investment vehicles such as structured credit and mortgage-backed securities. To avoid losses, banks held SIVs to ensure a AAA credit rating. Because banks were required to meet regulations on the amount of loans and securities to be held, they were forced to invest in SIVs. However, assets in the traditional banking sector totaled about $10 trillion. Lehman Brothers, the largest of the mortgage investment trusts, was acquired by American International Group (AIG) in 2008. AIG had invested $2.6 billion in SIVs by December 2007. When Lehman collapsed, the financial system was in turmoil, and a classic run on the shadow banking sector ensued. The U.S. Federal Reserve was forced to intervene to prevent a total collapse of the financial system.

The角色 of asymmetric information in the banking sector is crucial. Unlike product markets, where information is symmetric and the parties are fully informed, in the banking sector there is a significant amount of asymmetric information. In the case of SIVs, the managers of the funds had information about the underlying assets that the investors did not. This asymmetry in information caused the fog to roll across financial markets.

However, assets in the traditional banking sector totaled about $10 trillion. Lehman Brothers, the largest of the mortgage investment trusts, was acquired by American International Group (AIG) in 2008. AIG had invested $2.6 billion in SIVs by December 2007. When Lehman collapsed, the financial system was in turmoil, and a classic run on the shadow banking sector ensued. The U.S. Federal Reserve was forced to intervene to prevent a total collapse of the financial system.

The角色 of asymmetric information in the banking sector is crucial. Unlike product markets, where information is symmetric and the parties are fully informed, in the banking sector there is a significant amount of asymmetric information. In the case of SIVs, the managers of the funds had information about the underlying assets that the investors did not. This asymmetry in information caused the fog to roll across financial markets.
In the first third of 2009, non-farm payroll jobs in the TSC-MSA decreased by 10.1 percent or 8,100 jobs. This percentage decrease is 1.75 times the decrease that the state of Florida experienced. The TSC-MSA has never experienced a decrease in non-farm payroll jobs in the third quarter of a year.

In the first third of 2009, non-farm payroll jobs in the TSC-MSA decreased by 8,100 or 10.1 percent in 2009, which is 1.75 times the decrease that the state of Florida experienced. This percentage decrease is 1.75 times the decrease that the state of Florida experienced. The TSC-MSA has never experienced a decrease in non-farm payroll jobs in the third quarter of a year.

Job gains were greatest in the leisure and hospitality sector (2,500 jobs created and the construction sector (1,900 jobs created. Non-farm payroll jobs continued to decrease in the TSC-MSA, for 12 months after the 2001-03 recession and 30 months after the 2001-03 recession.

In the first third of 2009, non-farm payroll jobs in the TSC-MSA decreased by 8,100 or 10.1 percent in 2009, which is 1.75 times the decrease that the state of Florida experienced. The TSC-MSA has never experienced a decrease in non-farm payroll jobs in the third quarter of a year.

Job gains were greatest in the leisure and hospitality sector (2,500 jobs created and the construction sector (1,900 jobs created. Non-farm payroll jobs continued to decrease in the TSC-MSA, for 12 months after the 2001-03 recession and 30 months after the 2001-03 recession.

In the first third of 2009, non-farm payroll jobs in the TSC-MSA decreased by 8,100 or 10.1 percent in 2009, which is 1.75 times the decrease that the state of Florida experienced. The TSC-MSA has never experienced a decrease in non-farm payroll jobs in the third quarter of a year.

Job gains were greatest in the leisure and hospitality sector (2,500 jobs created and the construction sector (1,900 jobs created. Non-farm payroll jobs continued to decrease in the TSC-MSA, for 12 months after the 2001-03 recession and 30 months after the 2001-03 recession.

In the first third of 2009, non-farm payroll jobs in the TSC-MSA decreased by 8,100 or 10.1 percent in 2009, which is 1.75 times the decrease that the state of Florida experienced. The TSC-MSA has never experienced a decrease in non-farm payroll jobs in the third quarter of a year.

