

Bailouts and Manipulations: Save Wall Street, at the Expense of Main Street

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Wall Street is in the midst of a huge rally, primarily sparked by two recent occurrences.

The first was the “surprising” announcement that Citigroup, JP Morgan Chase and Bank of America — major “zombie” banks laden with “toxic assets,” on the verge of collapse, and the recipients of billions in government (US taxpayer) bailout money — mysteriously posted profits this year. Wells Fargo, regarded as one of the healthier big banks, and a recipient of \$25 billion, also reported a profit last week, rallying the stock markets again before the Easter holiday.

We now know, based on insider reports from securities traders, that a massive fraud and manipulation by AIG funneled “bailout” funds (US taxpayer money) to AIG’s counterparties, the very same big “toxic” banks that are now posting profits: [Exclusive: Big Banks’ Recent Profitability Due to AIG Scam?](#)

The second big event occurred when the Obama administration and Congress threw out the “[Mark to Market](#)” rules. Banks and financial institutions, which by law were previously obligated to price, or “mark,” the toxic holdings to the current market price (honestly take huge losses), now have carte blanche to magically erase all of these losses, and price these toxic assets however they wish.

In other words, Wall Street has been given the green light to lie — with the full blessing of the Obama administration and Congress. “Toxic assets”? Gone, just like that.

In yet another example of collusion and cover-up, federal regulators have told the nation’s largest banks to “keep quiet” about their performance in the Obama administration’s “stress tests”: [Feds tell banks to keep quiet on outcome of stress tests](#)

This blatant cover-up, ordered at the top, prevents negative news from spoiling the bogus Wall Street rally. Obama himself will announce the results later, after he and his economic minions have had a chance to “manage” the data.

So much for accountability. So much for transparency and disclosure. So much for the populist hot air and propaganda gases spewing from the Obama administration, Ben Bernanke’s Federal Reserve, Tim Geithner, and Larry Summers.

The momentum from the latest fabrication and the latest fraud must not be broken. The worst is over, according to the new noise, and the constant “are we there yet?” yammering from CNBC. No, it’s already time for The Recovery, despite the fact that the worst economic

crisis since the Great Depression began mere months ago, and despite the fact that the “toxins” — the magnificent bubble of derivatives, leverage, hedging and other interlocking Ponzi finance schemes that began the crisis to begin with — are still out there, still unpoped.

The books are cooked and the numbers are faked anyway. Why not? Who’s going to know?

So while the US auto industry is strong-armed into massive restructuring, and the common people of Main Street are told to get used to the suffering, Wall Street is not only given a free pass, but the additional gift of back-door swindles and a massive cover-up.

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