

# The New York Times

## Links to Wall St. Become Liability in Primary Races

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Published: September 7, 2010

When she set out to topple a popular nine-term Congressional incumbent, Reshma Saujani reveled in her background in the world of high finance, emerging as a national voice for an industry that felt besieged, blamed and battered after the banking collapse.

“I’m running on my Wall Street record, not from it,” she said in January.

Ms. Saujani drew high-profile backers, who gave generously to her campaign and urged her to stand up against any scapegoating of Wall Street.

But even in the financial capital that is New York, where the industry helps drive the economy and provides a sizable portion of the tax revenues, that strategy appears to be misfiring. By Tuesday, in her debate against Representative Carolyn B. Maloney, whom she is challenging in the Democratic primary, Ms. Saujani had not only muted her defense of Wall Street, but also called for tougher regulation of the industry.

And she sounded downright stung as she described the demonizing of financial executives.

“Thousands of people who work in the financial services industry live in our district,” Ms. Saujani, 34, a former lawyer for several hedge funds, said during the debate with Ms. Maloney, 64, the veteran congresswoman for the East Side of Manhattan and parts of Queens. “Are we all bad people? Do none of us have a right to run for office?”



Fred R. Conrad/The New York Times

Representative Carolyn B. Maloney and her challenger, Reshma Saujani, a hedge fund lawyer, before a radio debate on Tuesday.

As unpopular as Washington incumbents and Albany insiders have been this political season, nothing is so radioactive in the precincts of New York as the taint of Wall Street ties.

Rick A. Lazio, the leading Republican candidate for governor, has been taunted for weeks by Attorney General Andrew M. Cuomo, the presumptive Democratic nominee, and his allies over his post-Congressional career as a lobbyist for JPMorgan Chase, where he received a \$1.3 million bonus in 2008, during the federal bailout.

“Rick Lazio made a killing as a Wall Street lobbyist while the rest of the economy burned,” said Charlie King, director of the state Democratic Party, after Mr. Lazio released financial disclosure forms in June.

Little had changed by Aug. 25, when Mr. Lazio put out his first television advertisement, deriding Mr. Cuomo as a creature of Albany. “It’s no surprise that Lazio’s ad doesn’t say one word about himself or his record, because the only thing he could say is he’s a Wall Street lobbyist who got a \$1.3 million dollar taxpayer-funded bonus,” said the state Democratic committee chairman, Jay Jacobs.

“Right now it’s probably one of the most difficult periods to run with the embrace of Wall Street,” said **David S. Birdsell, dean of Baruch College’s School of Public Affairs.**

Even in Manhattan, Mr. Birdsell said: “It’s far too hard of an argument to sell. You’re going against the narrative of deals done without proper scrutiny, derivatives that were undersecured, homes that were lost — all the story lines that have become so familiar.”

Indeed, in the Democratic primary contest for state attorney general, five contenders are vying to be seen as the toughest watchdog for a banking industry whose out-of-control avarice, they suggest, drove ordinary people to the brink of disaster. “Retirements at risk, huge undeserved bonuses, greedy bankers — that I’ll stop,” Assemblyman Richard L. Brodsky promises in one television advertisement.

The actor John Leguizamo assures viewers that Eric R. Dinallo, a former state insurance superintendent, “led the fight to hold Wall Street accountable — before it was cool.” And Sean Coffey, a wealthy trial lawyer, is running advertisements proclaiming that he “fought for thousands of investors devastated by Wall Street greed.” In his most recent advertisement, he boasts, “I took on Wall Street giants they said couldn’t be beaten, and made them pay back billions to the people they hurt.”

Not so many months ago, Ms. Saujani’s hometown boosterism for Wall Street at least seemed to put her in good company, with Mayor Michael R. Bloomberg, Gov. David A. Paterson and former Representative Harold E. Ford Jr.

“You can assume, as she undoubtedly did,” said Mr. Birdsell, “that expressing sympathy with an industry that employs a large number of people in her district would be a winner.”

But Mr. Bloomberg, Mr. Paterson and Mr. Ford are not running for office. Ms. Saujani, for her part, has had to withstand articles highlighting her résumé, including stints with one company whose co-owner pleaded guilty to stealing nearly \$300 million, a hedge fund that collapsed under bad mortgage-backed securities bets, and another whose subprime lending unit foreclosed on victims of Hurricane Katrina.

In the debate on Tuesday, Ms. Saujani showed how far she had come from her early wide-eyed Wall Street advocacy. She said the federal [financial regulation](#) legislation had not gone far enough, and faulted Ms. Maloney, who pushed through a credit-card overhaul last year, for not preventing card issuers from raising interest rates before the law went into effect.

Ms. Saujani relentlessly assailed Ms. Maloney for raising campaign donations from financial-industry lobbyists while she sat on the committee hashing out the financial bill in June.

(Called a liar several times by Ms. Saujani, Ms. Maloney, in a gaffe, insisted she had not been involved in her own fund-raisers. But she regained her footing, saying, “I don’t think my opponent would be pleased unless I didn’t have any fund-raisers,” and adding, “I am unbought and unbossed; I am nobody’s congressperson but yours.”)

But Ms. Saujani still seemed of two minds on the subject, as when she took a shot at Ms. Maloney’s intellect by questioning her command of Wall Street jargon, and insisted that her own background should be counted as a political asset. “If I were to ask Carolyn Maloney what a basis point is,” Ms. Saujani said, “she probably doesn’t know.”