

# Can Democrats Revive the Presidency?

by Debra Hanania Freeman

April 24—Although the first of the primary elections to determine the 2016 Democratic Presidential nominee is more than nine months away, the fight to determine the policy standard that nominee must meet—and indeed the policy and fundamental principles that will shape the Presidency itself—continues to emerge with sharper clarity. As it does, it threatens to overturn the chessboard in what political commentators and pundits were touting as an inevitable Bush vs. Clinton national election.

Former Maryland Governor Martin O'Malley, who is expected to formally announce that he will seek the Democratic nomination sometime next month, has repeatedly stated that the reinstatement of the Glass-Steagall Act, dividing commercial and investment banking, is the single and most important first step that must be taken if the United States has any hope of restoring the U.S. economy. His insistence on this point in speaking engagements and press and media interviews across the nation has breathed a renewed sense of aggressiveness into the statements and activity of Massachusetts Senator Elizabeth Warren, long seen as the poster child for reducing the size and power Wall Street's Too-Big-To-Fail banks.

Together, O'Malley and Warren have come to define a new standard of leadership, setting off a virtual civil war inside the Democratic Party, and increasingly causing problems for Obama's attempts to ram Wall Street's "Final Solution" agenda through the Congress before he leaves office. The long-simmering divide erupted this past week, when Obama, working through the Republican leadership in both the Senate and the House, made an unprecedented attempt to ram through the "Fast Track" TPA—Trade Promotion Authority—preparatory to the Trans-Pacific Partnership. The bill gives Obama the ability to finalize trade deals like the TPP—itsself an economic and strategic nightmare (see *EIR*, April 24, 2015) that could affect about 40% of the world's gross domestic product—and prevent lawmak-

ers from making any changes, allowing them only an up-or-down vote.

A handful of Senate Democrats lined up behind Warren to oppose the legislation, saying they worry that it will ultimately do massive harm to already suffering American workers. And right now, all they can do is worry, since the details of the pact remain secret. Even Senate Minority Leader Harry Reid (D-Nev.), asked if he would support the legislation, said that "the answer is not only no, but hell no."

The Obama Administration has kept Wall Street well briefed on every aspect of the ongoing TPP negotiations, but has kept Congress largely in the dark. Members who have been briefed on the deal have been blocked by the administration from publicly discussing specifics. Last month, an administration official told the *Huffington Post* that negotiations on the deal were classified because "they were sensitive and ongoing."

## O'Malley vs. Obama's 'Trade' Swindle

But on April 22, Warren accused the administration of deliberately hiding unpopular details from the public.

"The government doesn't want you to read this massive new trade agreement. It's top secret," Warren said in a statement on her website. "Why? Here's the real answer people have given me: 'We can't make this deal public because if the American people saw what was in it, they would be opposed to it.'"

"If the American people would be opposed to a trade agreement if they saw it, then that agreement should not become the law of the United States," Warren continued.

Warren also said that there were provisions in the deal that would allow companies to ship jobs overseas, and weaken environmental or labor rules. The Massachusetts Senator also said that Congress should have the ability to amend the deal to get rid of objectionable provisions.

During an appearance on "The Rachel Maddow

Show” April 22, as the Senate Finance Committee voted 20-6 to pass the Fast Track authorization, Warren said that she worried that the authority Obama sought—to bypass Congress on the deal—could be used by future Presidents. Warren added that while ordinary citizens had been blocked from seeing the trade deal, businesses that could be affected by it were privy to details.

After the 20-16 vote in the Senate Finance Committee April 22, the Fast Track bill is expected to be approved by the full Senate within weeks.

