



Weil on Finance, P.M.: Quantitative Tea Partying

By Jonathan Weil

Oct 21, 2013

Hello again, View fans. And now on to your daily afternoon annotated links.

Is Janet Yellen a [hawk](#)?

That's what Steve Hanke, a Johns Hopkins University economics professor, suggests in this essay on the Cato Institute's website. The nominee to be the next Federal Reserve chairman "is hardly the dove she is made out to be," he writes. "Indeed, when it comes to money supply, Dr. Yellen seems, well, downright hawkish." He explains that "given Yellen's support for continuing the Fed's interest rate and easing policies, it would appear that, when it comes to state money, Yellen is indeed a dove." Yet "if Yellen were truly a dove, she would have been advocating laxity in bank capital requirements and supervision, not stringency. Alas, despite the massive regulatory burden that has been heaped upon the banking system by the Basel III and Dodd-Frank regulatory regimes, and the repeated capital hikes that have been imposed on banks by domestic and international regulators, Yellen is not satisfied. Indeed, she calls this effort 'unfinished business.' These are clearly not the words of a dove, properly understood."