

## **Editorial**

The Basel Committee on Banking Supervision has adopted a revised framework for capital measurement and capital standards (Basel II). A wide range of options for risk assessment allows banks and supervisors to select the most appropriate approach for their operations and financial market infrastructure. In this issue, Gérard Hertig focuses on the potential for market transparency under Basel II, arguing that banks should be required to systematically disclose their internal credit ratings. Moreover, inconsistencies between intermediary-oriented and market-oriented financial market systems should not be exaggerated. Instead, Hertig emphasises the dynamics of global venture capital financing. In this context, transatlantic market interconnections in the face of product and institutional innovations, financial scandals and retail participation in capital markets are of great importance. As Kern Alexander, Eilís Ferran, Howell Jackson and Niamh Moloney explain, the time has come for a more systematic regulatory dialogue between the United States and the European Union on financial services. Their analysis evaluates what has been achieved so far, but they also argue for further research on regulatory coordination and high quality regulation on specific policy issues.

In spite of the transatlantic financial services dialogue, regulatory conflicts between the United States and the European Union persist. Cedric Ryngaert examines the extraterritorial reach of US discovery rules. Anatol Dutta undertakes an in-depth study of foreign sovereigns (including the European Union) pursuing regulatory interests cloaked as civil claims before US courts. Friedrich Wenzel Bulst is guided by a comparative law perspective as he highlights the crucial role of private enforcement as an element of regulation. He evaluates the European Commission's papers on private antitrust enforcement, exploring areas of European law that are still largely uncharted.

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