

POSTAPOCALYPTIC WALL STREET

**A NEW FINANCIAL WORLD EMERGES FROM THE WRECKAGE.
BY JESSICA PRESSLER AND BESS LEVIN**

IT WASN'T *actually* the Apocalypse. But the near collapse of the world financial system in the fall of 2008 was biblical. Institutions were felled. Expectations were defied. Leaders were exposed as charlatans, megalomaniacs, or incompetents. Trusted figures like Alan Greenspan, whose wisdom was thought to be infallible, were revealed, like the Wizard of Oz, to be mere little old men. The haunting sight of the most powerful people in the world staring into the abyss and asking, "What do we do now?" was something that no

one wanted ever to see again. The first step to prevent a recurrence was simply to banish those who had a role in causing the crisis (unless they were needed to help unravel the complex problems they helped create). But who would replace them? For now, it seems, power has gone to those who grabbed it. For those of us sitting on the sidelines, the gaudy spectacle of this upheaval has been both horrifying and strangely entertaining, like watching a dystopian fantasy directed by Mel Brooks. Too bad it's, you know, real.



FLOCK OF VULTURES

When the carnage began, they swooped down to reap their rewards.

Larry Fink
\$41.9 million in 2007.

David Tepper
\$4 billion in 2009.

Phil Falcone
\$825 million in 2009.

George Soros
\$3.3 billion in 2009.

John Paulson
\$2.3 billion in 2009.

Steve Eisman
\$100 million+ in 2008.

BLOATED BEASTS

Now they're really too big to fail.



Jamie Dimon

JPMorgan Chase
swallowed Washington Mutual, Bear Stearns.

Bank of America
swallowed Merrill Lynch.

Lloyd Blankfein

Goldman Sachs

Goldman Sachs
may not have acquired anyone, but you could make the case that their egos grew.

Bank of America
swallowed Merrill Lynch.

Wells Fargo
swallowed Wachovia.

Vikram Pandit's Zombie Bank

After paring down its balance sheet, ailing financial supermarket Citigroup has a little more color in its checks. But it still has \$480 billion in toxic assets ...



Radioactive Tim Geithner

Geithner was once highly respected, but that changed when he became Treasury secretary. Now:

The president makes jokes about people pissing on him ("The last thing Tim Geithner needs is someone else treating him like a fire hydrant").

He can't sell his house.

No one believes he never worked for Goldman Sachs.

And he's dogged by rumors he is about to be replaced by Jamie Dimon, Michael Bloomberg, or anyone who shows the faintest interest in the position.

Alan Schwartz
FROM: Bear Stearns
CEO
TO: Guggenheim Partners

Robert Rubin
FROM: Citigroup
TO: Centerview Partners

Richard Fuld
FROM: Lehman Brothers
CEO
TO: Matrix Advisers

Jeff Peek
FROM: CIT Group
CEO
TO: Barclays

John Thain
FROM: Merrill Lynch
CEO
TO: CEO of CIT Group

Chuck Prince
FROM: Citigroup
CEO
TO: Albright Stonebridge Group

HARD TO KILL

Helping bring the financial system to the brink doesn't disqualify you from a career on Wall Street.

Martin Sullivan
FROM: AIG
CEO
TO: Willis Group

HAROLD SUND/GETTY IMAGES/GUN PACK ORLAND; RANDEL MONAGHAN/OKRAWIBLOOMBERG/GETTY IMAGES (DIMON); MIKE TIMO/GETTY IMAGES (GEITHNER); JONAS/REUTERS (LLOYD); PAUL B. MOORE/SHUTTERSTOCK (MONSTER); ZLONIG/SHUTTERSTOCK (MONSTER); TIM SHERIDAN/GETTY IMAGES (BODY CLIMBING); ANDREAS MEYER/SHUTTERSTOCK (MONSTER); NIGEL DENNIS/GETTY IMAGES (SWOOPING VULTURES); GETTY IMAGES (FLOCK); JEFFREY MATHIAS/REUTERS (VULTURE); HANNAH BEAUNY/COBAS (TEPPER); PATRICK McMULLAN (SOROS); HART, SULLIVAN, RUBIN, AND PRINCE); RICK SULLIVAN/REUTERS (ZOMBIE BANK); PAUL SOND/SHUTTERSTOCK (ZOMBIE BANK); (FIRE BODY); RICHARD CLEMENT/SHUTTERSTOCK (ZOMBIE BODY); REDMOND DURRELL/ALAMY (ROACHES)

Illustration by Gluekit

THE NEW NORMAL

Palatial Digs

UP IN SMOKE: Ousted Citigroup exec Todd Thomson's "Todd Mahal."
ON FIRE: The Guccione mansion, now home to Philip and Lisa Maria Falcone.



Watering Hole

UP IN SMOKE: Bottle service at Tenjune.
ON FIRE: Metro-North bar car.

