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CEO passes the buck as Uncle Sam props Citi up

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Citigroup Inc. CEO Vikram Pandit snagged a \$300 billion bailout last Sunday, and by Wednesday, he was on "The Charlie Rose Show" wearing a crisp, blue suit with pinstripes so bold, you'd think one of his critics had painted them on to caricature him as a moneybags banker.

Don't blame him for the mess.

"If you start throwing everybody under the bus, we're going to need a very large bus," Pandit told Rose.

Suddenly, I am in favor of bailing out the Big Three automakers.

Pandit took no responsibility for Citi's near-collapse during the hour-long interview, blaming the market, the short-sellers, the economy, the foreclosure crisis, the credit crunch, a battle against declining confidence and the executives who ran Citi before him.

He often answered questions with questions and filled the airtime with needless nonsense and boring babble. Like this: "You know, Charlie, I guess clarity

is a hindsight issue, although we live life on a forward basis. And there is somebody who said that. I think it's an important expression."

Yes, because time doesn't always move forward, especially when Pandit is talking.

Asked if he had any regrets, Pandit responded: "It's been 11 months since I took over the company. I built a great team around me. Um"

Pandit replaced Charles Prince, who loaded the bank with toxic debt securities and then resigned with a king's ransom. Pandit already had made \$165 million for himself, cutting an \$800 million deal to stick Citi with his hedge fund, Old Lane Partners, which was so old and lame Citi had to close it in June.

Pandit, a former investment banker, was first recruited by Robert Rubin, who was Treasury secretary under President Clinton and remains on Citi's board.

As an adviser to President-elect Barack Obama, Rubin is still spinning the revolving door between Wall Street and Washington like a roulette wheel.

Unfortunately, few people in the flyover country understand the game.

"I can completely understand how people on Main Street, people who are not close to this industry, would be furious at what's happened," Pandit said. "Their housing prices are down. Their nest eggs are down, 401(k)s are down. Their college-saving plans are down. I mean, there is a lot that's going on."

Citi, meanwhile, is just another one of those companies that is too big to fail.

Does that mean it's too big to manage, Rose asked.

"It is definitely not a company that's too big to manage," Pandit declared. "It's a company that is being refocused on its uniqueness, a company where we're slimming down, we're simplifying, we're getting it more efficient and going back to our core purpose. And our core purpose is to be a bank. What does a bank do? . . . It helps people save. It loans money to people that need it."

In addition to offering that keen banking-industry insight, Pandit insisted that everything at Citi was fine. It was just those toxic debt securities in the basement.

"Well, some of them are toxic, some of them are good," Pandit said. "There is just too many of them. And there has to be a plan to clean out these assets."

What Washington did for Citi was simply to provide an insurance plan.

"When your risks are that large, you can't go to Aetna," Pandit said. "You have to go to the U.S. government."

Everything will be fine now that U.S. taxpayers are insuring the risks Citi's fearless leaders were rewarded to take.

"We're in 109 institutions around the world," Pandit boasted. "We bring the world to our clients, and we bring our clients to the world. We're helping the world globalize."

And the wheels on the bus go round and round.

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