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My suggestion: Put Bernie Madoff in charge and let him sort it all out!

We have been told for months that big bonuses are needed to retain the "talented" people who created the very complex derivatives that turned into a black hole once Lehman blew up. These people are the only ones, we are told, who understand how to "unwind" (and keep making) these complicated Structured Investment Vehicles.

This goes right to the top, of course, with the control of all these trillions of dollars in backdoor, front-door and sideways bailouts/guarantees gifts/loans – whatever – completely in the control of a coterie of Goldman Sachs' finest. They use their savvy and keen insight into the depths of financial matters to shovel money into AIG so it passes through to Goldman Sachs!

Not just any garden variety financiers could think of so many good tricks for getting money (and leverage and other force-multipliers) into the pockets that matter.

So what I would like to suggest is that they quit fooling around and put Bernie Madoff in charge of the whole shebang. Turn the FED-Treasury over to Bernie. He knows what to do.

The stated goal of this whole exercise is equivalent to keeping a Ponzi scheme running through another round, delaying the collapse by taking in one more gluttonous feeding. They say want to reflate the price of houses! Paulson actually said in a videotapes speech that he would "Stop this correction" in house prices. The only real way to make houses "worth" their bubble-madness prices is to make the dollar worth correspondingly less. We are working on that (quantitative easing) but in the meantime, the fiction that the banks "assets" are not based on fictitious prices can only be kept via secrecy.

There is great motivation for the banks to pretend they're solvent. They get free money, like social security checks that keep coming as long as Grannie stays "alive." They won't get any more free money if they declare themselves dead.

So bring on the free money, YAY! – and then oops, we're very sorry but the re-inflation is unsustainable; the bankers crack-cocaine binge is over, and the taxpayers have the biggest hangover in financial history to show for it. Right? I mean, that's how these things end; the bigger we blow up the bubble the bigger the blast when it pops. So clearly, the way to deal with this inevitable crash is to delay it as long as possible.

Bernie proved that he could keep a multi-billion dollar Ponzi scheme going for YEARS.
He's financially sophisticated, with a track record that speaks for itself.

Bernie! He's our guy.