Statement Art

UP IN SMOKE: Damien Hirst.
ON FIRE: Julie Mehretu.



Place to Be Seen

UP IN SMOKE: Reality TV's *Wall Street Warriors*.
ON FIRE: Flying commercial.



Mode of Transportation

UP IN SMOKE: European car with vanity plates.
ON FIRE: Honda Pilot.

Hired Help

UP IN SMOKE: Umbrella carriers.
ON FIRE: Restructuring gurus.

**THE GOLD
DIGGER'S GUIDE
TO THE
NEXT TEN YEARS**

Just because you marry someone in finance doesn't mean you're going to get rich. Every decade or so, the moneymakers change along with the market. Plan accordingly.
1970s: Stockbrokers.
1980s: Bond salesmen.
1990s: Investment bankers; private equity.
2000s: Hedge-fund managers.
2010s: Tech venture capitalists.



**CHRONICLERS
OF THE CHAOS**

They crawled into the innards of the industry to bring us stories of Wall Street recklessness and greed. Some never emerged.

Andrew Ross Sorkin
Too Big to Fail transformed the *Times* reporter into a player in his own right.

Michael Lewis
The Big Short was his first big Wall Street tome since *Liar's Poker*.

Matt Taibbi
His coining of the term *vampire squid* was credited with starting a populist backlash against Goldman.



BLOODSUCKERS

Manhattan is full of people enjoying the spoils of the crisis. "We're talking thousands and thousands of billable hours," says a Deloitte employee. "Everyone's seeing dollar signs." Fees from Lehman Brothers' bankruptcy alone have reached \$1 billion.



Sullivan & Cromwell partner **H. Rodgin Cohen** worked on seventeen financial deals in just six months in 2008. "Every time I looked up, it seemed like Rodge was in the room," said former Treasury secretary Henry Paulson.

GOLDBUGS

Long the province of wack jobs and survivalists, the "true currency" has become more fashionable.

John Paulson
\$6.8 billion in gold.

Eric Mindich
\$1 billion.

George Soros
\$880 million.

David Einhorn
\$133 million.



As the chief executive of a global bank said to me, knocking back a shot of vodka...

ORACLES

These people saw the dire future before it happened—or they got lucky.

Nouriel Roubini
Dr. Doom predicted the housing market would collapse.

Meredith Whitney
Oppenheimer analyst called out Citigroup as an emperor with no clothes.

Nassim Taleb
Black Swan author lucked out when *Black Swan* Event actually happened.

James Grant
Bow-tied bear finally vindicated when bubble popped.



Erin Callan
Former Lehman Brothers CFO; now a regular at spin classes in the Hamptons.

Jimmy Cayne
Former Bear Stearns CEO.

Jim Simons
Renaissance Technologies founder.

Jon Winkelried
Former Goldman Sachs COO; now running a horse ranch in Colorado.

MICHAEL SKOGLUND/GETTY IMAGES (RED BACKGROUND); THE SWIDERSKI INSTITUTE/GETTY IMAGES (RUBBLE); GETTY IMAGES (SMOKE, DEMOLISHED BUILDING, POT OF GOLD, GEMMINGS); DANIEL HURST/NEWSCOM (BRIEFCASE); SHUTTERSTOCK (PRICE TAG); RICK MAIMAN/BLOOMBERG/GETTY (PAULSON); ALAMY (HUGGING ARMS); GETTY IMAGES (ORACLE, DEMOLISHED BUILDING, WOMAN ON BIKE, FOLDED ARMS, AND WATER'S BODY); MARK HORN/GETTY IMAGES (RUBBLE); NELSON CHING/BLOOMBERG/GETTY IMAGES (ROUBINI); MIKE BLOOMBERG/GETTY IMAGES (MANTLE); SPINART/ARTTHUR SAMBERG; STEVE COLE/GETTY IMAGES (BODY RUNNING WITH BRIEFCASE UNDER ARM); LIONEL ROY/AVANTURE/GETTY IMAGES (DEEP); CHRIS HONDROS/GETTY IMAGES (CUOMO); CHRIS CLINTON/GETTY IMAGES (CUOMO'S BODY); JEFF MALE/NEWSCOM (WATERS); BILL CLARK/GETTY (LEVIN); GREGORY COSTANZO/GETTY IMAGES (LEVIN'S BODY)

THE ANGRY MOB



"Paying executives at Merrill millions each in 'performance' bonuses in this context would be oxymoronic, to say the least."

Andrew Cuomo

"Let me just say to the captains of the universe who are sitting here before us ... All my political life, I have been in disagreement with the banking and financial-services community."

Representative Maxine Waters

"You knew it was a shitty deal!"

Senator Carl Levin
to a Goldman Sachs executive

FLEEING THE SCENE

Arthur Samberg
Former chairman of Pequot Capital.

Stanley Druckenmiller
Duquesne Capital founder.

Stanley O'Neal
Former CEO of Merrill Lynch.

