emergence of financial crises.

6.5 Bailout distortion and success

Aney and Banerji (2022) show that bank lobbying has contributed to inefficient resolution of emergencies such as firm liquidations. Financial sector lobbying has also led to the failure of government intervention in times of financial crisis. Accordingly, the influence of banks has contributed to distortions and miscalculations in bailouts (Grossman and Woll 2014).

Grossman and Woll (2014) examine bank bailouts in Ireland, Denmark, the United Kingdom, and France in four case studies. In Denmark, collectively negotiated bailout packages shifted the burden of failing banks to the private sector. In Ireland, individual consultations were held between banks and the government to negotiate the terms of their own public bailout, as well as bailouts for other Irish banks. Ultimately, Irish banks acted as a single entity when they rejected foreign private investors as part of recapitalization measures. However, they could not organize to present a comprehensive rescue plan. The relationship between bank management and the government in the United Kingdom also led to bailouts, whereby the government alone bore the costs. In France, in contrast, a public solution was found in which the government developed a rescue program with the six largest banks. This solution included, among other things, a contractual agreement that forced those banks to raise capital and increase domestic lending. Grossman and Woll show that countries where the banking industry collectively negotiated developed very different bailout plans than countries where governments negotiated bilaterally with banks. The authors conclude that the closer the relationship between lobbyists and policy makers is, the more likely public bailouts are. The findings show that the banking sector was heavily involved in the search for the best way to bail out banks. This involvement allowed for burden sharing between governments and banks.

Vukovic (2021) examines the impact of lobbying on the allocation of Troubled Asset Relief Program funds to the financial sector during the financial crisis. The author concludes that program beneficiaries who lobbied and maintained political connections with the government received better bailout packages. Berger et al. (2023) conclude that lobbying banks were also more likely to receive bailout funds from the Paycheck Protection Program.

Asai (2024) argues that lobbying can provide an informative signal to policy makers planning bailouts. Through lobbying, banks can portray their financial situation such that creditors assume the banks will meet their debt obligations. Thus, bank lobbyists can use their information advantage to help develop policies benefiting both governments and banks.

6.6 Improved outcomes for borrowers

Lobbyists in the financial sector affect both the sector itself and other actors. Delis et al. (2022) examine the effects of bank lobbying on the performance of borrowers after loans have been granted. The authors find that borrowers' performance improves when they receive loans from lobbying banks. Improvement is especially notable for opaque borrowers, who typically have difficulty raising external capital. Lobbying banks provide valuable information to regulators that enables opaque borrowers to access external capital.

These loans enable borrowers to make investments and expand their businesses, elevating sales growth. This effect is especially strong when corporate governance is monitored (Delis et al. 2022). Furthermore, Delis et al. emphasize that the transmission of information about borrowers to supervisors leads bank supervisors to make better decisions and improves borrowers' performance. Still, Manish and O'Reilly (2019) show that regulatory capture leads to increased income inequality.

Heckelman and Wilson (2021) find that bank lobbyists influence whether a central bank pursues an inflation target. They describe lobbying as a channel through which banks influence income distribution. Broz (2024) shows that whether a central bank is independent depends on the financial sector's political influence. And the presence of bankers on central

bank monetary policy committees reduces the inflationary bias of monetary policy. Such political actions by bankers not only improve the performance of central banks to the benefit of society, but benefit the financial sector itself.

6.7 Establishment and dissolution of institutions

Rouanet (2021) disagrees with the view that Napoleon Bonaparte founded the Banque de France to modernize the French economy or to create a stable financial system. Instead, he concludes that the bank's establishment was motivated by the banking community's desire for monopoly privileges. He concludes that the bank's establishment benefited the political elite and the banks. At the other end of the life cycle, Rouanet and Wroblewski (2024) show that in the case of the Second Bank of the United States, bank lobbying can lead to institutions' abolition.

6.8 Limits to the power of the banking lobby

Lobbying success differs depending on the stage of the legislative process (Montalbano 2020). In the context of the EU, Montalbano (2020) analyzes financial industry lobbying from the agenda-setting phase, to the trilogue negotiations and formulation of the European Commission proposal, to the final regulations on the Capital Markets Union. International banks and their associations had influence in the agenda-setting phase by forming a coalition with the European Central Bank, the Bank of England, and the European Commission. However, in the subsequent phase—policy formulation and trilogue negotiations—the banks could not effectuate some of their demands, as they were faced by a broad and diversified coalition of business interests pushing for the revival of securitized-product markets to promote investment and growth in Europe.

More generally, the success of the financial sector's lobbying depends on timing. Central bank lobbyists in China could push through interest rate liberalization, although not as quickly as they hoped, mainly because China was in a favorable economic position at the time (Shih 2011). Sebők and Kozák (2021) show that the banking lobby in Hungary had secured several of its policy preferences before 2010, such as laxer regulation and favorable conditions for foreign currency loans. After 2010, however, banks faced tighter regulation and higher special taxes. The dominance of the banking lobby was thus significantly reduced, which the authors attribute to the financial and social crisis in the period leading up to the 2010 parliamentary elections.

According to Tompson (2006), bank lobbyists are particularly successful when united. However, the financial sector's success is due also to asymmetry between interest groups. Because the financial sector is a concentrated interest group, it is in a good position to lobby for favorable regulations (Levitin 2016).

Nevertheless, legislation on short selling has shown that the financial industry did not benefit as much from these consultations as originally thought. Rather, legislators and regulators were able to introduce the regulations elsewhere to protect them from the influence of lobby groups (Chalmers and Malik 2021). The Short Selling Regulation restricted the use of unsecured short selling and regulated possible bans on short selling. The format of the regulation is much stricter than a directive because, unlike directives, EU regulations apply directly and legally bind individuals in all EU member states. By contrast, directives set out

desired outcomes that must be transposed into national law. Accordingly, the consultation resulted in even stricter rules for the financial sector.

At the European level, Petrucci (2021) examined financial industry lobbying on Directive 2019/878, which sought to limit the ratio of fixed to variable remuneration for executives in the financial services sector. The financial industry lobby had attempted to remove the bonus-cap provision. However, it was unsuccessful and only reduced the scope of certain remuneration rules for small institutions and some employees. Coban (2020) studies a regulation on fees, commissions, and charges in retail banking in Turkey and finds that bank lobbyists attempted to include additional fee items in the regulation, but the regulators rejected these changes.

Young (2014) examines the lobbying efforts of EU financial industry groups regarding Tier 1 capital policy, the leverage ratio, and the liquidity coverage ratio. He concludes that the Capital Requirements Directive did not loosen restrictions on hybrid securities but did change the treatment of minority interests in banks' investments in other financial institutions. Furthermore, the design of the leverage ratio under Basel III persisted, and the changes to the leverage coverage ratio under Basel III only marginally met the demands of the financial industry lobby.

Young (2012) shows that bank lobbyists in the EU wanted to use their own internal risk models to determine capital requirements. However, the Basel Committee rejected their proposal because the models were unreliable. Young concludes that bank lobbyists wanted to use as many internally rated risk models as possible. Although regulators allowed these internal ratings in some cases, they imposed restrictions that ultimately made Basel III more restrictive than the banks wanted. Young also shows that bank lobbyists tried to prevent capital requirements intended to reduce operational risk. In the end, the Basel Committee introduced these capital requirements.

Schneider et al. (2023) examine whether banks with connections to regulators are treated more leniently in stress tests. The authors find little evidence of leniency in the quantitative results of the stress tests for politically connected banks. However, politically connected banks are less rigorously tested in qualitative aspects, such as internal risk management practices, which may affect the overall assessment of the banks.

Granja (2018) examines district voting patterns in 1888 referenda in Illinois and Michigan on changes to state banking laws. He finds that although these regulations were introduced across the US, there were delays in states where banks lobbied against the changes. In Ecuador, new regulations were set to be introduced to limit the political power of banks. Bank lobbyists opposed these rules, but the new regulations were approved (Unda and Margret 2015). Pritoni (2016) analyzes three policy initiatives that comprehensively liberalized the Italian banking sector between 2006 and 2012. The Italian Banking Association was unsuccessful in influencing policy makers. Pritoni attributes this failure to the fact that the more public opinion matters, the more bank lobbyists have to deal with it, making it more difficult to push through their preferred policies.

