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## gLAWcal #211 COMMENT

### GLOBALIZATION AND FINANCIAL INSTI- TUTION: TIME FOR REGULATION

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*Based on*

**Rosa Maria Lastra “Do We Need a  
World Financial Organization?”**



**gLAWcal**  
Global Law Initiatives for Sustainable Development



**Routledge**  
Taylor & Francis Group

**A gLAWcal comment on Rosa Maria Lastra “Do We Need a World Financial Organization?” in Antonio Segura Serrano (Ed.) “The Reform of International Economic Governance”.**

order, the key question at this point is: do we need a world finance organization (WFO)? Times seem ripe for some binding international rules (regulation), efficient supervision or surveillance, and an international system for the resolution of conflicts and crises.

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Globalization has had a tremendous impact on the world dynamics. As it is here concerned, it has changed the traditional understanding of financial markets and has led to the emergence of multinational banks, financial groups and new instruments that operate across jurisdictions. The problem is that globalization and liberalization of financial markets have proceeded at a much faster pace than the development of an appropriate international legal and institutional framework. So, while the financial crisis was global, the solutions to the problems were in the main national. Therefore, when it comes to modern financial markets, sovereignty is an inadequate principle to deal with financial conglomerates, complex groups and, generally, with cross-border institutions and markets. As a consequence, financial markets need to rely on different levels of governance: for example, the banking union in the EU is a recognition of this need at a regional level. Based upon the premise that our times need a new



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The gLAWcal comments are insight and short analytical pieces written by the gLAWcal team. The gLAWcal comments are based on, and inspired by, the books and chapters published within one of the [gLAWcal book series](#) published by Routledge Publishing (New York/London).

gLAWcal is an independent non-profit research organization (think tank) that aims at providing a new focus on issues related to economic law, globalization and development, namely the relationship between international economy and trade, with special attention to a number of non-trade-related values and concerns. Through research and policy analysis, gLAWcal sheds a new light on issues such as good governance, human rights, right to water, rights to food, social, economic and cultural rights, labour rights, access to knowledge, public health, social welfare, consumer interests and animal welfare, climate change, energy, environmental protection and sustainable development, product safety, food safety and security.

## OUR MISSION

To collaborate with Government, Civil society and business community to balance the excess of globalization with Non Trade Concerns.

## OUR GOALS

To influence policymakers, to raise awareness over Non Trade Concerns, to encourage stakeholder participation, and to disseminate gLAWcal’s publication results.



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