

courant.com/hc-ctstan0625.artjun25,0,2390120.column

Courant.com

Dodd Deserves Financial Scrutiny

Stan Simpson

June 25, 2008

When Christopher Dodd is in the room, it's a rare occasion when he's not one of the smartest people there.

But Connecticut's senior senator has been on the defensive in recent days, fending off questions about his stupidity. In getting himself in a cozy relationship with Countrywide Financial Corp., one of the banks he regulates as chairman of the Senate Banking Committee, Dodd's integrity is being questioned. And he's probably blown any chance of ascending to a cabinet post if Barack Obama is elected president.



The ongoing flap comes a week after Gov. M. Jodi Rell signed landmark bills on ethics and on subprime mortgages — the two issues that now dog Dodd. The senator was in D.C. Tuesday pushing a housing bill that critics say is more a bailout for banks than for consumers snared in the foreclosure mess.

Dodd's dealings with Countrywide — one of the contributors to the foreclosure crisis — indeed have the whiff of impropriety and the perception that he got special considerations because he was an influential senator.

Countrywide gave Dodd VIP status and a 10-year mortgage at 4.5 percent in 2003. Points and other fees were waived.

Hey, I've got good credit too. No one volunteered to waive my closing costs and reduce my rates. Next time, I'll ask.

For the last 20 years, Dodd has been the No. 1 recipient of Countrywide's campaign contributions, netting a modest \$25,000 over that time.

Citigroup Inc. has given Dodd more than \$400,000 throughout his career.

Time for a new rule: If you're on the banking committee, particularly if you're the chairman, you are prohibited from taking campaign money from the companies that you regulate — no matter how small the amount.

Yeah, the political will isn't there to do it, but when you can take cash from folks whose bottom line you can influence, that is asking for trouble.

One independent mortgage broker I spoke with said Dodd's housing bill is more favorable to banks than brokers — and gives more voice to bankers than consumer advocates.

Chris Dodd has a good name and reputation. But he is rightfully under the microscope for his financial dealings.

"It seems all too many politicians don't take appropriate care to think of how their position may be advantaging them in day-to-day things that other people take for granted," said Paul Petterson, chairman of Central Connecticut State University's political science department. "It may have never even crossed his mind to look with extra care with things like applying for a mortgage."

Bill McCue owns his own mortgage company and has known the Dodd family for years. His dad and Dodd's dad were close and both graduated from law school in 1932.

McCue's got sympathy for Dodd. "Anyone that has a mortgage has got to go to somebody," he said. McCue agrees that a ban on campaign donations from banks to banking committee members is a reasonable step but cautions that financiers would still wield enormous influence on the Hill because they have the bucks to spread around.

We're really talking about common sense here.

State Treasurer Denise Nappier doesn't take campaign donations from investment firm employees under any circumstances. Of course, she had that little incentive of seeing her predecessor go to jail for corruption.

No one is saying Dodd is corrupt — just that his actions are dubious.

And he should know better.

Stan Simpson's column appears on Wednesdays and Saturdays. He can be heard live Saturday on WTIC NewsTalk 1080 from 5:30 a.m. to 10 a.m.

Copyright © 2008, [The Hartford Courant](#)