

Glass-Steagall Drive Picks Up Steam, as Obama Falters

by Nancy Spannaus

Nov. 19—The worse the political crisis for Barack Obama, the better are the prospects for the policies which, as a British puppet, he has devoted his Presidency to blocking—starting with the re-enactment of FDR’s Glass-Steagall law. That reciprocal process came clearly into focus over the last week, as Obama’s fortunes tanked, and significant new initiatives for ramming Glass-Steagall through the Congress were taken.

As Lyndon LaRouche has emphasized in recent days, Obama is now in real trouble, with Democrats starting to defect on “issues” such as murderous Obamacare. But, while Obama is the face of the evil Americans see, as they observe their society falling apart, the President is not the enemy per se. Rather, he is only a tool of the international financial oligarchy, centered in the Anglo-Dutch monarchy and its U.S. extension, Wall Street. These financial forces have enormous power—and at least some of them would not hesitate to even provoke a thermonuclear war confrontation, in order to “save” their empire.

Glass-Steagall, however, would take that power away, reducing Wall Street to the bankrupt husk that it is, and restoring the sovereignty of the U.S. government over its economy and finances. It was not simply rhetoric, when a British official told a U.S. economist in the Spring of 2010 that his government would consider the re-establishment of Glass-Steagall a “hostile act.”

Congress is not yet in a state of open revolt against the President, but, increasingly, the U.S. population is. If you actually face the reality of the threat to the United States, economically, politically, and strategically, that rage is totally appropriate. But, every delay in taking the measures required to remove Obama and implement Glass-Steagall, puts the nation and the world in more danger.

An Obama Implosion

With the disastrous developments which came to light around the roll-out of HealthCare.gov, the facade of Obama’s popularity has finally been cracked. His poll numbers are crashing, and his political “capital” is increasingly ineffective in keeping his party in line.

It’s been a long time coming. After the initial, accurate outpouring of rage against his Hitler health program in 2009 calmed down, Obama played the “political partisanship” card, turning the ire of a large number of Democrats against the Republicans, who were supposedly the real source of the policies of austerity and imposed suffering. While having been warned by LaRouche of the President’s true pedigree and commitment to a program of genocide, Democrats by and large decided to ignore the evidence before their eyes, and went along with Obama.

Over the past year, however, the accuracy of LaRouche’s exposé of Obama’s Nero-like narcissism and his drive for dictatorship could no longer be ig-

nored. One shift came with the Benghazi 2012 fiasco, where the President's lying nature was exposed in the face of the murder of American representatives in Libya. An even larger shift came with Edward Snowden's revelations of the massive NSA spying operation against Americans. The Obamacare disaster, which has taken center stage since Oct. 1, has now brought the President's approval rate to unprecedented lows.

Not surprisingly, Obama's attempt to calm down Congressional Democrats who are in a panic about the impact his behavior is having on their political prospects, is not working very well. Obama staged an "apology" for the health-care disaster Nov. 13, in hopes of stopping a massive Democratic defection in favor of the Republicans' bill to "Keep Your Health Plan," scheduled for a vote Nov. 15. Nonetheless, 39 Democrats voted with the Republicans, bringing the "yes" vote to close to over 60%—not enough to override Obama's threatened veto, but very, very close.

Americans en masse are now forced to face the fact that *Obama has lied*, repeatedly and malevolently, endangering tens of millions of people, who would lose their health-care policies. He knowingly promised that

people could keep their policies, when he knew, or should have known, that it was a lie. He is indifferent to suffering of real people. In fact, this was totally knowable before Obamacare's roll-out—in the case of his pushing for cuts in Social Security, Medicare, and food stamps, all of which are *ongoing* and devastating the old, the sick, and the poor.

The more fundamental issue is not that Obama is just "doing bad things"; his allegiance to the global financial oligarchy, in his deeds, violates the oath in which he swore to uphold the Constitution of the United States. He should be impeached for that alone—although more specific offenses are definitely available. But Obama's removal from power must be accompanied by another reassertion of Constitutional principle—the re-adoption of Glass-Steagall.

'Pick up the Slingshot'

Sen. Elizabeth Warren (D-Mass.) set the appropriate tone for Congress, when she keynoted an academic meeting at the Roosevelt Institute/Americans for Financial Reform conference in the Russell Senate Building Nov. 12. "It's time to act," she declared, at the conclusion of her presentation on the necessity for

REVIVE GLASS-STEAGALL NOW!



