

THE WALL STREET JOURNAL. Digital Network WSJ.com MarketWatch BARRON'S All Things Digital. FINS SmartMoney More ▾ News, Quotes, Companies, Videos SEARCH

Friday, April 23, 2010 As of 11:22 AM EDT

THE WALL STREET JOURNAL. BUSINESS Welcome, Timothy D. Naegele Logout My Account My Journal Help

U.S. Edition Today's Paper Video Blogs Journal Community

Home World U.S. Business Markets Tech Personal Finance Life & Style Opinion Careers Real Estate Small Business

Asia Europe Earnings Economy Health Law Autos Management Media & Marketing More Industries Columns & Blogs

TOP STORIES IN Business

1 of 10 Galleon Probe Turns to Goldman, Buffet...

2 of 10 Lehman Estate Seeks to Undo Nomura Cl...

3 of 10 Ford Recalls 33,256 Vehicles

FDA Plan Of Drug-

BUSINESS | APRIL 23, 2010, 11:22 A.M. ET

# A Scolding for Wall Street Honchos

Article

Video

Comments (23)

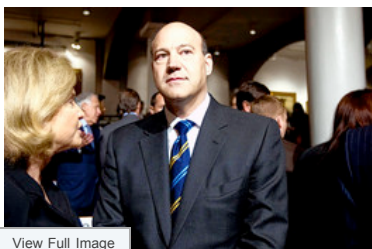
MORE IN BUSINESS »

Email Print Save This Like 8 + More Text

By JOE BEL BRUNO And MARY PILON

NEW YORK—Wall Street executives typically react with irritation to Washington tongue-lashings. But Thursday, after President Barack Obama urged them to stop opposing his sweeping regulatory revamp, they appeared mostly resigned that the rules are going to change.

Bank of America Corp. Chief Risk Officer Bruce Thompson, who attended the gathering at Manhattan's Cooper Union, said the Charlotte, N.C., bank didn't take offense when Mr. Obama made a reference to "companies working against the bill," saying: "I did not consider us to be in that category because we've tried to be part of the solution."



Goldman Sachs President Gary Cohn following the speech Thursday.

Tim Ryan, chief executive of the Securities Industry and Financial Markets Association, a Wall Street trade group, said he wanted to work with Congress, urging lawmakers to "move past partisan politics and focus on the substantive issues that are critical to get right."

Goldman Sachs Group Inc. Chief Executive Lloyd Blankfein and his second in command, Goldman President Gary Cohn, sat in the third row. New York Mayor Michael Bloomberg was nearby. Other executives, politicians and labor leaders filled out the

audience.

When Mr. Obama blamed "a failure of responsibility" for the financial crisis and attacked banking lobbyists for fighting his proposals, the audience broke into applause. Mr. Blankfein had his head cocked to the right and held a pen to the corner of his mouth. Mr. Cohn rubbed his eyes.

Video: Obama: Need for New Foundation

## Journal Community

Among the audience members was Jann Wenner, founder and publisher of Rolling Stone magazine, which published the 2009 scathing critique of the investment bank, which its author called a "great vampire squid wrapped around the face of humanity." Mr. Wenner briefly spoke with Mr. Blankfein before the speech, a spokesperson for the media mogul confirms. It was the first time the two had met.

Both Goldman executives quietly commented

Clear, easy-to-understand Just what you asked for.

Learn more. ▶

CLICK HERE for Full Article Access — and get

**TWO WEEKS FREE**

UPGRADE NOW

WSJ.com subscribers enjoy:

- Deeper core business, industry, and market news
- Exclusive newsletters and alerts
- Save & share article functionality within the Journal Community

## People Who Viewed This Also Viewed...

On WSJ.com In My Network

- Finance Bill Climax Looms
- A Wall Street Ally Balances Loyalties
- Military, Car Dealers Clash Over Rules
- Democrats Gear Up for High-Court Fight
- Obama to Keep Goldman Funds

## Video >

The Week Ahead MarketWatch

Europe's Week Ahead: Oil Majors, Telecoms In Focus 3:07

News Hub: Will Disney Ditch ABC? 1:59

News Hub: Greece Requests \$60B Bailout 3:02

More

- [Climax Looms for Finance Bill](#)
- [A Wall Street Ally Balances Loyalties](#)
- [New Front in Battle on Financial Rules](#)
- [Reaction From Trading Floors, Executive Suites](#)
- [Obama's 2010 speech vs. 2008 speech](#)
- [Full text of Obama's speech](#)

to one another when Mr. Obama used the phrase "financial weapons of mass destruction," first coined by billionaire investor Warren Buffet.