Beatty et al. (1996) describe the opposition of banking lobby groups, such as the American Bankers Association and the Independent Bankers of America Association, to a Financial Accounting Standards Board Discussion Paper. The paper proposed that investment securities be reported at market value. Bank lobbyists demanded that this type of accounting be linked to the accounting of short-term liabilities at market value. Ultimately, the Financial Accounting Standards Board accommodated the lobbyists by allowing changes in fair

value to be recorded in the equity account rather than in the income statement and by allowing some securities to continue to be carried at cost. In the end, bank lobbying against this standard continued, but the board still voted for it. However, Bischof et al. (2020) conclude that the link between lobbyists and policy makers cannot explain the increasing support among members of Parliament for legislation opposing the recognition of stock options and fair value accounting. Rather, ideology explains political involvement in accounting standard setting. Baker (2010), for example, indicates that the balance of power in the regulatory debate has shifted from the largest banks to newly empowered regulators and policy makers.

Table 3 summarizes the results of the various studies in this section. The majority of the studies refer to regulators and financial regulations in the US and the EU. Most of the studies support the regulatory capture theory, but the studies in this subsection show that the financial industry cannot always advance its interests and that regulators and politicians can limit the influence of lobby groups. The banking lobby is sometimes less powerful than assumed.

7 Discussion

This review aims to clarify the current state of research on bank lobbying in order to explain why and how banks lobby, along with the consequences of their lobbying. The frequency of cross-citations among the studies suggests that these studies cover a large part of the relevant literature (see Appendix Table 4). Most of the studies were published in peer-reviewed journals, indicating high quality.

The literature deals mostly with bank regulation—unsurprisingly, as banks see regulation as a constraint and regulatory requirements as a burden. Nevertheless, regulation does not affect all banks equally. Banks must be differentiated according to size, geographical and operational context, and business activity.

Regarding geographical context, much of the literature centers on the US or Europe. Both the US and Europe have lobby registers that record, among other things, the following activities: details of legislation lobbied for, a list of authorities or individuals contacted, and an estimate of financial contributions. While these records enable one to identify who is lobbying the regulators, they do not allow conclusions to be drawn about the content of private consultations. Furthermore, international organizations constitute a special case, as their lobbying may be less transparent, making it more difficult to monitor its impact. Although international organizations such as the International Financial Reporting Standards Foundation publish comments received on proposed accounting standards, problematically no lobbying registers record private meetings. The organization's specific norms and beliefs should also be considered. To exert influence as legitimate actors, lobbyists must act in accordance with these norms and beliefs (Hendriksen 2022).

Lobbyists' positions are recorded as either for or against a policy change. It would also be interesting to see what arguments bank lobbyists use to support their position.

Not all lobbying methods have been empirically tested as predictors of regulatory influence, partly because disclosure is not always required. It may also be difficult to establish a direct causal link between the lobby's activities and specific policy outcomes. While one might determine whether lobbyists are for or against a piece of legislation, and how and whether that legislation changes, it is difficult to ascertain whether the potential change is due to lobbying, as other factors may contribute to it.

Table 3 Summary of bank lobbying consequences

Author(s) & year	Nature of source	Lobbying object	Key findings
Aalbers et al. (2011)	Conceptual	Basel I/II (international)	Development of complex securitization chains to circumvent supranational regulations through regulatory arbitrage.
Agarwal et al. (2018)	Empirical	Policy makers (US)	Delay in enforcement measures
Aney and Banerji (2022)	Conceptual	Regulatory authorities in general	Misallocations and distortions in bank rescue packages.
Asai (2024)	Empirical	Policy makers in general	Lobbying as a means of conveying information that banks remain solvent, thereby reassuring creditors.
Baker (2010)	Conceptual	Regulation in general	Shifting regulatory power from the largest banks to newly empowered regulatory authorities and politicians.
Barrett (2011)	Conceptual	Policy makers (Ireland)	Conversion of private bank debt into government debt.
Beatty et al. (1996)	Empirical	Financial Accounting Standards Board on fair value accounting (US)	Weakening of the regulation, but not complete prevention.
Bell and Hindmoor (2014)	Conceptual	Basel I/II/III (international); Volcker Rule (US)	Longer and more complex regulatory requirements; dilution of regulation.
Berger et al. (2023)	Empirical	Paycheck Protection Program (US)	Higher probability of government support from Paycheck Protection Program for lobbying banks.
Bischof et al. (2020)	Empirical	Accounting standards for stock options and fair value (US)	Explanation of political decisions against fair value accounting based on ideological convictions rather than lobbying.
Blau et al. (2022)	Empirical	Dodd-Frank Act (US)	Regulatory relaxation.
Boyer and Ponce (2012)	Conceptual	Supervisory authorities in general	Less lobbying influence with institutional separation of supervisory authorities across risk types.
Broz (2024)	Conceptual & empirical	Central bank (US)	Reduction in the inflationary bias of the central bank's monetary policy; improvement in the institutional capacity of the central bank.
Chalmers and Malik (2021)	Conceptual & empirical	Solvency regulations (EU); Short Selling Regulation (EU)	No change to existing solvency requirements; stricter regulation of Short Selling Regulation introduced as a regulation rather than a directive.
Coban (2020)	Empirical	Fee regulation in retail banking (Turkey)	Rejection by regulatory authorities of additional items for fees.
Delis et al. (2022)	Empirical	Borrower (US)	Improved performance of borrowers when loans are granted by lobbying banks.
Fuller (1970)	Conceptual	Policy makers (US)	Preventing investigations into banks by Congress.
Granja (2018)	Empirical	Banking laws (1888s, US)	Delays in implementing legislation in some states.
Grossman and Woll (2014)	Conceptual & empirical	Policy makers (Denmark, France, Ireland, UK)	Better solutions with shared responsibility between the state and banks for bank bailouts in cases of collective lobbying; in bilateral negotiations, rescue packages financed solely by the state.
Hassan et al. (2020)	Empirical	Financial regulation (US); court cases (US)	Lobbying successes for financial industry at the expense of society; lower likelihood of lawsuits in the financial sector when banks lobby.

Table 3 (continued)

Author(s) & year	Nature of source	Lobbying object	Key findings
Heckelman and Wilson (2021)	Empirical	Central banks in general	Influence of lobbying banks on whether the central bank pursues an inflation target or not.
Hodder and Hopkins (2014)	Empirical	Financial Accounting Standards Board (US)	Reduction in transparency through lobbying, which brings private benefits for banks but increases public costs.
Igan and Lambert (2019)	Conceptual	Regulatory authorities in general	Lobbying banks take more risks; regulatory distortion outweighs potential information gains from lobbying.
Igan et al. (2012)	Empirical	Regulatory authorities (US)	Decreasing likelihood that lobbying banks will be investigated by supervisory authorities; increasing likelihood of government bailouts.
Igan et al. (2022)	Conceptual & empirical	Regulatory authorities (US)	No efficient division of insolvent banks.
Ignatowski et al. (2015)	Empirical	Regulatory authorities (US)	Higher probability of government support for lobbying banks.
Ioannou et al. (2019)	Conceptual & empirical	Regulation in general	Shift in focus of regulatory authorities from size restrictions to capital requirements.
Kahn (2024)	Empirical	Banking Act (Sweden)	More liberal law than originally planned; relaxed credit and capital requirements.
Kastner (2018)	Empirical	Financial transaction tax (EU)	Weakening of financial transaction tax.
Lambert (2019)	Conceptual & empirical	Regulatory authorities (US)	Lower probability of enforcement measures against lobbying banks.
Levitin (2016)	Conceptual	Regulation in general	Reduction of external political control through increasing regulatory complexity; privatization of profits, socialization of losses.
Mahoney (2003)	Empirical	Blue Sky Laws (US)	Adoption of stricter Blue Sky Laws; increase in regulatory complexity; rise in bank profits.
Manish and O'Reilly (2019)	Empirical	Regulatory authorities in general	Increased income inequality due to regulatory capture.
Mitchener (2007)	Empirical	Banking laws (1920–1930 s, US)	Blockade of national reforms; instability of state-regulated banks.
Montalbano (2020)	Conceptual & empirical	Capital Markets Union (EU)	Greater influence of banks in agenda setting, later influence limited.
Morck and Nakamura (1999)	Empirical	Regulation in general	Preventing reforms, even if they would benefit society.
Petrucci (2021)	Empirical	Directive 2019/878 (EU)	No removal of the bonus cap, but exceptions for smaller institutions and employee groups.
Pritoni (2016)	Empirical	Regulatory provisions for the liberalization of the banking sector (Italy)	Failure of the banking lobby in all reform proposals.
Rouanet (2021)	Empirical	Bank of France	Establishment of the Bank of France through banking lobby; securing monopoly rights for banks and the political elite.
Rouanet and Wroblewski (2024)	Conceptual & empirical	Second Bank of the United States	Abolition of the Second Bank of the United States due to banking lobby.

