Looting of Fannie and Freddie Demands New Pecora Commission

by John Hoefle

Aug. 7—When the Bush Administration initiated its "rescue" of mortgage-speculation giants Fannie Mae and Freddie Mac last September, we warned that, far from saving the two firms, they were being thrown to the wolves. The Treasury Department effectively took control of both firms, promising to provide as much money as necessary to keep them solvent, and to buy billions of dollars of Fannie- and Freddie-issued mortgage securities on the open market.

The intervention was a crucial part of the scheme to bail out the global financial markets, by pumping up the values of trillions of dollars of mortgages and mortgage-related securities.

There were two major aspects to this plan. The first was to put an explicit government guarantee behind the debt issued by the two quasi-governmental entities, as a way of luring buyers back into badly spooked markets. The second was to get the firms—which were then guaranteeing some 70% of all new home loans—to help bail out the banks by taking over big chunks of their mortgage exposures.

Under this scheme, huge losses have effectively been moved from the books of the banks and other private institutions, to the government and the taxpayer. In that, it has been a wild success, a rip-off of the first order.

While this program was inaugurated under the Bush/Cheney Administration and Treasury Secretary Henry Paulson, it was also explicitly endorsed by then-Democratic Presidential nominee Barack Obama. Obama backed the bailout schemes then, and has continued the swindle as President.

Hemorrhaging Money

Since the September 2008 bailout, the two firms have reported losses of some $150 billion. They have lost over $165 billion since Lyndon LaRouche declared the global monetary system dead, in July 2007. These figures include Fannie Mae's $15 billion loss for the second quarter of this year, but not Freddie Mac's loss, which has yet to be announced.

In what qualifies as one of the understatements of the year, Federal Housing Finance Agency (FHFA) director James Lockhart admitted June 30, that at least some of the $85 billion in capital the government has injected into the two companies to keep them solvent "will never be repaid." Lockhart added that the two firms will continue losing money "for at least the next year or so."

That $85 billion figure does not include the $10.7 billion the government injected into Fannie Mae, after it announced its second-quarter loss. The injection was required to keep Fannie's reported net worth above $0.

Just a few days later, in an Aug. 5 interview with the *Washington Post,* Lockhart announced that he would step down from his post by the end of the month. As head of the FHFA, Lockhart is the primary regulator for Fannie Mae and Freddie Mac. The FHFA was created by the Housing and Economic Recovery Act of 2008, which merged the Federal Housing Finance Board and the Office of Federal Housing Enterprise Oversight, the previous regulator of Fannie Mae and Freddie Mac.

On the day the Housing Act was signed into law (July 30, 2008), Lockhart promised that under the new regulatory structure, Fannie and Freddie would "provide stability and liquidity to the mortgage market, support affordable housing, and operate safely and soundly."

It didn't work out that way. Today, after at least hundreds of billions of dollars of government injections and subsidies, another reorganization of Fannie Mae and Freddie Mac is in the works.

Bad Idea

The Obama Administration is actively considering plans to stop the meltdown of Fannie and Freddie, as part of yet another futile effort to halt the collapse of home values and restart the markets for, and values of, mortgage-related securities.

One of these plans, the *Washington Post* reported Aug. 6, would involve dumping hundreds of billions of dollars of Fannie's and Freddie's toxic assets into a newly created "bad bank." The government would cover the losses of this "bad bank," while Fannie and Freddie would return to financial health, and thus be able to make even more loans to support the bailout.

While the White House was quick to deny that any particular plan has been decided upon, White House spokesman Jennifer Psaki did admit to the *Washington Post* that, since June, Larry Summers' National Economic Council has been looking at plans to reorganize Fannie and Freddie.

The details of any particular plan are less important than the back-door admission that the "rescue" of Fannie and Freddie has been a total disaster, and further proof that Washington has learned nothing from its failure. Two years after the crash, despite failure after failure, these fools are still trying to reanimate a dead system. All they are doing is fueling monetary hyperinflation in a vain effort to halt an unstoppable deflation of financial asset valuations. It is the worst possible move.