"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



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

WATCH the [LaRouchePAC video](#):

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Glass-Steagall (see below).

Of particular note, and new in Warren's remarks, was her declaration that the time of waiting for Dodd-Frank regulations to solve the "too big to fail" banks problem, is over, risks of market blowouts are growing, and the time for Congress to take more action—Glass-Steagall—is now. Otherwise, her focus on directly and publicly battling Wall Street continues to be unique in the Senate.

Warren explained how her "21st Century Glass-Steagall Act," introduced with Sens. John McCain (R-Ariz.), Maria Cantwell (D-Wash.), and Angus King (I-Me.), would "wall off depository institutions from riskier activities like investment banking, swaps dealing, and private equity activities. It would force some of the biggest financial institutions to break apart and eliminate their ability to rely on federal depository insurance as a backstop for high-risk activities."

She also took aim at Wall Street, noting that it came out of the 2007-08 crisis with record-setting profits, and continues to fight financial reform every step of the way.

Warren's speech spread rapidly in the media; and pro-Glass-Steagall developments around the country began to surface. Two California House members, Democrats Mike Honda and Karen Bass, added their names to the House bill for restoring Glass-Steagall (HR 129), bringing the number of co-sponsors to 78. At a Nov. 12 conference hosted by the *New York Times*, hedge fund manager Ken Griffin of Citadel Capital echoed Warren's warnings that the banks are not only too big to fail but also too big to manage. He called for full separation of the securities trading business from the banking business.

"They got it right in the Great Depression," Griffin noted, explaining that the Glass-Steagall Act "actually makes a tremendous amount of sense. It is not appropriate for the securities trading industry in our country to [receive] the taxpayer support implicit in the FDIC-insured companies." He added that "watching the populist anger toward all the financial services over the last couple of years makes me wonder why more people that sit closer to where I sit don't want to put themselves outside of the taxpayer support position they are in today."

In yet another indication of motion in the Republican Party for Glass-Steagall, Ed Schafer, the former Governor of North Dakota, who also served as George

W. Bush's Secretary of Agriculture 2008-09, gave a strong endorsement of Glass-Steagall in a widely read blog. "We should not allow the connection between banks and investment companies. It places too much risk on the taxpayers, and the big institutions make tons of dough working the system instead of profit from the creation of goods and services in our economy. The solution is to reinstate Glass-Steagall and separate investment houses and banks."

Speaking of Republicans...

Glass-Steagall, of course, has never been a partisan issue. Sane Republicans around the country have spoken up consistently for the banking regulation—although the party leadership in Washington has tended to stick with Wall Street, which fills their election coffers, and thus has kept the Republican sponsorship on the House bill, in particular, to a handful.

In this light, the passage of a Glass-Steagall resolution by a local Arizona Republican Committee on Nov. 12, is particularly notable. Republican Thomasita Taylor has been fighting for Glass-Steagall for months, going on radio, attending town hall meetings to confront what she calls "Arizona's Cowards of Capitol Hill," and seeking to pass a resolution for Glass-Steagall through her committee. After eight months of fighting, she did it, with a 15-0 majority, and the resolution, which specifically supports HR 129, will now be forwarded to the Maricopa County Committee, where she will motivate its passage.

State Legislators Wants Glass-Steagall

Back in August, a major deployment by Wall Street stooges succeeded in preventing passage of a pro-Glass-Steagall resolution at the National Conference of State Legislatures national meeting in Atlanta. Now the battle is about to be joined again, when the NCSL's Legislative Forum meets in Washington, D.C. in early December.

A new resolution calling on Congress to enact the Glass-Steagall-style legislation now before it, has been submitted to the Forum by Rep. Andrea Boland of Maine, who was a leader in the Atlanta fight. As of this writing, 18 other legislators, from 15 states, 9 of them lead sponsors of their respective state resolutions, have submitted their endorsements of the Boland resolution. Boland's resolution notes the filing of 25 separate state memorials for Glass-Steagall, and urges, in light of "the

economic and banking crisis that has so heavily burdened average United States citizens, their businesses, and their state and local governments,” that the Congress immediately take action.

Wall Street and Obama can be expected to respond with fury. But all the conditions are there for Glass-Steagall, the first step to a real recovery, to finally prevail.