

ON THE AGENDA IN 13 STATES

## Glass-Steagall Momentum Puts Pressure on Congress To Act

by Nancy Spannaus

April 9—Today, the State of Maine became the second in the Union to pass a memorial demanding that Congress reinstate President Franklin Roosevelt's Glass-Steagall law, as embodied in Rep. Marcy Kaptur's HR 129. The Maine House of Representatives, in a vote of acclamation, passed Joint Resolution SP 465, which explicitly demands the reinstatement of the Glass-Steagall Act; an identical resolution had passed the state Senate unanimously on April 4.

The first state to pass a similar resolution was South Dakota, on Feb. 28.

Meanwhile, with the specter before their eyes of the bank theft in Cyprus and the murderous entitlement cuts threatened by President Obama, citizen activists, under the leadership of the LaRouche Political Action Committee (LPAC), are rapidly expanding their or-



EIRNS/Sylvia Rosas

*LaRouchePAC organizing across the country (as shown here, in Lake Arrowhead, Calif., in February), including in the nation's capital, has turned up the heat on Congress to push Glass-Steagall through, now.*

ganizing drive around the country, with the aim of forcing Congress, especially the U.S. Senate, to pass Glass-Steagall legislation, as a means of stopping the bailouts, and creating the basis for a real economic recovery.

As of this writing, resolutions in support of HR 129 are pending before eight additional legislatures: Alabama, West Virginia, Pennsylvania, Hawaii, Kentucky, Rhode Island, Mississippi, and Washington State.

Three additional states—Maryland, Montana, and Virginia—have allowed the pro-Glass-Steagall resolutions put before them to lapse, although supporters are continuing to agitate with their state and federal representatives to take action.

With Congress returning from recess this week, an intense battle will be joined, aimed at both expanding the

number of supporters for HR 129 (now at 47), and to get a companion bill introduced into the Senate, where the Obama Administration and Wall Street have put intense efforts to prevent passage.

### **No Business as Usual**

State legislators are showing uncommon initiative in mobilizing support behind Glass-Steagall, which they are now understanding to be the *only* solution to the collapse of the economy, and killer budget cuts, destroying their constituents. There is activity in many other states where memorials for HR 129 have not yet been introduced.

Indicative of the level of enthusiasm, is the fact that some state representatives are actively lobbying, not only in their home states, but in others as well, to garner support for reinstating Glass-Steagall.

Also notable, was a press release put out April 8 by the Senate Majority Office of the Maine State Legislature. The release began by noting the role of Sen. John Patrick (D-Rumford) in pushing through SP 465, and quoting him as follows:

“‘For 70 years Glass-Steagall prevented the kind of financial catastrophe we experienced in 2008,’ Senator Patrick said. ‘Without Glass-Steagall, we lost an important economic stabilizer and any semblance of control and oversight we had over these megabanks. Left to their own devices, these banks were able to engage in spectacularly risky behavior that eventually brought down the entire global economy. I am all for the free market, but sometimes you need a referee. Glass-Steagall is that referee.’”

The release went on to note:

“Senator Patrick’s efforts coincide with a national effort among state legislators to pressure Congress to reinstate Glass-Steagall. U.S. Senator Angus King and U.S. Representatives Mike Michaud and Chellie Pingree have all expressed support for the reinstatement of Glass-Steagall. Representatives Michaud and Pingree are cosponsors for a bill currently under consideration in the U.S. House of Representatives that would effectively restore the law.”

The passage of the memorials in these two states stands in contrast to the motion around Kaptur’s 2011-12 bill, HR 1489, where a huge mobilization over 18 months never succeeded in getting a single memorial passed.

In addition to the memorials, LaRouchePAC organizers in Washington, D.C. are delivering messages, sometimes in writing, from state officials and constitu-

ency leaders, demanding that their Congressmen or Senators finally take action. Many meetings have been set up by citizens who have insisted that their Congressmen meet with LaRouchePAC representatives.

### **The Crisis Is Unavoidable**

The receptivity of local constituency leaders to the LaRouchePAC program of Glass-Steagall, national banking, and NAWAPA, has been driven by a very simple process: The international bankers’ determination to save their bankrupt system is threatening to destroy the lives of the people.

This reality was driven home with drama, in the case of the Cyprus crisis, where the European Union insisted on outright theft from the bank accounts of depositors, in order to pay off the bankers. While the initial demand for taking 7% off the top of the accounts of even those with bank accounts of less than EU100,000 was rescinded, the fact that it was even proposed set off alarm bells, and the impact of the theft from larger accounts, is itself hitting hard at both honest businessmen and retirees.