Table 3 (continued)

Author(s) & year	Nature of source	Lobbying object	Key findings
Schneider et al. (2023)	Empirical	Stress tests (US)	Milder assessment of lobbying banks in terms of qualitative criteria, but not in terms of quantitative criteria.
Sebók and Kozák (2021)	Empirical	20 regulations (e.g., Bankruptcy Act, bank tax) (Hungary)	Banking lobby successful before 2010; less influence after financial and social crisis.
Shih (2011)	Conceptual	Policy makers (China)	Enforcement of interest rate liberalization.
Sorell (2018)	Conceptual	Glass-Steagall Act (US)	Replacement of the Glass-Steagall Act by the Bank Modernization Act; legalization of mergers between investment banks and commercial banks.
Thirkell-White (2018)	Conceptual	Alternative Investment Fund Managers Directive (EU)	Removal of short-selling restrictions.
Tompson (2006)	Conceptual	Regulation in general	Bank lobby more successful with unified positions.
Unda and Margret (2015)	Empirical	Regulatory provision limiting the political power of banks (Ecuador)	Enforcement of regulatory provision despite banking lobby.
Vukovic (2021)	Empirical	Troubled Asset Relief Program (US)	More advantageous Troubled Asset Relief Program packages for banks with more intensive lobbying.
Wagster (2007)	Empirical	Regulatory authorities (Canada)	Wealth gains for bank shareholders; favoring riskier banks.
Wilmarth (2013)	Conceptual	Dodd-Frank Act (US)	Weakening of regulation; speculative betting still possible.
Young (2012)	Empirical	Basel III (international)	Partial adoption of internal risk models, but with restrictions; enforcement of capital requirements for operational risks against lobbying opposition.
Young (2014)	Empirical	Tier 1 Capital Policy, Leverage Ratio, Liquidity Coverage Ratio (international, EU)	Partial success for the banking lobby on specific issues, but key demands not met.

For example, policy makers may have vested interests that lead to regulatory changes. Thus, the relationship between a bank and a regulator should also be examined. Banks insinuate former employees into supervisory bodies. It is therefore relevant whether the former employees pursue the interests of the bank or those of the supervisor. The former case would constitute lobbying by the bank, the latter would not. Consequently, the correspondence between the positions of the bank's lobbyists and those of the policy makers is important (Awad 2024). Another possibility is that the regulator recognizes the need to improve the drafting of prudential regulations. In this case, there is a correlation between lobbying and regulatory change, rather than a causal relation. It would be questionable to call the banking lobby powerful if power is inferred from regulatory changes. It is also questionable whether power is the right concept. Bell and Hindmoor (2024) clearly distinguish between influence and power as different political mechanisms. Lobbyists typically exert influence based on beliefs and relationships. Power, in contrast, is typically used when influence has failed.

Bank regulation also extends to other areas, such as sustainability reporting, which is receiving increasing public attention. Relative to regulation and legislation, not only the

methods, but the influence of banks could differ. For example, banks could involve the public more in their lobbying activities, as most citizens are more familiar with the issue of sustainability than with the complex issues involved in banking regulation. The influence of the media on sustainability reporting outcomes could also be examined more critically.

This paper has some limitations. One is the limitation of reviewed research to English-language publications, which means it cannot guarantee that all existing research has been considered. Another limitation is the search terms. More synonyms for bank or lobbying could have been searched for, but such limitations apply to any literature search on a platform with fixed search terms. An unconventional search using AI search engines such as Elicit or ResearchRabbit could be a useful supplement. Finally, the term “bank” is not defined here. The discussion has shown that banks cannot be considered in a general way, as they pursue different interests depending on their size or business area. Against this background, future research could divide banks into different types. Such a division could reveal differences in lobbying methods and chances of success.

8 Conclusion

Financial sector lobbying is a topic of general interest because of the unique link between the financial sector and the real economy. The articles identified here generally suggest that lobbying receives relatively little attention in the economic literature. The reason is not that the topic is uninteresting or irrelevant, but that lobbying is often difficult to observe. To better understand the state of research on bank lobbying, a literature review identified 101 articles dealing with bank lobbying.

The next step was to examine banks’ motives in lobbying regulators or policy makers. Motives such as achieving private benefits or sharing information were identified. Private benefits include reduction of regulatory requirements or expansion of business activities.

Next, the lobbying methods used by banks to assert their interests were analyzed. These methods can be divided into private direct, private indirect, public direct, and public indirect. Private direct methods, such as private meetings, donations to policy makers, or written comments, are not necessarily observable, and they involve direct interaction between lobbyists and policy makers. In private indirect methods, such as cooperation with other actors, bank lobbyists try to clarify their positions through third parties (for example, think tanks). Public methods are observable. Here, bank lobbyists can interact directly with policy makers by organizing public campaigns or indirectly by meeting with journalists who then publish the lobbyists’ positions.

The final step focused on the consequences of bank lobbying, including increasingly complex regulatory requirements that have distorted policy priorities, as bank lobbying has led to preferential treatment. Even the supervisory process is not immune to lobbying, as some studies have shown that bank lobbying has led to banks to avoid regulatory enforcement. Other consequences include both the distortion and the successfulness of bailouts. Lobbying can not only improve bank performance, but increase the chances of borrowers obtaining credit. However, some authors emphasize that banks are not always successful in their lobbying.

Studies dealing exclusively with lobbying motives are largely conceptual. Consequently, such motivations are largely a matter of conjecture, without reliable empirical evidence

to support the conjectures. Regarding lobbying methods, the literature has mainly examined those that are observable. Although both US and EU regulators publish donations to policy makers and meetings between lobbyists and policy makers, this information indicates merely who lobbied most. The content of these private meetings is usually unknown. The positions of bank lobbyists can mainly be deduced from public lobbying methods or when statements by bank lobbyists are published on websites, such as those of the International Financial Reporting Standards Foundation. Regarding the consequences of bank lobbying, most studies are empirical, for example comparing decisions by regulators and supervisors with the positions of bank lobbyists. Some empirical studies have examined the relationship between bank lobbying and bank or borrower performance.

Future research could focus on motives. Conceptually derived motives could be investigated empirically. For example, interviews could be used to discover why banks lobby and what they expect from their lobbying. Investigations might probe which lobbying methods banks prefer and whether they are successful with their preferred methods. It is also important to know which methods regulators are open to and which they view critically. For example, do bank lobbyists present their positions directly to policy makers or indirectly through other actors, and do bank lobbyists use private or public methods to pressure policy makers? Since policy makers also pursue their own interests, the positions of policy makers and bank lobbyists could be compared.

Table 4 Research results of the literature review

Author(s) & year	Form of publication	Nature of source	Search results from	Author cites	Author is cited by
Aalbers et al. (2011)	Journal article	Conceptual	Scopus		
Abrams (1977)	Journal article	Empirical	Google Scholar		
Adams and Mosk (2023)	Working paper	Empirical	Google Scholar	Igan and Lambert (2019), Igan and Mishra (2014), Mian et al. (2010)	
Agarwal et al. (2018)	Journal article	Empirical	Scopus	Mian et al. (2010)	
Aney and Banerji (2022)	Journal article	Conceptual	Google Scholar		
Asai (2024)	Journal article	Empirical	Google Scholar	Igan et al. (2022), Igan et al. (2012), Lambert (2019)	
Atikcan and Chalmers (2019)	Journal article	Empirical	Scopus		
Baker (2010)	Journal article	Conceptual	Scopus		Bell and Hindmoor (2014), Broulík (2021), Chalmers (2017), Chalmers (2020), Chalmers and Young (2020), Kastner (2018), Montalbano (2020), Montalbano (2015), Pagliari and Young (2014), Redert (2022), Young (2012), Young (2013)
Barrett (2011)	Journal article	Conceptual	Scopus		
Beatty et al. (1996)	Journal article	Empirical	Google Scholar		
Bell and Hindmoor (2014)	Journal article	Conceptual	Google Scholar	Baker (2010)	James et al. (2022), Thirkell-White (2018)
Bengtsson (2020)	Journal article	Empirical	Scopus	Pagliari and Young (2014)	
Berger et al. (2023)	Journal article	Empirical	Scopus		
Bischof et al. (2020)	Journal article	Empirical	Scopus	Mian et al. (2010)	
Blau et al. (2022)	Journal article	Empirical	Scopus	Igan et al. (2012), Igan and Lambert (2019), Igan and Mishra (2014), Lambert (2019)	Rouanet and Wroblewski (2024)
Blom (2021)	Journal article	Conceptual & empirical	Scopus	Chalmers (2017), Chalmers (2020), Pagliari and Young (2014), Young (2012)	

Table 4 (continued)

