

A DECADE OF DODD-FRANK



Tuesday, June 30, 2020

BROOKINGS



Due to COVID-19, this full-day conference will be held in digital form. Register at <http://connect.brookings.edu/register-to-watch-dodd-frank>

Ten years ago, in the aftermath of the financial crisis, Congress passed the Dodd-Frank Act to reform Wall Street and protect consumers. Now, in the midst of an even more devastating economic and public health crisis, what are the risks to the financial system and the U.S. economy?

On June 30, the Center on Regulations and Markets at the Brookings Institution and the Center on Finance, Law & Policy at the University of Michigan will host an event to examine the difficult choices made in drafting Dodd-Frank, its impact on systemic risk and consumer protection, and the response to the COVID-19 crisis in both domestic and global contexts.

The conference will consist of a series of panel discussions, as well as a lunchtime keynote discussion with former Chairman of the U.S. Senate Banking Committee Christopher Dodd and former Chairman of the U.S. House Financial Services Committee Barney Frank. We intend the day to evaluate the performance of the Dodd-Frank Act over the last decade and to consider what the Act means for the future.

Viewers can submit questions for speakers by emailing events@brookings.edu or by joining the conversation on Twitter using **#DoddFrank10**.

TUESDAY, JUNE 30, 2020

10:00 – **Introduction & Overview**
10:10 AM

Aaron Klein, Fellow & Policy Director, Center on Regulation & Markets, The Brookings Institution

10:10 – **Opening Welcome**
10:20 AM

The Honorable Christopher Dodd, former Chairman, U.S. Senate Banking Committee

10:20 – **Panel 1: What Were the Difficult Choices of Dodd-Frank, and How Do They**
11:00 AM **Perform Today?**

What became the Dodd-Frank Act faced a perilous road. Securing passage required different policy and political choices. Debating the efficacy of Dodd-Frank requires understanding what the options were during its creation. Those who were on the front-lines discuss what compromises were made, why, and what they wish they would have done differently with the benefit of hindsight.

Panelists:

- **Michael S. Barr**, Joan and Sanford Weill Dean, Gerald R. Ford School of Public Policy
- **Amy Friend**, Senior Advisor, FS Vector
- **Andrew Olmem**, former Deputy Director, US National Economic Council and Deputy Assistant to the President at the White House
- **James Segel**, President, James Segel LLC

Moderator: **Damian Paletta**, Economics Editor, Washington Post

11:00 – **Break**
11:05 AM

11:05 – **Panel 2: Has Dodd-Frank Reined in Systemic Risk?**
11:50 AM

This panel will explore the ways in which the Dodd-Frank Act expanded the regulatory perimeter and filled gaps in systemic risk oversight, and whether such approaches are working. Topics include the financial stability roles of the Financial Stability Oversight Council, the Office of Financial Research, and the Federal Reserve, the process by which non-bank firms are designated for supervision by the Federal Reserve, oversight of financial market utilities such as derivative clearinghouses, and the shadow banking sector more broadly. To what extent has expansion of the regulatory perimeter been effective or desirable? How have regulators implemented the framework, including de-designations of non-banks, and focusing on activities regulation, and what has been the effect? What regulatory perimeter issues are arising now, such as the growth of high frequency trading, FinTech and digital currency, risks in repo and other wholesale funding markets.

Panelists:

- **Lael Brainard**, Member, Board of Governors of the Federal Reserve System
- **Dennis Kelleher**, President & CEO, Better Markets
- **Jeremy Stein**, Moise Y. Safra Professor of Economics, Harvard University
- **Janet Yellen**, Distinguished Fellow, Hutchins Center on Fiscal and Monetary Policy, Brookings Institution

Moderator: **Deborah Solomon**, Economics Editor, New York Times

11:50 – **Break**
11:55 AM

11:55 AM **Panel 3: How has Dodd-Frank Performed for the Consumer?**
– 12:45
PM

This panel will discuss Dodd-Frank’s changes to consumer protection, focusing especially on the creation of the Consumer Financial Protection Bureau. To what extent has the CFPB succeeded in protecting consumers? How has it balanced protection, innovation, and growth? What was the experience of the CFPB in the Obama and Trump Administrations, and how well is the CFPB positioned to take on emerging challenges in consumer protection?

