

# JPMorgan, Obama Meet To ‘Solve’ Crisis

by Paul Gallagher

Oct. 1—JPMorgan Chase CEO Jamie Dimon is to lead a dozen top Wall Street executives to the White House Oct. 2 to plot “solving” the government crisis with President Obama, less than a week after Dimon met Attorney General Holder to plot escaping criminal prosecution for multiple and grave banking crimes.

Since many of the other CEOs meeting Obama also head banks exposed for the same crimes—Anshu Jain’s Deutsche Bank, for example, Brian Moynihan’s Bank of America, Lloyd Blankfein’s Goldman Sachs—it’s outrageous that they should crowd into the Oval Office to aid Obama in taking control of Congress over a debt crisis, which their banking policies created!

The banksters are also to meet Treasury Secretary Jack Lew, House Financial Services Committee chairman Jeb Hensarling, and Senate Banking Committee ranking member Mike Crapo. Other than Hensarling, this White House-Republican combination consists of active opponents of Congress restoring Glass-Steagall, the only measure that can restore banking to economic progress and lawfulness.

In July, Obama and Holder met with top U.S. bank regulators. The focus appeared to be: Do *something*, at least, to create the impression that Dodd-Frank is working, or we may not be able to stop Congress from re-enacting Glass-Steagall. Since then, great publicity has been given to multiple investigations and fines of JPMorgan Chase. CEO Dimon, who, in 2012, publicly called Dodd-Frank “idiotic,” has recently told two interviewers it is “all we need,” and supported it against the prospect of Glass-Steagall’s restoration.

The *already well-exposed* crimes of these co-responsibles of Obama, include massive mortgage securities fraud, rigging the LIBOR interest rates, fixing electricity, aluminum, and other commodity prices, and raping municipalities worldwide with “interest-rate swaps.” They have also continuously cut their lending to the economy in the five years since they were first bailed out, despite having record deposits to lend, and *continuous* bailouts by the Federal Reserve’s

“quantitative easing” money-printing policy.

So although the banksters intend to make sure that Obama and Lew do not allow Congressional Republicans to force a U.S. default in late October, they also met some of those Republicans. The likely subject was concessions—supported by Obama—to be demanded from Congressional Democrats, on banking deregulation (no Glass-Steagall) and corporate tax “reform.”

## Does Morgan Do Any Banking?

JPMorgan Chase, the largest U.S. bank by assets and deposits, has only 38% of its assets in loans, while the national banking average is 72%, and that in itself is a record low level. Morgan throws its huge deposit base and liquidity from Fed bailout operations, into the securities and repo-derivatives markets with abandon, shown in the “London Whale” derivatives scandal to be unlawful as well as super-speculative. The bank “gave up” two lower-level London derivatives traders to criminal prosecution for this.

Dimon, in his Sept. 26 meeting with Holder, reportedly refused any admission of criminal conduct by his top executives, in what was clearly huge mortgage securities fraud in the mid-2000s, leading to the 2007-08 bank crash, bailout, and devastation of the economy. Even the \$11 billion in fines Morgan is now offering to pay, is much smaller than the scale of losses caused by that securities fraud.

Sen. Carl Levin’s Permanent Investigations Subcommittee proved exactly the same crimes by Blankfein’s Goldman Sachs, in public hearings and an exhaustive investigative report, in 2010; Levin referred the findings to Holder and Obama for prosecution—and nothing happened. Goldman was fined \$500 million!

The *Wall Street Journal* reported Oct. 1 that a JPMorgan Chase employee, with first-hand proof of *witting* mortgage securities fraud by senior management, has been cooperating with U.S. investigators for 18 months. At least one U.S. government department involved asked for a fine double what Dimon has now offered to pay, one which would wipe out Morgan’s entire loan-loss reserves and hit the bank hard.

These two investigations, both criminal and civil, do not include Morgan’s economically destructive holdings of commodities, and resulting gouging of electricity prices in California and the Midwest.

This is the man, with fellow banksters, working with Obama to manipulate Congress, and to stop Glass-Steagall.