

The thesis deals with the US mortgage crisis of 2008. The mortgage crisis, the following financial crisis and the debt crisis have affected billions of people around the world. It has been widely covered in literature. This thesis, however, takes a different approach. It analyses the crisis from the point of view of law and economics, looking for overlaps between those disciplines. The author does not accept the divide between law and economics. It is necessary to consider both views in order to understand the crisis. This work does not seek causes of the crisis primarily in the banks and the lack of regulation, as is common view. Rather, this thesis looks for systemic failures and root causes. It focuses on monetary policy (especially the US Fed), the regulatory institutions, bank management and the role of credit rating agencies and exotic financial instruments.

In the first part of the work, the author looks at possible causes in different areas: Monetary policy and global trade imbalances, regulation of the mortgage market and government support of affordable housing, banks and their management (corporate governance), regulation and deregulation of the banking sector (with emphasis on the functioning of regulatory institutions, their legal basis and historical context), so-called securitization and exotic financial instruments like MBS, CDO, CDS etc. In the next part, the author gives a general explanation of crises and so-called „price bubbles" and describes the peak phase of the crisis in detail (September-November 2008). In the third part, the author summarizes and evaluates the reforms adopted in response to the crisis, as well as planned future reforms and reforms that were proposed but not accepted. In the last part, the author outlines possible scenarios for the future, including the threat of future crises. In the conclusion, the author summarises answers for raised questions and adds a brief account of the impact of the crisis on the Western concept of liberal capitalism.

Although this is primarily Law thesis, it includes economics, psychology and to some extent, mathematics and statistics, it contains many charts and data analyses. The author seeks an interdisciplinary approach.