

# Barry Levinson's *The Wizard of Lies* on HBO: The tame, New York Times' version of the Maddoff scandal

By David Walsh  
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*Directed by Barry Levinson; written by Sam Levinson, Sam Baum, John Burnham Schwartz, based on the book by Diane Henriques*

Veteran director Barry Levinson's *The Wizard Lies* on HBO is an account of the downfall of Wall Street swindler Bernard Madoff, whose multi-billion-dollar stock and securities fraud unraveled in December 2008.

Madoff's Ponzi scheme, an operation in which an individual or company pays returns to investors out of capital coming from new investors rather than profits earned by actual business operations, fell apart in the midst of the general financial meltdown. Investors began pulling out huge sums from Madoff's business and he was unable to keep up with the flood of withdrawals.

Madoff's decades-long operations implicated some of the biggest financial institutions in the world, who at the very least made billions in fees from his transactions. His claim that he acted virtually alone in perpetrating a \$65-billion dollar con did not have the slightest credibility.

In any event, the largest financial fraud in history, as the WSWS noted in December 2008, was nothing less than "the convulsive outcome of decades in which a vast accumulation of personal wealth at the top has been achieved on the basis of semi-criminal forms of financial manipulation." Moreover, we noted, the Madoff investment scandal underscored the fact that, for all intents and purposes, "the entire economy has been transformed into a giant Ponzi scheme."

Interviews conducted by *New York Times* reporter Diane Henriques (who plays herself) with Madoff in prison in 2010 form the scaffolding for *The Wizard of Lies*. Henriques was the first journalist to whom Madoff spoke in prison and her nonfiction work is the basis for the HBO film of the same title. This no doubt helps account for its narrow, sanitized quality.

After a prologue set in a North Carolina federal prison, Levinson's film turns to the dramatic events of December 2008. Out of the blue, Madoff (Robert De Niro) informs his sons, Mark (Alessandro Nivola) and Andrew (Nathan Darrow), and associates that he has decided to hand out \$175 million in bonuses, months ahead of schedule and in the middle of the crash. This arouses the sons' suspicions and they demand an explanation.

Back at his penthouse apartment, Madoff bluntly tells Mark and Andrew, as well as his wife, Ruth (Michelle Pfeiffer)--all of whom

are assumed by the filmmakers to have known nothing about his criminal enterprise--that "There are no investments. ... I made them up. I took some money from some people and gave it other people. There's nothing left." He terms it "a big Ponzi scheme." The sons respond with understandable outrage: "How could you do this?" His only explanation is that he "couldn't admit failure."

Mark and Andrew, to prevent themselves from being prosecuted as accomplices, essentially turn their father in to the authorities. When FBI agents show up at his door, desiring to know if there is an "innocent explanation" for the apparent malfeasance, Madoff glumly says, "There is no innocent explanation."

Events proceed from there. Madoff is taken into custody, his business operations are seized, the story makes headlines all over the world.

Ruined investors are shocked. Everyone agrees that Madoff was considered a "brilliant" financial figure, "a true pioneer," one of "the most honorable traders of our time."

Indeed, Madoff had a distinguished career on Wall Street. His firm developed the technology that helped bring NASDAQ into being. He later served as NASDAQ chairman for three one-year terms. Madoff was active in the National Association of Securities Dealers (NASD), a self-regulatory securities industry organization, serving as the Chairman of the Board of Directors and on the Board of Governors. He had numerous other positions in industry bodies.

One commentator notes: "Madoff Investment Securities grew famous for its reliable annual returns of 10 percent or more, and by the end of the 1980s, his firm was handling more than 5 percent of the trading volume on the New York Stock Exchange."

In any event, as it shifts between present and past, *The Wizard of Lies* concentrates heavily on the family relationships and drama: a controlling father who still determines what one of his grown-up sons will eat for dinner; a wife who has never had a life independent from her husband; an elder son who craves his father's love and approval, and so forth.

Based on his large-scale thievery, Madoff has led a life of luxury. We see his opulent apartment in Manhattan, a mansion on the Long Island shore. An unpleasant, abrasive man, Madoff berates servants and yells at his 8-year-old granddaughter. Up to the very last minute, he continues to solicit funds from close associates, friends and relatives. All in all, a corrupt, rather

detestable human being.