Worse To Come

What Washington undoubtedly knows, is that the losses at Fannie and Freddie—losses that were a direct result of using the firms to take over the losses of the banks and other speculators—are about to surface in a big way. Housing values continue to fall, and a report issued this week by Deutsche Bank projects that the percentage of homeowners in the U.S. who owe more on their mortgages than their homes are worth, will nearly double from 26% of mortgage-holders at the end of March, to 48% in 2011. These figures are for prime loans; 69% of subprime loans and 89% of Option-ARM (adjustable rate mortgage) loans will be underwater by 2011, with some areas topping 90%, the bank said.

We view these projections as optimistic, as linear projections of a process which is decidedly non-linear. There is no reason to believe that the delusions of financial viability will survive until 2011, much less the mortgage and home value projections.

Even so, those projections are enough to generate losses at Fannie Mae and Freddie Mac that are almost incalculable in their magnitude. The losses on their mortgage portfolios will be huge, but the losses on their derivatives operations—their mortgage-backed securities and hedging operations—will likely run into the double- or even triple-digit trillions of dollars.

In this connection, we recall the strange death of Freddie Mac chief financial officer David Kellermann, who allegedly committed suicide in April. Kellermann had been involved in heated discussions with officials at the FHFA over whether and how to disclose the losses that the Obama Administration's "foreclosure prevention" schemes would cause Fannie Mae. Kellermann thought the losses should be disclosed. Just two months later, according to the White House, plans were being discussed to reorganize Freddie and Fannie.

At the time of Kellermann's death, Lyndon LaRouche called for a full investigation of the circumstances of the case, noting the recurring frauds in both Freddie Mac's bookkeeping and the way in which the firm was being looted in the bailout. LaRouche noted that not only was Freddie Mac under investigation at the time for accounting and other irregularities by the Justice Department and the SEC, but that Kellermann had also hired private security for his home. Kellermann was clearly on a hot seat, in a position to know a great deal about the company's fiscal condition and its financial practices, and with his death—suicide, or not—that knowledge was lost.

Given the level of criminality which brought the global financial system to its collapse, and the level of criminality which has allowed financial institutions to continue to operate after that collapse, it is imperative that the cases of Fannie and Freddie be thoroughly investigated by a new Pecora Commission—one that, unlike Nancy Pelosi's sham, is worthy of the name.

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Shutdown of Community Hospitals Portends Near-Term Health Disaster

by Marcia Merry Baker

Aug. 7—The fastest way to kill people who are sick is to close their local community hospital. That is what the Health Maintenance Organization (HMO) policy has done in the United States since the 1980s. Now, in the midst of the accelerating breakdown crisis, which itself is feeding the spread of a deadly flu pandemic, that hospital-closing policy is about to lead to a rapid increase in the death rate, including in the United States.

The Obama Administration health "reform" will, if it is permitted to go through, disastrously accelerate this process. The behavioral Nazis devising the policy have declared their intention to wrench "savings" out of the Medicare and Medicaid budgets, much of which goes to paying hospitals. Already, as of 2007, community hospitals had a $32 billion payment shortfall, relative to their costs, for treating Medicare and Medicaid patients, and the Obama plan would reduce payments much more, in the name of "incentivizing" "effective" care.

The community hospital is the baseline health-care resource for the country, and particularly for the uninsured, Medicaid, and Medicare recipients. In 2007, these hospitals cared for 121 million patients with emergency needs, performed 27 million surgeries, and treated 35 million inpatients. With tens of millions of Americans having lost their jobs and health insurance since 2007, the strain on hospitals has gotten much worse.

However, the nation is in the process of losing these community hospitals, along with specialty hospitals, and vital hospital beds, every day. The peak of the buildup of hospitals under the 1946 Hill-Burton policy, which set a standard of 4.5 to 5.5 beds per 1,000 persons, was in 1980. That year, there were 5,904 community hospitals, spread across most of the 3,000 U.S. counties, providing their populations with the desired standard. But, by 2007, the number of community hospitals had shrunk to 4,724, a 20% decline, and only 3 out of the 50 states had anything approaching the required beds-per-1,000 persons ratio.

In order to face the worsening pandemic, not to mention, address the general health needs of the American population, it is the Hill-Burton policy that must be revived. Lyndon LaRouche has outlined the necessary program: 1) cancelling the HMO law; 2) reviving Hill-Burton; and 3) instituting the single-payer system—all in the context of the bankruptcy reorganization required by the fatal bankruptcy of the current financial system. In addition, there must be an emergency infusion of monies to the states, in the range of $150 billion, by early September at the latest, to fill the holes in services being created by collapsing revenues and state budgets.

