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September 18, 2008 11:53AM

Still Trying to Get Shorty

By Elizabeth MacDonald

In a bid to stop a stock market in free-fall, the Securities and Exchange Commission released new rules aimed squarely at short sellers.

The rules come after heated talks between the SEC and Wall Street executives, who firmly believe short sellers are savaging their companies' stocks, helping to drive down the overall market.

Richard Fuld of Lehman Bros. (LEH: **0.13, -0.17, -56.66%**) and John Mack of Morgan Stanley (MS: **27.21, +4.66, +20.66%**) now join Bear Stearns executives in their accusations that short sellers buy short positions in their companies' stock and then engage in rumor mongering to cause the collapse in shares in order to profit.

Republican presidential candidate John McCain also has criticized the SEC for not doing enough to stop a certain type of short selling alleged to cause severe downturns in stock prices, among other things, going so far as to use this criticism to make his case that he would "fire" SEC chairman Christopher Cox if he were president.

Shorts are being held partly to blame for the dramatic plunge in the stock market. As their stock prices plunge, investment and commercial banks have been hamstrung in raising new capital as potential investors bolt from their shares–despite the fact that these very same firms profited mightily on their own short selling bets on other companies.

Short sellers profit off of a stock's fall in value. They borrow shares from a broker and then sell them. When the price drops, they buy the shares back at the lower price, return the borrowed shares to the broker within three business days of the sale, and pocket the difference.

"Millions of investors entrust their savings to our securities markets because they can be confident that our markets are orderly, liquid, efficient, and rational," said Chairman Cox in a statement about the new rules.

SEC Under Fire

Setting aside the idea that the stock markets were ever rational, which is like saying a gnat knows which direction to fly in a tornado, the SEC's moves raise other concerns.

Already the SEC is being criticized, not just for the ad hoc, after-the-fact refereeing nature of its actions, but for its seeming arbitrariness in protecting some companies with its initial ban on a type of short selling, while not outlawing this practice for other banks and companies.

More broadly, the agency is under fire for doing little to stop the enormous, imprudent and indefensible leverage that investment banks under its purview took on, much of it shoved in off-balance-sheet vehicles.

That debt load has now swamped Wall Street and caused an epic market crisis that is remaking the entire U.S. financial system.

The average leverage ratio on Wall Street when the credit crisis exploded in late summer 2007 stood at 27 to one, whereby for every $1 in assets, investment banks borrowed $27. The figures does not include off-balance sheet debt.

It's clear Wall Street did not have an overseer as the SEC left investment banks to their own devices, turning the free market into a free-for-all.

Senator John McCain, Republican presidential candidate, says the SEC's Cox "has betrayed the public's trust," adding "if I were president today, I would fire him."

And the SEC has only itself to blame, former SEC official Lee Pickard tells the New York Sun's Julie Satow. Specifically, the SEC relaxed the agency's net capital rules that limited ther debt to net capital ratios to 12 to 1 in 2004. The move was a concession made in which the firms let the SEC conduct more oversight of both a broker dealer and its holding company.

Pickard says the SEC let five investment firms–Bear Stearns, Lehman Bros., Merrill Lynch, Morgan Stanley and Goldman Sachs–more than double the leverage on their balance sheets, blowing out their debt to net capital ratios to unheard of levels, for instance, at Merrill Lynch to 40 to 1.

Meanwhile, there is much heated debate, too, over whether the SEC should reinstate the so-called "uptick-downtick" rule, an old stock market backstop, a Depression-era rule enacted in 1938 that put speed bumps in place to slow the pace of short sales.

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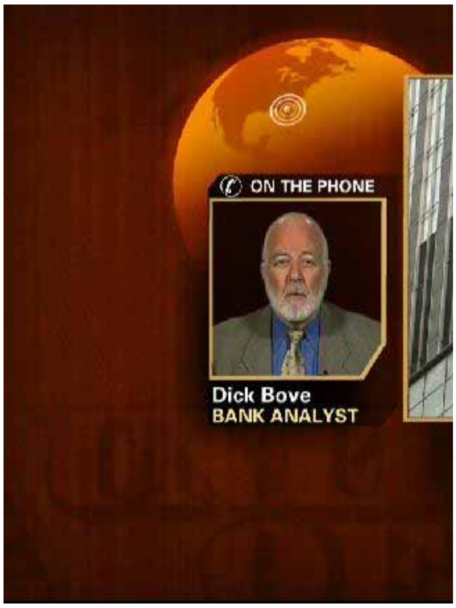

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The rule says that traders can only short shares if the last trade of the stock is at least a fraction, or an uptick, higher than the prior trade. The SEC lifted this ban right when the subprime and credit crisis exploded.

