

The National Commission on the Causes of the Financial and Economic Crisis in the United States has issued its report on the recent financial crisis that had such a detrimental effect on our clients and on investors domestically and internationally. See the full text of the report here: <http://www.fcic.gov/report>. Among other things, the Commission concludes that:

- “The captains of finance and the public stewards of our financial system ignored warnings and failed to question, understand, and manage evolving risks within a system essential to the well-being of the American public.”
- “More than 30 years of deregulation and reliance on self-regulation by financial institutions, championed by former Federal Reserve chairman Alan Greenspan and others, supported by successive administrations and Congresses, and actively pushed by the powerful financial industry at every turn, had stripped away key safeguards, which could have helped avoid catastrophe.”
- “From 1999 to 2009, the financial sector expended \$2.7 billion in reported federal lobbying expenses; individuals and political action committees in the sector made more than \$1 billion in campaign contributions.”
- “We conclude dramatic failures of corporate governance and risk management at many systemically important financial institutions were a key cause of this crisis.”
- “We conclude there was a systemic breakdown in accountability and ethics.”