Ten Unresolved TBTF Issues

Neglected,

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Disclaimer

• The Views Expressed Here Are the Presenter's and Not Necessarily Those of the Federal Reserve Bank of Minneapolis or the Federal Reserve System
Conclusions

• Significant Basic Research Agenda Remains

• Significant Work on Supervisory Implementation Needed

• Significant Work on Regulatory Implementation Needed
Will Not Review Items Like:

- How to Measure Systemic Risk
- How to Design Contingent Capital
- How to Resolve Internationally Active Financial Institutions

Items Already Receiving Attention
Basic Research

1. Net Benefits of Short-Term Funding of Long-Term, Illiquid Assets

2. Scale of Financial Sector and Financial Institutions

3. Effect of Capital on Risk Taking
Supervisory Implementation

4. Which “Living Will”-Identified Changes Should Occur Now?
   - Sources of spillovers

5. How to Improve Supervisory Response Time and Intensity
   - Lessons from Behavioral Economics

6. How to Effectively Use Signals from Securities Prices

7. What Firm and Market Microdata to Process
Regulatory Implementation


9. Incorporating “Boundary Problem” into Regulatory Coverage/Calibration

10. What to Disclose
    – Disclosure Aimed at Decision Makers