My read of it is that reinstating the uptick rule would not have any impact at all. See below.

Wall Street Complains Loudly

The SEC's latest move is an attempt to stop the sheer terror in the stock market, which has prompted a flight to the safety of Treasuries and has driven three-month rates down to levels not seen since President Franklin D. Roosevelt sat in the White House and World War II was raging.

Just this week Lehman Brothers, America's fourth-largest investment bank, filed for bankruptcy. Merrill Lynch (MER: **29.50, +7.44, +33.72%**), a household name, was forced to sell itself to Bank of America (BAC: **37.48, +6.90, +22.56%**), and the Federal Reserve announced it would loan up to $85 billion to American International Group (AIG: **3.85, +1.16, +43.12%**) to bolster the damaged insurer, the world's biggest by assets.

All coming fast on the heels of the massive federal rescue of Fannie Mae (FNM: **0.69, +0.20, +40.81%**) and Freddie Mac (FRE: **0.55, +0.22, +66.66%**) and the collapse of Bear Stearns, shoved into the arms of JPMorgan Chase (JPM: **47.05, +6.75, +16.74%**).

Shares in Morgan Stanley (MS: **27.21, +4.66, +20.66%**) and Goldman Sachs (GS: **129.80, +21.80, +20.18%**) have been hitting fresh 52-week lows, threatening their viability as the last two independent investment banks left standing, with rumors flying that Morgan Stanley may sell itself to Wachovia Corp. (WB: **18.75, +4.25, +29.31%**).

Morgan's Mack on the Offense

In a memo to employees yesterday, Morgan Stanley chief exec Mack wrote that he had contacted SEC chairman Christopher Cox and Treasury Secretary Henry Paulson about the problem with short selling.

"We're in the midst of a market controlled by fear and rumors, and short sellers are driving our stock down," Mack said. Mack also told workers he spoke to Goldman Sachs "five to six times" about the short-selling issue.

What the New Rules Dictate

In a bid to stop alleged false rumormongering, the SEC is now seeking approval, on an emergency basis, for a new rule that would force hedge funds, (private funds not required to disclose much trading information), as well as other large investors with more than $100 million invested in securities to disclose their short positions, potentially on a daily basis as opposed to periodically.

The hedge funds and large investors may have to file these reports noting daily trades on a weekly basis, though that decision is still in flux. Currently hedge funds file quarterly reports that only disclose securities held in long positions.

Wall Street's most famous short-seller, James Chanos, the investment manager renowned for calling Enron ahead of everyone else, now criticizes one plank of the SEC's rules forcing more hedge fund disclosures.

"Such a requirement is akin to the government suddenly requiring Coca-Cola to disclose their secret formula for free to all their competitors," Chanos says, calling the new rule "hasty" and ill-considered" as it "could be extremely harmful to the capital markets" (despite the fact that hedge funds cratering have in the past rocked publicly traded companies who have invested in them–more disclosure might have avoided that pain).

Also, in a bid to stop alleged false rumormongering thought to be driving down stocks, the SEC reportedly sent subpoenas to more than 50 hedge funds as well as other institutional traders believed to be engaging in naked short-selling trades in 19 financial companies, including the major investment banks and mortgage finance giants Fannie Mae and Freddie Mac.

The 19 had been previously protected by an emergency order against abusive "naked" short-selling (See my July blog "Get Shorty," and "Did the SEC's Plan to Get Shorty Work?")

In a "naked" short sale, sellers don't borrow the shares and thus do not have them physically in hand before selling them.

Now, in an attempt to curtail alleged trading abuses, the SEC released new rules against "naked" short-selling.

Short sellers and their broker-dealers must now actually deliver securities borrowed for short sales–or risk being accused of securities fraud and of being permanently barred from engaging in naked short selling.

The SEC's new rules apply to all stocks, beyond the 19 financial companies it had announced the initial naked short selling ban on in midsummer, which has since expired.

