

Yale University

## EliScholar – A Digital Platform for Scholarly Publishing at Yale

---

YPFS Documents (Series 1)

[Browse by Media Type](#)

---

4-6-2009

### No-Risk' Insurance at F.D.I.C.

Andrew Ross Sorkin

Follow this and additional works at: <https://elischolar.library.yale.edu/ypfs-documents>

---

#### Recommended Citation

Sorkin, Andrew Ross, "No-Risk' Insurance at F.D.I.C." (2009). *YPFS Documents (Series 1)*. 8318.  
<https://elischolar.library.yale.edu/ypfs-documents/8318>

This Document is brought to you for free and open access by the Browse by Media Type at EliScholar – A Digital Platform for Scholarly Publishing at Yale. It has been accepted for inclusion in YPFS Documents (Series 1) by an authorized administrator of EliScholar – A Digital Platform for Scholarly Publishing at Yale. For more information, please contact [elischolar@yale.edu](mailto:elischolar@yale.edu).

# The New York Times

---

4/6/2009

## ‘No-Risk’ Insurance at F.D.I.C.

Andrew Ross Sorkin

### Summary

“The Federal Deposit Insurance Corporation was set up 76 years ago with the important but simple job of insuring bank deposits.

Now, because of what could politely be called mission creep, it’s elbowing its way into the middle of the financial mess as an enabler of enormous leverage.

In the fine print of Treasury Secretary Timothy F. Geithner’s plan to lend as much as \$1 trillion to private investors to help them buy toxic assets from our nation’s banks, you’ll find some details of how the F.D.I.C is trying to stabilize the system by adding more risk, not less, to the system.

It’s going to be insuring 85 percent of the debt, provided by the Treasury, that private investors will use to subsidize their acquisitions of toxic assets.”

To view this article in its entirety please use the link provided below.

[View Full Article](#)

---

### Recommended Citation

Sorkin, Andrew Ross. 2009. “‘No-Risk’ Insurance at F.D.I.C.” *The New York Times*, April 7, 2009. <https://www.nytimes.com/2009/04/07/business/07sorkin.html>.