

Cancel the Bailout!

“Who has our money, and how do we get it back,” asked Democratic Rep. Marcy Kaptur at the conclusion of a Democratic Policy Committee hearing March 8, which had been convened to discuss the assault on state workers in Indiana, Ohio, and Wisconsin. The correct answer to this question takes you a long way toward solving the breakdown crisis which is now wracking the nation, and stoking a mass strike.

Answer: The big money-centered banks, and their partners in the London-centered Inter-Alpha Group not only got the bailout money, but they are *continuing* to get it. And we can get it back by cancelling that bailout, and implementing the FDR Glass-Steagall Law.

Think about the matter for a minute. From the White House to the “deficit-hawks” to lunatic Republican governors like Wisconsin’s Scott Walker, the line is coming out that the only way we can get out of the current economic/financial breakdown crisis is by draconian cuts. Some of the “experts” in these matters even admit that the slashing of Medicaid, children’s services, and home heating oil subsidies will kill people; but, they argue, it has to be done to prevent some allegedly greater disaster in the future.

Yet, at the very same time, the Federal government, including the Federal Reserve, is pouring *trillions* of dollars into supporting a bankrupt banking system, and its extensive gambling debts. This money is being dispensed through the Fed’s quantitative easing program, through the “guarantees” of Fannie Mae and Freddie Mac, and through the provision of essentially no-interest loans to the banks. And that doesn’t count what the government pays to these very same banks, for their role in Open Market operations.

The official line, of course, is that the bailout is over, and these banks paid almost all the money back. The reality is that they are continually feeding at the public trough, and jamming up the entire financial system, including our Federal Reserve, with worthless paper, better known as toxic waste.

A good primer on exactly how this process was set in motion is available in the Angelides Report on the causes of the financial crisis. Angelides, like former TARP overseer Neil Barofsky before him, is clear that the real bailout of the predator “shadow banking system” amounts to trillions of dollars—potentially \$23 trillion, according to Barofsky. And as long as this lifeline for the banks is in place, there is increasingly less money available for the basic needs of the population.

With the mass-strike revolt against murderous cuts in living standards sweeping the country (not to mention the world), this bailout issue must now take center-stage again. It’s clear to everyone that public workers’ salaries and pensions did not cause this crisis. Nor did health-care costs for the elderly and poor. The cause was the gambling casino set up by the major international banks and hedge funds, which went bad—and the only solution is for that casino to be shut down.

Dodd-Frank did virtually nothing to shut that casino, of course. It was written by the six major Wall Street banks, and for them, giving them even more power over the nation’s finances. Meanwhile, as has been recently documented, they have avoided paying even their mandated 35% tax rate—and are demanding the murder of the rest of us.

So, it’s time to cancel the bailout. Shut down the casino, and don’t pay its debts, by implementing Glass-Steagall. *We will not kill our people to bail out the Wall Street banks.*