

LaRouchePAC Glass-Steagall Mobilization Shakes Nation

by Leandra Bernstein

May 13—Throughout the week of May 5-11, the LaRouche Political Action Committee engaged in an intensive week of action, deploying into all layers of government to amplify the pressure on Congress to reinstate the Glass-Steagall Act. In addition to the show of force in the nation's capital, LaRouchePAC held days of action in 13 state capitals, and mobilized letters from across the world, addressed to the U.S. Congress, appealing to Members of the House and Senate to reinstate the Roosevelt-era banking separation principle. This activity, which has been accelerating rapidly since January, is part of the race to establish policy hegemony, to end the bailout system, as the precondition for rebuilding the real economy.

Reimplementing Glass-Steagall will effectively supersede those other proposals—like the Senate's Brown-Vitter Act, the Cyprus-style provisions of the Dodd-Frank Act, the Volcker Rule, and ring-fencing—that are the equivalent of a staged boxing match against international finance and Wall Street, waged by policymakers who are afraid of drawing blood or throwing a single punch.

This past week in Washington D.C., approximately 80 activists from states along the East Coast attended over 50 meetings with Congressional offices; about a quarter which were attended by the Senator or Representative. Beyond these prearranged constituent meetings, LPAC organizers delivered the most up-to-date materials to numerous offices, introduced constituents

to Members of Congress in the hallways and on the sidewalks, and—*semper paratus*—in the elevators, the cafeteria, etc.

Augmenting the activities inside, a team of LPAC organizers stood at the intersection of the House Office Building and the Capitol displaying a beautiful banner with the color-coded U.S. [map](#), showing 40 of the 50 states at some level of action on Glass-Steagall. The banner read: “National Week of Action To Restore Glass-Steagall. Pass HR 129”—the House bill to reinstate the FDR law. The banner attracted staffers, Congressmen, and out-of-town visitors, all asking, “What is happening in my home state?”

Although many activists had come to D.C. for the first time, they were hardly impressed with the “Beltway talk”; they came to Washington not to make friends, but to make history. One challenge was communicating the urgency of enacting Glass-Steagall *now*. On more than one occasion, an aide told activists that the Congressman was holding back his support because he wanted to wait for Dodd-Frank to take effect, or the Volcker Rule, or Brown-Vitter. A union organizer from New Jersey responded by saying, “That is exactly the kind of **** we are tired of hearing,” reminding the aide that were it not for the unions, the Senator would not have been reelected. He explained that 75% of his union members are unemployed because of what the Senator is *not* doing. Many meetings were wake-up calls, reminding lawmakers of the con-



EIRNS/Sylvia Rosos

A Congressman exclaimed to an LPAC organizer, “You are everywhere!” And he was right. Here, organizing for Glass-Steagall in Los Angeles, during the Week of Action.

ditions of life back in their districts, where Glass-Steagall is not a legislative choice, but a matter of life and death.

The States Take Action

This show of force in Washington caused one Representative to exclaim, “You are everywhere!” And he was correct. Simultaneous with the D.C. operations, LPAC heightened efforts at the state level, concentrating activity where things had not yet opened up, such as Nebraska, Nevada, and Illinois, and redoubling efforts in New York, Massachusetts, California, Texas, and elsewhere.

In Sacramento, Calif., a dozen activists held a press conference, reading statements of support from constituents, including a former scientist at the NASA Jet Propulsion Lab, and a leader of the International Association of Machinists. Currently, 12 of California’s 53

Congressmen have co-sponsored HR 129, and the chairman of the state Democratic Party, former Rep. John Burton, recently announced his support, as did former vice chair Eric Bauman.

In Texas, former Democratic candidate for Congress Keshia Rogers led the charge with a team of activists, to find a legislator with the courage to introduce a Glass-Steagall resolution, despite the partisan baggage. Recent statements issued by conservatives, such as former Reagan OMB director David Stockman and FDIC vice chairman Thomas Hoenig, have helped cut through party biases, but as activists and constituents mobilizing for Glass-Steagall know, a success in Texas, which has the second-largest delegation in Congress, will have resounding effects nationally.

