

State Legislators Press for Glass-Steagall Revolution

by Nancy Spannaus and Alicia Cerretani

Feb. 8—Restoration of the Glass-Steagall Act is the keystone for returning the United States to the principles of the U.S. Constitution, argued Lyndon LaRouche in his Feb. 7 webcast. If the majority of Americans, who are already desperately opposed to the policies, if not the person, of Barack Obama, revolts in favor of that policy—which will involve removing obstacle Obama from office as well—then the pathway to saving the U.S. and world economy can be taken.

Developments in state legislatures around the United States this week give reason to hope that this point of revolt might be being reached. Within one week, new memorials demanding that Congress re-enact Glass-Steagall, as called for in two pieces of legislation already before the House and Senate, have been introduced in Arizona and Maryland, and a discussion on the necessity of FDR's Glass-Steagall was held in the Virginia State Senate around Senate Memorial 22, which calls for its revival. This activity follows new memorials having been introduced in four states—Alabama, Washington, Rhode Island, and New Mexico—within the first six weeks of the year.

LaRouchePAC organizers around the country report that action is imminent in several more legislatures. In some states, such as California and Pennsylvania, memorials from the last session are still live for action, while in others, new measures must be initiated. Notable is the fact that two additional states beyond the 25 that had memorials introduced in 2013—New Mexico and Arizona—have joined in the demand this year, and

also that the number of co-sponsors in a number of states which saw memorials introduced last year, has radically increased.

Assuming that the drive toward world war can be by stopped by eliminating the power of Barack Obama by constitutional means in the immediate period ahead, the prospects for putting the U.S. economy back on track appear to be improving.

The Latest Action

Maryland HJR 8 was filed on Feb. 6, with a total of 50 sponsors, which is more than one-third of the House Chamber of the General Assembly. Three of the sponsors are chairs of committees in the House, and the number includes three Republicans. The resolution is the same language of a resolution that was introduced in Maryland in 2013. It is of note that three members of the Maryland Congressional delegation—Barbara Mikulski (D) in the Senate, and Donna Edwards (D) and Elijah Cummings (D) in the House—are signers of current Glass-Steagall legislation in their respective chambers.

In Arizona, HCM 2011, the state's first resolution supporting Glass-Steagall was also filed on Feb. 6, with 14 sponsors in the House, and 4 in the Senate. Three Democratic Congressional members—Raul Grijalva, Kyrsten Sinema, and Ann Kirkpatrick—have co-sponsored HR 129 for Glass-Steagall in the House, and Sen. John McCain (R) is a co-sponsor of S. 1282, the Senate Glass-Steagall bill, along with Sen. Elizabeth Warren (D-Mass.).

On Feb. 7 in Virginia, SJ 22, a resolution to support Glass-Steagall restoration, entered into the Virginia State Legislature, sponsored by Republican Sen. Richard Black, was taken up by the Senate Rules Committee. While the resolution was ultimately tabled (as is the case with virtually all memorializing resolutions in Virginia), Senator Black requested and was granted a few minutes to make a presentation. He was supported in this request by Democrat John Edwards, the new chairman of the Rules Committee, who swept aside objections from other members of the Committee to discussion of the resolution.

Edwards took the opportunity to announce that he was in favor of the restoration of Glass-Steagall (although he did not go on the record in favor of overriding the legislature's standing rule against resolutions). Black used his time to describe the origins of Glass-Steagall in the Franklin D. Roosevelt Administration, its role in separating commercial and speculative banking, and the urgent need for its restoration, particularly given the fact that the Dodd-Frank Act is wholly ineffective and that the speculative activity of the "too big to fail" banks is run at the cost of the American taxpayer and with the danger of creating financial chaos. Black emphasized the growing support for Glass-Steagall in the Congress, particularly noting the entry of S-1282 into the U.S. Senate and reading out the list of co-sponsors.

And in Congress?

On Capitol Hill, the number of co-sponsors on the two Glass-Steagall bills in the Senate remains the same (11), while the numbers on the two House bills have inched up. But numbers don't tell the whole story.

The political and economic reality which has caused an upshift in the activity around Glass-Steagall at the state level is also reflected, qualitatively, at the Federal level. Just prior to the Winter break on Dec. 11, the day after Wall Street's Volcker Rule was officially approved by Federal regulatory agencies for implementation, Reps. John Tierney (D-Mass.) and Walter Jones (R-N.C.) introduced companion legislation to Sen. Elizabeth Warren's S. 1282, the "21st Century Glass-Steagall Act," which, in effect, speaks volumes to the lack of confidence that members of Congress have in President Obama's commitment to a U.S. recovery and to reining in Wall Street.

That bill now has nine additional co-sponsors.

The other qualitative breakthrough on Capitol Hill is the recognition by many Republicans that Glass-

Steagall is above and beyond the usual partisan politics, and in fact, goes to the heart of who, internationally, is controlling the Obama Presidency. The addition of Ted Yoho (R-Fla.) to H.R. 129, "The Return to Prudent Banking Act," and discussions with similar moderate Republicans on the issue of an orderly bankruptcy reorganization to revitalize the U.S. economy, reflect a growing understanding by members of Congress of what it is actually going to take to turn the U.S. economy around and create a real, productive recovery.

What Has Changed

The increased pace of activity for Glass-Steagall on the state level stems from a number of significant political shifts, including the dramatic decline in the credibility of Obama and the Congress.

Heavily affecting the legislators is the murderous assault on the living standards and livelihoods of their constituencies since early 2014, represented by the cuts in food stamps, cutoff of long-term unemployment insurance, and cutbacks in health care through Obamacare. Under these conditions, the terror tactics of the Wall Street crowd, which beat back many a Glass-Steagall resolution in 2013, are no longer having the same effect.

The broad acknowledgment that *nothing* done by the Obama Administration (or George W. Bush before him) has done anything to defuse the financial bomb, and a crash of the system is nearer than ever, is also impelling stronger support for the most significant measure which held off such crashes for 60 years after the early 1930s, Glass-Steagall.

The following report, from a LaRouchePAC organizer involved in winning support for the Maryland resolution, provides useful insights into the changes in the process.

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:

'Glass-Steagall: Signing a Revolution'

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