

# News Release

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## BANK ECONOMISTS PROVIDING RESEARCH FOR CHINA'S BANKING TRANSFORMATION

As Chinese authorities take steps to open China's banks to greater private and foreign ownership, two economists from the Federal Reserve Bank of Kansas City are providing resources to that nation's bankers.

A research article by two of the Bank's economists titled "Private Ownership and its Influence on Bank Performance," was recently published in the Chinese Banker. Kenneth R. Spong, senior policy economist at the Federal Reserve Bank of Kansas City, and Richard J. Sullivan, senior economist at the Bank, were asked to write the article because it covers a topic which is currently receiving much attention in China. The article is based on research work Spong and Sullivan did on the incentives that private ownership provides in the operation and performance of banks in the Tenth Federal Reserve District. Part of the work was in collaboration with Robert DeYoung of the University of Kansas, and the research has appeared in the Journal of Banking and Finance, the Journal of Financial Transformation and the Journal of Financial Intermediation.

Additionally, a book authored by Spong titled "Banking Regulation: Its Purposes, Implementation and Effects" has been translated into Chinese by the China Banking Regulatory Commission. The book, which covers many aspects of banking regulation from its historical development to a look at individual banking regulations, will be used for banking and supervisory training programs in China and as a reference book on U.S. banking regulation. An English language edition of the book, which is widely used in the U.S., is available at the Federal Reserve Bank of Kansas City's website: [www.KansasCityFed.org](http://www.KansasCityFed.org).

*The Federal Reserve Bank of Kansas City, and its branch offices in Denver, Oklahoma City and Omaha, serve the Tenth Federal Reserve District: Colorado, Kansas, Nebraska, Oklahoma, Wyoming, western Missouri and northern New Mexico.*

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