Author(s) & year	Form of publication	Nature of source	Search results from	Author cites	Author is cited by
Boyer and Ponce (2012)	Journal article	Conceptual	Scopus		Carré and Gauvin (2018), Coban (2022), Manish and O'Reilly (2019)
Broulík (2021)	Working paper	Conceptual	Google Scholar	Baker (2010)	
Broz (2005)	Journal article	Empirical	Scopus		
Broz (2024)	Working paper	Conceptual & empirical	Scopus		
Brück and Sun (2007)	Journal article	Conceptual & empirical	Google Scholar		
Buck (2013)	Journal article	Conceptual	Scopus	Mian et al. (2010)	
Busch (2007)	Journal article	Conceptual & empirical	Scopus		
Butler and Macey (1988)	Journal article	Conceptual	Google Scholar		
Byrne (2023)	Journal article	Empirical	Scopus	Igan and Lambert (2019)	
Cammett (1999)	Journal article	Conceptual & empirical	Google Scholar		
Cao (2023)	Working paper	Empirical	Google Scholar		
Carney (1997)	Journal article	Conceptual & empirical	Google Scholar		
Carré and Gauvin (2018)	Journal article	Empirical	Scopus	Boyer and Ponce (2012)	
Chalmers (2017)	Journal article	Empirical	Scopus	Baker (2010), Pagliari and Young (2014), Young (2012), Young (2014)	Blom (2021), Chalmers and Iacobov (2019), Coban (2020), Redert (2022)
Chalmers (2020)	Journal article	Empirical	Scopus	Baker (2010), Chalmers (2017), Hacker and Pierson (2002), Pagliari and Young (2014), Young (2012)	Blom (2021), Chalmers and Malik (2021), James et al. (2021), Kahn (2024)
Chalmers and Iacobov (2019)	Journal article	Empirical	Scopus	Chalmers (2017)	
Chalmers and Malik (2021)	Journal article	Conceptual & empirical	Scopus	Chalmers (2020), Pagliari and Young (2014), Young (2012), Young (2014)	

Table 4 (continued)

Author(s) & year	Form of publication	Nature of source	Search results from	Author cites	Author is cited by
Chalmers and Young (2020)	Journal article	Empirical	Scopus	Baker (2010), Pagliari and Young (2014), Young (2012)	James et al. (2021), Redert (2022)
Coban (2020)	Journal article	Empirical	Scopus	Chalmers (2017)	Coban (2022)
Coban (2022)	Journal article	Empirical	Scopus	Boyer and Ponce (2012), Coban (2020)	
Delis et al. (2022)	Working paper	Empirical	Google Scholar	Igan and Lambert (2019), Igan and Mishra (2014), Lambert (2019)	
Dorsch (2013)	Journal article	Empirical	Scopus	Mian et al. (2010)	Manish and O'Reilly (2019)
Douglas (2019)	Journal article	Conceptual	Scopus		
Epstein (2012)	Edited volume article	Conceptual	Scopus		
Fuller (1970)	Journal article	Conceptual	Google Scholar		
Goldbach (2015)	Journal article	Empirical	Scopus	Pagliari and Young (2014), Young (2012)	
Granja (2018)	Journal article	Empirical	Scopus		
Grossman (2004)	Journal article	Conceptual & empirical	Google Scholar		
Grossman and Woll (2014)	Journal article	Conceptual & empirical	Scopus		
Hacker and Pierson (2002)	Journal article	Conceptual	Google Scholar		Chalmers (2020)
Hassan et al. (2020)	Journal article	Empirical	Scopus	Lambert (2019)	
Heckelman and Wood (2008)	Journal article	Empirical	Google Scholar		
Heckelman and Wilson (2021)	Journal article	Empirical	Scopus		Rouanet and Wroblewski (2024)
Hendrickson (2001)	Journal article	Conceptual & empirical	Scopus		
Hodder and Hopkins (2014)	Journal article	Empirical	Google Scholar		
Howarth and James (2020)	Journal article	Conceptual & empirical	Google Scholar	Young (2012)	James et al. (2022)
Howarth and Quaglia (2018)	Journal article	Conceptual & empirical	Google Scholar		James et al. (2021), James et al. (2022)
Igan and Lambert (2019)	Working paper	Conceptual	Scopus	Igan and Mishra (2014)	Adams and Mosk (2023), Byrne (2023), Delis et al. (2022)

Table 4 (continued)

Author(s) & year	Form of publication	Nature of source	Search results from	Author cites	Author is cited by
Igan and Mishra (2014)	Journal article	Empirical	Google Scholar	Mian et al. (2010)	Adams and Mosk (2023), Blau et al. (2022), Delis et al. (2022), Igan and Lambert (2019), Igan et al. (2022), Lambert (2019)
Igan et al. (2012)	Journal article	Empirical	Google Scholar	Mian et al. (2010)	Asai (2024), Blau et al. (2022), Igan et al. (2022), Ignatowski et al. (2015), Lambert (2019)
Igan et al. (2022)	Journal article	Conceptual & empirical	Scopus	Igan and Mishra (2014), Igan et al. (2012), Lambert (2019), Mian et al. (2010)	Asai (2024)
Ignatowski et al. (2015)	Working paper	Empirical	Google Scholar	Igan et al. (2012)	
Ioannou et al. (2019)	Journal article	Conceptual & empirical	Scopus		
James et al. (2021)	Journal article	Empirical	Scopus	Chalmers (2020), Chalmers and Young (2020), Howarth and Quaglia (2018), Pagliari and Young (2014)	Redert (2022)
James et al. (2022)	Journal article	Conceptual & empirical	Google Scholar	Bell and Hindmoor (2014), Howarth and James (2020), Howarth and Quaglia (2018)	
James and Christopoulos (2018)	Journal article	Empirical	Google Scholar		
Kahn (2024)	Journal article	Empirical	Scopus	Chalmers (2020)	
Kane (1996)	Journal article	Conceptual	Google Scholar		Unda and Margret (2015)
Kastner (2018)	Journal article	Empirical	Scopus	Baker (2010), Young (2014)	Montalbano (2020)
Lambert (2019)	Journal article	Conceptual & empirical	Scopus	Igan et al. (2012), Igan and Mishra (2014), Mian et al. (2010)	Asai (2024), Blau et al. (2022), Delis et al. (2022), Hassan et al. (2020), Igan et al. (2022), Mosk (2021)
Levitin (2016)	Journal article	Conceptual	Google Scholar		
Mahoney (2003)	Journal article	Empirical	Google Scholar		
Manish and O'Reilly (2019)	Journal article	Empirical	Scopus	Boyer and Ponce (2012), Dorsch (2013), Mitchener (2007)	

Table 4 (continued)

Author(s) & year	Form of publication	Nature of source	Search results from	Author cites	Author is cited by
Maslennikov and Sokolov (2006)	Journal article	Conceptual	Google Scholar		
Maxim (2014)	Journal article	Conceptual & empirical	Google Scholar		
Mian et al. (2010)	Journal article	Empirical	Scopus		Adams and Mosk (2023), Agarwal et al. (2018), Bischof et al. (2020), Buck (2013), Dorsch (2013), Igan and Mishra (2014), Igan et al. (2012), Igan et al. (2022), Lambert (2019), Vukovic (2021), Young (2013)
Mitchener (2007)	Journal article	Empirical	Scopus		Manish and O'Reilly (2019)
Montalbano (2020)	Journal article	Conceptual & empirical	Scopus	Baker (2010), Kastner (2018), Pagliari and Young (2014)	
Montalbano (2015)	Journal article	Conceptual	Google Scholar	Baker (2010)	
Morck and Nakamura (1999)	Journal article	Empirical	Google Scholar		
Mosk (2021)	Working paper	Conceptual	Google Scholar	Lambert (2019)	
Pagliari and Young (2014)	Journal article	Conceptual & empirical	Google Scholar	Baker (2010), Young (2012)	Bengtsson (2020), Blom (2021), Chalmers (2017), Chalmers (2020), Chalmers and Malik (2021), Chalmers and Young (2020), Goldbach (2015), James et al. (2021), Montalbano (2020), Quaglia (2019), Redert (2022), Ziegler et al. (2024)
Petrucci (2021)	Journal article	Empirical	Scopus		
Pritoni (2016)	Journal article	Empirical	Scopus	Young (2012)	
Quaglia (2019)	Journal article	Empirical	Scopus	Pagliari and Young (2014), Young (2012), Young (2014)	
Redert (2022)	Journal article	Empirical	Scopus	Baker (2010), Chalmers (2017), Chalmers and Young (2020), James et al. (2021), Pagliari and Young (2014)	
Rouanet (2021)	Journal article	Empirical	Scopus		

Table 4 (continued)