We summarize here some of the recent testimony and warnings on the disastrous decline of the U.S. community hospital network.

Start with the Military

Of the 36 Army base medical centers, fully 26 cannot meet the needs of the military right now, according to a late 2008 Army survey, reported by *USA Today* (July 31-Aug. 2 weekend edition). "Army records show that 26 of its [36] medical centers, hospitals and clinics are unable to meet Pentagon standards requiring that 90% of patients get routine care appointments within seven days. Those are the worst results since the start of the wars in Iraq and Afghanistan. That's a 13% increase from 2006 in the number of medical facilities unable to meet the standard. . . .

"The Army doesn't have enough doctors to provide care both to families and soldiers at home and to those in combat," according to those in charge, including Gen. George Casey, Army Chief of Staff; Col. Ken Canestrini, who is in charge of improving the situation; and Col. Jonathan Jaffin, director of Health Policy and Services, for the Army Surgeon General, Lt. Gen. Eric Schoomaker. Among the stopgap measures, Schoo-

Michael Heckman/Illinois Corps PAO

Military hospitals are among the most seriously endangered. Of the 36 Army base medical centers, fully 26 are unable to meet the needs of U.S. soliders. Shown: Carl R. Darnell Medical Center, Ft. Hood, Texas.

maker has authorized 12 medical centers to hire more primary-care physicians, and has ordered that soldiers and families may go to off-base care centers, even if it costs more.

The on-base medical center at Ft. Bragg, for example, has "not met the routine care standards since 2005. Bragg is home to the 82nd Airborne Division and special operations forces that have been fighting in the two wars constistently."

To go "off base" for medical treatment, means in many localities, to seek care in communities already short of hospitals and facilities.

Shutdowns Proceed

Meanwhile, the rapidly worsening net loss of beds and staff in the U.S. medical-care delivery system proceeds. For example:

• **New Orleans, La.**. On Sept. 1, the New Orleans Adolescent Hospital (NOAH, which also serves adults of any age) is set to close, which among other things, will shut down the city's only public hospital with a dedicated mental-health unit (with 35 beds). At present, the city has only 170 inpatient beds for the mentally ill, located at seven hospitals—way down from 400 such beds at 10 hospitals, four years ago.

• **Syracuse, N.Y.**. In the nearby town of Hamilton, the Community Memorial Hospital will close its baby-delivery unit as of Sept. 1, because of financial constraints and lack of obstetricians. Women will have to go to the more distant facilities in Utica, Syracuse, Oneida, and elsewhere. The physician shortage in Upstate New York is bad, and is acute in the Mohawk Valley, where the supply of doctors fell 4%, between 2002 and 2006, according to the Center for Health Workforce Studies at the State University in Albany.

• **Toledo, Ohio**. On Sept. 1, the Toledo Hospital will shut its Drug and Alcohol Treatment Center, which has operated both in- and out-patient services. The 20 staff members are seeking work at other facilities in the ProMedica Health Care System. The patients are being referred to a 42-bed facility in the region, operated by Arrowhead Behavioral Health, a company based in Tennessee.

And then comes the flu . . .

Meanwhile, responsible public officials are looking ahead to the disaster over the horizon—when the expected Fall flu pandemic hits. Public health leaders from California, New York City, and Maryland testified about their fears during a hearing of the House Homeland Security Committee on July 29. They described how their capacity was stretched "to the limit" during the Spring outbreak of A/H1N1. Health officer Mark Horton, M.D., M.S.P.H., added, "There is no way we could have sustained this. . . . I am very concerned about this for the Fall. . . ."

States and localities are now in the throes of still further reductions in their public-health capacity, given the budget-slashing underway since the start of the new fiscal year July 1, under impossible conditions of revenue collapse. But, at the same time, they are trying to step up "pandemic readiness"!

In Pennsylvania, the state has managed to purchase 19 mobile "medical surge" trailers, with 50 cots each, and eight portable hospitals, with 50 beds each, but the net gain is reduced by the loss of pre-existing beds from the closure or downsizing of local hospitals, reductions in Veterans hospitals, etc. This crazy pattern prevails across the country. Last year, 12,000 public-health worker jobs were eliminated in the United States.

