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## Inglis less favorable to financing banks

Congressman says \$700B rescue has 'substantially lessened' risks

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U.S. Rep. Bob Inglis said he expects Congress will be asked to supply more money to rescue failing banks, but he's not inclined to provide it this time.

"It's clear that somebody has to feel the pain here, and the question is whether it's going to be the bank shareholders or the taxpayer, and in that contest I'm inclined to have the bank shareholders feel the pain more than the taxpayers," Inglis said Wednesday.

He made the remarks immediately following a roundtable discussion with local economists, bankers and financial advisers on the causes of and remedies for the financial crisis.

Inglis, a Republican from Greenville County, said he thinks weakness in the financial system isn't as dire now as it was in October, when he voted to make \$700 billion available to rescue big banks and other financial institutions.

Providing the money has "substantially lessened" the risk of a financial collapse, Inglis said, and now he sees as "suspect" the idea of spending more taxpayer money to rescue banks. Still, he stopped short of ruling it out.

"I think it's looking less and less like a systemic problem now and more and more like an individual bank problem," Inglis said.

Inglis said he convened the forum on the Greenville campus of Fluor Corp. to gather input. Among those speaking out during the discussion were Art Seaver, chief executive of Greenville First Bank, and Darrell Parker, dean of the Johnson College of Business and Economics at the University of South Carolina Upstate.

The key speaker was Susan Schmidt Bies, an economist who sat with Alan Greenspan and Ben Bernanke on the Federal Reserve Board of Governors before retiring to Greenville County. She advocates allowing troubled banks to fail under the watchful eye of government regulators.

"I don't think it's so bad if we lose a few of these big guys or break them up into pieces," Bies told about 25 people at the forum.

Inglis said he's consulted with Bies several times on the phone and also over dinner at his Travelers Rest home. The congressman said he also sought the advice of economists in Washington, and at Furman University, Clemson University, Wofford College and USC Upstate before convening the roundtable discussion.

Others at the event included David Barnett, chief executive of Pinnacle Bank; Frank Whetmore, senior vice president for Carolina First Bank; Scott Evans, Upstate president for Branch Banking & Trust Co. (BB&T); and Camp Wynn, a certified financial adviser with Colonial Trust Co.