Panelists:

- **Mehrsa Baradaran**, Professor of Law, University of California Irvine
- **Richard Cordray**, former Director, Consumer Financial Protection Bureau
- **Lisa Donner**, Executive Director, Americans for Financial Reform
- **Cam Fine**, President & CEO, Calvert Advisors

Moderator: **Emily Stewart**, Reporter, Vox

12:45 – **Break**
12:50 PM

12:50 – **Lunchtime Keynote: The Honorable Christopher Dodd & The Honorable**
2:00 PM **Barney Frank, Moderated by David Wessel, Brookings Institution**

A fireside conversation moderated by David Wessel of Brookings. Chairmen Dodd and Frank will explore how they managed to enact the Dodd-Frank Act, the conditions necessary for congressional action, and lessons for the future for a Congress currently gridlocked on major legislation. The Chairmen will discuss what they think worked well and what they hoped had gone differently, and offer insights about future directions for Congress to undertake on financial reform.

2:00 – **Break**
2:05 PM

2:05 – **Panel 4: How Has Dodd-Frank Shaped the Response to the Current**
2:55 PM **Financial Crisis, and Is it Prepared for the Next?**

A central goal of Dodd-Frank was to make future crises less likely, and when they occur, less harmful to taxpayers and the real economy. Core issues include capital and liquidity requirements, stress testing, living wills, and resolution authority. Panel topics include whether systemically important firms have internalized the costs of their potential failure, reduced the probability of failure, reduced the potential costs to society should the firms fail, insulated taxpayers better from potential bailouts, and other matters that often described as the problem of Too-Big-To-Fail.

Will Dodd-Frank govern financial regulation for decades? Has it reduced financial harm during the current crisis? How will new financial technology challenge the existing framework? Will the regulatory structure be strong enough to reduce the likelihood of future financial crises, eliminate Too-Big-To-Fail, and make sure no unregulated entity becomes systemically important, or will Dodd-Frank fail to uphold these promises?

Panelists:

- **Austan Goolsbee**, Robert P. Gwinn Professor of Economics, University of Chicago Booth School of Business
- **Aaron Klein**, Fellow & Policy Director, Center on Regulation & Markets, Brookings Institution
- **Margaret Tahyar**, Partner, Davis Polk & Wardwell
- **Charles Yi**, Partner, Arnold & Porter

Moderator: **Victoria Guida**, Financial Services Reporter, POLITICO

2:55 – **Break**
3:00 PM

3:00 –
3:50 PM

Panel 5: What has Dodd-Frank Meant Globally?

The global financial crisis required a global regulatory response. Dodd-Frank both built on global regulatory principles outlined in the G20 and FSB, as well as shaped global regulatory frameworks adopted outside of the U.S. Debate continues on how the tension between global regulation and national sovereignty. How has Dodd-Frank performed in the global context of the COVID-19 crisis?

Panelists:

- **Gary Gensler**, Professor of the Practice of Global Economics and Management, MIT Sloan School of Management
- **Donald Kohn**, Robert V. Roosa Chair in International Economics, Hutchins Center on Fiscal and Monetary Policy, Brookings Institution
- **Hester Peirce**, Commissioner, U.S. Securities and Exchange Commission
- **Nathan Sheets**, Chief Economist and Head of Global Macroeconomic Research, PGIM Fixed Income

Moderator: **Ylan Mui**, Reporter, CNBC

3:50 –
4:00 PM

Closing Remarks

Michael S. Barr, Joan and Sanford Weill Dean, Gerald R. Ford School of Public Policy, University of Michigan

Have a question? Email questions to events@brookings.edu or send them via Twitter using **#DoddFrank10**. Follow us: @MichiganCFLP and @BrookingsEcon