On Aug. 5, nurses demonstrated in Sacramento, Calif., to protest the lack of protective equipment to provide them safety during their care for flu patients. A week earlier, the first death of a nurse occurred in the state, due to A/H1N1.

The Administration sent only their number-two-level deputy secretaries from the Health and Human

Services and Homeland Security departments to report to Congress on the hearing topic, "Beyond Readiness: An Examination of the Current Status and Future Outlook of the National Response to Pandemic Influenza": respectively, William Corr and Jane Holl Lute. These officials played down any deficiencies in the U.S. hospital/public health delivery system, by instead focussing on "collaboration" between agencies, "communication," etc.

They also spoke of the $350 million in Federal grants for preparedness aid, now going out to the 50 states and the territories—a paltry sum, given, for example, that, to properly protect New York City alone, a bare minimum of $70 million will be required this Fall, which they don't have (this was in the New York City testimony), and for full protection from a severe episode, $0.5 billion is needed.

The Administration spokesmen actually left the hearing chamber at the end of their panel, without bothering to listen to what the state and local officials had to say.

Dr. Horton spoke afterward, on the second witness panel for the July 29 hearing, which was chaired by Rep. Bennie Thompson (D-Miss.). Horton and two other government officials, Thomas A. Farley, M.D., commissioner of New York City's Department of Health and Mental Hygiene, and Richard G. Muth, executive director of the Maryland Emergency Management Agency, reported on their experience from this Spring's A/H1N1 outbreak, and their preparations for the Fall. In addition, Colleen M. Kelley, President of the National Treasury Employees Union, called for Federal action to provide A/H1N1 protective gear for customs, border, airport, and other key front-line Federal personnel. The following are indicative specifics from their testimony.

Surge Capacity

The California Department of Public Health has stockpiled supplies and equipment for 21,000 "alternate care site beds" being lined up by local health departments, but Dr. Horton describes the overall process as "an overloaded health-care system" statewide.

In New York City, an advance-planning effort is underway for bed space and equipment. Dr. Farley reported, "During the peak of the pandemic this past Spring, some hospital emergency departments were overwhelmed. Many emergency departments saw a 200% increase in the number of patient visits. To deal with overcrowding, some hospitals created additional space by setting up a tent outside of their emergency departments or used outpatient clinic space to allow those patients with influenza to be quickly separated from others. . . ." Now, a bigger surge is ahead.

Personnel

Every state and city has big "personnel gaps." Dr. Farley testified that, "the steady erosion of funding the last few years hinders our ability to maintain progress and retain the critical workforce needed to respond to the unique risks and public health emergencies in New York City. . . .

"The primary source of support for the preparedness infrastructure in New York City, the [Federal] Public Health Emergency Preparedness Cooperative Agreement through CDC, has steadily decreased since 2002, dropping approximately 26%." Other Federal programs have also dropped, especially a 25% reduction in New York City's allocation under the 2004 Cities Readiness Initiative program. Farley testified, "And we have been advised that we will receive another 25% reduction in the next grant year. . . ."

Dr. Horton of California asked Congress for "additional investment in the public health workforce, including epidemiologists, microbiologists, and laboratorians to ensure enough scientists are on the ground to identify and monitor the spread of disease."

Supply Lines

In California, where the first two U.S. A/H1N1 cases were identified April 17, and by July there were 3,200 reported cases, and 537 hospitalizations, Dr. Horton said, "We experienced an early and inexplicable collapse of the private industry pipeline for antivirals and masks, which, if not resolved, would have rapidly depleted our stockpiles. The resolution required Federal intervention, as the suppliers were national companies. . . ." This must be worked on "more closely ... to ensure supply-chain reliability."

California's network of 26 local public-health laboratories tested over 14,500 specimens over a four-month period, "compared to a typical volume of 2,000 in a regular influenza season," but they came within hours of shutting down because of a shortage of reagents. Lab capacity must be expanded, with reliability in supply lines.

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Onward into the Future, But Not in Green Socks, Herr Steinmeier!

by Helga Zepp-LaRouche

Mrs. Zepp-LaRouche is the candidate for Chancellor of Germany for the Civil Rights Movement Solidarity (BüSo). This article was translated from German.