Meanwhile in Nevada, activists campaigned for the three-point LPAC policy of Glass-Steagall, a Hamiltonian credit system, and [NAWAPA XXI](#). As legislators were recruited to fight for Glass-Steagall, members of water districts and farm groups, facing shortages in both water supplies, and real employment, responded to the call to join “an army of patriots” to rebuild the nation.

‘The Eyes of All People Are Upon Us’

While the states’ support for Glass-Steagall (resolutions in 18 states) is seizing the attention of Members of Congress, the appeals pouring in from across the globe are having a tremendous impact. Throughout the week, LaRouchePAC hand-delivered packages of over 13 appeals from ranking figures in Italy, Germany, France, Spain, Ireland, Iceland, Denmark, Sweden, Colombia, and Mexico—with more letters still coming. Activists presented the letter from the Icelandic parliamentarian who introduced a motion calling for full separation between commercial and investment banks, “based on the idea behind Franklin Roosevelt’s Glass-Steagall law.” They delivered the call for a Global Glass-Steagall, signed by almost 300 French mayors and 13 notable economists.

Members of Congress also received the letter from Italian parliamentarian Giancarlo Giorgetti, bluntly stating, “Without a Glass-Steagall reform, it will be impossible to promote any growth in Europe. That is why the Lega Nord introduced a bill similar to yours [into Parliament] in March. . . .”

Describing the reaction to the flood of international support for Glass-Steagall, one LPAC organizer said,

“In every office, their eyes got wide, and their faces just froze. Most of them had no idea Glass-Steagall was an international fight.”

The mission to reinstate Glass-Steagall in the U.S. was perhaps best represented at the Massachusetts statehouse in Boston, where organizers hoisted a banner referencing the famous words of John Winthrop: “‘The Eyes of the World Are Upon Us,’ Glass-Steagall or Chaos.” LaRouchePAC is asking representatives at every level of government, and all men and women of courage, to take responsibility for the nation by fighting to reinstate Glass-Steagall. Success in this fight will be a victory for both the United States and every other nation that follows suit. This is a shared battle for a shared victory.

Documentation

Glass-Steagall Support Pours into Washington

Among the recent letters from abroad to the U.S. Congress, calling on it to re-enact Glass-Steagall, are these, from a London-based financial advisor, a Colombian Congresswoman, and a Franco-Syrian professor.

Stephen J. Lewis, City of London fund advisor, May 9:

“The reintroduction of bank regulation along the lines of the Glass-Steagall Act would materially strengthen the U.S. financial system. It would ensure that the banks’ essential function of providing credit to support productive activity was insulated from the risks that arise from speculative financial activities. For the moment, U.S. banks may appear to be recovering from the 2007-09 crisis. But as long as banking and financial speculation remain bundled together, the threat of another, possibly even more damaging, crisis will persist.

“In Europe, there has been no semblance of recovery. Deepening economic distress across this continent increasingly imperils global growth and political

stability. Bank reform is widely acknowledged to be necessary if Europe is ever to return to economic health. But Europe will not adopt the measures essential to set its banks on a firm basis until the U.S. takes the lead. European policymakers do not want to be out of step with the U.S.A. on this. A U.S. decision to separate essential banking functions from other financial activities would, therefore, not only be good for the U.S.A., it would give a lead for which the rest of the world is crying out.”

S.J. Lewis

Alba Luz Pinilla, Colombia, Member of Congress, Polo Democratico party, represents the capital city of Bogotá, May 6:

“At a time when the entire world is being shaken by one of the most significant planetary crises of the modern era, it is necessary for the system of sovereign nations to take back the reins of the economy, which, over a half century ago, we left in the hands of the monetarists and speculators.

“In the case of Colombia, austerity measures and budget cuts have decimated our industrial capacity, which is reflected in the signs of economic slowdown which are appearing. Contrary to all forecasts, the economy in the third quarter of 2012 suffered a worrisome backslide, registering growth of only 2.1%, as compared to the same quarter a year earlier, when there had been expansion of 7.5%. Sectors such as manufacturing grew by only 0.1%, and trade by only 3.7%.