Author(s) & year	Form of publication	Nature of source	Search results from	Author cites	Author is cited by
Rouanet and Wroblewski (2024)	Working paper	Conceptual & empirical	Scopus	Blau et al. (2022), Heckelman and Wilson (2021)	
Schneider et al. (2023)	Journal article	Empirical	Scopus		
Sebók and Kozák (2021)	Journal article	Empirical	Scopus	Young (2012)	
Shih (2011)	Journal article	Conceptual	Scopus		
Sorell (2018)	Journal article	Conceptual	Google Scholar		
Suárez (2016)	Journal article	Empirical	Scopus		
Thirkell-White (2018)	Working paper	Conceptual	Google Scholar	Bell and Hindmoor (2014), Young (2012)	
Tiberghien (2005)	Journal article	Conceptual	Google Scholar		
Tompson (2006)	Edited volume article	Conceptual	Google Scholar		
Unda and Margaret (2015)	Journal article	Empirical	Scopus	Kane (1996)	
Vanatta (2024)	Journal article	Conceptual	Scopus		
Vukovic (2021)	Journal article	Empirical	Google Scholar	Mian et al. (2010)	
Wagster (2007)	Journal article	Empirical	Google Scholar		
Wilmarth (2013)	Journal article	Conceptual	Scopus		
Young (2012)	Journal article	Empirical	Scopus	Baker (2010)	Blom (2021), Chalmers (2017), Chalmers (2020), Chalmers and Malik (2021), Chalmers and Young (2020), Goldbach (2015), Howarth and James (2020), Pagliari and Young (2014), Pritoni (2016), Quaglia (2019), Sebók and Kozák (2021), Thirkell-White (2018), Young (2012), Young (2014)
Young (2013)	Journal article	Conceptual	Scopus	Baker (2010), Mian et al. (2010), Young (2012)	
Young (2014)	Journal article	Empirical	Scopus	Young (2012)	Chalmers (2017), Chalmers and Malik (2021), Kastner (2018), Quaglia (2019)
Ziegler et al. (2024)	Journal article	Empirical	Scopus	Pagliari and Young (2014)	

No funding was received to assist with the preparation of this manuscript

Appendix

See Table 4.

Acknowledgements The author would like to thank Susanne Homölle for her valuable comments. The author thanks also go to the Editor-in-Chief Peter T. Leeson, the Associate Editor Louis Rouanet and one anonymous reviewer for their valuable comments and suggestions for improvement, which author was happy to implement. The author would also like to thank his colleagues Julian Berens and Ulf Hübener, as well as his brother Lucas Heyden, who read earlier versions of the paper and shared their thoughts with the author.

Funding Open Access funding enabled and organized by Projekt DEAL.

Declarations

Conflict of interest The author declares that there is no conflict of interest.

Open Access This article is licensed under a Creative Commons Attribution 4.0 International License, which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons licence, and indicate if changes were made. The images or other third party material in this article are included in the article's Creative Commons licence, unless indicated otherwise in a credit line to the material. If material is not included in the article's Creative Commons licence and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder. To view a copy of this licence, visit <http://creativecommons.org/licenses/by/4.0/>.

References

- Aalbers, Manuel B., Ewald Engelen, and Anna Glasmacher. 2011. Cognitive closure' in the netherlands: Mortgage securitization in a hybrid European political economy. *Environment and Planning A: Economy and Space*. <https://doi.org/10.1068/a43321>
- Abrams, Burton A. 1977. Legislative profits and the economic theory of representative voting: An empirical investigation. *Public Choice*. <https://doi.org/10.1007/BF01718976>
- Adams, Renee B., and Thomas C. Mosk. 2023. Dear congress member: Letters to congress and the shaping of (financial) legislation. Working paper. Accessed 07 June 2024. <https://doi.org/10.2139/ssrn.4396708>
- Administrative Board of the Transparency Register. 2023. Jahresbericht über das Funktionieren des Transparenz-Registers 2023. <https://www.europarl.europa.eu/at-your-service/files/transparency-and-ethics/lobby-groups/de-annual-report-on-the-operations-of-the-transparency-register-2023.pdf>. Accessed 12 May 2025.
- Agarwal, Sumit, Gene Amromin, Ben–David Itzhak, and Serdar Dinc. 2018. The politics of foreclosures. *The Journal of Finance*. <https://doi.org/10.1111/jofi.12725>
- Al-Ubaydli, Omar, and Patrick A. McLaughlin. 2017. RegData: A numerical database on industry-specific regulations for all United States industries and federal regulations, 1997–2012. *Regulation & Governance*. <https://doi.org/10.1111/regg.12107>
- Albrecht, Brian C., Joshua R. Hendrickson, and Alexander William Salter. 2022. Evolution, uncertainty, and the asymptotic efficiency of policy. *Public Choice*. <https://doi.org/10.1007/s11127-022-00978-2>
- Alesina, Alberto, and Guido Tabellini. 2008. Bureaucrats or politicians? Part II: Multiple policy tasks. *Journal of Public Economics*. <https://doi.org/10.1016/j.jpubeco.2007.06.004>
- Andrews, Leighton. 1996. The relationship of political marketing to political lobbying: An examination of the Devonport campaign for the Trident refitting contract. *European Journal of Marketing*. <https://doi.org/10.1108/03090569610149809>
- Aney, Madhav S., and Sanjay Banerji. 2022. Political connections, informational asymmetry, and the efficient resolution of financial distress. *Economic Modelling*. <https://doi.org/10.1016/j.econmod.2022.105901>
- Arksey, Hilary, and Lisa O'Malley. 2005. Scoping studies: Towards a methodological framework. *International Journal of Social Research Methodology*. <https://doi.org/10.1080/1364557032000119616>

- Asai, Kentaro. 2024. Bank lobbying as a financial safety net: Evidence from the postcrisis U.S. Banking sector. *The Review of Corporate Finance Studies*. <https://doi.org/10.1093/rcfs/cfac042>
- Atikcan, Ece Özlem, and Adam William Chalmers. 2019. Choosing lobbying sides: The general data protection regulation of the European union. *Journal of Public Policy*. <https://doi.org/10.1017/S0143814X18000223>
- Austen-Smith, David, and John R. Wright. 1992. Competitive lobbying for a legislator's vote. *Social Choice and Welfare*. <https://doi.org/10.1007/BF00192880>
- Awad, Emiel. 2024. Understanding influence in informational lobbying. *Interest Groups & Advocacy*. <https://doi.org/10.1057/s41309-023-00197-0>
- Baker, Andrew. 2010. Restraining regulatory capture? Anglo-America, crisis politics and trajectories of change in global financial governance. *International Affairs*. <https://doi.org/10.1111/j.1468-2346.2010.00903.x>
- Barrett, Sean D. 2011. The EU/IMF rescue programme for Ireland: 2010–13. *Economic Affairs*. <https://doi.org/10.1111/j.1468-0270.2011.02080.x>
- Beatty, Anne, Sandra Chamberlain, and Joseph Magliolo. 1996. An empirical analysis of the economic implications of fair value accounting for investment securities. *Journal of Accounting and Economics*. [https://doi.org/10.1016/S0165-4101\(96\)00429-6](https://doi.org/10.1016/S0165-4101(96)00429-6)
- Becker, Gary S. 1983. A theory of competition among pressure groups for political influence. *The Quarterly Journal of Economics*. <https://doi.org/10.2307/1886017>
- Bell, Stephen, and Andrew Hindmoor. 2014. The ideational shaping of state power and capacity: Winning battles but losing the war over bank reform in the US and UK. *Government and Opposition*. <https://doi.org/10.1017/gov.2014.2>
- Bell, Stephen, and Andrew Hindmoor. 2024. Business politics is usually about attempts to exert influence rather than power evidence from Australia. *Business and Politics*. <https://doi.org/10.1017/bap.2023.32>
- Bengtsson, Elias. 2020. Macroeprudential policy in the EU: A political economy perspective. *Global Finance Journal*. <https://doi.org/10.1016/j.gfj.2019.100490>
- Berger, Allen N., U. Mustafu, Karakaplan, and Raluca A. Roman. 2023. Whose bailout is it anyway? The roles of politics in PPP bailouts of small businesses vs. banks. *Journal of Financial Mediation*. <https://doi.org/10.1016/j.jfi.2023.101044>
- Bertrand, Marianne, Francis Kramarz, Antoinette Schoar, and David Thesmar. 2004. Political connected CEOs and corporate outcomes: Evidence from France. Working Paper. Accessed 04 April 2024.
- Bischof, Jannis, Holger Daske, and Christoph J. Sextroh. 2020. Why do politicians intervene in accounting regulation? The role of ideology and special interests. *Journal of Accounting Research*. <https://doi.org/10.1111/1475-679X.12300>
- Blau, Benjamin M., G. Todd, Griffith, and Ryan J. Whitby. 2022. Lobbying and lending by banks around the financial crisis. *Public Choice*. <https://doi.org/10.1007/s11127-022-00991-5>
- Blom, Jasper. 2021. The Institute of International Finance: From poacher to gamekeeper? *Business and Politics*. <https://doi.org/10.1017/bap.2020.6>
- Bodenhorn, Howard. 2017. Opening access: Banks and politics in New York from the revolution to the civil war. Working paper. https://www.nber.org/system/files/working_papers/w23560/w23560.pdf. Accessed 21 January 2025.
- Boyer, Pierre C., and Jorge Ponce. 2012. Regulatory capture and banking supervision reform. *Journal of Financial Stability*. <https://doi.org/10.1016/j.jfs.2011.07.002>
- Braun, Matías, and Claudio Raddatz. 2010. Banking on politics: When former high-ranking politicians become bank directors. *The World Bank Economic Review*. <https://doi.org/10.1093/wber/lhq007>
- Broulik Jan. 2021. Social capture of US and EU competition policy: A lesson from the global financial crisis. Working Paper. <https://doi.org/10.2139/ssrn.3487616> Accessed 07 June 2024.
- Broz, J. Lawrence. 2005. Congressional politics of international financial rescues. *American Journal of Political Science*. <https://doi.org/10.1111/j.1540-5907.2005.00137.x>
- Broz, J. Lawrence. 2024. Institutional arrangements of central banking. Working Paper. Accessed 23 January 2024. <https://doi.org/10.2139/ssrn.4865884>
- Brück, Sebastian, and Laixiang Sun. 2007. Achieving effective governance under divided government and private interest group pressure: Taiwan's 2001 financial holding company law. *Journal of Contemporary China*. <https://doi.org/10.1080/10670560701562358>
- Buck, Florian. 2013. Financial regulation and the grabbing hand. *Journal for Institutional Comparisons* 11:3–13.
- Busch, Andreas. 2007. Confronting stylized facts with reality: The role of interest groups in banking regulation policy. *Economics of Governance*. <https://doi.org/10.1007/s10101-006-0028-6>
- Butler, Henry N., and Jonathan R. Macey. 1988. Myth of competition in the dual banking system. *Cornell Law Review* 73:677–718.