The so-called Germany Plan, which Frank-Walter Steinmeier wants to use to create 4 million new jobs, if he is elected Chancellor, clearly reflects his recognition that, over the coming weeks and months, unemployment figures are going to reach record-setting heights. It is, of course, useful that a debate over how governments must act to create jobs—millions of them—has now been kicked off. But aside from lifting a few good ideas that the BüSo has been proposing for a long time now—such as using the Kreditanstalt für Wiederaufbau [Reconstruction Finance Bank], and placing the emphasis on the human being as central to the economy—Steinmeier's plan is otherwise, unfortunately, yet one more proof that the Social Democratic Party's leadership does not have the slightest grasp of the science of physical economy.

Leading up to the Sept. 27 Federal elections, neither the ruling coalition parties, nor the news media, are going to be able to keep up their propaganda pretense that "the worst is over." The systemic crisis is in full swing, and the outrage currently being expressed by American voters in political meetings, against Congressmen and Senators, over the health-care package which the Obama Administration is trying to sell them, is only a foretaste of the social explosion which will erupt worldwide, unless this crisis is very quickly averted by reorganizing the world economy from the ground up.

People are getting a keen sense, that what we are dealing with, is not merely a financial and economic crisis, but rather an existential threat to their lives, and to civilization itself. When Obama proposes cutting 30% of health-care costs, this means a shorter life expectancy for those unfortunate enough to be really sick and with no money to pay for medical care. And in Germany, where we already have rationing of health care, we are moving down the same road. FAZNET wrote on July 8 that no party (that is, no party currently represented in parliament) would dare admit how brutal the cuts are going to become after the election is over.

But reality is far worse. We are in a breakdown crisis without precedent in human history, a crisis which threatens to plunge our civilization into chaos, and which, within only a few years, can reduce the world's population from its current 6.5 billion people, to 2 billion or less. Already, productive capacity in industry and agriculture has collapsed to below the level necessary for sustaining the world's population, and as a result, the number of people threatened with starvation has climbed to more than 1 billion. And that figure will soon increase dramatically.

Germany's Potential

Ever since the Bismarck reforms in the second half of the 19th Century, Germany, thanks to its high rate of economic and technological progress, has possessed an enormous potential with its innovative small and medium-sized firms—the *Mittelstand*—along with one of the world's greatest capacities for machine building. Most other countries do not have this. And it is precisely this *Mittelstand*, and this machine-building capacity—which could produce what is most urgently needed in other regions of the world—that is now threatened with collapse on the order or 30%, 40%, and even 50%. Any competent Germany Plan would therefore have to ensure that this capacity, so indispensable on a world scale, is not only maintained, but that it be expanded on the very highest technological level.

Unfortunately, Steinmeier's plan does the exact opposite: He promises to reinvigorate the economy through environmental technologies, with German technology for combating global warming, expansion

EIRNS/James Rea

Chancellor candidate Helga Zepp-LaRouche (left), at her webcast from Berlin on July 21, is introduced by BüSo leader Portia Tarumbwa-Strid. Zepp-LaRouche charges that her opponent from the Social Democratic Party, Frank-Walter Steinmeier, has essentially copied the Green Party's program for a "Green New Deal"—the farthest thing from FDR's conception of the New Deal.

of Germany's contribution to the wind-power market, solar technology, generally environmentally-friendly technologies, and total renunciation of nuclear energy. He believes that promoting nuclear energy would slow the trend toward renewable technologies, and promises that at the Climate Conference in Copenhagen in December, he will fight for a 50% worldwide reduction in greenhouse gas emissions by 2050. He further promises that at that summit meeting he will hold high the banner of free trade as a "moral appeal" against protectionism, and he foresees the services economy as the new motor for generating full employment.

Steinmeier considers the introduction of electronic health cards as an important step for utilizing "health IT" as a growth industry, and sees a huge potential in the "creative industries." On top of this, in education policy, he intends to continue the Brandt reforms of the 1970s, reforms which, in lockstep with the OECD reforms back then, aimed at eliminating "the educational ballast of the past 2,500 years of European history"—which is why today we have almost three generations of Germans who believe that the names Leibniz, Lessing, Mendelssohn, Humboldt, Schiller, Mörike, Gauss, and Riemann might have something to do with cookies, or perhaps with movie actresses.