Arbitrary and Ad Hoc

The SEC initially instituted the ban on naked short sales in these 19 concerns because they had access to the Federal Reserve's primary dealer credit facility.

That decision met with a hailstorm of criticism accusing the SEC of regulatory apartheid, as the list of 19 excluded numerous beleaguered banks that have access to Fed borrowings, including Washington Mutual (WM: **4.25, +1.26, +42.14%**) and Wachovia (WB: **18.75, +4.25, +29.31%**).

Other Concerns Arise

"It seems particularly galling that many, many companies have asked for stricter short rules (Overstock.com, Bear Stearns, Lehman, a school bus-full of midcaps) and got nothing but 'the market should be free to work on its own' from the SEC," says Fox Business news director Ray Hennessey. "Then Morgan and Goldman complain and all these new rules come" down.

Hennessey asks: "What do they [the new rules] accomplish? Does disclosing trades stop trading? And shouldn't the SEC have been looking for manipulation all along?"

Hennessey adds: "They [the agency] have subpoena power. If they feel a hedge fund is manipulating the market, they could easily get the trading records." He notes too that "asking every fund over $100 mn" to hand "over trading records seems draconian," noting it spells "more intervention in the markets."

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Naked Short Selling Has Been Legal

Also, for years the SEC maintained that naked short selling was not illegal. SEC rules on short selling enacted in January 2005 said broker dealers and traders were not required to have a physical agreement to borrow the shares if they had "reasonable grounds" to believe that the shares can be borrowed.

The SEC has said in public statements that "naked short selling is not necessarily a violation of the federal securities laws or the Commission's rules," and that "in certain instances, naked short selling contributes to market liquidity."

The New York Stock Exchange has also said it has found no evidence of widespread naked short selling.

And after the initial ban was enacted on the 19 companies, SEC chairman Cox said in a July 24th op-ed piece in *The Wall Street Journal* that "the SEC's emergency order is not a response to unbridled naked short selling, which so far has not occurred."

Does the Ban Work?

Some analysis suggests that the answer, so far, is yes.

As Bloomberg reported, the 19 companies on the SEC's initial list actually saw their market value climb 26% between July 15, the date the initial ban was enacted, up until the SEC let it lapse.

The companies added $270 billion to their market capitalization at the time, putting their market caps back to where they stood on March 17, the St. Patrick's Day shotgun wedding of the nearly bankrupt Bear Stearns and JPMorgan Chase, orchestrated by the Federal Reserve.

S3 Matching Technologies, a stock market research firm, has already reported that short sales for the 19 stocks dropped by a sizable 63% during the ban.

But it also says that short sales actually increased in shares of Bank of America while the initial ban was in effect, despite the fact that BofA's stock price rose from about $19 to $31 during the blackout period.

And Arturo Bris, a professor affiliated with the Yale International Center for Finance, analyzed short selling data from the Big Board in the 19 stocks on SEC's list for the trading period from Jan. 1 to July 15, 2008 and argues that the SEC didn't need to enact the ban in the first place.

Bris says that short-selling amounted to just 12% of the trades in the 19 stocks, versus 13% for comparable U.S. financial outfits.

Naked Shorting Can Be Called For

Naked shorting can arise when a stock is so illiquid and there are such a small number of shares outstanding, that trying to find shares to borrow can be difficult to arrange. Also, underwriters of initial public offerings or secondary stock offerings often have an over allotment of shares they place and trade that don't technically yet exist in the offering, so they make the trades through naked short positions, Fox Business's Hennessey explains.

Short-Selling Can Help the Stock Market

Short selling overall keeps potential hyperinflation in shares in check, due to, say, accounting abuses or the mania of momentum investors crowding in. Witness the dangerous bubble that has inflated in China's stock markets, as China has outlawed short selling.

And short sellers caught by Buzzsaw Ben Bernanke's dramatic slashing of the Fed funds rate can actually help the ensuing stock market rally even more when they cover their positions.

Remember, short selling occurs when traders have sold contracts that they didn't own, expecting prices to continue dropping. When prices start rising, traders must buy those contracts to cover their positions so as to keep a neutral position and stop their losses.

And as I've noted previously, corruption in the markets has been around since Adam. Rare is the critic of the Wall Street trader or analyst who crooks the buy trumpets and in turn is talking long his book, lining his wallet.

Reinstate the Uptick Rule?

