

MAPPING GLOBAL FINANCIAL RISK

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ABSTRACT

This paper endeavors to discuss the complexities of mapping and understanding the new global financial risk landscape. It will focus on the risk of failure of major banking networks. The inter-connectivity between banking networks is fluid and complex. The paper will pay particular attention to the evolving nature of systemic banking network risk post- 2008. Analysis using network techniques is now being used with increasing frequency to gauge post-crisis systemic banking risk. This entails understanding of the structural properties of cross-country financial linkages and how these networks have evolved over time. Finally, the paper will also debate the evolution of global risk assessment for the banking sector through the discussion of "organic" risk assessment models. For example, the recent trend in the post 2008+ crisis financial sector is to use medical models for pandemic analysis to forecast financial crisis spillage in real time.

Keywords: *risk landscape, financial risk, banking network, financial stability*