



Press Release

Douglas Holtz-Eakin in *The Hill*: Three Truths About Dodd-Frank

ANDREW EVANS | JULY 21, 2020

On the 10th anniversary of Dodd-Frank's enactment, Douglas Holtz-Eakin assesses the state of the monumental financial-reform law in *The Hill*. He observes that a decade of the law has left the United States with three truths — one new, one old, and one seemingly ageless — that together provide a bleak commentary on the law's success.

An excerpt:

Time has shown that the greatest enemy to Dodd-Frank is perhaps Dodd-Frank itself. Pick almost any of the key features of Dodd-Frank and witness the battering it has received. Proprietary trading had nothing to do with the crisis, so the Volcker Rule was always a solution in search of a problem. It is not surprising that it is downsized and diminished. The Financial Stability Oversight Council (FSOC) was tasked with regulating systemic risk, without any notion of the source and magnitude of systemic risk.

Instead, the FSOC haphazardly chose to single out, in addition to its banking portfolio, insurance as a possible vector of economic contagion and then spent a humiliating decade backtracking. It now spends its time on theoretical debates over an activities-based approach to monitoring systemic risk with no clear results. Finally, its sister organization, the Consumer Financial Protection Bureau (CFPB) did not invent financial consumer protection, as it is sometimes claimed. It simply put it all in one place — a place subsequently deemed by the Supreme Court to be wildly unconstitutional.

[Read the Op-Ed at *The Hill*](#)

This week, AAF is releasing a series of papers, op-eds, and videos assessing the impact of Dodd-Frank 10 years later.

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