Much criticism has been aimed at the SEC's decision to remove the uptick rule in July 2007 and not reinstate it since.

The so-called "uptick-downtick" rule said that traders can only short shares if the last trade of the stock is at least a fraction, or an uptick, higher than the prior trade. In other words, every short sale transaction had to be entered at a price that was higher than the price of the previous trade.

Traders say that rule tamped down volatility and prevented short sellers from adding to the downward momentum when shares are already experiencing sharp declines.

Much Ado About Nothing?

The fight over the uptick rule might be much ado about nothing.

The uptick rule never applied to certain financial instruments such as single stock futures, which tend to precede market movements anyway.

So even if the SEC reinstated the downtick rule for stocks, traders can still short the futures.

Other securities that were never covered by the uptick rule include currency trades or market exchange-traded funds like such as the Nasdaq 100 Trust (QQQQ: **42.90, +1.36, +3.27%**), an ETF that trades on the Nasdaq or Select Sector SPDRs, ETF's that trade S&P 500 stocks.

The likely reason being, all of these securities can be shorted on a downtick as they are highly liquid and have enough buyers willing to enter into a long position, ensuring their values won't be driven into a ditch, market analysts note.

And even if the uptick rule was re-enacted, traders can synthetically short in the option market rather than shorting the stock.

Also, the SEC has conducted tests of the uptick rule on a sample of Russell 3000 stocks from May 2005 to August 2007 to see if it affected the level of short interest in these stocks. The SEC found that the restrictions "appear to have no effect on short interest" in these stocks.

In other words, the SEC found no evidence to reinstate the uptick rule.

20 Responses to "Still Trying to Get Shorty"

Comment by B Scott
Sep 18th, 2008 at 2:55 pm

We the people should all send letters to the politicians informing them that regarding the last election, we changed our minds and our votes go to their opponents.We sincerely hope this reversal does not cause them too much inconvenience, however we must add that we the people have added some new rules that they should be aware of,if they do not leave office within 24 hours they will be charged with fraud.

Comment by greedom
Sep 18th, 2008 at 3:12 pm

I was JUST about to send a suggestion to look into this news from :

"New York Attorney General Andrew Cuomo said Thursday he's launching a "wide-ranging" investigation into short-selling on Wall Street, particularly in financial stocks."

That's going to be interesting for sure.

We'll also have to see just what use or abuse of shorting did - impact the financial stocks.

I think it's nonsensical to explore issues of shorting until transparency issues are resolved.

As usual - where I can say this figuratively and literally - "Liz MacDonald is right on the money once again !"

Comment by greedom
Sep 18th, 2008 at 3:20 pm

An image to help understanding naked shorting just popped in my mind.

It's like flying a plane by instrumentation only.

Sure, you can still hit something, but your data and reliability on that data better be iron clad.

Using naked shorting to take part in a bear run though, thinking, IF you succeed in taking it down ? who'll CARE who had what in the end, stock will be $2.43 or whatever.

I do wonder how it works…

Take it down and kill it ? If you want to really exploit naked shorting ?

So, reported above illiquid stock can call for naked shorting.

Well, let's examine the liquid model as it's been going on.

even 5 million shares out, Frank over in the UK can put his neck in a noose for 800k shares, Franks sister in Ireland can do 400k shares, Franks brother in law in NYC can do 1.4 million shares (all of these shorts - expecting to HAVE let's see - 2.6 million so far) - but wait, Frank's father in law hears about it and naked shorts for 2 million. At this point Alll of franks father in laws neighbors all push yet another demand for 100k sets, leading up to 7.9 million from those alone, so let's just say Frank and his relatives and relatives friends NOW have a run 'as if' say - 10 million shares exist.

Poor company X. Other sellers see this.

The REAL losses that occur sometimes are even dwarfed by the extreme 'promises' via the naked short process.

In the end, if the company dies by morning ? Hey, you just made a few million taking down a multi-billion dollar company - just you personally- HATS OFF- you helped take the bear down. eh ?

That's how I see things with naked shorting, ther is NO way to assure people just don't open their mouth and say anything - kind of like in political ads -

once its said - damage done.

