

Glass-Steagall Has Broad Support in U.S.

by Nancy Spannaus

Feb. 25—Over the past week, in what should be a harbinger of what can be done nationally, resolutions in favor of Congress re-enacting Franklin Roosevelt-style Glass-Steagall banking regulations (HR 129) have been introduced, with large, bipartisan groups of sponsors, in three state legislatures: Maryland, South Dakota, and West Virginia. With the guidance of, and pressure from LaRouchePAC organizers, groups of state legislators, who are up against the wall due to the unending economic collapse, are taking responsibility for the nation and its future.

The pattern represents a breakthrough with great promise. For example, through the last Congressional session, support resolutions were only introduced in three states—Kentucky, Alabama, and Missouri—whereas there have been seven (Virginia, Montana, Rhode Island, and Pennsylvania, in addition to the three mentioned above) introduced during less than two months in this session. In addition, the composition of the co-sponsors shows that many more Republicans are joining with their Democratic colleagues in understanding that action to cut off the speculators, and restore sound banking, must be taken now.

Maryland

Maryland House Joint Resolution 3-HJR3 demanding Congressional support for HR 129, Rep. Marcy Kaptur's (D-Ohio) bill to reinstate Glass-Steagall, was introduced on Feb. 20. A Democratic leader is the sponsor, with 14 co-sponsors, including 9 members of the Black Caucus, 3 Republicans, and a total of a dozen women. Many hold leadership positions for both the Democratic majority and the Republican minority in the legislature.

This diverse group of co-sponsors represents a wide spectrum, from the often conservative Republican coastline of the Eastern Shore, to the inner city of Baltimore, to the union activists of Prince George's County, home to communities neighboring the nation's capital.

South Dakota

Senate Concurrent Resolution 6 was filed Feb. 22 with 69 co-sponsors, which represent a large majority of the 105 total legislators. Eighteen of the state's 35 Senators are co-sponsors, along with 51 of the 70 Representatives. The co-sponsors include a majority of the leadership of both parties, and are distributed throughout the state. The resolution does not support any particular piece of legislation.

After noting the dire effects of the repeal of Glass-Steagall in 1999, the Resolution concludes thus:

“NOW, THEREFORE, BE IT RESOLVED, by the Senate of the Eighty-Eighth Legislature of the State of South Dakota, the House of Representatives concurring therein, that the Congress of the United States is urged to enact legislation that would reinstate the separation of commercial and investment banking functions that were in effect under the Glass-Steagall Act (Banking Act of 1933). That Act prohibited commercial banks and bank holding companies from investing in stocks, underwriting securities, or investing in or acting as guarantors to derivative transactions, in order to prevent American taxpayers from being called upon to fund hundreds of billions of dollars to bail out financial institutions.”

West Virginia

A resolution to restore Glass-Steagall was introduced in the West Virginia State House Feb. 22. The sponsor is a Democrat, and there are 20 co-sponsors, half Democrats and half Republican. The bill's official number will be available Feb. 26, after it has gone through the relevant House procedure.

LaRouchePAC organizers have reported that, as in the other states, the support comes from a combination of old-line FDR Democrats, and self-styled “Tea Party” Republicans, who are in revolt against Obama's bail-out-the-banks policy.

While state legislators are freer to act than are Congressmen and Senators, who are under the gun from Wall Street and the President, they can and must provide the crucial leverage for rapid passage of Glass-Steagall nationally, without which the economy is headed on a path to destruction.

For the most up-to-date reports on the status of support for Glass-Steagall nationally, and a complete list of co-sponsors for HR 129, see the LPAC Glass-Steagall page at <http://larouchepac.com/glass-steagall>.