Mr. Blankfein's firm is fighting a civil-fraud suit filed by the Securities and Exchange Commission, accusing the bank of improper actions in connection with a mortgage-securities deal. The Goldman duo made a

quick getaway after the speech. Mr. Cohn declined to comment when asked for his thoughts.

Everyone in the room, and many financial-industry workers who watched the speech on televisions or computer screens in their offices, knew the leaders of Wall Street's big banks had serious reservations about the financial-regulation package, which would bring new scrutiny, costs and limitations to their businesses.

But after the speech, many expressed their opposition only privately.

"These certainly look like scare tactics to me, a warning that either Wall Street is with the Obama administration or against it," muttered one senior banker. "No CEO in their right mind is going to come out against whatever the president says, and I think this will play out all behind the scenes in Washington."

Because Mr. Obama was a guest in Wall Street's backyard, and because the legislation appears set to pass, his hosts opted to be polite, or not show up. Bank of America Corp. CEO Brian Moynihan was away from New York with "some long-planned other activities" and so could not make it to the speech, a spokesman said. J.P. Morgan Chase & Co. CEO James Dimon, a Democrat who has grown frustrated with Washington, also didn't attend due to a previous commitment in Chicago.

"I think it was a very forceful speech that laid out the president's thoughts quite clearly," said Nasdaq OMX Group Inc. Chief Executive Officer Robert Greifeld. "Hopefully, Congress can work in a meaningful way to push a bill forward."

White House press secretary Robert Gibbs said the speech was not aimed at Wall Street chief executives, but at a broader audience.

Outside the auditorium long after Mr. Obama left, hundreds of students and onlookers milled around in front of television crews. One man, holding a Chinese flag and a painting of Argentine revolutionary Ernesto "Che" Guevara, screamed at the crowd about the "evil, evil Goldman Sachs."

Michael R. Long, chairman of the Conservative Party of New York State, criticized Mr. Obama's financial-services proposals in front of a large sign that said "The Great Chicago Bank Heist Of The 21st Century."

Traders filing in and out of the New York Stock Exchange floor said that all the TV screens there were tuned to Mr. Obama's address.

"We have no choice but to watch it," one trader said. "Obama wants more regulation, but it's already hard enough in this market. People don't understand Wall Street...We're all being punished for mistakes made down the street," he said, gesturing toward the headquarters of Goldman Sachs Group Inc.

Write to Joe Bel Bruno at [joe.belbruno@wsj.com](mailto:joe.belbruno@wsj.com) and Mary Pilon at [mary.pilon@wsj.com](mailto:mary.pilon@wsj.com)

MORE IN BUSINESS »

- Email
- Printer Friendly
- Order Reprints

Like 8 people like this.

- Share: Facebook, Twitter, LinkedIn, etc.

More in Business

- [Galleon Probe Turns to Goldman, Buffett Deal](#)
- [Lehman Estate Seeks to Undo Nomura Claims](#)
- [Ford Recalls 33,256 Vehicles](#)
- [China Firm to Fight Microsoft](#)
- [Xerox Reports Sales Jump](#)

Most Popular >

- Read
- Emailed
- Video
- Commented

1. [Opinion: Rush Limbaugh: Liberals and the Violence Card](#)
2. [Bill Gates Rethinks His War on Polio](#)
3. [Seven Reasons Apple Shareholders Should Be Cautious](#)
4. [Shorting Leather](#)
5. [Opinion: Strassel: The Real Republican Civil War](#)

Most Read Articles Feed

Latest Headlines

- [Air Force Space Plane Is Launched](#)
- [Coast Guard: Rig Not Leaking Oil](#)
- [Obama Assails Arizona Immigration Bill](#)
- [Obama Stands Behind Drilling Plan](#)
- [Climax Looms on Finance Bill](#)
- [Cab Driver Pleads Guilty in Subway Bomb Plot](#)
- [Chemical Terror Focus Gets Scrutiny](#)
- [A Wall Street Ally Balances Loyalties](#)
- [Workers Feared Dead as Gulf Rig Sinks](#)
- [Blagojevich Seeks Witness: Obama](#)

More Headlines

SPONSORED LINKS

**Hot Stock Pick - NACF**

Green Energy Clean Fuels Profit From Renewable Energy.  
[www.NationalCleanFuels.com](http://www.NationalCleanFuels.com)

**Microsoft Sharepoint®**

Share, Access, and Improve Workflow Through One Location. Learn More.  
[Microsoft.com/EverybodysBusiness](http://Microsoft.com/EverybodysBusiness)

**Super Hot Stock Alerts**

Penny Stocks Ready to Run. Huge Gains! #1 Newsletter. Free Join Now.  
[www.WallStreetsHottestStocks.com](http://www.WallStreetsHottestStocks.com)

**Add a Comment**

JOURNAL COMMUNITY

We welcome your thoughtful comments. Please comply with our **Community rules**.  
All comments will display your real name.

