



Lessons Learned Oral History Project

Steve H. Kasoff

The Yale Program on Financial Stability (YPFS) interviewed Steve Kasoff in the first of a pair of exploratory interviews regarding Kasoff's experience as a participant in the fixed income market events that preceded the financial crisis of 2007-2008.¹ Kasoff is an advisory board member of the Center for International Finance at the Yale School of Management with a research interest in the financial market structures and behavior that spurred the Global Financial Crisis.

Kasoff was employed at Elliott Management Corporation from 2003 until 2020. His responsibilities centered on developing the structured products and real estate groups at Elliott, where he was made senior portfolio manager, a member of the firm's management committee, and equity partner. Kasoff has extensive experience in the origination, trading, and management of structured products such as CDOs and mortgage-backed securities, including earlier posts at Deutsche Bank, Merrill Lynch, and Lehman Brothers. He earned his B.A. in economics from Yale College and his M.B.A. in finance from the Wharton School at the University of Pennsylvania.

In this interview, Kasoff discusses his experience in different fixed income markets, the evolution of asset-backed security markets in the 2000s, collateralized debt obligation (CDO) structure, the development of the ABX index, the introduction of credit default swaps to create synthetic debt instruments, the balance between hedging and speculative strategies, and the practices of rating agencies and their interactions with those originating new instruments based on BBB subprime mortgage debt.

[Full Interview Transcript 1](#)
[Full Interview Transcript 2](#)

[Lesson Learned Summary](#)

¹ A stylized summary of the key observations and insights gleaned from this interview with Mr. Kasoff is available in the Yale Program on Financial Stability's *Journal of Financial Crises*.