Comment by greedom
Sep 18th, 2008 at 3:30 pm

from article:

"We're in the midst of a market controlled by fear and rumors…"

Sheesh

Try

"We're in the midst of a society controlled by fear and rumors …"

Chris Elliot might just say 'No, probably just fear'

Comment by Lee Williams
Sep 18th, 2008 at 4:02 pm

I lost my retirement nest egg due to "naked short selling". I'm talking $500K. I've tried to rebuild but again "naked short selling" destroyed my investments.

Unitl this practice is stopped, I'm out of the market. Guess I'll just work until I'm too sick or die, just like the rest of America now. Retirement? No such thing anymore. Born a generation too late (I'm a baby boomer).

Comment by scott trotter
Sep 18th, 2008 at 4:12 pm

let's hope the government takes as collateral Quogue and the Hamptons.Those jerks can pay us back.

Comment by John of Doylestown PA
Sep 18th, 2008 at 5:44 pm

McCain blames naked shorts and uptick sales for the market's problems. These may be sleazy trading practices which were approved to benefit speculators. But how much could they really have hurt the economy. Not very much, I think.
How much does McCain even understand about these practices. Not very much, I think.

Comment by B
Sep 18th, 2008 at 6:36 pm

"rumor mongering to cause the collaspe in shares in order to profit." Wall Street is rife with corruption, and broken!! let the correction happen to bring back sanity. NO bail out ever!

Comment by David Martian
Sep 18th, 2008 at 8:19 pm

Oh, those evil short sellers. I remember when everyone was complaining about the shorties of Enron and pets.com stock and many other internet train wrecks. They were screaming at the greedy short sellers for destroying our whole way of life. Well we all know how that turned out. Those companies had no value. In China, where short selling isn't allowed, there are hundreds of companies with awful balance sheets that aren't allowed to decline in value as they should. The only sellers allowed are those who own the stock. Talk about a house of cards. Everyone just goes along with and cheers the China boom and much of it is related to a disassociation with reality regarding the true value of many companies. A pig is a pig regardless of whether it's wearing lipstick. Companies should be punished if they aren't viable. Of course in this country, if you are an investment bank or insurance company failing miserably, the government might just bail you out.

Comment by Justin
Sep 18th, 2008 at 8:33 pm

let's just ban selling stocks all together. now stocks will never lose value.

Seriously, what will the bureaucrats come up with next?

Comment by Dave S.
Sep 18th, 2008 at 9:01 pm

Someone has to stop Cox before we're facing a disaster. If he is successful at banning short selling and the market crashes those same longs that want to get shorty won't be able to hedge their long positions as the stock price plummets. The only option they will have is to ride it down and if that company fails like LEH did all that wealth is lost forever. Nobody will be willing to buy shares or calls or write puts with the markets crashing. Our government is setting us up for a disaster if they don't do this thing right and Cox needs to be stopped and fast.

Comment by Fred
Sep 18th, 2008 at 9:35 pm

Hey, let's not forget. It has ALWAYS been illegal to execute a sale with no intention of ever delivering the securities. And that is what has been going on. Yes, there are some legal short sellers, who did secure a locate.

But there have been many sellers who simply had no intention of ever delivering. Sales were just done with the knowledge that the SEC would not object. And that's FRAUD, plain and simple. And it always has been. You don't need new regs to prosecute that. The SEC just looked the other way.

Comment by the shortist
Sep 18th, 2008 at 10:12 pm

Short sellers are being made scapegoats. The amount of stock shorted is small compared to the amount of stock bought! If people think that MS and GS is to low why dont they buy more stock than the short sellers sell and margin them after all if they think the short selling is wrong that means tthe long side must be right CHICKENs tell them to put thee money where there mouth is like the short sellers

Even if they eliminate short selling there will be Single stock future puts and call selling .

Michael Farr is full of it briging back short selling will make markets less liquid!

The other cross eyed idiot said its immoral to buy CDS and sell the stock! So then is it immoral to buy stock and sell a call??

Larry Kudlow is a sore loser and a hypocrite ,what happened to free capitalism isnt it the best!!

Cramer is a addicted gambler and a sore loser, would like to know how much he is compunding in his charitable trust!

Both Cramer and Kudlow through there media power are lobbing perfectly sound capitalist markets because of there bad market and economics calls.

Cramer Kudlow please resign and give back your diplomas! Taking away the short selling is satcking the deck to the upward bias that has long plaqued our over priced under funded and incorrectly valued stocks and bonds!

We are a debtor nation and must pay our debts.

