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Today's mea culpa from the Fed on its SVB failure is a warning to all bank regulators about the dangers of a lax approach to supervision and regulation -- or even just a slow approach.

The Fed's failures on SVB are only the tip of the iceberg. ■time:

Among the takeaways from today's report, the Fed noted that "Federal Reserve supervisors did not fully appreciate the extent of the vulnerabilities as Silicon Valley Bank grew in size and complexity"

"When supervisors did identify vulnerabilities, they did not take sufficient steps to ensure that Silicon Valley Bank fixed those problems quickly enough"

■Wall Street banks and their supervisors are doing the same on climate risk. They see problems, and they aren't acting. Protecting the financial system requires the Fed to supervise big banks by, among other things, aligning their activities with science-based climate targets. Same for nonbanks it supervises if that becomes a thing again.■

The Fed has authority to do this, but isn't doing it.

Big banks are gorging on fossil fuels, recklessly pumping gas into a massive carbon bubble, ignoring the clean-energy transition and flouting their commitments to Paris targets. The Fed must let air out of this bubble carefully, deliberately, and quickly—before it's too late.

As the Fed reevaluates its bank supervision, it should be sure to prevent not just the next SVB, but systemic crises from other risks "hiding" in plain sight -- specifically climate-related risks.