

Timmy 'The Punk' Geithner

2011. Acrylic on canvas, 20 x 24"

by
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Timothy Geithner, formerly president of the Federal Reserve Bank of New York and now Treasury Secretary.

Geithner rose up through the Clinton Treasury department which was populated with free market true believers selected by Robert Rubin and Larry Summers.¹

According to Paul Krugman, an Economist at Princeton University, "Geithner is a Larry Summers protégé from Treasury. He worked his way up during the Summers years at Treasury."²

As noted by Mark Landler of the New York Times, Geithner, "serve[d] as an intermediary between Washington and Wall Street because he [sat] in Manhattan, but he work[ed] for the Federal Reserve system."³ During the crisis he described the resulting product as "cooked spaghetti" that became hard to "untangle."⁴

He knew what was tangled up in the "spaghetti". He was Wall Street's "yes man"; a guy who took his orders from Wall Street and towed the line. He's a guy short on integrity and long on bullshit - nothing more than a lackey. Maybe that's what Obama saw in him, and since Obama wanted to please Wall Street, what better way than to keep one of their lackeys in his administration.

When Geithner was before the Financial Crisis Inquiry Commission, his attitude was yeah well maybe we could have done more. The FCIC report noted, "Geithner told the Commission that he and others in leadership positions could have done more to prevent the crisis, testifying, "I do not believe we were powerless."⁵ Is it really any surprise that a lackey wouldn't do the right thing, but rather do only what his Wall Street handlers want him to do?

Even when Geithner's Fed team was supposed to conduct an onsite review of Citigroup, they "appeared to have 'insufficient resources to conduct continuous supervisory activities in a consistent manner."⁶ The FCIC report also noted "[t]hat the Fed's 2005 examination of Citigroup did not raise the concerns expressed that same year by the OCC may illustrate these problems."⁷

Again, when Geithner was before the FCIC he said, "I do not think we did enough as an institution with the authority we had to help contain the risks that ultimately emerged in that institution."⁸ Only when you're caught do you give a bullshit answer like that. Otherwise, like any member of an organized crime enterprise, you just keep doing what pleases your handlers, until you get caught.

When Bear Stearns was in trouble its CEO Alan Schwartz tried to get a \$30 billion line of credit from JP Morgan, but CEO Jamie Dimon turned down Bear because JP Morgan was worried about their own exposure to the mortgage market. So who to turn to but the lackey. According to the FCIC report, "through [a] series of calls between Schwartz, Dimon, Geithner, and Treasury Secretary Henry Paulson...[Geithner's] New York Fed made a \$12.9 billion loan to Bear Stearns through JP Morgan."⁹ The big give-away didn't help, but obviously a lackey wouldn't care, it wasn't his money, just the taxpayer's money. "By the end of the day, Bear was out of cash. Its stock plummeted 47%, closing below \$30."¹⁰

As noted by Darrell Delamalde of *MarketWatch* "Geithner is one of the big reasons unemployment is still so high, the economy is still so sluggish, and housing is still a huge problem."¹¹

Delamalde went on to say, "It was Geithner who wanted to bail out the banks without holding anyone at those institutions accountable. It was Geithner who blocked any meaningful financial reform and who has by all accounts undermined the effort to install Elizabeth Warren as head of the Consumer financial Protection Bureau."¹²

Furthermore he said, "And it was this Treasury secretary who pushed the administration into conceding to the Republicans that the federal government must undertake massive spending cuts even as the economy struggles to recover."¹³

Delamalde also noted that "Geithner grew up a Republican and changed his political affiliation to independent out of political expediency when he was Treasury official in the Clinton administration. But he has been a Trojan horse for Republican sentiments as top policy maker in the Obama administration."¹⁴

Not only was Tim Geithner promoted in the Obama administration, but he was made Secretary of the Treasury.

Notes

1. *The Warning*, PBS Frontline, October 20, 2009 transcript p. 5.
2. *Inside the Meltdown*, PBS Frontline, February 17, 2009, transcript p. 6.
3. Ibid.
4. *Financial Crisis Inquiry Commission Report*, January 2011, p. 8.
5. Ibid., p. 200.
6. Ibid., p. 199.
7. Ibid.
8. Ibid., p. 303.
9. Ibid., p. 289.
10. Ibid.
11. *Geithner can go or stay...the damage is done*, by Darrell Delamalde, MarketWatch, July 6, 2011.
12. Ibid.
13. Ibid.
14. Ibid.