

NPR Tells Us That Republicans Believe that Fannie and Freddie Caused the Crash



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Yes, NPR [looked into the eyes](#) and now they know what the Republican leaders believe:

"In the eyes of Republican lawmakers like Sen. Mitch McConnell, Rep. John Boehner and Sen. Lamar Alexander, Fannie and Freddie started the rush into risky home mortgages that ultimately shook the foundation of the whole economy."

In Journalism 101 reporters are told not to say things that they don't know to be true. And high on the list of things that reporters do not know is what politicians really believe.

News flash! Politicians sometimes say things that they do not believe to be true. The Republican allegations about Fannie and Freddie would likely be on this list, since they are so obviously not true as one of the sources in this piece points out.

Fannie and Freddie were late to the rush into junk mortgages. Most of the junk mortgages were securitized by private issuers of mortgage-backed securities, like Citigroup and Goldman Sachs. Fannie and Freddie got into this market in a big way in 2005 because they were losing market share.

It is likely that the Republican leadership knows these facts, or deliberately has opted not to know them, but blames Fannie and Freddie anyhow because they want to associate the downturn with liberal efforts to extend homeownership to low and moderate income people. This fits better with their political agenda rather than acknowledging that the main problem was greed and fraud perpetuated by major Wall Street banks (who were bailed out by taxpayers) and many lesser actors in the financial sector.

Responsible reporters would simply present the facts here. They would not try to tell us what the politicians really believe, since they really have no idea.