

Abstract

Regulations and legal instruments of financial stability of members of the EU and Eurozone

This thesis aims to find and analyze the main sources of economical and legal tools that caused the world financial crisis and further on analyze the following legal actions of governments, central banks and well as of the private sector. Both the declared and hidden deficits are followed with caution. For understanding of the current situation the historical development within the field of monetary integration in Europe is both described and analyzed. A special attention is dedicated to reactions following the financial instability of both EU and the Eurozone.

The result is as follows, most of the adopted financial regulations like for example European Financial Stability Facility reacts only on the results but not on the sources of the financial crisis and most of the proposed regulations aims just to postpone the root of the problem. The key institutional causes of the crises, among others moral hazard, information asymmetry caused by complex financial derivatives, failure of corporate governance and connection between politics and private interests of the top business remains unfortunately unsolved.