

BERNANKE CONFIRMATION HEARING, TWO

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Nothing terribly exciting from Corker or Menendez. But Bailout Ben keeps talking about the stress tests as if they're something worth bragging of.

DeMint: We never bought one toxic asset and the entire banking system did not collapse. The precise we used to create TARP was never followed through on so it's difficult for me to believe we saved the economy.

Bernanke: To fix TBTF: tougher regulation, a resolution regime that will allow govt to wind down, allow creditors to take losses.

I guess Glass-Steagall isn't an issue.

Tester: Dodd's regulatory reform bill?

Bernanke: Disagree about Fed's role. Regulatory expertise and need to know.

Tester: Taking turf issue off table, does it address TBTF.

Bernanke: Not a turf issue.

Judd Gregg giving Bernanke a big smooch. Along the way he says, "You could be in a Dan Brown novel," trying to push back against suspicion of Fed.