



Who Regulates Whom? An Overview of U.S. Financial Supervision

Mark Jickling, Edward V. Murphy

Download now

Read Online 

Who Regulates Whom? An Overview of U.S. Financial Supervision

Mark Jickling, Edward V. Murphy

Who Regulates Whom? An Overview of U.S. Financial Supervision Mark Jickling, Edward V. Murphy

Federal financial regulation in the United States has evolved through a series of piecemeal responses to developments and crises in financial markets. This report provides an overview of current U.S. financial regulation: which agencies are responsible for which institutions and markets, and what kinds of authority they have.

There are two traditional components to U.S. banking regulation: deposit insurance and adequate capital. Commercial banks accept a quid pro quo that was adopted in response to widespread bank failures during the 1930s. Through deposit insurance, the federal government provides a safety net for some banking operations and in return the banks that are exposed to depositor runs accept federal regulation of their operations, including the amount of risk they may incur. Since the 1860s, federal banking regulation has sought to prevent excessive risk taking by banks that might seek to make extra profit by reducing their capital reserves—at the time called “wildcat” banks. There are five federal bank regulators, each supervising different (and often overlapping) sets of depository institutions.

Federal securities regulation is based on the principle of disclosure, rather than direct regulation. Firms that sell securities to the public must register with the Securities and Exchange Commission (SEC), but the agency has no authority to prevent excessive risk taking. SEC registration in no way implies that an investment is safe, only that the risks have been fully disclosed. The SEC also registers several classes of securities market participants and firms, but relies more on industry self-regulation than do the banking agencies. Derivatives trading is supervised by the Commodity Futures Trading Commission (CFTC), which oversees trading on the futures exchanges, which have self-regulatory responsibilities as well. There is also a large over-the-counter (off-exchange) derivatives market that is largely unregulated.

The Federal Housing Finance Agency (FHFA) oversees a group of government-sponsored enterprises (GSEs)—public/private hybrid firms that seek both to earn profits and to further the policy objectives set out in their statutory charters. Two GSEs, Fannie Mae and Freddie Mac, were placed in conservatorship by the FHFA in September 2008 after losses in mortgage asset portfolios made them effectively insolvent. A number of financial markets are unregulated, including some of the largest. No federal agency has jurisdiction over trading in foreign exchange or U.S. Treasury securities; nonbank lenders fall outside the regulatory umbrella; and hedge funds, private equity firms, and venture capital investors are largely unregulated (although their transactions in securities and derivatives markets may be).

The United States has never attempted a wholesale reformation of the entire regulatory system comparable to the 1986 “Big Bang” in the UK, which reorganized regulatory agencies across industry lines and sought to implement a consistent philosophy of regulation. In the wake of the current financial turmoil, however, such a reevaluation is possible, and a number of broad restructuring proposals have already come forward.

In the 111th Congress, H.R. 4173 presents comprehensive reform of the banking agencies, derivatives regulation, investor protection, systemic risk, and other concerns. The Senate Banking Committee issued its comprehensive reform bill, S. 3217, but it has not yet had a floor vote.

 [Download Who Regulates Whom? An Overview of U.S. Financial Super ...pdf](#)

 [Read Online Who Regulates Whom? An Overview of U.S. Financial Sup ...pdf](#)

Download and Read Free Online Who Regulates Whom? An Overview of U.S. Financial Supervision
Mark Jickling, Edward V. Murphy

Download and Read Free Online Who Regulates Whom? An Overview of U.S. Financial Supervision

Mark Jickling, Edward V. Murphy

From reader reviews:

Anne Bonk:

This Who Regulates Whom? An Overview of U.S. Financial Supervision book is simply not ordinary book, you have after that it the world is in your hands. The benefit you will get by reading this book is usually information inside this book incredible fresh, you will get data which is getting deeper an individual read a lot of information you will get. That Who Regulates Whom? An Overview of U.S. Financial Supervision without we realize teach the one who examining it become critical in considering and analyzing. Don't become worry Who Regulates Whom? An Overview of U.S. Financial Supervision can bring if you are and not make your case space or bookshelves' become full because you can have it in your lovely laptop even mobile phone. This Who Regulates Whom? An Overview of U.S. Financial Supervision having good arrangement in word and layout, so you will not experience uninterested in reading.

Jimmy Stansberry:

Typically the book Who Regulates Whom? An Overview of U.S. Financial Supervision will bring someone to the new experience of reading a new book. The author style to spell out the idea is very unique. In the event you try to find new book to study, this book very ideal to you. The book Who Regulates Whom? An Overview of U.S. Financial Supervision is much recommended to you to see. You can also get the e-book in the official web site, so you can quicker to read the book.

Muriel Colvard:

Spent a free the perfect time to be fun activity to accomplish! A lot of people spent their spare time with their family, or their own friends. Usually they performing activity like watching television, likely to beach, or picnic from the park. They actually doing same task every week. Do you feel it? Do you wish to something different to fill your free time/ holiday? Might be reading a book could be option to fill your free time/ holiday. The first thing you will ask may be what kinds of e-book that you should read. If you want to try out look for book, may be the guide untitled Who Regulates Whom? An Overview of U.S. Financial Supervision can be good book to read. May be it could be best activity to you.

Scott Marin:

As we know that book is vital thing to add our expertise for everything. By a e-book we can know everything we really wish for. A book is a group of written, printed, illustrated or even blank sheet. Every year ended up being exactly added. This book Who Regulates Whom? An Overview of U.S. Financial Supervision was filled with regards to science. Spend your spare time to add your knowledge about your science competence. Some people has several feel when they reading a new book. If you know how big benefit from a book, you can feel enjoy to read a publication. In the modern era like today, many ways to get book you wanted.

**Download and Read Online Who Regulates Whom? An Overview of
U.S. Financial Supervision Mark Jickling, Edward V. Murphy
#ROFS9AM7NBJ**

Read Who Regulates Whom? An Overview of U.S. Financial Supervision by Mark Jickling, Edward V. Murphy for online ebook

Who Regulates Whom? An Overview of U.S. Financial Supervision by Mark Jickling, Edward V. Murphy Free PDF d0wnl0ad, audio books, books to read, good books to read, cheap books, good books, online books, books online, book reviews epub, read books online, books to read online, online library, greatbooks to read, PDF best books to read, top books to read Who Regulates Whom? An Overview of U.S. Financial Supervision by Mark Jickling, Edward V. Murphy books to read online.

Online Who Regulates Whom? An Overview of U.S. Financial Supervision by Mark Jickling, Edward V. Murphy ebook PDF download

Who Regulates Whom? An Overview of U.S. Financial Supervision by Mark Jickling, Edward V. Murphy Doc

Who Regulates Whom? An Overview of U.S. Financial Supervision by Mark Jickling, Edward V. Murphy Mobipocket

Who Regulates Whom? An Overview of U.S. Financial Supervision by Mark Jickling, Edward V. Murphy EPub

Who Regulates Whom? An Overview of U.S. Financial Supervision by Mark Jickling, Edward V. Murphy Ebook online

Who Regulates Whom? An Overview of U.S. Financial Supervision by Mark Jickling, Edward V. Murphy Ebook PDF