

# Who Was Behind the 2008 Financial Crash? US Aristocracy's Immunity From Prosecution. Proposal to Hold Top Level Wall Street "Crooks" Accountable

US Aristocracy's Immunity From Prosecution Disturbs TARP's I.G.

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*For the very first time, on October 25th, a high federal official, the "SIGTARP" or Special Inspector General for the TARP program that bailed out the largest financial institutions and their top investors after the 2008 economic crash, is now making a specific proposal to hold the top-level crooks accountable for the incentive-systems they had put into place motivating their employees to pump-and-dump 'investments' during the growth-phase of the 'free market' Ponzi game that existed since 2000 when the end of the FDR-era Glass-Steagall Act and the start of totally unregulated financial marketeering went wild after 2005 and came crashing down in 2008.*

Despite the deregulation that Bill Clinton and George W. Bush (and both political parties in Congress) instituted, there still remained on the books some laws that high financial executives were breaking, but the SIGTARP has now come to an impasse in trying to obtain the evidence that will enable investigations to proceed against the top executives, and so she is coming out to urge cooperation of the rest of the government in order to enable it to happen. The SIGTARP, Christy Goldsmith Romero, [urges](#):

## A PROPOSAL TO BRING ACCOUNTABILITY TO THE "INSULATED CEO"

I propose that Congress remove the insulation around Wall Street CEOs and other high-level officials by requiring the CEO, CFO and certain other senior executives to sign an annual certification that they have conducted due diligence within their organization and can certify that that there is no criminal conduct or civil fraud in their organization.

According to a Reuters report from Patrick Rucker, titled ["Wall St. Rescue Fund Watchdog Says U.S. Bank Heads Too Insulated"](#), "Wall Street executives are too shielded from prosecution and should answer for misdeeds committed by underlings, the watchdog for a multibillion-dollar [federal-government] bailout [of the mega-banks] said on Wednesday." This article, dated Wednesday October 25th, continued: "Senior banking officials should attest each year that their companies are free of criminal fraud and civil abuse, said Christy Goldsmith Romero, special inspector general of the Troubled Asset Relief Program. 'Every executive should be able to conduct due diligence,' she told Reuters in an interview. 'If they are too big to do that, then they are too big, period.'"

That policy, if honestly placed into practice, would likely result in lengthy prison terms for many of the people who are the big-dollar political donors; and so it can't possibly happen.

But the very fact that someone in a federal-government capacity has finally said publicly that it needs to happen is shocking enough.

The article continues:

“U.S. taxpayers have invested more than \$400 billion since the crisis, mostly in large Wall Street banks. Goldsmith Romero leads a staff of roughly 140 investigators examining possible abuse of the TARP program.”

Romero on Wednesday sent to Congress her agency’s 550-page investigative report (not linked-to by Reuters but [here](#)) on that subject, and Rucker continued: “Goldsmith Romero said the report also described cases where executives are complicit in fraud but the highest-ranking officials are walled off. ‘The knowledge stops,’ she said. ‘It resides at lower levels and stops there. And in many cases, I think that’s by intentional design.’”

The reporter, Mr. Rucker, makes clear how grave this situation really is:

“Goldsmith Romero has never before suggested a reform of the financial system. She said that she felt compelled to speak up this time after facing so many cases where senior executives seemed out of reach from prosecutions.”

So: although the aristocrats’ immunity will not be removed, a federal official has now had the courage to state that it must be removed.

Elizabeth Warren, a U.S. Senator who held off from making any endorsement during the Presidential primaries, is now campaigning for Hillary Clinton to become President — the same candidate that Wall Street executives are overwhelmingly funding to win the Presidency — but Warren is already *verbally* supportive of what Romero is urging. On September 15th, David Dayen at The Intercept bannered, [“Elizabeth Warren Asks Newly Chatty FBI Director to Explain Why DOJ Didn’t Prosecute Banksters”](#), and he reported that on that day:

“Warren released two highly provocative letters demanding some explanations. One is to DOJ Inspector General Michael Horowitz, requesting a review of how federal law enforcement managed to whiff on all 11 substantive criminal referrals submitted by the Financial Crisis Inquiry Commission (FCIC), a panel set up to examine the causes of the 2008 meltdown. The other is to FBI Director James Comey, asking him to release all FBI investigations and deliberations related to those referrals.”

Warren’s campaigning for Clinton, who has always been against accountability at the top in the U.S., is drastically inconsistent with this *public display* of supporting such accountability, and is therefore untrustworthy.

I (who until now had always voted only for Democrats) [earlier reported](#) the fundamental dishonesty of the Democratic Party’s elite about precisely this matter.

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Privately, Obama had told Wall Street executives that he would protect them. On 27 March

2009, Obama assembled the top executives of the bailed-out financial firms in a secret meeting at the White House and he [assured them](#) that he would cover their backs; he promised [“My administration is the only thing between you and the pitchforks”](#). It’s not on the White House website; it was leaked out, which is one of the reasons Obama hates leakers (including such heroes as Chelsea Manning, Edward Snowden, and Julian Assange). What the DOJ’s IG indicated was, in effect, that Obama had kept his secret promise to them.

[Here](#) is the context in which Obama said that (from page 234 of Ron Suskind’s 2011 book, [Confidence Men](#)):

The CEOs went into their traditional stance. “It’s almost impossible to set caps [to their bonuses]; it’s never worked, and you lose your best people,” said one. “We’re competing for talent on an international market,” said another. Obama cut them off.

