

# THE FINANCIAL SERVICES ROUNDTABLE

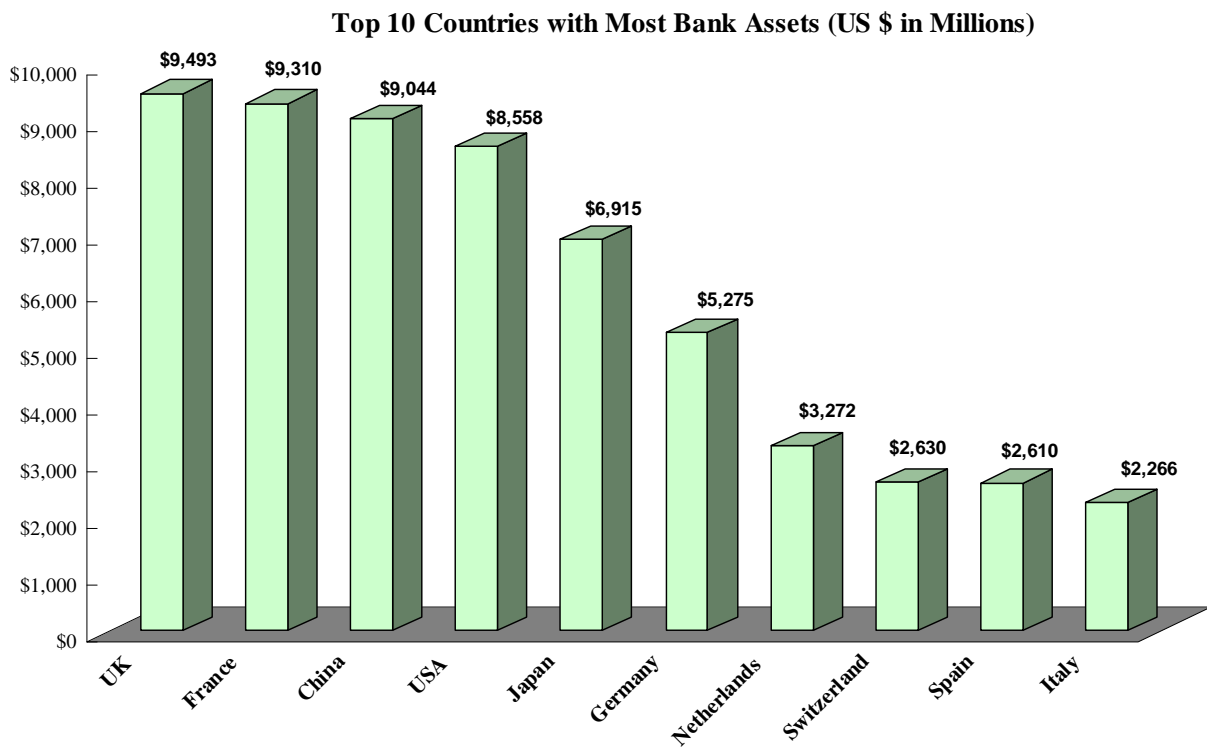
## *Financing America's Economy*



To: Fast Facts List

### Fast Facts: GLOBAL COMPETITIVENESS, WEEK 2

**FACT:** The U.K., France, and China have a larger concentration of banking assets than the United States.



*Includes bank holding companies*  
*Source: [Global Finance, 2011 Data](#)*  
*[Banks around the World, 2011 Data](#)*

**FACT:** Many have suggested that excessive regulation will only accelerate the decline of global competitiveness for U.S. banks:

- “The new regulatory environment has the potential to hasten rather than reverse the long-term competitive decline of the U.S. financial services sector, vis-à-vis our international competitors,” **Barry Zubrow, Chief Risk Officer of JP Morgan Chase.**
- “No other industrialized countries in Europe or around the world plan to enact provisions that parallel the U.S. restrictions...the U.S. banking entities could lose business to their competitors in Europe and elsewhere.” **Government Accountability Office.**

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- “There are large and growing differences in the pace and scope of regulatory reform efforts in the U.S. and other jurisdictions. They put the U.S. financial markets at a disadvantage by driving up costs and reducing liquidity.” **Stephen O'Connor, Managing Director of Morgan Stanley.**
- “If some countries do not adopt the same high standards and enforce them with the same rigor, we could wind up with an unlevel playing field that gives an advantage to firms in countries with less stringent standards.” **John Walsh, Former Acting Comptroller of the Currency.**
- “If trading in the U.S. is more expensive, even for a year, participants may shift trading abroad in order to incur lower costs and once trading has moved abroad it will be difficult to get back.” **Professor Hal S. Scott, Director of the Program on International Financial Systems at Harvard Law.**
- “The differences between <G20 commitments and the Dodd-Frank Act> in their emphasis on nonbanks could alter the competitive landscape for U.S. nonbank financial firms relative to their foreign counterparts.” **Daniel E. Nolle, Federal Reserve.**
- “The return gap between growing markets and markets where growth will remain sluggish stands to widen over the coming decade. Asian banks in particular are likely to achieve annual revenue growth of around 10% over the next decade – double the rate of developed markets. **McKinsey&Company.**

As always, please do not hesitate to contact Abby McCloskey, Director of Research at the Financial Services Roundtable, at [abbyresearch@fsround.org](mailto:abbyresearch@fsround.org), or Scott Talbott, Senior Vice President of Government Affairs, at [scott@fsround.org](mailto:scott@fsround.org).