Job gains were greatest in the leisure and hospitality sector (2,500 jobs created and the construction sector (1,900 jobs created. Non-farm payroll jobs continued to decrease in the TSC-MSA, for 12 months after the 2001-03 recession and 30 months after the 2001-03 recession.

In the first third of 2009, non-farm payroll jobs in the TSC-MSA decreased by 8,100 or 10.1 percent in 2009, which is 1.75 times the decrease that the state of Florida experienced. The TSC-MSA has never experienced a decrease in non-farm payroll jobs in the third quarter of a year.

Job gains were greatest in the leisure and hospitality sector (2,500 jobs created and the construction sector (1,900 jobs created. Non-farm payroll jobs continued to decrease in the TSC-MSA, for 12 months after the 2001-03 recession and 30 months after the 2001-03 recession.

In the first third of 2009, non-farm payroll jobs in the TSC-MSA decreased by 8,100 or 10.1 percent in 2009, which is 1.75 times the decrease that the state of Florida experienced. The TSC-MSA has never experienced a decrease in non-farm payroll jobs in the third quarter of a year.

Job gains were greatest in the leisure and hospitality sector (2,500 jobs created and the construction sector (1,900 jobs created. Non-farm payroll jobs continued to decrease in the TSC-MSA, for 12 months after the 2001-03 recession and 30 months after the 2001-03 recession.

In the first third of 2009, non-farm payroll jobs in the TSC-MSA decreased by 8,100 or 10.1 percent in 2009, which is 1.75 times the decrease that the state of Florida experienced. The TSC-MSA has never experienced a decrease in non-farm payroll jobs in the third quarter of a year.

Job gains were greatest in the leisure and hospitality sector (2,500 jobs created and the construction sector (1,900 jobs created. Non-farm payroll jobs continued to decrease in the TSC-MSA, for 12 months after the 2001-03 recession and 30 months after the 2001-03 recession.

In the first third of 2009, non-farm payroll jobs in the TSC-MSA decreased by 8,100 or 10.1 percent in 2009, which is 1.75 times the decrease that the state of Florida experienced. The TSC-MSA has never experienced a decrease in non-farm payroll jobs in the third quarter of a year.

Job gains were greatest in the leisure and hospitality sector (2,500 jobs created and the construction sector (1,900 jobs created. Non-farm payroll jobs continued to decrease in the TSC-MSA, for 12 months after the 2001-03 recession and 30 months after the 2001-03 recession.

In the first third of 2009, non-farm payroll jobs in the TSC-MSA decreased by 8,100 or 10.1 percent in 2009, which is 1.75 times the decrease that the state of Florida experienced. The TSC-MSA has never experienced a decrease in non-farm payroll jobs in the third quarter of a year.

Job gains were greatest in the leisure and hospitality sector (2,500 jobs created and the construction sector (1,900 jobs created. Non-farm payroll jobs continued to decrease in the TSC-MSA, for 12 months after the 2001-03 recession and 30 months after the 2001-03 recession.

In the first third of 2009, non-farm payroll jobs in the TSC-MSA decreased by 8,100 or 10.1 percent in 2009, which is 1.75 times the decrease that the state of Florida experienced. The TSC-MSA has never experienced a decrease in non-farm payroll jobs in the third quarter of a year.

Job gains were greatest in the leisure and hospitality sector (2,500 jobs created and the construction sector (1,900 jobs created. Non-farm payroll jobs continued to decrease in the TSC-MSA, for 12 months after the 2001-03 recession and 30 months after the 2001-03 recession.

In the first third of 2009, non-farm payroll jobs in the TSC-MSA decreased by 8,100 or 10.1 percent in 2009, which is 1.75 times the decrease that the state of Florida experienced. The TSC-MSA has never experienced a decrease in non-farm payroll jobs in the third quarter of a year.

Job gains were greatest in the leisure and hospitality sector (2,500 jobs created and the construction sector (1,900 jobs created. Non-farm payroll jobs continued to decrease in the TSC-MSA, for 12 months after the 2001-03 recession and 30 months after the 2001-03 recession.

