

HANK GREENBERG

SORTA LIVEBLOG

For reasons I explained here, I'm not going to do a full liveblog of Hank Greenberg's appearance before Oversight today, though will keep half an eye on it. If you want to follow along, it's on CSPAN3 and this Committee stream (which I can't get to work).

Most interesting detail, thus far, is that Issa insisted that Greenberg's lawyer be sworn in, as well as Greenberg.

Greenberg's complaining that by nationalizing AIG, it chased employees away. He's saying it needs a new management team with experience in insurance (as if Edward Liddy doesn't have insurance experience), emphasizing that said management team needed an internationalist focus, bc that's what AIG is involved in. He's arguing too that the govt should just limit its ownership to 15% so that private investors will get involved. He did say that AIGFP should be walled off—that's a stance I suspect is smart.

Issa just asked Greenberg about the Ferguson case (involving Gen Re) in Connecticut, suggesting Greenberg was an unindicted co-conspirator. Greenberg's name is all over that, but his lawyer wants to claim he was never tied to that. Also, apparently Greenberg has received a Wells Notice from the SEC. His lawyer didn't explain what the Wells Notice pertained to.

Hank says to Kanjorski that he is a big fan of transparency. Issa takes that opportunity to introduce an SEC settlement showing that under Hank AIG was engaged in sham reinsurance schemes (this is the Gen Re thing).

Lynch: The Maiden Lane CDS "are in the toilet."

Hank: Maiden Lane III terrible deal for the taxpayer. Purchased at par, even though the marks on those CDOs way down.

Hank trying to assure Lynch that it was just

chance that they picked OTS as regulator, rather than someone tougher.

Patrick Kennedy just said he's going to submit a bill to repeal the repeal of Glass-Steagall!!!

Hank had several conversations with Baxter NYF President, and two conversations with Geithner.