But the others do not fare much better. His right-hand man, Frank Dipascali (Hank Azaria), the only other individual clued into the Ponzi scheme as far as *The Wizard of Lies* is concerned, is a crude, fairly repulsive figure. Madoff's sons, wife and brother, Peter (Michael Kostroff), are impotent and ineffectual at best.

There is no reason to paint the Madoffs and their associates in bright colors, but there ought to be some compelling reason to paint them at all.

Levinson, basing himself on Henriques and in collaboration with De Niro, the film's executive producer, doesn't seem to have one.

*The Wizard of Lies* is competently filmed and acted. The images are clean and clear. Levinson always adopts a tasteful and intelligent approach. The HBO production holds one's attention over the course of two hours.

The biggest difficulty with *The Wizard of Lies* is its generalized, generic, ahistorical feel. Unhappily, Henriques, Levinson and De Niro have combined to remove the real sting from the Madoff story, that is, the extent to which it constitutes a devastating indictment of Wall Street and capitalism. The filmmakers dissolve the concrete realities of the large-scale looting of the economy by financial parasites, who now form a lumpen-aristocracy strangling American society, into relatively anodyne musings about a "domestic tragedy" with supposedly eternal or "Shakespearean" overtones.

Mark Madoff's 2010 suicide provides one of the nodal points in this interpretation. But even then, a good deal more could have been made out of this event, which is not dramatically prepared and introduced in a serious manner.

And the dissolving has been done more or less consciously. Levinson, for example, told *Business Insider* that "it was the focus on Bernie and the family dynamic that we wanted to get to and then build it out. ... So I think it was to shift the focus from the pure financial aspects of it and see the man and his behavior and the family and how it all came unglued."

*Vanity Fair* notes that the director "was struck by a different dimension of the catastrophic crime: the Shakespearean tragedy of a father's greed destroying his own sons." Levinson told the magazine that "When I first got involved and I read some of Diana's book on which the film is based, my initial thought was that this reminded me of the real-life version of Arthur Miller's *All My Sons* ... a family tragedy of greed that ultimately corrupts and destroys the family."

Levinson, who has directed decent and even politically pointed films, like *Wag the Dog* (1997), about US government lies and propaganda campaigns, should be ashamed of himself for remarks like this.

After all, if this is simply a universal "family tragedy," then the location and social circumstances should be a matter of indifference. Why not set the story in France in 1885 or Brazil in the 1970s? Why go to the trouble of carefully reproducing the details and facts of the Madoff case if the *particular* features of that situation are not going to carry central, predominant weight?

One has to say, confronted with such comments, that here speaks upper middle class complacency, a good deal of wealth and an instinctive desire to protect the economic system from genuinely

probing criticism. The most damning thing one can say is *That Wizard of Lies* does not raise genuinely troubling questions about the existing social order.

Madoff-De Niro mutters a few remarks to the effect that he is being made a scapegoat, that the public requires "a villain to send to the gallows, so they can feel better about living under a rigged system." When he pleads guilty, Madoff notes that the authorities want to avoid a trial, because it would place some of the "most powerful people in the world on trial." But these lines are barely noticeable.

Also out of social instinct, the media and the critics, by and large, have responded sympathetically to the constricted and essentially self-censored character of *The Wizard of Lies*. Rupert Murdoch's *New York Post* hailed it as "a powerful character study," while the *Atlantic* termed it "a long, moody piece that seeks *only* to depict Madoff's frustrating opaqueness and the destruction he left in his wake." (Emphasis added)

Sadly, an opportunity has been lost and there is no reason to believe that Levinson was inherently incapable of grasping it. But it needed someone other than a *New York Times* journalist to explore it.

A novelist like Honoré de Balzac (1799-1850), organically and obsessively attuned to every distinct social layer, to *every fraction* of every social layer, to each shift in the economic or historic winds, would have made something memorable out of this. After all, one of his characters could declare that modern, bourgeois life was nothing "but a machine set in motion by money."

The Madoff scandal and the pestilence the financial elite represents generally required treatment by a Bertolt Brecht, during the period the left-wing German playwright created *Saint Joan of the Stockyards* (1929-31), with its vivid dramatization of "the pure financial aspects."

Instead ...

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