

London, Wall Street Bankers for Glass-Steagall

July 31—*The following list of senior bankers calling for complete separation of retail from investment banking, on the Glass-Steagall model, reflects the sea-change which has occurred on this vital matter since early July, moving from London to the United States. Since the ex-Citigroup CEO Sandy Weill's announcement July 25, a whole slew of additional top bankers have come out to say they agree with him (of course, there's also opposition). By doing so, they are identifying themselves with a policy which has been almost entirely identified with Lyndon LaRouche's political movement, since at least September of 2008, when LaRouche issued a call for mobilization to restore Glass-Steagall. Finally, these bankers, many of whom were on the other side for years, were intelligent enough to recognize that reality demands bank separation now.*

There have been other voices opposing the repeal and calling for the restoration of Glass-Steagall over the years, both from within Congress, and, in the U.S. banking community, most notably, former Kansas City Federal Reserve president Thomas Hoenig, who continues to speak up for re-enactment of the bill.

Sandy Weill, former CEO Citigroup and a principal driver behind repeal of Glass-Steagall in 1999.

“What we should probably do is go and split up investment banking from banking, have banks be deposit takers, have banks make commercial loans and real estate loans, have banks do something that's not going to risk the taxpayer dollars, that's not too big to fail.” (July 25, 2012, CNBC, U.S.A.)

Andrea Leadsom, British Conservative Member of Parliament, and former senior banker at Barclays.

“The issue of a complete separation of retail and investment banking should also return to the agenda. It is right that the government should be the ultimate guar-

antor of retail deposits but that guarantee should not extend to high-risk transactions.” (July 20, 2012, www.andrealeadsom.com)

Nikolaus von Bomhard, CEO of Munich Re

“Ich bin Anhänger des Trennbankensystems” [I'm a fan of a separated banking system] (July 17, 2012, *Der Spiegel*, Germany)

Peter Hambro, chairman of Petropavlosk and scion of the Hambros Bank family.

“They should never have been together and now they should be split, completely.” (July 6, 2012, *Evening Standard*, U.K.)

Lord (Paul) Myners, former British Labour MP and City Minister, former CEO Gartmore Group.

“We need to go to what is known as a Glass-Steagall model, which is a complete separation...” (July 4, 2012, Channel 4 News, U.K.)

Terry Smith, CEO Tullet Prebon.

“The UK and the US must enact a Glass-Steagall Act and separate retail and investment banks. The only people who seem to have lobbied against such separation are bankers. Why are we listening to them?” (July 1, 2012, *Guardian*, U.K.)

John Reed, former Citigroup chairman.

“There is no societal benefit from integrating them [investment and retail banks].” (December 2011, *Financial World*, U.K.)

Stanislas Yassukovich, former chairman Merrill Lynch Europe.

“The megabank business model is indefensible.” (Nov. 24, 2011, CSFI “Views on Vickers,” U.S.A.)

Lord (Nigel) Lawson, former British Conservative MP and Chancellor of the Exchequer during the “Big Bang” (the U.K.'s period of rapid deregulation in the 1980s).

“...investment bank taking risks on the back of the taxpayer guarantee is a great scandal. I myself would have liked to see a complete separation between retail banking and investment banking.” (April 11, 2011, BBC, U.K.)

Sir Brian Pitman, former LloydsTSB chairman.

“The arguments in favour [of Glass-Steagall] are compelling.” (Oct. 24, 2009, *Daily Telegraph*, U.K.)

Mervyn King, governor of the Bank of England.

“There are those who claim that such proposals [for full separation] are impractical. It is hard to see why.” (Oct. 20, 2009, speech, U.K.)