“Be careful how you make those statements, gentlemen. The public isn’t buying that,” he said. “My administration is the only thing between you and the pitchforks.”

It was an attention grabber, no doubt, especially that carefully chosen last word.

But then Obama’s flat tone turned to one of support, even sympathy. “You guys have an acute public relations problem that’s turning into a political problem,” he said. “And I want to help. But you need to show that you get that this is a crisis and that everyone has to make some sacrifices.” According to one of the participants, he then said, “I’m not out there to go after you. I’m protecting you. But if I’m going to shield you from public and congressional anger, you have to give me something to work with on these issues of compensation.”

No suggestions were forthcoming from the bankers on what they might offer, and the president didn’t seem to be championing any specific proposals. He had none: neither Geithner nor Summers believed compensation controls had any merit.

After a moment, the tension in the room seemed to lift: the bankers realized he was talking about voluntary limits on compensation until the storm of public anger passed. It would be for show.

He had been lying to the public, all along. Not only would he not prosecute the banksters, but he would treat them as if all they had was “an acute public relations problem that’s turning into a political problem.” And he thought that the people who wanted them prosecuted were like the KKK who had chased Blacks with pitchforks before lynching. [According to the DOJ](#), their Financial Fraud Enforcement Task Force (FFETF) was “established by President Barack Obama in November 2009 to wage an aggressive, coordinated and proactive effort to investigate and prosecute financial crimes.” But, according to [the Department’s IG](#), it was all a fraud: a fraud that according to the DOJ itself had been going on since at least November 2009.

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If this matter that Romero is raising will be coming up during a Hillary Clinton Administration, the lying about it will simply continue, that’s all. Barack Obama is no less

vicious a liar than Hillary Clinton is, but she's not nearly as skillful a deceiver as he is, but that's the only real difference between them. She'll get the job done for the political megadonors, just the same, like she always has.

However, if Donald Trump is to be President, then no one can intelligently say what his policy on accountability would be — other than that he'll work with Congress to get an independent prosecutor to investigate the criminal allegations against Hillary Clinton, including the ones that the untrustworthy FBI alleges that it has already investigated in an impartial manner. Regarding the specific issue that Romero is implicitly also urging, the reinstatement of the FDR-era Glass-Steagall Act, which Bill Clinton and the Republicans terminated in 2000 and which had limited bank-size, Trump is [on record as demanding that it be done](#). (That's one of the reasons why he has been receiving far less from Wall Street than Hillary Clinton has been. Wall Street loathes Trump. Almost everything in this 'election' is nearly the opposite of what is commonly presumed.)

For the first time in recent memory, there really is an important difference between the two major-Party Presidential candidates. The last time it happened was 2000, when the far-right candidate, George W. Bush 'won'. This time around, it seems likely to be repeated (and maybe this time by a landslide): the far-right candidate Hillary Clinton will probably win — same result, just different nominal parties this time around. In an important sense, this year's George W. Bush is Hillary Clinton. (He demanded regime-change in Iraq; she demands regime-change in Russia.) This year's Al Gore is Donald Trump. Except that this time the big issue isn't global warming, but instead nuclear war against Russia. Of course, GW Bush was bad on both issues (denying climate-change, and demanding "regime-change in Iraq" where the Moscow-friendly dictator Saddam Hussein ruled). But [so too is Hillary](#) (who followed up her ardent advocacy for regime-change in Iraq, by regime-change in Moscow-friendly Libya, and regime-change in Moscow-friendly Ukraine, and regime-change in Moscow-allied Syria; and who is now pushing for regime-change in Russia itself, and thus unchallenged U.S.-aristocracy control over every other nation's aristocracy).

All of this election-year, the supposedly big issue was bigotry, but **the thing that's actually destroying this country and the entire world is class — rich versus poor; the super-rich crushing everyone else** — and the 'news' media are controlled not by the many poor but by the very few super-rich. And this is why Romero's call for justice is, sadly, just a cry into the wind.

Regarding politics, one has no reason to trust what one hears from the politicians, reads in the newspapers and magazines, or hears or sees on radio and TV. The elite scams are overwhelming from all of the Establishment sides. But finally, an obscure federal official, Ms. Romero, the SIGTARP, has spoken her conscience, despite knowing that she'll only be punished for it once she's out of office. Unlike the Democratic Party politicians, she's not grandstanding. She's instead truly heroic, speaking truth to power, and really meaning it — and ready to face the consequences for having done it.

It's remarkable. It's Quixotic, in a really heroic way: pathbreaking, even if that path leads only to a brick wall. At least it will expose to the public the extent to which the system itself is their enemy. Not Mexicans. Not Blacks. Not Whites. Not Muslims. Not Christians. Not Jews. Not Russians. Not men. Not women. Not even (though bigots are dangerous fools) bigots against any such group. The system, right here in the U.S., needs to be changed. Nothing can authentically be blamed on any "not us" target — either for invasion, or otherwise.

Romero wants to cancel the immunity of aristocrats — the people who [control this country](#).

Investigative historian **Eric Zuesse** is the author, most recently, of [They're Not Even Close: The Democratic vs. Republican Economic Records, 1910-2010](#), and of [CHRIST'S VENTRILOQUISTS: The Event that Created Christianity](#).

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