In the first third of 2009, non-farm payroll jobs in the TSC-MSA decreased by 8,100 or 10.1 percent in 2009, which is 1.75 times the decrease that the state of Florida experienced. The TSC-MSA has never experienced a decrease in non-farm payroll jobs in the third quarter of a year.

Job gains were greatest in the leisure and hospitality sector (2,500 jobs created and the construction sector (1,900 jobs created. Non-farm payroll jobs continued to decrease in the TSC-MSA, for 12 months after the 2001-03 recession and 30 months after the 2001-03 recession.

In the first third of 2009, non-farm payroll jobs in the TSC-MSA decreased by 8,100 or 10.1 percent in 2009, which is 1.75 times the decrease that the state of Florida experienced. The TSC-MSA has never experienced a decrease in non-farm payroll jobs in the third quarter of a year.

Job gains were greatest in the leisure and hospitality sector (2,500 jobs created and the construction sector (1,900 jobs created. Non-farm payroll jobs continued to decrease in the TSC-MSA, for 12 months after the 2001-03 recession and 30 months after the 2001-03 recession.

In the first third of 2009, non-farm payroll jobs in the TSC-MSA decreased by 8,100 or 10.1 percent in 2009, which is 1.75 times the decrease that the state of Florida experienced. The TSC-MSA has never experienced a decrease in non-farm payroll jobs in the third quarter of a year.

Job gains were greatest in the leisure and hospitality sector (2,500 jobs created and the construction sector (1,900 jobs created. Non-farm payroll jobs continued to decrease in the TSC-MSA, for 12 months after the 2001-03 recession and 30 months after the 2001-03 recession.

In the first third of 2009, non-farm payroll jobs in the TSC-MSA decreased by 8,100 or 10.1 percent in 2009, which is 1.75 times the decrease that the state of Florida experienced. The TSC-MSA has never experienced a decrease in non-farm payroll jobs in the third quarter of a year.

Job gains were greatest in the leisure and hospitality sector (2,500 jobs created and the construction sector (1,900 jobs created. Non-farm payroll jobs continued to decrease in the TSC-MSA, for 12 months after the 2001-03 recession and 30 months after the 2001-03 recession.
In the first third of 2009, non-farm payroll jobs in the TSC-MSA decreased by 8,100 or 10.1 percent in April of 2009, which is far more than the national average. This percentage decrease is 1.75 times the decrease that the state of Florida experienced. The nation experienced no change in non-farm payroll jobs in the first third of the TSC-MSA, job losses in the first third were greatest in the goods producing sector (6,600 jobs lost), the professional and business services sector (6,800 jobs lost), the construction sector (9,800 jobs lost). Non-farm payroll jobs continued to decrease, in the TSC-MSA, for 12 months after the 2001-03 recession and 30 months after the 2001-03 recession. The unemployment rate in TSC-MSA was 10.1 percent in April of 2009, which is higher than the national unemployment rate by 1.7 percent. The unemployment rate in Hillsborough County was 5.7 percent, which is 0.3 percent below the national unemployment rate for the same period. We expect the unemployment rate to stabilize in this range as the national economy begins to approach its trough.

The FHFA housing price index (HPI) for the TSC-MSA has increased 2.3 percent in the first quarter of 2009. The TSC-MSA HPI has declined 7.1 percent from its peak in the fourth quarter of 2008, the HPI for the state of Florida has declined 12.5 percent from its peak in the fourth quarter of 2008, and the national HPI has declined 3.6 percent from its peak in the second quarter of 2006. We expect a stabilization of these indexes over the coming quarters.

Overall, the TSC-MSA economy continued to slow in the first third of 2009. Our 2009-10 forecast signals a decrease in the rate of the slowing as it continues to adjust to its peak in the second quarter of 2007. We expect the HPI for the state of Florida to stabilize in this range as the national housing market begins to approach its trough.

