
 Download This Paper ([Delivery.cfm/99092714.pdf?abstractid=182795&mirid=1](https://papers.ssrn.com/sol3/Delivery.cfm/99092714.pdf?abstractid=182795&mirid=1))Open PDF in Browser ([Delivery.cfm/99092714.pdf?abstractid=182795&mirid=1&type=2](https://papers.ssrn.com/sol3/Delivery.cfm/99092714.pdf?abstractid=182795&mirid=1&type=2)) Add Paper to My LibraryShare:    

Merging the Bif and the Saif: Would a Merger Improve the Fund's Viability?

Working Paper No. 99-4

17 Pages

Posted: 4 Jan 2000


Robert Oshinsky (https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=184217)

U.S. Federal Deposit Insurance Corporation (FDIC) - Division of Research and Statistics

Date Written: September 1999


Abstract

During the 1990s, the differences between BIF-insured and SAIF-insured institution have declined. Due to mergers, over one-third of the deposits insured by the Savings Association Insurance Fund (SAIF) are now being held by Bank Insurance Fund (BIF) member institutions. This paper examines the SAIF's ability to remain solvent using a Monte Carlo model, under various levels of industry concentration. It shows that industry consolidation has served to reduce the vulnerability of the SAIF, as several large BIF-member institutions have increased their SAIF-insured holdings. Nonetheless, the SAIF continues to be somewhat more vulnerable to insolvency risk than the BIF. The paper also examines a merger of the BIF and the SAIF. The results show that a larger, combined insurance fund would be less risky than either the BIF or the SAIF separately. In other words, both the BIF and the SAIF would benefit from a merger of the funds. In addition, the results show that probability of either the BIF or the SAIF becoming insolvent is significantly higher than the probability of a merger fund becoming insolvent.

JEL Classification: G2, N2[Suggested Citation](#) >[Show Contact Information](#) > Download This Paper ([Delivery.cfm/99092714.pdf?abstractid=182795&mirid=1](https://papers.ssrn.com/sol3/Delivery.cfm/99092714.pdf?abstractid=182795&mirid=1))Open PDF in Browser ([Delivery.cfm/99092714.pdf?abstractid=182795&mirid=1&type=2](https://papers.ssrn.com/sol3/Delivery.cfm/99092714.pdf?abstractid=182795&mirid=1&type=2))

3 References

1. Federal Deposit Insurance Corporation (FDIC). 1999. The FDIC Quarterly Banking Profile
Posted: 1998
2. James A Marino, Rosalind L Bennett
Forthcoming. The Consequences of National Depositor Preference
FDIC Banking Review, volume 12, issue 2, p. 19 - 38
3. Robert Oshinsky (https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=184217)
Effects of Bank Consolidation on the Bank Insurance Fund (https://papers.ssrn.com/sol3/papers.cfm?abstract_id=182789)
Working Paper No. 99-3
29 Pages · Posted: 8 Dec 1999

Download PDF (<https://papers.ssrn.com/sol3/Delivery.cfm/99092713.pdf?abstractid=182789>) Add Paper to My Library

Do you have a job opening that you would like to promote on SSRN?

Place Job Opening (<https://www.ssrn.com/index.cfm/en/Announcements-jobs/>)We use cookies that are necessary to make our site work. We may also use additional cookies to analyze, improve, and personalize our content and your digital experience. For more information, see our [Cookie](#)[Policy](https://www.elsevier.com/legal/cookiepolicy) (<https://www.elsevier.com/legal/cookiepolicy>)

Paper statistics

[Cookie Settings](#)

Accept all cookies

ABSTRACT VIEWS 1,206

RANK 346,827

3 Citations

3 References

PlumX Metrics



Related eJournals

Banking & Insurance eJournal (https://papers.ssrn.com/sol3/JELJOUR_Results.cfm?form_name=journalBrowse&journal_id=1492282)

Follow ⓘ

Recommended Papers

Effects of Bank Consolidation on the Bank Insurance Fund (https://papers.ssrn.com/sol3/papers.cfm?abstract_id=182789&rec=1&srcabs=182795&pos=1) By Robert Oshinsky (https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=184217)

Increased Concentration in Banking: Megabanks and Their Implications for Deposit Insurance (https://papers.ssrn.com/sol3/papers.cfm?abstract_id=566041&rec=1&srcabs=182795&pos=2) By Kenneth D. Jones (https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=386088) and Chau Nguyen (https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=386090)

Should Bank Liability Structure Influence Deposit Insurance Pricing? (https://papers.ssrn.com/sol3/papers.cfm?abstract_id=308587&rec=1&srcabs=182795&pos=3) By Lynn Shibut (https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=328222)

View more >

Feedback

Submit a Paper > (https://hq.ssrn.com/submissions/CreateNewAbstract.cfm)

SSRN Quick Links

SSRN Rankings

About SSRN

f (https://www.facebook.com/SSRNcommunity/)

in (https://www.linkedin.com/company/493409?trk=tyah&trkInfo=clickedVertical%3Acompany%2CentityType%3AentityHistoryName%2CclickedEntityId%3Acompany_493409%2Cidx%3A0)

🐦 (https://twitter.com/SSRN)

We use cookies that are necessary to make our site work. We may also use additional cookies to analyze, improve, and personalize our content and your digital experience. For more information, see our Cookie Policy (https://www.elsevier.com/legal/cookie-policy) Terms and Conditions (https://www.ssrn.com/index.cfm/en/terms-of-use/) Privacy Policy (https://www.elsevier.com/legal/privacy-policy)

Cookie Settings

Accept all cookies



We use cookies to help provide and enhance our service and tailor content.

To learn more, visit [Cookie Settings](#).

(<http://www.relx.com/>)

(<https://papers.ssrn.com/sol3/updateInformationLog.cfm?process=true>)

We use cookies that are necessary to make our site work. We may also use additional cookies to analyze, improve, and personalize our content and your digital experience. For more information, see our [Cookie Policy](https://www.elsevier.com/legal/cookiepolicy) (<https://www.elsevier.com/legal/cookiepolicy>)

[Cookie Settings](#)

Accept all cookies