

O'Malley Is Shifting the Paradigm

by Debra Hanania-Freeman

April 4—Former Maryland governor Martin O'Malley is continuing to use his exploratory effort toward a likely run for the Democratic Presidential nomination, to rail against Wall Street's domination of both Congress and the White House. Taking the point for a growing element in the Democratic Party, O'Malley has stubbornly insisted that the defining issue for any Presidential candidate, must be a willingness to break up Wall Street's power by reinstating the Glass-Steagall Law. And, in an appearance on George Stephanopoulos' "This Week" show on March 29, and a campaign swing through New Hampshire over the subsequent two days, O'Malley sharpened his polemic by addressing some of the deeper cultural issues afflicting the nation.

Responding to a question from Stephanopoulos on why anyone would even think of challenging Hillary Clinton, who pundits insist has a lock on the nomination, O'Malley responded, "Because, I believe that our country is at a defining moment in our history. The American dream has become something that is no longer true for the 80% of us working harder and not getting further ahead. We've suffered 12 years in a row of declining wages, thanks to the brand of voodoo economics.... Let's be honest here. The Presidency of the United States is not some crown to be passed between two families. It is an awesome and sacred trust that has to be earned and exercised on behalf of the American people."

Stephanopoulos tried to draw O'Malley into a further attack on Clinton, but the former Maryland gover-



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Former Maryland governor Martin O'Malley, now a possible candidate for the Democratic Presidential nomination.

nor was intent on addressing a larger point. "In order for us to make an economy again where people work hard and get ahead, we need a President who is on our side; a President who is willing to take on powerful, wealthy, special interests.... That's not the economy we have today.

"It is not about being for or against any other candidate. It's about being for the national interests. We can become a strong country again with a strong economy that works for everyone. But we have to put national interests ahead of special interests, and right now, it's not even a fair fight. It's as if Wall Street owns one party, and is trying to totally intimidate the other party. And we need to stand up and put the national interests first."

Stop Serving Wall Street

Some argue that O'Malley has simply adopted populist rhetoric as a campaign tactic, in order to run to the left of Clinton. But as the man whom the Democratic Leadership Council once called one of the top ten rising stars among "centrist Democrats," O'Malley's willingness to take on his own party's establishment, and his refusal to tone down his insistence on the restoration of Glass-Steagall, indicate a far deeper commitment.

Although he served as a loyal party soldier in the past, chairing Hillary Clinton's 2008 Presidential campaign in Maryland and raising millions of dollars as chairman of the Democratic Governors Association, his years of serving on the front lines in the midst of the nation's worst financial and economic crisis have decisively shaped his current views.

In what was more of a reflection on his own past than a rebuke of Clinton, he said March 27 on C-SPAN, that a recommitment to our moral principles can only be achieved by a recommitment to the common good and the general welfare. “Triangulation is not a strategy that will move America forward. History celebrates profiles in courage, not profiles in convenience. There is a common interest. There is a common good. And our government was created to protect it.”

“There is a despondency out there; there is a darkness that has crawled deep inside the soul of our country, and we need to acknowledge it and hold it up and reject it for what it is.”

—Martin O’Malley

The politics of triangulation—the political maneuver of moving to the middle of the two parties to gain support from both sides—is the term which defined the Democratic Leadership Council, and is most closely associated with Hillary Clinton’s brand of centrism. It has also been used to criticize Clinton as being overly poll-driven.

O’Malley has repeatedly criticized the Obama Administration, opposing the plan for a Trans-Pacific Partnership trade pact, as he has opposed the North American Free Trade Agreement (NAFTA), calling them deals that “hollow out our standards while at the same time hollowing out wages.”

But his harshest criticism continues to be aimed at Democrats’ unwillingness to impose regulations on Wall Street. “For 30 years we have followed this economic story that sought to change rules, change laws, change regulations to concentrate wealth at the very top. That concentrated wealth now totally owns the Republican Party and is trying to totally intimidate the Democratic Party. And in many cases, they are succeeding,” he said on his recent trip to New Hampshire.

He cites the efforts in Congress to dilute the Dodd-Frank financial services law by attaching changes to a December budget bill needed to keep the government open. JPMorgan Chase CEO Jamie Dimon personally lobbied for the provisions. “There was kind of a ‘Jamie Dimon rider’ on closing down our government,” O’Malley said. “It was appalling.”

Restore America’s Soul

During his swing through New Hampshire, in the face of threats delivered by the four biggest Wall Street banks—Citigroup, JPMorgan Chase, Goldman Sachs, and Bank of America—that they would pull all campaign support unless Democrats drop the push for Glass-Steagall and other anti-Wall Street actions, O’Malley continued to argue that Republicans are in the pocket of big banks, while Democrats continue to be intimidated by them.