Accessibility

1. National HPI has decreased 3.8 percent from its peak in the first quarter of 2009. The TSC-MSA HPI has increased 2.3 percent in the first quarter of 2009. The TSC-MSA HPI has declined 7.1 percent from its peak in the fourth quarter of 2008, the HPI for the state of Florida has declined 12.5 percent from its peak in the fourth quarter of 2008, and the national HPI has declined 3.6 percent from its peak in the second quarter of 2006. We expect a stabilization of these indexes over the coming quarters.

Overall, the TSC-MSA economy continued to slow in the first third of 2009. Our 2009-10 forecast signals a decrease in the rate of the slowing as it continues to adjust to its peak in the second quarter of 2007. We expect the HPI for the state of Florida to stabilize in this range as the national housing market begins to approach its trough.

Overall, the TSC-MSA economy continued to slow in the first third of 2009. Our 2009-10 forecast signals a decrease in the rate of the slowing as it continues to adjust to its peak in the second quarter of 2007. We expect the HPI for the state of Florida to stabilize in this range as the national housing market begins to approach its trough.

Overall, the TSC-MSA economy continued to slow in the first third of 2009. Our 2009-10 forecast signals a decrease in the rate of the slowing as it continues to adjust to its peak in the second quarter of 2007. We expect the HPI for the state of Florida to stabilize in this range as the national housing market begins to approach its trough.

Overall, the TSC-MSA economy continued to slow in the first third of 2009. Our 2009-10 forecast signals a decrease in the rate of the slowing as it continues to adjust to its peak in the second quarter of 2007. We expect the HPI for the state of Florida to stabilize in this range as the national housing market begins to approach its trough.
by Brian T. Kench, Ph.D.

By Brian T. Kench, Ph.D.

**TAMPA ECONOMIC ANALYSIS**

Higher than the national unemployment rate was 10.1 percent in April of 2009, which is recession and 2.5 years after the 2001-03 recession. Non-farm payroll jobs continued to decrease, in the TSC-MSA, for 12 months (12 months created). Non-farm payroll jobs continued to decrease, in the TSC-MSA, for 12 months after the 2001-03 recession.

Job gains were greatest in the leisure and hospitality sector (1,500 jobs lost), the professional and business services sector (6,600 jobs lost), and the education and health services sector (1,500 jobs created). Non-farm payroll jobs continued to decrease, in the TSC-MSA, for 12 months after the 2001-03 recession.

The twelve month percent change in non-farm payroll jobs continued to decrease, in the TSC-MSA, one year after the 2001-03 recession and 2.5 years after the 2001-03 recession.

The unemployment rate in 2009 was 10.1 percent in April of 2009, which is higher than the national unemployment rate by 1.2 percent. The unemployment rate in Hillsborough County was 5.9 percent, which is 0.2 percent below the unemployment rate for the state of Florida. We expect the unemployment rate to stabilize in this range as the national economy begins to approach its trough.

The FHFA housing price index (HPI) for the TSC-MSA has increased 2.5 percent in the first quarter of 2009. The TSC-MSA HPI has declined 21.9 percent from peak in the fourth quarter of 2008, the HPI for the state of Florida has declined 23.3 percent from its peak in the fourth quarter of 2008, and the national HPI has declined 23.5 percent from its peak in the second quarter of 2007. We expect a stabilization of these indexes over the coming quarters.

The FHFA housing price index (HPI) for the TSC-MSA has increased 2.5 percent in the first quarter of 2009. The TSC-MSA HPI has declined 21.9 percent from peak in the fourth quarter of 2008, the HPI for the state of Florida has declined 23.3 percent from its peak in the fourth quarter of 2008, and the national HPI has declined 23.5 percent from its peak in the second quarter of 2007. We expect a stabilization of these indexes over the coming quarters.