But the biggest loser is :
The guy from Calstr Ailman I think should be fired he should resign tommorrow! His kjob is not to protect John Mack or MS his job is to make money for his clients !!! Did he sel his MS and GS?? Why not? He didnt know they were going down? Then he should get out of the Kitchen!!!
He will not lend his securities tommorrow so not only is he long
and wrong but he wont be making any money on his positions by lending them!! If I was the attorney general of his state I would investigate his negligence instead of investigating sell rumors. Wheres the ACLU what happened to free expression?

Oh Mr NY ATTY GEN will you equally investigate people who buy long and spread rumors as well?

Why we give NYC so much power over this nations finances I dont know maybe its good we melt down and some of these firms move to other cities maybe its not good to have the NY Insurance guy bend the rules and the NYSE make special trading rukes and have the ATTY Gen make special investigations and have the NY fed make special trades and extend special crtedits . Why are are these people doing this with our money!!
Now we have a pseudo politico the NY attorney Gen why we give nY so much oversight

Comment by Cal
Sep 19th, 2008 at 6:40 am

This entire situation clearly shows that "self-regulation" is no regulation. Couple that with an SEC that has clearly forgotten its duty to the public and has clearly gotten in bed with those it is supposed to regulate and we end up with "no regulation". Sad for all.

Comment by Jenna
Sep 19th, 2008 at 8:03 am

SEC Chairman puts a 10 days ban on short selling 799 financial stocks.

Christopher Cox looks like he is finally seeing the real problem with our US Financial Crisis. But do not confuse his actions today. The Reality is he was forced to do this only because the London exchanged acted first and Banned short selling in all financials until Jan 17 2009. This effectively forced Cox to act in a similar fashion or face a wave of new shorting from foreign markets who would hedge their unwinding of shorts in the UK. I applaud the London Exchange for forcing our SEC to finally stop this madness (albeit temporarily).
Pity…..London bans til Jan and our SEC just for 10 days. I fear that after 10 days the selling will resume unless they finally do the right thing.
Cox still cannot bring himself to admit that he and the SEC made a mistake repealing the Uptick Rule in July 2007, and they could just simply reinstate it and this aggressive short selling problem would be solved. He should be fired so that someone can get past his ego and do the right thing!

We should see an explosive rally initially, then everyone will be waiting to see what the next bonehead move will be by this SEC Chairman as the 10 day ban disappears.

Comment by greedom
Sep 19th, 2008 at 9:53 am

It being never too early for a Harpoon Octoberfest, I question whether this immediate measure by the SEC was put in place to guard against citi's fall right around the corner.

Citi has been in trouble ever since they, oh wait, no, citi is fair enough to say - it's well- probably in the best interests if this one does fall - and we celebrate it's good riddance so long we reach some cathartic transition never to look back at the likes of Citi Financial sub prime unit- virtually pioneering this boilerplate stigma inhibiting progress for humanity.

I bet citi would be shorted by Monday, once everyone is over getting high off the glue fumes from the fed injected glue into this trailor waiting for the next tornado due to POOR decision making at SOME point in the whole game.

If people can't take citi down on a bear run, my oh my, looks like it's going to have to run like a wounded animal on a hunt.

I don't have so much gloom on the dollar as last month as I see globally the blood spilled onto the balance sheets is - well- distributed globally, how equal ? I don't know, but that makes for an even playing field for the dollar that it's not up against any indifferent circumstances as any other currency.

There probably is a PNC esque currency- that does have the golden goose, I'd go with Swiss Franc on intuition, oh that pesky right brain always trying to offer up image or concept without language/symbiology being necessary, oh wait, we can't write about that, and these HTML text boxes don't allow white boarding !

Hmm.. White boarding, oh, nm as to what that made me think of that sounds similar for solutions, seems a white board is probably more valuable than a water board in the end game, besides, if space (not that we're NOT in deep black space !) aliens showed up ? to see us water boarding, my god, that'd level the playing field to say 'gee, I guess we can do the same'.

Seems this theme is concurrent with the sub prime hot potato game exists too. If you don't tell, I won't either ? translates to citi loan officer saying "Just sign here, I'll rubber stamp it later, no, please, stop, no, just don't tell me your income, I SAID I'll rubber stamp it later !'

Hard for me to say - how much of take downs lately were from shorters

I mean - that's transparent - we never do know -

I can't believe the markets operate that way.

