

HOLDER WANTS TO STOP PLAYING MUKASEY'S WHACK-A- MOLE WITH FINANCIAL FRAUD

Last June, at a time when it was clear the shitpile was a big fraud but before the perpetrators had destroyed the evidence, Michael Mukasey decided he'd rather play whack-a-mole with financial crime than pursuing it at a national level.

For some reason, Michael Mukasey doesn't want to investigate and prosecute mortgage fraud using a comprehensive, centralized approach.

Attorney General Michael B. Mukasey rejected on Thursday the idea of creating a national task force to combat the country's mortgage fraud crisis, calling the problem a localized one akin to "white-collar street crimes."

Mr. Mukasey made clear that he saw the mortgage fraud problem at the root of the nation's housing crisis as a serious one. But he said he was confident that the Justice Department's current approach – using local prosecutors' offices around the country to oversee separate F.B.I. investigations – was adequate.

Eric Holder doesn't think that was such a good idea (via TPM).

Mr. Holder said the Justice Department is planning a new initiative to bring

together federal and state prosecutors in combating financial fraud and white-collar crime.

"We will be working with them to come up with a way to deal with these fraud problems and white-collar problems. The federal government can't do this alone," Mr. Holder said.

[snip]

One change is likely to involve a task force on financial crime, akin to one that was organized during the Bush administration following the collapse of Enron Corp.

Mr. Holder's predecessor in the Bush administration, Michael Mukasey, was disinclined generally to set up task forces because he thought they could be inefficient. He studied the idea of a national task force to focus on fraud and the mortgage crisis but decided against it because he said the crisis differed in various parts of the country.

Mr. Holder disagreed on the effectiveness of a national strategy and said an official announcement would be coming soon. "Based on my experience, I know that task forces work," he said, adding that state prosecutors have expertise on financial fraud that could benefit the federal government.

Gosh. What a novel idea. Investigating the "too big to fail" criminals at a level that's almost as big as the crime.

And perhaps someday we'll learn why Mukasey was so disinclined to focus federal attention on the shitpile just as it was about to collapse.