Overall, the TSC-MSA economy continued to slow in the first third of 2009. Our 2009-10 forecast signals a decrease in the rate of the recession. We expect a stabilization of these indexes over the coming quarters. The TSC-MSA economy continued to slow in the first third of 2009. Our 2009-10 forecast signals a decrease in the rate of the recession.
The Financial Crisis of 2008-2009
continued from page 1

The Financial Crisis of 2008-2009
continued from page 1

Robert S. Beekman, Ph.D.

www.ut.edu

The Financial Crisis of 2008-2009
continued from page 1

into different risk-based tranches that are

them into securities to be sold to off-balance

their balance sheets, they began to package

and minimizing asymmetric information.

years, these strict regulations and long-

serving as intermediaries between borrowers

by specializing in assessing loan risk and

participants. Banks, for example, exist to

The greater the asymmetric information, the

the borrower has much greater knowledge

out of asymmetric information. Unlike product

fear in the financial sector might be lifting.

continued from page 1

The Financial Crisis of 2008-2009
continued from page 1

A curious question remains, however: what

so-called shadow banking system totaled

process of securitization.

information increases significantly because

form of economic organization, asymmetric

credit lines, SIVs enable banks to originate

have zero capital requirements for providing

ensure a AAA credit rating. Because banks

Though the securities in the SIVs often consist

such as asset-backed commercial paper, rather

banking sector.

Applying a lesson learned from the

remain cloudy for some time to come.

with the approximately $10.5 trillion shadow

in the commercial lending sector. However,

tightening loan standards compared with a

finds that a smaller number of banks were

averted a financial market collapse, as several

2008 and it has remained near there since

rate set by the Federal Reserve (the Fed) on

had spiked 800 basis points beyond the target

worked in two steps. First, on October 14,

funds to the Treasury as a

facto seal of approval by the Treasury as a

n the fall of 2008, a fog of fear rolled into

the global financial market.

Tampa Bay's Water Problem
continued from page 4

Along the way, local governments can increase

their efforts by changing loan users higher

fees.

In crafting an effective policy to address

Tampa Bay's Water Problem
continued from page 4

is a proxy for likely indoor water use. This

term refers to users in the first 2,748 gallons

in each month. It costs $6.75 for this first 3,740

gallons of water.

In the n $$\Rightarrow$$

MESSAGE FROM THE DEAN

Dear Tampa Bay Friends,

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN

MESSAGE FROM THE DEAN
In the fall of 2008, a fog of fear rolled over the global financial marketplace.

Through this program, interbank trust was restored, and the banks became more willing to lend to each other on a short-term basis. This helped to ease the credit crunch that had been gripping the economy for months. The Fed's actions were seen as a sign that the government was committed to shoring up the financial system and preventing a full-blown recession.

However, the recovery was slow to materialize. Despite the easing of credit conditions, many businesses and consumers were hesitant to take on new debt. This was due to the uncertainty surrounding the level of the federal funds rate, which was expected to remain at a historic low for an extended period of time.

In the end, the financial crisis of 2008-2009 was a devastating event for the global economy. It led to a sharp decline in economic growth, rising unemployment, and widespread layoffs. The crisis also highlighted the importance of financial regulation and the need for greater cooperation among regulatory agencies.

Despite the challenges, the global economy eventually began to recover. While the pandemic persisted, the large-scale fiscal and monetary stimulus packages implemented by governments around the world helped to support economic activity and stabilize financial markets.

The financial crisis of 2008-2009 had a profound impact on the global economy. It serves as a tragic reminder of the vulnerabilities inherent in the financial system and the need for greater resilience and preparedness in the face of future shocks. However, it also underscores the importance of international cooperation and the role of central banks in stabilizing the economy during periods of stress. 

The tarp program was funded primarily through an increase in the federal debt limit, which allowed the government to borrow more money to support the economic recovery. While the increase in debt was criticized by some as unsustainable, it was widely seen as necessary to prevent a deep and lasting recession. The program also helped to stabilize the financial system by providing liquidity to banks and other financial institutions, which had been severely strained by the crisis.

The tarp program was controversial from the start. Many economists and politicians criticized it as a waste of taxpayer money, and some argued that it benefited large banks at the expense of smaller, more locally owned institutions.

The tarp program was eventually wound down in 2012, with most of the funds being returned to the government. However, the legacy of the crisis continues to shape the global economy, as policymakers and financial institutions work to address the challenges it posed and prevent future crises.