- Byrne, Sean K. 2023. Bank holding company lobbying activity upon regulation and its impact upon non-traditional revenue. *The International Trade Journal*. <https://doi.org/10.1080/08853908.2022.2078912>
- Calomiris, Charles W., and Stephen H. Haber. 2014. *Fragile by design: The political origins of banking crises and scarce credit*. Princeton: Princeton University Press.
- Cammatt, Melanie. 1999. International exposure, domestic response: Financiers, weavers, and garment manufactures in Morocco and Tunisia. *The Arab Studies Journal* 7/8: 26–51.
- Cao, Xueyan. 2023. Market concentration and political outcomes. Working Paper. https://digitalcommons.macalester.edu/cgi/viewcontent.cgi?article=1118&context=economics_honors_projects. Accessed 07 June 2024.
- Carney, William J. 1997. Explaining the shape of corporate law: The role of competition. *Managerial and Decision Economics* 18:611–626.
- Carré, Emmanuel, and Marie-Sophie Gauvin. 2018. Financial crisis: The capture of central banks by the financial sector? *International Journal of Political Economy*. <https://doi.org/10.1080/08911916.2018.1497576>
- Center for Responsive Politics. 2025a. Industry profile: Commercial Banks. <https://www.opensecrets.org/federal-lobbying/industries/summary?id=F03>. Accessed 12 May 2025.
- Center for Responsive Politics. 2025b. Industries. <https://www.opensecrets.org/federal-lobbying/industries>. Accessed 12 May 2025.
- Chalmers, Adam William. 2017. When banks lobby: The effects of organizational characteristics and banking regulations on international bank lobbying. *Business and Politics*. <https://doi.org/10.1017/bap.2016.7>
- Chalmers, Adam William. 2020. Unity and conflict: Explaining financial industry lobbying success in European union public consultations. *Regulation & Governance*. <https://doi.org/10.1111/rego.12231>
- Chalmers, Adam William, and Adela Alexandra Iacobov. 2019. The stakes of global venue shopping: Examining bank lobbying in the Basel committee and the European union. *Interest Groups & Advocacy*. <https://doi.org/10.1057/s41309-019-00059-8>
- Chalmers, Adam William, and Kevin L. Young. 2020. Network effects in the formation of the financial industry's regulatory preferences in the European union. *Business and Politics*. <https://doi.org/10.1017/bap.2019.33>
- Chalmers, Adam William, and Tehminah Naz Malik. 2021. Rule omission, rule migration and the limits of financial industry power. *European Journal of Political Research*. <https://doi.org/10.1111/1475-6765.12433>
- Claessens, Stijn, Erik Feijen, and Luc Laeven. 2008. Political connections and Preferential access to finance: The role of campaign contributions. *Journal of Financial Economics*. <https://doi.org/10.1016/j.jfineco.2006.11.003>
- Coban, Mehmet Kerem. 2020. Diffuse interest groups and regulatory policy change: Financial consumer protection in Turkey. *Interest Groups & Advocacy*. <https://doi.org/10.1057/s41309-020-00086-w>
- Coban, Mehmet Kerem. 2022. Coordinating monetary policy and macroprudential policy: Bureaucratic politics, regulatory intermediary, and bank lobbying. *Public Administration*. <https://doi.org/10.1111/padm.12744>
- Colebatch, Hal Kempley. 2018. The Idea of policy design: Intention, process, outcome, meaning and validity. *Public Policy and Administration*. <https://doi.org/10.1177/0952076717709525>
- Cotton, Christopher. 2009. Should we tax or cap political contributions? A lobbying model with policy favors and access. *Journal of Public Economics*. <https://doi.org/10.1016/j.jpubeco.2009.04.005>
- Cotton, Christopher. 2012. Pay-to-play politics: Informational lobbying and contribution limits when money buys access. *Journal of Public Economics*. <https://doi.org/10.1016/j.jpubeco.2011.11.005>
- Delis, Manthos, Iftekhar Hasan, Thomas To, and Eliza Wu. 2022. The real effects of bank lobbying: Evidence from the corporate loan market. Working Paper. https://mpra.ub.uni-muenchen.de/111642/1/MPRA_paper_111642.pdf. Accessed 07 June 2025.
- Denyer, David, and David Tranfield. 2009. Producing a systematic review. In *The Sage handbook of organizational research methods*, ed. David Buchanan, and Alan Bryman. 671–689. London: SAGE.
- Dorsch, Michael. 2013. Bailout for sale? The vote to save wall street. *Public Choice*. <https://doi.org/10.1007/s11127-011-9888-6>
- Douglas, Justin. 2019. Translating the blueprint for financial deregulation: The American bank lobby's unyielding quest for legislative profits, 1968–1982. *Enterprise & Society*. <https://doi.org/10.1017/es.o.2018.27>
- Epstein, Gerald. 2012. Confronting the Kindleberger moment: Credit, fiscal and regulatory policy to avoid economic disaster. In *After the great recession: The struggle for economic recovery and growth*, eds. Barry Z. Cynamon, Steven Fazzari and Mark Setterfield, 219–243, New York: Cambridge University Press.
- European Union. 2025. Transparency register. <https://data.europa.eu/data/datasets/transparency-register?locale=en>. Accessed 12 May 2025.

