1. Record Nr. UNINA9910810461803321

Titolo The AIG debacle [[electronic resource]]: global impact and the need for

government intervention / / Peter A. Wayland, editor

Pubbl/distr/stampa New York, : Nova Science Publishers, c2010

ISBN 1-61324-051-1

Edizione [1st ed.]

Descrizione fisica 1 online resource (163 p.)

Collana Global economic studies

Altri autori (Persone) WaylandPeter A

Disciplina 368/.973

Soggetti Insurance companies - United States

Global Financial Crisis, 2008-2009

Business enterprises - State supervision

Lingua di pubblicazione Inglese

Formato Materiale a stampa

Livello bibliografico Monografia

Note generali Description based upon print version of record.

Nota di bibliografia Includes bibliographical references and index.

Nota di contenuto Intro -- THE AIG DEBACLE: GLOBAL IMPACT AND THE NEED FOR

GOVERNMENT INTERVENTION -- THE AIG DEBACLE: GLOBAL IMPACT AND THE NEED FOR GOVERNMENT INTERVENTION -- CONTENTS --PREFACE -- Chapter 1 AIG'S IMPACT ON THE GLOBAL ECONOMY: BEFORE, DURING AND AFTER FEDERAL INTERVENTION* -- ONLY AIG'S DOMESTIC INSURANCE COMPANIES ARE SUBJECT TO STATE INSURANCE REGULATION -- AIG FINANCIAL PRODUCTS WAS THE PROBLEM, NOT THE AIG INSURANCE COMPANIES -- AIG FINANCIAL PRODUCTS AND HOLDING COMPANY ARE FEDERALLY REGULATED -- AIG AND ITS INSURANCE COMPETITORS CONTINUE TO ENGAGE IN VIGOROUS COMPETITION -- STATE INSURANCE REGULATION HAS PERFORMED WELL -- STATE INSURANCE REGULATION MUST CONTINUE TO IMPROVE, INCLUDING SECURITIES LENDING -- FINANCIAL REGULATION CAN BE IMPROVED WITH A COORDINATED APPROACH TO SYSTEMIC RISK --CONSUMER PROTECTION MUST REMAIN JOB ONE FOR INSURANCE REGULATORS -- Chapter 2 CAPITAL MARKETS SUBCOMMITTEE HEARING STATEMENT ADDRESSED TO EDWARD M. LIDDY, CHAIRMAN AND CHIEF EXECUTIVE OFFICER FOR AMERICAN INTERNATIONAL GROUP (AIG)* -- Chapter 3 TESTIMONY OF RODNEY CLARK, MANAGING DIRECTOR, RATINGS SERVICES, STANDARD & amp -- POOR'S FINANCIAL SERVICES BEFORE THE SUBCOMMITTEE ON CAPITAL MARKETS, INSURANCE AND GOVERNMENT SPONSORED ENTERPRISES* -- S & amp

