



Written by [Thomas R. Eddlem](#) on April 21, 2009

20 Criminal Investigations for TARP Bailout

Barofsky arrived at the \$300 billion figure by assuming that fraud could consume 10 percent of the [\\$2.97 trillion of federal liability](#) that the program has leveraged from the original \$700 billion bill. "Citing that most government programs lose approximately 10 percent to fraud," [ABC News said](#) Barofsky "noted that such a loss in this case would equal \$300 billion."



Congress passed the [TARP bill](#) last October, in the waning days of the Bush administration. Therefore, look for President Obama to take little responsibility for the expenditures, even though Senator [Obama voted for the bill](#).

Barofsky said that the federal give-aways of vast sums of money are tailor-made for fraud: "The idea of price collusion and conflicts of interest and the private fund managers engaging in practices to drive up prices for these assets for their own benefit at the taxpayers' expense are very, very real concerns," Barofsky [told ABC News](#). "It's a great inherent danger in these programs that needs to be addressed."

The issue should have been addressed back in October, before Congress passed this "bailout for millionaires" program. And the best way to have addressed it would have been not to establish TARP, in which case no money could have been wasted on the program.

AP Images: Photo of Neil Barofsky



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