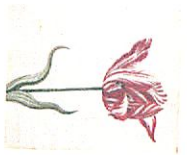


Stickman's



Extraordinary Popular Delusions... ...and the Madness of Crowds

"Sober nations have all at once become desperate gamblers, and risked almost their existence upon the turn of a piece of paper...Men, it has been well said, think in herds; it will be seen that they go mad in herds, while they only recover their senses slowly, and one by one." -Charles Mackay 1841

Episode #8: Liberals finally agree with Dick Armey on something. Hank Paulson's really stupid interview with Bloomberg after biggest financial flip-flop in history

Quote of the Day: *"Paulson's very public and frantic panic of a few short weeks ago, along with his current state of bewilderment and indecisiveness, is most likely the single greatest explanation for the persistent doldrums in the markets," said Richard Armey, 60, the former House Republican leader*

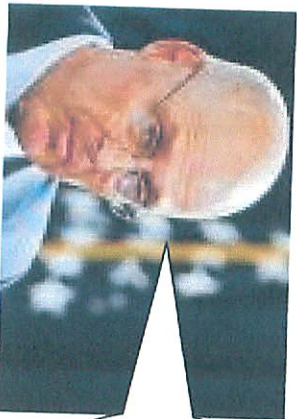


Houston, we have a problem!

EARTH TO HANK



WOULDN'T THAT MAKE IT... AH ... A BAD PLAN?



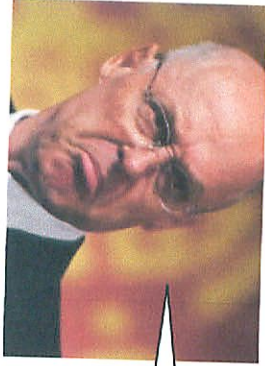
The original plan was a good plan. What changed was our understanding of the magnitude of the problem.



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I will never apologize for changing a strategy or an approach never if the facts change,

I'M NOT SURE THE FACTS CHANGED. MAYBE YOU DIDN'T HAVE THE FACTS?



WHY IS THE ONLY NUMBER WE HEAR ABOUT CREDIT DEFAULT SWAPS ~~5~~ \$60 TRILLION? - CAN SOME ONE SAY SOMETHING ELSE A LITTLE LESS SCARY?

There are known knowns: there are things we know we know. We also know there are known unknowns: that is to say we know there are some things we do not know. But there are also unknown unknowns -- the ones we don't know we don't know."

CAPITALISM IS ABOUT MAKING DECISIONS UNDER CONDITIONS OF UNCERTAINTY, SOMETIMES CONDITIONS OF EXTREME UNCERTAINTY. WE HAVE LOTS OF DATA. WE NEED TO TURN DATA INTO INFORMATION - INCLUDING INFORMATION THAT WE HAVE NO ~~THE~~ INFORMATION