



## Bailout—Same Song—Different Verse

Past generations have seen this all before. That is why for nearly three decades the ICBA has been warning that our financial system was becoming dangerously over concentrated, and that there would be ruinous consequences to pay—just as in earlier times. Now ICBA's warnings are reality—again.

The financial structure policies of several recent administrations, plus those of a very encouraging and accommodating Federal Reserve Board have led to the bailout of Bear Stearns. For nearly 30 years, national policymakers have allowed our financial system to become so concentrated at the top that it resembles the equivalent of European royal inbreeding—look beneath the skin and there is only one strain of financial DNA—every entity is related (directly or indirectly) to every other entity.

Who will pay for this mess? Community banks, small businesses and ultimately consumers and taxpayers in the form of higher operating costs, and much greater regulation (which falls hardest on community banks which least can handle it), and for consumers, higher fees and transaction costs. Ultimately, we will all pay for this mess.

While Wall Street is being accommodated by our Washington policymakers, and executive managers of the Wall Street firms that caused this train wreck are walking away with hundreds of millions of dollars in their own pockets, or are being allowed to hold on to their multi-million-dollar jobs, community bankers are struggling under new regulatory burdens, and are being harassed by overly zealous examiners taking out their frustrations on banks too small to fight back (unlike Wall Street mavens who get on their private jets and come meet with top Washington policymakers on a day's notice).

To say that the community banking industry is upset would be one of the great understatements of all time. When is enough, enough?! How many times must the community banker on Main Street bear the sins of Wall Street through more burdensome regulations and harsh exams before the policymakers "get it"?

The Wall Street banks and brokerage houses caused much of this financial chaos, but it is the community banks that will be rounded up and shot. Does this make sense? When do national financial policies become so counter productive that economic growth is harmed at the grass roots level?? Why are "all banks" being targeted, when just a handful of the largest Wall Street firms caused 95 percent of this mess?

I urge every community banker in America to call, write or e-mail your senators and representative. Tell them you are mad as hell and you are not going to take it anymore. Tell them to punish the Wall Street moguls that caused this mess, and to haul the federal regulatory officials whose accommodating policies allowed this all to happen before them and bring some accountability to our financial system.

Let's bring sanity back to our American financial system and stop allowing the creation of these behemoths that are too big to fail, too big to punish, too big to regulate, and too big to manage.

A handwritten signature in cursive script, appearing to read "Cam".

Camden R. Fine  
ICBA President and CEO