

Suspect 'profits' from Tarp funds

Published: April 12 2010 03:00 | Last updated: April 12 2010 03:00

From Mr Christopher Whalen.

Sir, your headline "[Treasury return on Tarp funds climbs to \\$10bn](#)" (April 6) suggests that the US Treasury is making money on the troubled asset relief programme's support for banks.

Such reckoning, at a time of zero interest rates and quantitative easing, seems suspect.

Shall we not first subtract the value destruction of lengthening the duration of the credit adjustment process to suit the convenience of the bankers and their political masters? If I were Treasury Secretary Tim Geithner, I would subtract the losses to the Federal Deposit Insurance Corporation and private investors in banks to date before declaring victory, especially with credit loss rates still rising. But, to recall Mark Twain, then I'd be an idiot.

Christopher Whalen,
Croton-on-Hudson, NY, US

[Copyright](#) The Financial Times Limited 2010.