- Facchini, Giovanni, Anna Maria Mayda, and Prachi Mishra. 2011. Do interest groups affect US immigration policy? *Journal of International Economics*. <https://doi.org/10.1016/j.jinteco.2011.05.006>
- Faccio, Mara, and David C. Parsley. 2009. Sudden deaths: Taking stock of geographic ties. *Journal of Financial and Quantitative Analysis* 44:683–718.
- Fisman, Raymond. 2001. Estimating the value of political connections. *The American Economic Review* 91:1095–1102.
- Fuller, Allen. 1970. National association of securities dealers, inc. V. SEC: National banks May sell mutual funds. *University of Miami Law Review* 24:697–705.
- Goldbach, Roman. 2015. Asymmetric influence in global banking regulation: Transnational harmonization, the competition state, and the roots of regulatory failure. *Review of International Political Economy*. <https://doi.org/10.1080/09692290.2015.1050440>
- Goldberg, Pinelopi Koujianou, and Giovanni Maggi. 1999. Protection for sale: An empirical investigation. *The American Economic Review* 89:1135–1155.
- Granja, João. 2018. Disclosure regulation in the commercial banking industry: Lessons from the National banking era. *Journal of Accounting Research*. <https://doi.org/10.1111/1475-679X.12193>
- Grossman, Gene M., and Elhanan Helpman. 1994. Protection for sale. *The American Economic Review* 84:833–850.
- Grossman, Emiliano. 2004. Bringing politics back in: Rethinking the role of economic interest groups in European integration. *Journal of European Public Policy*. <https://doi.org/10.1080/1350176042000248061>
- Grossman, Emiliano, and Cornelia Woll. 2014. Saving the banks: The political economy of bailouts. *Comparative Political Studies*. <https://doi.org/10.1177/0010414013488540>
- Hacker, Jacob S., and Paul Pierson. 2002. Business power and social policy: Employers and the formation of the American welfare state. *Politics & Society*. <https://doi.org/10.1177/0032329202030002004>
- Hall, Richard L. 1996. *Participation in Congress*. New Haven and London: Yale University Press.
- Hansen, John Mark. 1991. *Congress and the farm lobby, 1919–1981*. Chicago and London: University of Chicago Press.
- Hansen, Wendy L., and Neil J. Mitchell. 2000. Disaggregating and explaining corporate political activity: Domestic and foreign corporations in National politics. *American Political Science Review*. <https://doi.org/10.2307/2586214>
- Hantke-Domas, Michael. 2003. The public interest theory of regulation: Non-existence or misinterpretation? *European Journal of Law and Economics*. <https://doi.org/10.1023/A:1021814416688>
- Hassan, Mohammad Kabir, Omer Unsal, and William J. Hippler III.. 2020. Financial industry lobbying and shareholder litigation outcomes: Implications for managers and regulators. *Research in International Business and Finance*. <https://doi.org/10.1016/j.ribaf.2020.101207>
- Heckelman, Jac C., and Bonnie Wilson. 2021. Targeting inflation targeting: The influence of interest groups. *Public Choice*. <https://doi.org/10.1007/s11127-021-00905-x>
- Heckelman, Jac C., and John H. Wood. 2008. Joint determination of regulations by the regulator and the regulated: Commercial bank reserve requirements, 1875–1979. *Eastern Economic Journal* 34:158–171.
- Hendrickson, Jill M. 2001. The long and bumpy road to Glass-Steagall-Reform: A historical and evolutionary analysis of banking legislation. *The American Journal of Economics and Sociology*. <https://doi.org/10.1111/1536-7150.00126>
- Hendriksen, Christian. 2022. Navigating norms and invisible rules: Explaining the case of business influence in international shipping regulation. *Business and Politics*. <https://doi.org/10.1017/bap.2021.21>
- Hillman, Amy J. 2003. Determinants of political strategies in U.S. Multinationals. *Business & Society*. <https://doi.org/10.1177/0007650303260351>
- Hillman, Amy J., and Michael A. Hitt. 1999. Corporate political strategy formulation: A model of approach, participation, and strategy decisions. *The Academy of Management Review*. <https://doi.org/10.2307/259357>
- Hodder, Leslie D., and Patrick E. Hopkins. 2014. Agency problems, accounting slack, and banks' response to proposed reporting of loan fair values. *Accounting Organizations and Society*. <https://doi.org/10.1016/j.aos.2013.10.002>
- Hojnacki, Marie, and David C. Kimball. 1998. Organized interests and the decision of whom to lobby in Congress. *American Political Science Review*. <https://doi.org/10.2307/2586303>
- Howarth, David, and Scott James. 2020. The politics of bank structural reform: Business power and agenda setting in the United kingdom, France, and Germany. *Business and Politics*. <https://doi.org/10.1017/bap.2019.5>
- Howarth, David, and Lucia Quaglia. 2018. Brexit and the battle for financial services. *Journal of European Public Policy*. <https://doi.org/10.1080/13501763.2018.1467950>
- Igan, Deniz, and Prachi Mishra. 2014. Wall street, capitol hill, and k street: Political influence and financial regulation. *The Journal of Law and Economics*. <https://doi.org/10.1086/680933>

- Igan, Deniz, and Thomas Lambert. 2019. Bank lobbying: Regulatory capture and beyond. Working paper. <https://www.imf.org/en/Publications/WP/Issues/2019/08/09/Bank-Lobbying-Regulatory-Capture-and-Beyond-45735> Accessed 16 November 2023.
- Igan, Deniz, Prachi Mishra, and Thierry Tresselt. 2012. A fistful of dollars: Lobbying and the financial crisis. *National Bureau of Economic Research Macroeconomics Annual*. <https://doi.org/10.1086/663992>
- Igan, Deniz, Thomas Lambert, Wolf Wagner, and Eden Quxian Zhang. 2022. Winning connections? Special interests and the sale of failed banks. *Journal of Banking & Finance*. <https://doi.org/10.1016/j.jbankfin.2022.106496>
- Ignatowski, Magdalena, Charlotte Werger, and Josef Korte. 2015. Between capture and discretion – The determinants of distressed bank treatment and expected government support. Working Paper. <https://www.ecb.europa.eu/pub/pdf/scpwps/ecbwp1835.en.pdf>. Accessed 07 June 2024.
- Ioannou, Stefanos, Dariusz Wójcik, and Gary Dymksi. 2019. Too-big-to-fail: Why megabanks have not become smaller since the global financial crisis? *Review of Political Economy*. <https://doi.org/10.1080/09538259.2019.1674001>
- James, Scott, and Dimitris Christopoulos. 2018. Reputational leadership and preference similarity: Explaining organizational collaboration in bank policy networks. *European Journal of Political Research*. <https://doi.org/10.1111/1475-6765.12237>
- James, Scott, Stefano Pagliari, and Kevin L. Young. 2021. The internationalization of European financial networks: A quantitative text analysis of EU consultation responses. *Review of International Political Economy*. <https://doi.org/10.1080/09692290.2020.1779781>
- James, Scott, Hussein Kassim, and Thomas Warren. 2022. From big Bang to brexit: The City of London and the discursive power of finance. *Political Studies*. <https://doi.org/10.1177/0032321720985714>
- Johnson, Simon, and Todd Mitton. 2003. Cronyism and capital controls: Evidence from Malaysia. *Journal of Financial Economics*. [https://doi.org/10.1016/S0304-405X\(02\)00255-6](https://doi.org/10.1016/S0304-405X(02)00255-6)
- Kahn, Cecilia. 2024. Appearances can be deceiving: The Swedish bank act and actor influence in different regulatory regimes. *Business History*. <https://doi.org/10.1080/00076791.2024.2343900>
- Kane, Edward J. 1996. De jure interstate banking: Why only now? *Journal of Money Credit and Banking*. <https://doi.org/10.2307/2078020>
- Kastner, Lisa. 2018. Business lobbying under salience: Financial industry mobilization against the European financial transaction tax. *Journal of European Public Policy*. <https://doi.org/10.1080/13501763.2017.1330357>
- Korkea-aho, Emilia. 2022. Are lawyer-lobbyists answerable to ‘a higher authority’? Bar association rules as lobbying regulation in the EU and the USA. *Interest Groups & Advocacy*. <https://doi.org/10.1057/s41309-022-00169-w>
- Kroszner, Randall S., and Philip E. Strahan. 1999. What drives deregulation? Economics and politics of the relaxation of bank branching restrictions. *The Quarterly Journal of Economics*. <https://doi.org/10.1162/003355399556223>
- Kroszner, Randall S., and Thomas Stratmann. 1998. Interest-group competition and the organization of congress: Theory and evidence from financial services’ political action committees. *The American Economic Review* 88:1163–1187.
- Lambert, Thomas. 2019. Lobbying on regulatory enforcement actions: Evidence from U.S. Commercial and savings banks. *Management Science*. <https://doi.org/10.1287/mnsc.2017.2895>
- Levitin, Adam J. 2016. Safe banking: Finance and democracy. *The University of Chicago Law Review* 83:357–455.
- Ludema, Rodney D., Anna Maria Mayda, and Prachi Mishra. 2010. Protection for free? The political economy of U.S. tariff suspensions. Working Paper. <https://www.imf.org/external/pubs/ft/wp/2010/wp10211.pdf>. Accessed 08 August 2023.
- Mahoney, Paul G. 2003. The origins of the Blue-Sky laws: A test of competing hypotheses. *The Journal of Law and Economics*. <https://doi.org/10.1086/345580>
- Manish, G. P., and Colin O’Reilly. 2019. Banking regulation, regulatory capture and inequality. *Public Choice*. <https://doi.org/10.1007/s11127-018-0501-0>
- Maslennikov, V. V., and Y. A. Sokolov. 2006. National bank systems. *Banks and Bank Systems* 1:4–19.
- Maxim, Talex. 2014. Lobbying in the financial sector in US. *International Journal of Economics & Management Sciences* 3:1–9.
- Mian, Atif, Amir Sufi, and Francesco Trebbi. 2010. The political economy of the US mortgage default crisis. *American Economic Review* 100:1967–1998.
- Mitchener, Kris James. 2007. Are prudential supervision and regulation pillars of financial stability? Evidence from the great depression. *The Journal of Law & Economics*. <https://doi.org/10.1086/511323>
- Moher, David, Alessandro Liberati, Jennifer Tetzlaff, Douglas G. Altman, and The PRISMA Group. 2009. Preferred reporting items for systematic reviews and meta-analyses: The PRISMA statement. *PLoS Medicine* 6:1–8.

