

ES129096

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March 7, 2009

Chairman Mary Shapiro
Securities and Exchange Commission
100 F Street NE
Washington DC 20549

RE: Two Things that Must Be Done to Help the Economy and Save the Markets

1) Restore the up-tick rule regarding short sales of stock. Former SEC Chairman Cox's decision to repeal the rule (put in place after the 1907 Panic) has allowed hedge funds and short sellers to profit while they destroy companies, ruin retail investors and hurt the economy as a whole. Naked short selling should be banned altogether.

I have noticed that analysts and investors, including Warren Buffet, have been demanding the restoration of the up-tick rule for months now. Why don't I see even a discussion of this by the Obama administration?

2) Regulate the hedge funds. These funds, part bandit and part shadow bank, have done as much harm as anything to the U.S. economy. These funds manipulate the markets and rob retail stock and bond investors. The income of their managers, taxed at 15%, are scandalous. John Paulson, of the Paulson Hedge Fund, earned \$3.5 Billion in 2007. Those billions were his *personal* income. That money didn't come from nowhere -- it came from someplace, maybe my pension fund, which has lost 40% of its value. My personal lifetime retirement savings are down 50% -- at age 67 I don't have a prayer of recovering even a small part of that. Much of the blame for that rests on the greed and market manipulation of unregulated hedge funds.

Sincerely,



Robert B. Goodsell

P.S. For the first ever, I have read in commentaries in the *New York Times* and the *Wall Street Journal* warnings of social unrest. Hooverville-style tent cities are beginning to appear. **The quasi-criminals in the financial industry must be stopped.**