Track replies to my comment

[Go to Comments tab](#)

CLEAR

POST

**Read More**

Powered by one spot

**Related Searches:** [Goldman Sachs](#), [Barack Obama](#), [Conservative Party of New York State](#), [Wall Street](#)

**Related Stories**

The Wall Street Journal.

**Obama to Keep Goldman Funds** 4/22

The Wall Street Journal Blogs

**Who on Wall Street Is Attending Obama's Speech?** 4/22

The Wall Street Journal Blogs

**Obama Goes Soft on Wall Street at Cooper Union** 4/22

The Wall Street Journal Blogs

**Obama's Wall Street Speech: The List** 4/22

The Wall Street Journal Blogs

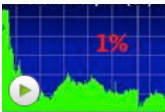
**Deals of the Day: Will Goldman Settle? An Argument for Yes** 4/22

**More Videos**



**News Hub: A New Palace for Goldman Sachs**

<http://www.marketwatch.com>



**Hot Stocks: Goldman Slips Further**

<http://www.marketwatch.com>

**More:** [Subpoena Suggests Obama Advised Blagojevich](#) • [Obama's Pressure on Financial Overhaul](#)

Powered by **TRUVEO**

**Business Stories From The WSJ Digital Network**

ADVERTISEMENT

The Wall Street Journal.

**Xerox Reports Sales Jump** 4/23

The Wall Street Journal.

**China Firm to Fight Microsoft** 4/23

The Wall Street Journal.

**Galleon Probe Turns to Goldman, Buffett Deal** 4/23

The Wall Street Journal.

The Wall Street Journal.  
Filing Favors J.P. Morgan's WaMu Bid 4/22



Wusthof Gourmet 14-piece  
Deluxe Knife Set  
\$1,360.00 \$189.99

CLICK HERE for Full Article Access - and get

**TWO WEEKS FREE**

**UPGRADE NOW**

WSJ.com subscribers enjoy:

- Deeper core business, industry and market news
- Exclusive newsletters and alerts
- Save & share article functionality within the Journal Community

Editors' Picks



Anna Wintour on the Web, Vogue's Future, and the iPad



The High Cost of Raw Materials



A Wall Street Ally Balances Loyalties



Gatorade, Before and After



Only Action Clichés Win in 'The Losers'

THE WALL STREET JOURNAL.

BACK TO TOP ▲

WSJ.com Account:

- My Account
- Subscriber Billing Info

Create an Account:

- Register for Free
- Subscribe Now

Help & Information Center:

- Help
- Customer Service
- Contact Us
- New on WSJ.com
- Tour the new Journal

About:

- News Licensing
- Advertising
- Advertise Locally
- Conferences
- About Dow Jones
- Privacy Policy - Updated
- Subscriber Agreement & Terms of Use - Updated
- Copyright Policy
- Jobs at WSJ.com

WSJ.com:

- Site Map
- Home
- World
- U.S.
- Business
- Markets
- Market Data
- Tech
- Personal Finance
- Life & Style
- Opinion
- Autos
- Careers
- Real Estate
- Small Business
- Corrections

Tools & Formats:

- Today's Paper
- Video Center
- Graphics
- Columns
- Blogs
- Topics
- Guides
- Alerts
- Newsletters
- Mobile
- Podcasts
- RSS Feeds
- Journal Community
- WSJ on Twitter
- WSJ on Facebook
- My Journal
- Portfolio

THE WALL STREET JOURNAL.  
Digital Network

- WSJ.com
- Marketwatch.com
- Barrons.com
- SmartMoney.com
- AllThingsD.com
- FINS.com
- FiLife.com
- BigCharts.com
- Virtual Stock Exchange
- WSJ U.S. Edition
- WSJ Asia Edition
- WSJ Europe Edition
- WSJ India Page
- Foreign Language Editions:
  - WSJ Chinese
  - WSJ Japanese
  - WSJ Portuguese
  - WSJ Spanish



Copyright ©2010 Dow Jones & Company, Inc. All Rights Reserved