- Montalbano, Giuseppe. 2015. Geopolitical economy and competing capitalists blocs in the EU post-crisis financial regulation: Two cases from the reform of the banking sector. *World Review of Political Economy*. <https://doi.org/10.13169/worlrevipoliecon.6.4.0498>
- Montalbano, Giuseppe. 2020. Policy entrepreneurship and the influence of the transnational financial industry in the EU reform of securitization. *Business and Politics*. <https://doi.org/10.1017/bap.2019.22>
- Morck, Randall, Masao Nakamura. 1999. Banks and corporate control in Japan. *The Journal of Finance* 54:319–339.
- Mosk, Thomas. 2021. Captured by financial institutions? New academic insights for EU policy makers. Working Paper. https://publikationen.uni-frankfurt.de/opus4/frontdoor/deliver/index/docId/56876/file/SAFE_White_Paper_77_final.pdf. Accessed 15 April 2023.
- New York Times. 2013. Banks' lobbyists help in drafting financial bills. <https://archive.nytimes.com/dealbook.nytimes.com/2013/05/23/banks-lobbyists-help-in-drafting-financial-bills/>. Accessed 27 June 2025.
- Pagliari, Stefano, and Kevin L. Young. 2014. Leveraged interests: Financial industry power and the role of private sector coalitions. *Review of International Political Economy*. <https://doi.org/10.1080/09692290.2013.819811>
- Paré, Guy, Marie-Claude Trudel, Mirou Jaana, and Spyros Kitsiou. 2015. Synthesizing information systems knowledge: A typology of literature reviews. *Information & Management*. <https://doi.org/10.1016/j.im.2014.08.008>
- Petrucci, Carlo. 2021. The commission's evaluation of the financial executives' remuneration policy and the amendments of directive 2019/878. *European Business Law Review*. <https://doi.org/10.54648/eulr2021038>
- Pritoni, Andrea. 2016. Do financial groups always 'get what they want'? The case of the Italian bankers' association, 2006–2012. *Contemporary Italian Politics*. <https://doi.org/10.1080/23248823.2016.1198544>
- Quaglia, Lucia. 2019. The politics of state compliance with international soft law in finance. *Governance*. <https://doi.org/10.1111/gove.12344>
- Redert, Bastiaan. 2022. From clubs to hubs: Analysing lobbying networks in EU financial regulation after crisis. *Journal of Public Policy*. <https://doi.org/10.1017/S0143814X21000283>
- Reuters. 2024. US bank lobbyists ranks swell to post-crisis high amid regulatory pushback. <https://www.reuters.com/business/finance/us-bank-lobbyists-ranks-swell-post-crisis-high-amid-regulatory-pushback-2024-02-08/>. Accessed 12 May 2025.
- Rouanet, Louis. 2021. The interest group origins of the bank of France. *Public Choice*. <https://doi.org/10.1007/s11127-019-00765-6>
- Rouanet, Louis, and Michael Wroblewski. 2024. Interest groups and central banking. Working Paper. Accessed 21 January 2025. https://scholarworks.utep.edu/cgi/viewcontent.cgi?article=1020&context=hunt_working
- Schneider, Thomas, Philip E. Strahan, and Jun Yang. 2023. Bank stress testing: Public interest or regulatory capture? *Review of Finance*. <https://doi.org/10.1093/rof/rfac027>
- Schwartz, Anna Jacobson. 1947. The beginning of competitive banking in Philadelphia, 1782–1809. *Journal of Political Economy* 55:417–431.
- Sebők, Miklós, and Sándor Kozák. 2021. From state capture to pariah status? The preference attainment of the Hungarian Banking Association (2006–14). *Business and Politics*. <https://doi.org/10.1017/bap.2020.8>
- Shih, Victor. 2011. Goldilocks liberalization: The uneven path toward interest rate reform in China. *Journal of East Asian Studies* 11:437–465.
- Simkovic, Michael, and Miao Ben Zhang. 2020. Regulation and technology-driven entry: Measurement and micro-evidence. Working paper. Accessed 21 February 2025. <https://doi.org/10.2139/ssrn.3205589>
- Sinčić Čorić, Dubravka. 2014. The status of lobbying in Croatia. *International Advances in Economic Research*. <https://doi.org/10.1007/s11294-014-9492-x>
- Sorell, Tom. 2018. Responsibility in the financial crisis. *Midwest Studies in Philosophy*. <https://doi.org/10.1111/misp.12081>
- Stigler, George J. 1971. The theory of economic regulation. *The Bell Journal of Economics and Management Science*. <https://doi.org/10.2307/3003160>
- Suárez, Sandra L. 2016. Poor people's money: The politics of mobile money in Mexico and Kenya. *Telecommunications Policy*. <https://doi.org/10.1016/j.telpol.2016.03.001>
- Thirkell-White, Ben. 2018. Taking back control? of banking? Populist romanticism and the global politics of ambiguous post-crisis reform in the UK. Working Paper. <https://doi.org/10.2139/ssrn.3094496> Accessed 06 June 2024.
- Tiberghien, Yves. 2005. Navigating the path of least resistance: Financial deregulation and the origins of the Japanese crisis. *Journal of East Asian Studies*. <https://doi.org/10.1017/S159824080000206X>
- Tompson, William. 2006. Occasionally rather embarrassing: Russian banks and Russian diplomacy. In *Russian business power: The role of Russian business in foreign and security relations*, eds. Andreas Wenger, Jeronim Perović and Robert W. Orttung, 1–20, London: Routledge.

- Unda, Luisa Ana, and Julie Margret. 2015. Transformation of the Ecuadorian financial system: Regulation and response. *Journal of Financial Regulation and Compliance*. <https://doi.org/10.1108/JFRC-02-2014-0016>
- Vanatta, Sean H. 2024. Revolving door governance: Bank supervisors in the united states, 1863–1933. *Management & Organizational History*. <https://doi.org/10.1080/17449359.2024.2353797>
- Voxeurop. 2024. *Why big banks are scared of the digital euro and how they lobby against it*. <https://voxeuro.p.eu/en/digital-euro-big-banks-lobby-against/>. Accessed 12 May 2025.
- Vukovic, Vuk. 2021. The politics of bailouts: Estimating the causal effects of political connections on corporate bailouts during the 2008–2009 US financial crisis. *Public Choice*. <https://doi.org/10.1007/s1127-020-00871-w>
- Wagster, John D. 2007. Wealth and risk effects of adopting deposit insurance in canada: Evidence of risk shifting by banks and trust companies. *Journal of Money Credit and Banking*. <https://doi.org/10.1111/j.1538-4616.2007.00082.x>
- Wilmarth, Arthur E. 2013. Turning a blind eye: Why Washington keeps giving in to wall street. *University of Cincinnati Law Review* 81:1283–1447.
- Wittman, Donald. 1989. Why democracies produce efficient results. *Journal of Political Economy* 97:1395–1424.
- Young, Kevin L. 2012. Transnational regulatory capture? An empirical examination of the transnational lobbying of the Basel committee on banking supervision. *Review of International Political Economy*. <https://doi.org/10.1080/09692290.2011.624976>
- Young, Kevin L. 2013. Policy takers or policy makers? The lobbying of global banking regulators. *Business Horizons*. <https://doi.org/10.1016/j.bushor.2013.07.010>
- Young, Kevin L. 2014. Losing abroad but winning at home: European financial industry groups in global financial governance since the crisis. *Journal of European Public Policy*. <https://doi.org/10.1080/13501763.2014.882971>
- Ziegler, J., Konrad Nicholas, Posch, and Thomas Nath. 2024. The limits of interest: Moral economy and public engagement in the regulation of derivatives in the united States. *Regulation & Governance*. <https://doi.org/10.1111/rego.12579>

Publisher's note Springer Nature remains neutral with regard to jurisdictional claims in published maps and institutional affiliations.