



Ooooooh the poor SMEs need more funding to create growth, we need to help them!! But what can we do??

I know! we need to revive securitisation!!

REVIVE SECURITISATION TO MAKE THE WORLD A BETTER PLACE

TOO BIG TO FAIL BANKS

R.I.P. LESSONS FROM THE CRISIS

WHO WILL BENEFIT FROM A REVIVAL OF SECURITISATION: SMES OR TOO-BIG-TO-FAIL BANKS?

#CMU4who

While venture capital can help the 10% of EU SMEs that are innovative start-ups, reviving securitisation is unlikely to help the remaining 90%. SME loan securitisation has indeed been shown to be too complex and too expensive to work without subsidies, leading to more expensive loans for SMEs.

The main beneficiaries are instead likely to be the too-big-to-fail banks that manufacture securitisations and collect the fees.

One of the lessons from the crisis is that we should do more to promote retail funded traditional and local banking, instead of promoting market-based banking that required bailing out.

Want to know more about it? Read our short report: "Capital Markets Union in 5 questions", available for download on our website: www.finance-watch.org