Geithner in 2008 Let Banks Decide About Libor

All of Treasury Secretary Tim Geithner's May 2008 proposals to the Bank of England, on what to do about flagrant Libor rigging by the biggest banks, came from the conspirator banks themselves.

When the New York Fed was forced to release documents on July 13, 2012, showing that its then-president Geithner had long known of the rigging of the Libor rate, it "featured" for the media his June 1, 2008 e-mail to Bank of England head Mervyn King, suggesting reforms. But none of Geithner's suggestions would have stopped the rigging of the rate. Moreover, when the Bank of England ignored them all, Geithner did nothing.

Most tellingly, *Huffington Post* columnist Ryan Grim established in a column July 16, using the Fed's own July 13 document-dump, that *every one* of the six recommendations Geithner sent King he had simply passed on from the Wall Street bankers whom he had consulted on Libor. Each of them appears identically, often word-for-word, in a May 20 New York Fed staff memo beginning, "A variety of changes aimed at enhancing Libor's credibility has been proposed by market participants [banks].... These proposed changes include, but are not limited to...."