

couldn't afford them. After years of being coddled and enabled by Washington politicians, Fannie Mae and Freddie Mac are now on life support, kept afloat by taxpayers fed up with unending bailouts. Through the Pledge to America, Republicans have proposed saving billions for taxpayers by ending government control of Fannie and Freddie, shrinking their portfolios, and establishing minimum capital standards. I appreciate the Republican commissioners' efforts to get to the bottom of what happened and ensure the American people have the full story about the financial crisis. This is a report every taxpayer should read."

Note: Former Rep. Bill Thomas, Keith Hennessey, Douglas Holtz-Eakin, and Peter Wallison are the Republican commissioners on the FCIC. As the Republican commissioners state in their introduction, "these findings and conclusions do not constitute the Commission's report."

INTRODUCTION

On May 20, 2009, Public Law No. 111-21, the Fraud Enforcement and Recovery Act of 2009, was enacted into law, creating the Financial Crisis Inquiry Commission (FCIC). According to the Act, the FCIC was established to "examine the causes, domestic and global, of the current financial and economic crisis in the United States." The law requires that today, December 15, 2010, the FCIC submit "to the President and to the Congress a report containing the findings and conclusions of the Commission on the causes of the current financial and economic crisis in the United States." This primer contains preliminary findings and conclusions released by Vice Chairman Bill Thomas, Commissioner Keith Hennessey, Commissioner Douglas Holtz-Eakin, and Commissioner Peter J. Wallison, and represents a portion of the findings and conclusions resulting from our work on the FCIC. As the transmission of the report of the FCIC to the President and Congress requires a majority vote of the Commission, these findings and conclusions do not constitute the Commission's report. Rather, this document is an effort to reflect the clear intention of our enabling legislation. Our views have been shaped, in part, by our knowledge of economics and financial markets generally. In the course of our examination, we have studied and drawn from the extensive work already available on the financial crisis. This crisis that we were tasked to study is neither the first nor likely the last of its type, and thus our examination of similar, previous episodes also informed our findings and conclusions. To that end, we see this document as a part of an already rich discussion of the causes of financial crises, both in the United States and around the world. This document adds to that conversation rather than closing it. The two seminal works on the causes of the Great Depression, Milton Friedman and Anna Schwartz's—*A Monetary History of the United States, 1867-1960* and Ben Bernanke's—*Nonmonetary Effects of the Financial Crisis in the Propagation of the Great Depression*, were published in 1963 and 1983, respectively, many decades after the crisis had ended. We anticipate that future generations will continue to provide additional insights into the causes of this financial crisis as well.

Further, we want to stress the extent to which our views have been influenced by the research and investigations conducted by the FCIC since our first meeting in September 2009. The work included conversations with economic historians, finance experts, and other academics, and hundreds of interviews with market participants, regulators, and government officials. While we may have organized and conducted some of these inves-

tigations differently given the choice, we have found many elements to be useful. We thank the FCIC staff for their hard work.

We have tried to distill those issues that we think are most important into a series of questions and answers. Different questions were included for different reasons, including those topics that, in our view, are commonly mischaracterized and those most relevant to future policy discussions. Certainly, this is not an exhaustive list.

Our framework reflects a central premise that the financial crisis was distinct from other recent important economic events, including the housing bubble and the prolonged economic recession. We believe that the financial crisis was, at its core, a financial panic that was precipitated by highly correlated mortgage-related losses concentrated at large financial firms in the United States and Europe. While the housing bubble, the financial crisis, and the recession are surely interrelated events, we do not believe that the housing bubble was a sufficient condition for the financial crisis. The unprecedented number of subprime and other weak mortgages in this bubble set it and its effect apart from others in the past.

We look forward to continuing to participate in the ongoing dialogue on the causes of the financial crisis and providing our additional views as they develop.

Vice Chairman Bill Thomas
Commissioner Keith Hennessey
Commissioner Douglas Holtz-Eakin
Commissioner Peter J. Wallison

A copy of the report can be found at the following link: http://republicanleader.house.gov/UploadedFiles/Financial_Crisis_Primer_Final.pdf

HONORING THE SERVICE AND DEDICATION OF JACQUELINE FREDERICK

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 15, 2010

Mr. GORDON of Tennessee. Madam Speaker, today I rise to recognize Jacqueline Frederick for her contributions to Tennessee's Sixth Congressional District. As any Member of Congress knows, our legislative achievements and successful constituent services programs would not be possible without a cadre of great staff working behind the scenes. They work long hours—often for little pay or recognition—and their service is simply invaluable to those of us who serve in this esteemed chamber. Throughout my 26 years in Congress, I have been fortunate to have many bright, able staff members with an interest in serving their country by working in this body. Today, I'd like to single out those who are serving my constituents as my tenure comes to a close.

Jackie Frederick joined my Washington office as staff assistant after impressing me and my staff throughout her internship as she completed her final semester at American University this spring. During college, she studied political science and studied abroad in Spain. Her research and organizational skills and deep interest in politics and foreign affairs made her an excellent candidate for the staff assistant position when it became available.

During her time with us, Jackie has managed an exceptionally warm and friendly front office. From VIP dignitaries to very young con-

stituents, Jackie has welcomed all with total grace and Southern hospitality. She has helped hundreds of Middle Tennesseans secure passports and schedule tours around Washington, all while providing valuable support to my legislative staff and correspondence program. Her sense of humor, pride in her Miami Cuban heritage and unshakable optimism have made her a great addition to the office.

In the short time she has been with us, Jackie has shown tremendous initiative in conceiving and implementing projects, notably her Constitution Day project. After noting that my Washington office had an abundance of pocket Constitution booklets, Jackie took it upon herself to distribute them. By reaching out to public schools in my district, she was able to put 2,500 Constitutions in the hands of Tennessee students on Constitution Day in September. It was an inspired idea, and it really did our office proud.

Madam Speaker, it has been a pleasure having Jackie with us. In January, she will join the staff of the Embassy of Sri Lanka, where she will serve as executive assistant to the Ambassador. My staff and I are thrilled about this newest chapter in her career and are confident she will do great work there. Jackie, I and your colleagues wish you all the best in the future.

HONORING THE SERVICE AND DEDICATION OF ELIZABETH KELSEY NEVITT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 15, 2010

Mr. GORDON of Tennessee. Madam Speaker, I rise today to honor Elizabeth Kelsey Nevitt for her contributions to the Sixth District of Tennessee while serving on my Washington, DC staff. As any Member of Congress knows, our legislative achievements and successful constituent services programs would not be possible without a cadre of great staff working behind the scenes. They work long hours—often for little pay or recognition—and their service is simply invaluable to those of us who serve in this esteemed chamber. Throughout my 26 years in Congress, I have been fortunate to have many bright, able staff members with an interest in serving their country by working in this body. Today, I'd like to single out those who are serving my constituents as my tenure comes to a close.

Elizabeth Nevitt came to my staff last fall with stellar references from the office of my colleague Congressman ZACK SPACE of Ohio and a background that has made her well-suited for the halls of Congress. She studied communications and political science at Muhlenberg College before taking a position with the University of Michigan. Eventually, her love of politics brought her to our Nation's capital, where she earned her Master's degree in Political Management at The George Washington University and worked in government affairs prior to beginning her service on the Hill. Elizabeth's strong principles, diligent work ethic and appreciation for policy nuances have made her a natural for her chosen career.

In her role as my senior legislative assistant, Elizabeth helped me advance key legislative