Message: The fair-value method of valuing a loan is of course predicated on market conditions; e.g. in good times, markets have a positive outlook and thus loans have higher valuations than they would in bad times. This, because markets being what they are, prices for assets are forward-looking. In effect this type of valuation tends to accelerate the market cycle, as we just saw in 2008. Milton Friedman, among others, believed that just such a rule helped cause the Great Depression. Why we would want to "simplify" GAAP and use fair value instead of cash flow or other models to identify the value of a particular loan is mystifying, based on America's recent and long-past experience with such valuations. I recommend the FASB not continue with this endeavor. The proposed changes could help us out of bad times more quickly, but it's too late for that. The market is already showing very positive signs of recovery. When (not if) there is a downturn, the proposed changes will also speed up the economic stress and cause market freeze sooner and longer than otherwise.