When LPAC organizers add to the picture the fact that the U.S.’s own FDIC, along with the Bank of England, had produced their own study on carrying out the same policy in December 2012, and the fact that the Dodd-Frank bill contains provisions for the same kind of “bail-in” theft, the response is electric. People are beginning to realize that action on Glass-Steagall is a question of life or death.

But that’s not all. At the same time, the Obama Administration has determined to ram through new levels of fiscal austerity, which target the most vulnerable of American citizens. The leading example is Obama’s pre-announced intention to propose changing the formula for calculating the Cost of Living Adjustment for Social Security and disability and veterans’ benefits. This is a benefit cut that not even Rep. Paul Ryan (R-Wisc.), notorious for his opposition to the social safety net, has proposed.

The so-called chained CPI (i.e., “chained” to the consumer price index) would result in reducing even further the government’s calculation of inflation, which is already ridiculously understated, on the basis that people are forced to “substitute” cheaper goods for more expensive ones, when they no longer can afford them. Presently, official inflation tends to average around 1-3%, as compared to what the publication *Shadow Stats*, using Bureau of Labor Statistics (BLS) methods to calculate inflation in the 1980s, has estimated the rate

to be—between 9 and 10%! If the official rate is reduced further, the suffering will further increase.

Nor is the chained CPI the only cut Obama and his Wall Street backers—plus a substantial section of the Republican Party—have on the table. In line with the “cut costs” philosophy of his health-care “reform,” Obama wants to change the cost structure of Medicare in such a way as to discourage what adherents of this Nazi thinking call “unnecessary care,” by raising the cost.

This time around, the President’s attempt to blame the demand for austerity on the Republicans is just not working. It has been clearly established that he was the author of the sequestration “deal,” now delivering life-threatening cuts, and the current proposals for slashing Social Security and Medicare are all his.

### No Way Around Glass-Steagall

There has been an extraordinary uproar in the wake of Obama’s budget pre-announcements, with even staunchly Democratic Members of Congress coming forward to insist that they will do everything in their power to prevent such cuts for the poor, as the chained CPI, from going forward. Sen. Bernie Sanders (I-Vt.) has threatened to conduct a filibuster in the Senate. And the core of Obama’s electoral constituency—from the AFL-CIO, to the Black Caucus, to the Progressive Caucus—is shouting from the rooftops, that the President’s policy is “insane,” “a historic mistake,” and a “non-starter.”

Today, a coalition of these usually loyal Democratic groups delivered more than 2 million petition signatures to the White House opposing the Social Security cuts, signatures that were collected primarily over the weekend. Leading the effort, in addition to the AFL-CIO, were three Members of Congress: Senator Sanders, Rep. Mark Takano (D-Calif.), and Rep. Rick Nolan (D-Minn.).

Yet, we’ve seen this movie before. Back in 2009, many of these same liberal groups demanded that President Obama implement a Medicare-for-All health plan, rather than the corporatist genocidal scheme that passed. Faced with Obama’s intransigence, they backed down. In 2010, these groups supported efforts by Sens. Maria Cantwell (D-Wash.) and John McCain (R-Ariz.) to get Glass-Steagall passed in the Senate. Blocked by the White House, they caved. In 2011-12, these very groups mobilized for Glass-Steagall, specifically for Kaptur’s HR 1489, getting up to 86 co-sponsors, and

generating enormous political heat. But, after they were defeated, they basically lined up to support Obama!

*There is no way Obama’s genocidal plans, which have their root in the British imperial financial system, can be defeated unless Glass-Steagall is re-enacted, to cut the legs out from underneath the British financial empire. Glass-Steagall will dramatically reduce subsidies to the gambling banks, and thus put many of them out of business. Trillions in “obligations” will simply disappear, setting the stage for the establishment of a new, sound national banking system, based on Hamiltonian, Constitutional principles, and oriented to financing great projects such as NAWAPA. Entitlement cuts will be off the table, as our system is once again reoriented to promoting the general welfare and production, not the money-center banks.*

This is the lesson that citizens have to drive home to those Congressmen and others who simply raise a cry of protest. We need action, not protest. Let them endorse Glass-Steagall, demand that others do, and ram it through now! They have been warned as to what horrors will happen if they don’t. If they don’t join the fight for Glass-Steagall, they will have blood on their hands as well.

## REVIVE GLASS-STEAGALL Now!



“The point is, we need Glass-Steagall immediately. We need it because that’s our only insurance to save the nation.... Get Glass-Steagall in, and we can work our way to solve the other things that need to be cleaned up. If we don’t get Glass-Steagall in first, we’re in a mess!”

—Lyndon LaRouche,  
Feb. 11, 2013

**WATCH** the LaRouchePAC video:

**‘Glass-Steagall: Signing a Revolution’**

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