FULL disclosure -

yet ? we have none.

How does 600 + billion go poof - over night ?

virtually ?

guess they discovered some numbers on the books at midnight ?

OR - shorted - taken down ?

I see this in politics, in life.

The equiv. of a Bear Run in politics - well- let's just say there IS no SEC for political process and 'naked shorting' still exists in that process.

cit's goin' down !

Comment by greedom
Sep 19th, 2008 at 9:58 am

Imagine the negative campaign ads

now - replace the candidate with a corporation.

Yet ? it's a corpocracy.

There is humor in this.

Imagine a negative ad against say - AIG

instead of that school bus ad ? "My parents have AIG"

or the other use of children to promote security

"Mom ? Dad? Are we secure ? " - Don't worry we have AIG.

well -imagine the OPPOSITE

because that WAS the truth

and just imagine the truth

"Dad, hurry, get out of AIG - they are LYING to you - like that Henry Rollins song - Liar - "

Comment by greedom
Sep 19th, 2008 at 10:03 am

I was in error

Sorry Henry

that's Rawlins = Henry Rawlins song of 'Liar'.

In fact, imagine the next AIG or Citi ad or Merryl -or Goldman

they should just play that song in the background.

Wonder of it all ? CountryWide hasn't changed a thing, same ads.

I do say - I caught that Henry Rawlins show ONCE last year, and I'm not sure, it might be the only real media experience via TV I care to be accountable for.

the rest? Paid TV Advertisements and that INCLUDES daytime FBN to match the evening Turkey Roaster - or wait, FBN has the - how to get rich on foreclosures !

yeah - kids- that's right - THIS is the way ! Follow the clown !

ugh!

Comment by greedom
Sep 19th, 2008 at 10:14 am

Rawlin's show as the only viable use of the airways ! heh

With exception of when Liz MacDonald takes the Helm from Neil. (All respect Neil, but somehow you can't keep the politics out of the politics, er, I mean, economy).

MacDonald takes FBN front desk ?

All of a sudden - it's a breath of fresh air- human interests FIRST - real people - dialog - you know ? no 'pressed' point of view, short of excellent questions - and the best answers you can find when people engage in dialog.

I bet ratings would SKY rocket if McDonald started a weekly Muriel show -

people would go - as I do - hey wait, this IS newscorp, this IS Fox, but wait, there is intelligence and compassion here ! My god - real people on TV - no way !

I don't support the irresponsible growth of Newscorp - it's also dangerous if anything goes wrong, again, even with Katrina, automated radio stations were useless- that's NOT my primary reason on why it's not good to have one big media megaphone - BUT - Murdoch IS wearing blinders to NOT realize MacDonald - My view - although not even SHOWN on the FBN 'crew' or is it 'cast' heh - I don't know, but I don't observe -okay, - ONE other person there- just one - remains being a person first, an intellectual - AND - a term I'll call simply a compassionate - not necessarily 'conservative' and besides, all this crazy spending spending spending, Sunday Sunday Sunday - conservative ? I think not - people calling themselves conservatives are lately more like Cult members - that I think everyone is getting to the point of wondering whether they should have access to the nuclear launch codes !

But - I'll say Charles is it Payne ? Paine ? Only other real person there - that I without doubt - know - goes to work with the REAL intent, competence - JUST to embrace the dialog.

Hmm… The Charles and Liz show,er heh, SOME name, I'll change my last suggestion on skeleton crew.

Just cut it down to Charles, and Liz - Bring in Muriel -

Unrealistic, but the markets are unrealistic.

So, I say bring in the 'real' people.

Comment by Ron Doss
Sep 19th, 2008 at 10:18 am

"Naked short-selling" is by its own definition, fraudulent, deceitful, felonious. It is tantamount to a realtor selling my house, autos/trucks, cattle, standing timber, lands…EVERYTHING I own. It seems, too, that the only nay-sayers are the short-sellers that won't be able to steal enuff–from ME– to pay for their Lamborghinis, their Park Avenue townhouses, and their houses in the Hamptons. Shame on them, on Wall Street, on YOU (if one of the nay-sayers), and on the SEC and the Banking Oversight Committee–who held hearings on whether some over-paid pseudo-athletes were taking performance enhancing sustances…while "Rome was burning"…

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