“What looms for Colombia is a slowdown of the economy, all the more so, with economic measures that discourage growth, and the motor of its backbone—the middle class. Instead, a class of investors is favored that speculates with capital on a world scale, and leaves no wealth or profits in the country.

“The world economy needs to be re-engineered, and this should be based on a total change in the rules of priorities in investment. It is time to rescue our productive sectors and to protect our unemployed manpower, which is reflected in unemployment rates of more than 40%.

“It is time to stop the package of financial bailouts that sacrifice nations and their citizens, and establish a new agreement among nations for an economic model which guarantees the survival of humanity, once and for all, closing the doors to speculative investment and the market economy which subjected the entire world

to free trade, sacrificing employment and the economic sovereignty of nations.

“In Colombia, we understand that the [global financiers] intend to have nations pay for the collapse of the world financial system, sacrificing human lives and the general welfare. The initiative for a GLASS-STEAGALL law is now more necessary than ever, and we trust that the Congress of the United States will lead the way on that important step, passing such a necessary measure, and that they will undoubtedly send a clear message to political forces in our congresses, of encouragement for those of us who have been promoting a debate about the reorganization of the system, which should be spread to all nations on the planet, in order to avoid an era of planetary crisis that we can still prevent.

“For the general welfare of nations.

“With cordial greetings,”

Alba Luz Pedraza

Bassam Tahhan, a Franco-Syrian citizen, and professor of Arab Civilization at France’s leading university-level schools (*grandes écoles*), on May 9:

REVIVE GLASS-STEAGALL NOW!

LaRouchePAC is now leading a nationwide effort to push through legislation for Glass-Steagall
(www.larouchepac.com).

WATCH the LaRouchePAC video:
‘Glass-Steagall: Signing a Revolution’

SUBSCRIBE to EIR Online
www.larouchepub.com/eiw
toll-free: 1-800-278-3135
e-mail: fulfillment@larouchepub.com

“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

“I want to bring to your attention the extremely difficult economic and social conditions which have arisen in Europe’s southern countries, Greece, Portugal, and Spain, in particular, as a result of the murderous austerity policies imposed on them by the Troika—IMF, European Commission, and European Central Bank.

“These austerity measures—cuts in social assistance, public programs, and tax increases—have been imposed on nations to compensate for the money spent by governments for the bailout of the bankrupt financial system, following the 2007 financial crash, and 30 years of speculative practices. Since the crisis is not over, such conditions will soon extend to other European countries and to the U.S., as well.

“The bankrupt financial oligarchy of the Trans-Atlantic area, which is nothing but a reincarnation of the 19th-Century British Empire, is also attempting to provoke conditions for a third world war, in order to maintain its hegemony against newly emerging powers in Eurasia, Russia, and China, in particular.

“My home country of Syria, one of the oldest civilizations in the world, has been almost entirely destroyed in less than two years by thousands of jihadists deployed by the Trans-Atlantic powers against the Bashar al-Assad regime, the very same ones deployed in Libya, which later killed U.S. Ambassador Stevens in Benghazi. Russia and China having come to the defense of Syrian sovereignty against this onslaught, this new British Empire has re-created in the Middle East all the elements for a new East/West confrontation, which would rapidly rise to the thermonuclear threshold.

“I believe the only way of stopping this oligarchy from provoking a new world war, is to eliminate its financial power. Only the reenactment of Roosevelt’s Glass-Steagall Act could do this, because by separating commercial banks from speculative investment banks, governments would decide to support only commercial banks, and let the oligarchy’s casino banks which are bankrupt, go bankrupt.

“I’m also convinced that because of the huge dimensions of the crisis, and the fact that the memories of the Roosevelt’s Glass-Steagall law, repealed in 1999, are still fresh in your country, the United States must take the lead in the reenactment of the Glass-Steagall Act.”

Bassam Tahhan