

U.S. DEPARTMENT OF THE TREASURY

Press Center



Treasury Secretary Timothy Geithner Remarks on Passage of the "Wall Street Reform and Consumer Protection Act"

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In March of 2008, as the fires of this financial crisis were just starting to burn, then-Senator Obama traveled to New York and outlined a vision for Wall Street reform – reform to prevent those fires from burning again.

He called for a restoration of responsibility, for a more stable banking system with stronger protections for American families and businesses.

And last spring, as President, he called for comprehensive reform – not changes at the margin – because the failures of our financial system were so devastating to the lives and dreams of so many Americans.

Today, Congress sends President Obama legislation that embraces those principles.

Today, the members of Congress who voted for reform stood with the millions of Americans who lost their jobs, their homes, their businesses, and their savings as a result of this crisis.

Chairmen Dodd and Frank showed great leadership, facing enormous resistance, as they crafted the strongest financial reforms this country has considered since the Great Depression.

They took the best ideas available – from Republicans as well as Democrats – and they put together a tough overhaul of our financial system.

Chairwoman Lincoln and Chairman Peterson also played valuable and decisive roles, bringing transparency and enforcement to our derivatives markets.

They made sure that American businesses will be able to continue to raise capital and to protect themselves against risk without putting the whole economy in jeopardy.

The Dodd-Frank reforms will restore the banking system to its core purpose of helping Americans save for their future and channeling those savings to the entrepreneurs with the best ideas for building a stronger America.

The message of this bill is clear: banks – not the taxpayers – will pay for future bank failures and consumers will be protected.

We need banks to take risk for businesses to expand and prosper.

These reforms will allow the government to make sure that those risks do not threaten the health of the economy as a whole.

These reforms will help make sure that banks are serving the needs of their customers, not taking advantage of them.

These reforms will help level the playing field, allowing community banks to compete more fairly with the nation's largest financial firms.

These reforms will benefit the prudent and constrain the imprudent. Strong banks, the well-managed financial innovators, will adapt and thrive under the new rules of the road.

Finally, these reforms and the clarity they provide will build a better foundation for future economic growth.

They will help restore the great strength of the American financial system which – at its best – develops innovative ways to provide credit and capital, not just for our great global companies, but for the individual with an idea and a plan.

This is the beginning, not the end, of the process of financial reform.

As soon as the President signs this bill into law, we will move forward to design and implement these new protections and to consolidate responsibility and authority.

And recognizing that financial markets are truly global, we will work hard to bring the rest of the world along with us as we raise the standards of financial protection in the United States and reinforce the competitiveness of our country's most innovative firms.

This process will take some time, but we are determined to move as quickly as we can to provide clarity and certainty. And we will do so with a level of care that is commensurate with the complexity of the challenge.

These reforms place an enormous burden of responsibility on the shoulders of those who lead our financial regulatory agencies. They recognize that responsibility.

Let me close by saying that in the best tradition of American statesmen, Majority Leader Reid and Speaker Pelosi have shown unwavering commitment and skillful leadership in getting this done.

Because of their courage and will, we are making significant progress in repairing the devastation caused by this crisis; in restoring economic growth; and in rebuilding confidence in the strength and stability of the American financial system.

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