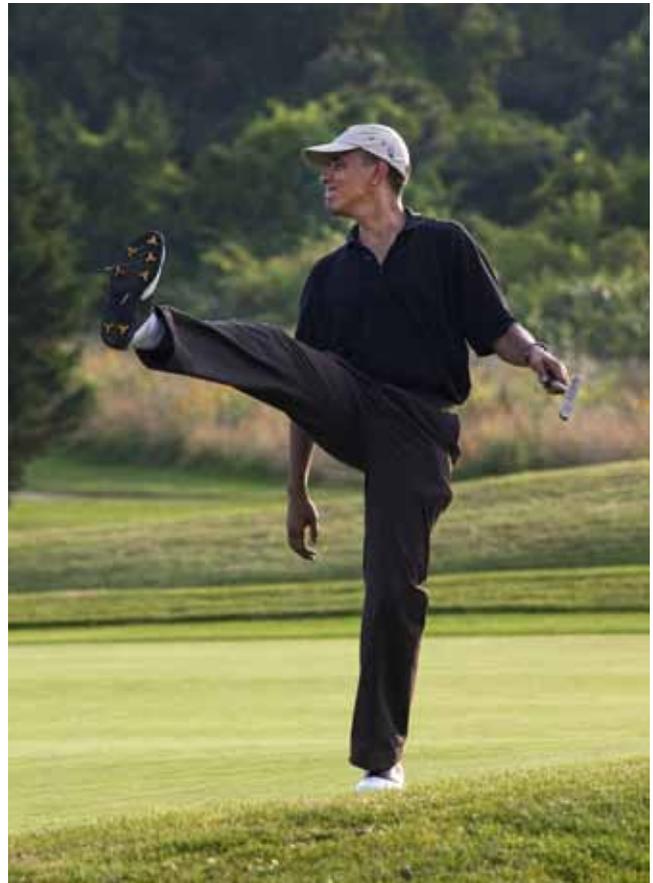
But the question remains whether enough House Democrats will join with Republicans to pass the measure. On April 23, the House Ways and Means Committee passed “Fast Track” with a 25-13 vote; all the 13 “nays” were Democrats (out of 15 Dems on the Committee). Despite weeks of pounding by Administration officials, they voted *en masse* against Obama.

O’Malley, who has opposed the TPP as a bad deal all along, took a strong stand on the measure during an NPR interview April 20. When asked to elaborate his view, O’Malley said, “Yeah, I do oppose it. What’s wrong with it is, first and foremost, that we’re not allowed to read it before our representatives vote on it. What’s wrong with it, is that right now what we should be doing are things that make our economy stronger here at home. And it’s my concern that the Trans-Pacific Partnership—this deal which is urged by big corporations—many of whom have off-shored jobs, and many of whom have off-shored their profits—is bad for America’s economy because it’s bad for our middle class, and it is a race to the bottom, a chasing of lower wages abroad. And I believe that that does nothing to help us build a stronger economy here at home. And I am appalled by the notion that we’re not allowed, as Americans, to read this agreement before our so-called representative institution of Congress votes on it.”

After the Senate Finance Committee vote, O’Malley immediately posted his opposition on Twitter, and fired off an e-mail to supporters pledging his opposition to the Trans-Pacific Partnership. “To me, opposing bad trade deals like the TPP is just common sense,” O’Malley wrote. “American workers whose jobs could be on the line right now, are owed more than lip-service. They deserve to know where leaders stand.”

Whatever “leaders” could he be talking about?

It was a not-so-subtle swipe at Hillary Clinton, who is under increasing pressure from both fellow Democrats and the labor movement, to take a defini-



White House photo/Pete Souza

Obama at Martha’s Vineyard, August 2009

tive stance on the legislation. It’s emerged as the first major policy dilemma of her Presidential bid, as she’s faced with casting aside her own past as a free trade proponent (as Secretary of State, Clinton touted TPP as the “gold standard” of trade pacts), and publicly bucking Obama.

A growing number of Democratic lawmakers believe that a definite stance against Obama on this question, could be the factor that tips the scale. But the furthest Clinton has gone is to say in New Hampshire this week, “Any trade deal has to produce jobs, and raise wages, and increase prosperity, and protect our security,” a statement that is simultaneously true and meaningless.

Sen. Jeff Merkley (D-Ore.) told *Politico* April 22, “I think now that she’s officially declared for President, she should share with people how she feels about this.” He’s not alone. There are many others who agree, saying that Clinton owes it to voters—and to the Democratic Party—to explicitly spell out her views on such a critical issue.

## The Glass-Steagall Qualification

On April 24, *Mother Jones* magazine posted the headline “Hillary Wants a Piece of the Elizabeth Warren Love Fest,” but that Clinton refuses to respond to the key points of principle made by Warren (and O’Malley), namely, that megabanks must be downsized and Glass-Steagall reinstated.

The article notes that Clinton “penned a fawning blurb” on Warren for *Time* magazine’s list of 2015’s most influential people, but that her campaign refused to reply when *Mother Jones* supplied it with a list of seven Warren positions for comment. The list starts, 1) “Breaking up the largest banks and setting a cap on the size of banks; and 2) Reinstating the parts of the Glass-Steagall Act repealed during Bill Clinton’s Presidency that required a separation between commercial and investment banking.”

Two days earlier, on April 22, an e-mail blast went out from Americans for Financial Reform, identifying Glass-Steagall as one among their “no-nonsense set of proposals” which a Presidential candidate must “stand behind.” The first of their four points calls for “Steps to reduce the size and power of the Too-Big-To-Fail banks, including restoration of the Glass-Steagall division between investment and commercial banking.”