-- P'S CREDIT RATINGS -- S& -- P'S AIG RATING HISTORY --Recent Ratings Actions on AIG -- S& -- P's Current Outlook for AIG -- The Relationship between AIG and Its Subsidiaries -- THE EFFECT OF S& -- P'S RATINGS ON THE DECLINE OF AIG -- LACK OF INVOLVEMENT IN GOVERNMENT AID PACKAGES -- CONCLUSION --Chapter 4 OPENING STATEMENT OF CHAIRMAN PAUL E. KANJORSKI BEFORE THE SUBCOMMITTEE ON CAPITAL MARKETS, INSURANCE AND GOVERNMENT SPONSORED ENTERPRISES*. Chapter 5 TESTIMONY OF EDWARD M. LIDDY, CHAIRMAN AND CHIEF EXECUTIVE OFFICER, AMERICAN INTERNATIONAL GROUP (AIG) BEFORE THE HOUSE FINANCIAL SERVICES COMMITTEE ON CAPITAL MARKETS, INSURANCE AND GOVERNMENT-SPONSORED ENTERPRISES* -- THE AIG FINANCIAL CRISIS: A SUMMARY -- What Happened? -- Initial Investment from the U.S. Government -- Economic and Market Conditions Worsen -- WHAT DOES AIG DO? -- WHAT DOES AIG DO? --WHAT WENT WRONG? -- WHY WAS AID RESCUED? -- HOW MUCH MONEY IS AT RISK AND WHERE DID IT GO? -- WHERE DID THE MONEY GO? -- HOW WILL AIG REPAY THE U.S. GOVERNMENT SUPPORT? -- HOW DID THE U.S. GOVERNMENT SUPPORT FOR AIG EVOLVE? -- WHY DID AIG REPORT SUCH A LARGE LOSS IN THE 4TH QUARTER? -- WHAT IS THE STATUS OF AIG'S FINANCIAL PRODUCT BUSINESS? -- APPENDIX -- Who Were AIG's Counterparties?- Securities Leading -- AIG: Is the Risk Systemic? -- What is Systemic Risk? -- Risk Assessment Summary --How Big is the Systemic Risk in Insurance? -- Impact on U.S. Government's Efforts to Stabilize Economy -- AIG's Global Impact --General Impact on Economy -- Life Insurance Policyholders:Run on the Bank -- Impact on Retirement Savings -- Consumer Finance Impact -- Extensive Business Disruption -- Impact on Global Capital Markets -- Direct and Indirect Impact of AIGFP Failure -- Impact of Failure of ILFC -- Seizure of Foreign Assets -- Conclusion -- AIG's Plans Going Forward -- End Notes -- Chapter 6 STATEMENT BY REP. CAROLYN MCCARTHY BEFORE THE SUBCOMMITTEE ON CAPITAL MARKETS. INSURANCE AND GOVERNMENT SPONSORED ENTERPRISES. FINANCIAL SERVICES COMMITTEE* -- Chapter 7 STATEMENT OF SCOTT M. POLAKOFF, ACTING DIRECTOR, OFFICE OF THRIFT SUPERVISION BEFORE THE SUBCOMMITTEE ON CAPITAL MARKETS, INSURANCE AND GOVERNMENT SPONSORED ENTERPRISES* -- I. INTRODUCTION -- II. HISTORY OF AIG -- III. OTS'S SUPERVISORY ROLE AND ACTIONS --Supervisory Responsibilities. OTS Supervisory Actions -- IV. LESSONS LEARNED -- V. RECOMMENDATIONS -- Systemic Risk Regulator -- Regulation of Credit Default Swaps - Consistency and Transparency -- VI. CLOSING --Chapter 8 FEDERAL FINANCIAL ASSISTANCE: PRELIMINARY OBSERVATIONS ON ASSISTANCE PROVIDED TO AIG -- WHY GAO DID THIS STUDY -- WHAT GAO FOUND -- SUMMARY -- BACKGROUND --AIG'S FINANCIAL PROBLEMS MOUNTED QUICKLY -- Overview of Federal Assistance Provided -- FEDERAL EFFORTS HAVE FOCUSED ON MAINTAINING AND MONITORING AIG'S SOLVENCY, BUT AIG FACES CHALLENGES IN REPAYING FEDERAL ASSISTANCE -- Federal and State Monitoring Efforts Are Focused on AIG Solvency -- AIG Faces a Number of Challenges to Its Ability to Repay Its Federal Funds -- SOME OF AIG'S COMPETITORS CLAIM THAT AIG'S COMMERCIAL INSURANCE PRICING IS OUT OF LINE WITH ITS RISKS BUT OTHER INSURANCE INDUSTRY PARTICIPANTS AND OBSERVERS DISAGREE -- APPENDIX I - TIMELINE OF AIG FINANCIAL DIFFICULTIES LEADING UP TO FEDERAL ASSISTANCE --End Notes -- Chapter 9 ONGOING GOVERNMENT ASSISTANCE FOR AMERICAN INTERNATIONAL GROUP (AIG) -- SUMMARY --INTRODUCTION -- Too Big to Fail?4 -- SOURCES OF AIG LOSSES -- AIG

Financial Products -- Securities Lending Program -- LEGAL AUTHORITY FOR ASSISTANCE TO AIG -- FORMS OF ASSISTANCE FOR AIG -- Initial Loan -- Securities Borrowing Facility16 -- Commercial Paper Funding Facility -- November 10, 2008 Revision of Assistance to AIG -- Loan restructuring -- Direct capital injection -- Executive compensation restrictions -- Purchase of troubled assets -- Residential Mortgage-Backed Securities/Maiden Lane II -- Collateralized Debt Obligations/Maiden Lane III -- March 2, 2009 Revision of Assistance to AIG -- WHO BENEFITS FROM ASSISTANCE TO AIG? -- CONCLUSION -- End Notes.

Chapter 10 STATEMENT BY REP. MICHELE BACHMANN BEFORE THE HOUSE FINANCIAL SERVICES COMMITTEE HEARING ON OVERSIGHT OF THE FEDERAL GOVERNMENT'S INTERVENTION AT AIG* -- Chapter 11 STATEMENT BY BEN S. BERNANKE, CHAIRMAN, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, BEFORE THE COMMITTEE ON FINANCIAL SERVICES* -- REASONS FOR OUR ORIGINAL LENDING DECISION -- THE FEDERAL RESERVE'S ONGOING INVOLVEMENT WITH AIG -- LESSONS LEARNED FROM AIG -- End Notes -- Chapter 12 STATEMENT BY WILLIAM C. DUDLEY, PRESIDENT AND CHIEF EXECUTIVE OFFICER OF THE FEDERAL RESERVE BANK OF NEW YORK BEFORE THE COMMITTEE ON FINANCIAL SERVICES* -- ROLE OF THE FEDERAL RESERVE BANK OF NEW YORK -- EFFORTS TO REDUCE RISK AT AIG FINANCIAL PRODUCTS -- ONGOING INVOLVEMENT WITH AIG --Chapter 13 STATEMENT BY TIMOTHY F. GEITHNER, U.S. SECRETARY OF THE TREASURY BEFORE THE COMMITTEE ON FINANCIAL SERVICES* --Chapter 14 OPENING STATEMENT OF CONGRESSMAN PAUL E. KANJORSKI, HOUSE COMMITTEE ON FINANCIAL SERVICES BEFORE THE HEARING ON OVERSIGHT OF THE GOVERNMENT'S INTERVENTION AT AIG* -- Chapter 15 REPORT PURSUANT TO SECTION 129 OF THE EMERGENCY ECONOMIC STABILIZATION ACT OF 2008: RESTRUCTURING OF THE GOVERNMENT'S FINANCIAL SUPPORT TO AIG* -- OVERVIEW --BACKGROUND -- TERMS OF THE RESTRUCTURING -- 1. September Facility Restructuring -- 3. CDO LLC -- INDEX -- Blank Page.