Speaking in Bedford, N.H., March 31, he said the prerogative of Wall Street “threatens the national interest, threatens the national economy, and threatens to wreck the homes, the livelihoods and the hopes of Americans.”

“I was on the front lines, and so were you,” O’Malley declared. “The activity that took place on Wall Street and led to this crash might have happened far from our states, but the damage happened in every neighborhood. Millions of jobs. Millions of homes. And instead of following through on reforms that the American people expected of us, we backed off.”

He repeated what has punctuated nearly all his public addresses: “It seems like one party is entirely owned by big money, and the other is intimidated by it, and people expect better.” Repeating his call for reinstating Glass-Steagall as his top priority, he said, “People play by the rules and work hard, and they expect Wall Street to play by the rules, and they expect the government to be on their side and stand up for us and stand up for our national interests.”

But he didn’t stop at addressing the programmatic issues. “There’s a despondency out there; there’s a darkness that has crawled deep inside the soul of our country, and we need to acknowledge it and hold it up and reject it for what it is,” he said.

“To these headline writers and pundits who would declare a premature obituary for the American dream, we must all say, not on our watch, not on our watch. We have better choices to make, and we still have time to be the great Americans our parents and our grandparents were, but we’re going to have to make the choices that are consistent with the truth of how an American economy works.”

Only Glass-Steagall Will Change the Game

As Hillary Clinton has proceeded to meet privately with Democratic leaders she sees as key to her own candidacy, she has indicated that she wouldn’t oppose Glass-Steagall’s reinstatement and has publicly voiced

support for “Wall Street reform.” But, there is no escaping the fact that she has longstanding historic ties to Wall Street and the financial industry, and depends on their money to fill her campaign coffers.

As for Massachusetts Sen. Elizabeth Warren (D), who has emerged as a symbol of Wall Street reform, there is no question that she has spoken repeatedly with great force and clarity on the need to reign in Wall Street and for the reinstatement of Glass-Steagall, including introducing a bill to that end along with Senators Maria Cantwell (D-Wash.), John McCain (R-Ariz.), and Angus King (I-Me.) into the last Senate session. Although Warren, who continues to rebuff efforts to enlist her as a potential Democratic Presidential candidate, still speaks in favor of Glass-Steagall, she has been slow to reintroduce legislation.

Most recently, she has focused most of her attention on an effort to reduce the burden of student loan repayment on college graduates. While the issue certainly deserves attention, it is hardly a game changer.

In fact, the only immediate measure that can successfully and efficiently break the back of Wall Street and regain control of U.S. economic policy is the restoration of Glass-Steagall. And Wall Street knows it.

Some inside the party are engaged in an effort to pander to the population’s disgust with Wall Street without actually invoking Wall Street’s enmity. On April 2, New York City Mayor Bill de Blasio convened such a group, to announce a new national effort which he said was designed to force the issue of income inequality into the Presidential campaign.

De Blasio said the group—which included Connecticut Gov. Dannel Malloy and Sen. Sherrod Brown of Ohio—will gather again in May to draft a “template” that he likened to the Contract with America that Republicans used to great effect in 1994. He also said that he plans to travel to Iowa and Wisconsin later this month to force the question. But, when pressed as to whether he, and the group, would be in favor of reinstating Glass-Steagall, he refused to take a position. That refusal raised the obvious questions. At best, it would leave de Blasio’s group just pushing the kind of empty rhetoric which might annoy Wall Street, but which hardly poses any serious threat to their stranglehold on economic and financial policy. At worst, it might qualify as an attempt, even one funded by the very interests it nominally attacks, to deflect from the central issue as O’Malley has correctly posed it.

The establishment media and “inside the beltway”

pundits continue to insist that O’Malley is buried in the polls. But the fact is that even with no opposition, Hillary Clinton’s approval as the Democratic nominee never rises above 60% of likely Democratic voters. And, especially taken in the context of events around the world, from the initiatives of the BRICS since July

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2014, to the Greek elections, to the founding this week of the Asian Infrastructure Investment Bank with the support of no fewer than 46 nations, there is no question that a dramatic paradigm shift is well underway, a shift that can cause a dramatic turn in just how the 2016 U.S. Presidential campaign and, more immediately, U.S. policy in general, develops. The only certainty is that those so-called “insiders” will be among the last to understand it.

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

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‘Glass-Steagall: Signing a Revolution’

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