On Fri, 5 Dec 2008 02:41:01 −0500, "Ed Huntress"
<huntres23@xxxxxxxxxxxxx> wrote:

<snip>

George, we already know we're about to sink hundreds of billions into infrastructure projects, which will be inefficient because there's no market discipline to control them, but which most agree is a hell of a lot more productive than having people sit on their butts and collect unemployment while we wait for the cycle to bottom out and recover. Providing make−work for Detroit by having people build cars, even if the car makers can't restore competitiveness and profitability, is better than ripping the heart out of the upper Midwest and counting the bodies that bleed out and die.

<snip>

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You may be right on this.

After watching the two congressional hearings, [see other posting on urls to watch on your computer] it now appears the smartest move will be to provide 8−10 billion from TARP funds to get GM and Chrysler through the next 2 months until the new administration takes over, ==⇒with the understanding that the GAO/IRS/SEC goes over their books to determine the actual situation using FASB/GAAS accounting, and if possibly a quick law enforcement/IRS check to see if there has been any gross kickbacks<== [for our UK posters "hidden commissions"] and/or other flim−flam deals bleeding the companies by senior management.

Then, based on the GAO/IRS/SEC report, a firm data−based decision can be made to "rescue," or to place under "conservatorship" and orderly liquidate, one or more of the companies.

FWIW — this is begriming to smell more and more like a classic long−con "bust−out scam."

In any event the Directors of these corporations have considerable civil and quite likely criminal liability for their
gross negligence [and possible acquiescence] in allowing the situation to develop to this extent. Win, lose or draw on the bail-out, a criminal investigation of the corporate governance seems fully justified here.

Unka' George [George McDuffee]

He that will not apply new remedies,
must expect new evils:
for Time is the greatest innovator: and
if Time, of course, alter things to the worse,
and wisdom and counsel shall not alter them to the better,
what shall be the end?

Francis Bacon (1561–1626), English philosopher, essayist, statesman. Essays, "Of Innovations" (1597–1625).

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