In a somewhat humorous piece in the April 21 issue of *Politico*, Jack Schafer wrote, “Thousands have run for President, but only one candidate has ever unrun for the office: Hillary Clinton. Ever since she finally announced her entry into the contest a couple of weeks ago, she has been unrunning with ferocity. First she road-tripped a minivan 1,000 miles from New York to Iowa to . . . listen.”

Why is Clinton unrunning? Schafer says, “Actively running for President at this point would be too politically damaging for Clinton. By actively running, she would have to declare herself for or against the current administration, something she doesn’t want to do until it presents some advantage.”

Clinton may hope to avoid the intense political debate that might rob her of Obama’s political blessing as his anointed successor (a peculiar objective given the growing public hatred of the man), and perhaps more important, might rob her of the huge sums of money she is counting on from friends on Wall Street—funds she believes she needs to win the Presidency.

But that is an impossible strategy.

During a campaign stop in New Hampshire April 20, Clinton said that, after listening to people in Iowa

and New Hampshire, she was “surprised” to find out how much small-business growth has slowed.

“It’s not enough just to tread water,” she said. “We need to get ahead and stay ahead, and people need to feel their work is being rewarded and that the deck is not stacked in favor of those at the top.”

It was an inane statement. With the U.S. economy in a state of utter collapse and the income gap widening by the day, many wondered how she could possibly be “surprised.” Moreover, what does that say about her qualifications for the Presidency in a time of crisis?

## Obama Loses It

April 27—In a series of public statements on April 23 and 24, President Obama, in a fit of manic, narcissistic rage, accused his unnamed opponents of being “dishonest,” for stating that the Trans-Pacific Partnership (TPP) was a secret deal, which would harm Americans. He added that the Democrats will just have to “trust” him, because he would never do anything that would harm working people!

This drew a sharp response from two of the Democratic Senators who are leading the fight against the TPP. In an open letter to Obama, dated April 25, Senators Elizabeth Warren (Mass.) and Sherrod Brown (Ohio), blasted Obama for calling them dishonest. They wrote that it is his administration that classified the text of the TPP, and has “kept it hidden from public view, thereby making it a secret deal.”

They continued, saying that while the public has been kept in the dark, the CEOs of the “country’s biggest corporations and their lobbyists already have had significant opportunities not only to read it, but to shape its terms.” Thus, instead of a “robust political debate,” on the free-trade pact, Congress has been “muzzled by classification rules,” imposed by Obama himself.

This direct attack against Obama represents a potentially decisive shift, as the battle is not just over the Fast Track for the TPP, but for the heart and soul of the Democratic Party.

—Harley Schlanger



Jeb Bush facebook page

*Jeb Bush in New Hampshire, April 19, 2015. "Some have gone so far as to say, that were she [Hillary Clinton] to somehow actually secure the nomination on her terms, it could very well lead to a Jeb Bush electoral victory."*

But, even this weak-kneed level of implied complaint, was too much for Obama's ego to bear. Over the next

three days, one administration spokesman after another—and then finally Obama himself—felt they had to take issue with Clinton.

It is clearly the case that if Clinton thinks she can skate through the campaign for the Democratic nomination with platitudes about the middle class, she is dead wrong. It is well known that she has made private commitments to various Democrats in Congress, that she would support the re-enactment of Glass-Steagall, if she were to seek the Democratic nomination; and there's no way for her to wriggle out of the fact that she is viewed as tied to Wall Street and tied to Obama.

An increasing number of leading Democrats not only see her current strategy as incompetent, but say that her refusal to break with Wall Street and Obama, means that her winning the nomination is anything but a sure thing, especially as the growing O'Malley-Warren wing of the party sets a new standard for the Democratic nominee.

Some have gone so far as to say, that were she to somehow actually secure the nomination on her terms, it could very well lead to a Jeb Bush electoral victory. That isn't her plan, but at the moment, Hillary Clinton seems to be stupidly blinded by her own ambition.

# 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](http://www.larouchepac.com)).

**WATCH** the [LaRouchePAC](http://LaRouchePAC) video:

**'Glass-Steagall: Signing a Revolution'**

**SUBSCRIBE** to EIR Online

[www.larouchepub.com/eiw](http://www.larouchepub.com/eiw)

toll-free: **1-800-278-3135** e-mail: [fulfullment@larouchepub.com](mailto:fulfullment@larouchepub.com)