The underlying fallacy in Steinmeier's plan—which is, in fact, just a copy of the Green party's so-called "Green New Deal"—lies in his lack of understanding of the connection between energy flux-densities of the technologies used in the production process, on the one hand, and human population potential, on the other. There is no doubt that, for a little while longer, it may still be possible to make a profit in a market that remains dominated by the rules of globalization, and in which the hedge funds discovered long ago that trading in CO_2 emissions and green technologies could be a lucrative business. But you can also make a profit playing poker on the sinking *Titanic*.

No Such Thing as Ecological 'Equilibrium'

The problem with green technologies, is that they claim to be dedicated to maintaining what is, in fact, a non-existent equilibrium of resources. Human existence has always depended on utilizing resources which are the fossil remains of living process of animal or plant life. These deposits, accumulated over long spans of time, have primarily supplied us with the elements that are listed in the Periodic Table, and which—aside from continuing biological processes and direct human intervention—have not changed substantially in quantity.

To the extent that the human species multiplies, our utilization of these relatively limited reservoirs of resources must improve, so that the rate of scientific progress is increased, thereby changing the nature of the resource. In other words: Whether a stone was used during the Stone Age as a hand-axe to brain one's neighbor, or was used by a goldsmith as a grindstone for polishing gemstones, or is seen today by an engineer as a source of trace elements, depends entirely on the level of technology from which one considers it.

The continued existence of mankind depends on our ability to increase the energy flux-density associated with each stage of technology, per capita and per square kilometer, of the part of the Earth's territory that is inhabited at that time. For this reason, the transition from fossil energy sources to inherently safe nuclear energy, in the form of high-temperature reactors—the pebble-bed reactors—is absolutely necessary to achieve the next-higher order of energy flux-density, nuclear fusion, which will then be able to solve our resource problems. So-called "renewable" energy sources contribute absolutely nothing to guaranteeing mankind's long-term energy and raw materials security—not our energy security, because renewable energies are sufficient only for a limited population potential, whereas mankind cannot exist in a state of equilibrium; and not our raw materials security, because it doesn't even address this problem.

Therefore, whereas Steinmeier says that nuclear energy is an outdated technology which is blocking investment in more efficient, renewable energy sources, the truth is the precise opposite: Investment into renewable energy sources ties up the resources necessary to reach the next-higher, absolutely necessary stage.

The present crisis is the result of 40 years of precedents leading us in the wrong direction—starting with the Frankfurt School's hostility to technology, the '68ers, the Club of Rome, and its offspring, the ecology movement. Steinmeier is right when he says that Germany has squandered its former lead in educational excellence, and that today's generation, aged 20-29, is more poorly educated than the 45-55 generation. But, who was in power for all that time, and who set education policy? The SPD has been part of the government since 1998!

What Steinmeier describes as the "creative industries" has just as little to do with true creativity—i.e., the discovery of universal principles in science and art—as Berlin of the 100 cooks and fashion shows has to do with Einstein's Theory of Relativity. Berlin should be held up as a warning, not an example. With Berlin Mayor Klaus Wowereit's "creative industries," Berlin will never be able to pay off its debt, which was already EU60 billion in 2007. Steinmeier further promises ultra-modern transportation networks, but instead of the Transrapid and CargoCap, he wants to monitor highway traffic by satellite, so that traffic jams can be quickly reported, and alternate routes offered! And instead of getting rid of the innovative financial instruments which have brought the crisis upon us, he calls for better financial accounting rules for single-purpose financial vehicles, and wants to "ostracize" speculation.

In 1994, when Peter Hinze was secretary general of the Christian Democratic Union, he coined the slogan "Onward into the future, but not in red socks!", by which he meant the possibility that the Party of Democratic Socialists [the successor to the East German communist party] would enter the governing coalition of Social Democrats and the Greens—the so-called Red-Green coalition. Steinmeier's idea today, that in this crisis, the state must intervene to create jobs, is correct—but not "in green socks"! Socks and other things often turn green because they've grown rotten and moldy. Green ideology doesn't want to have anything to do with Roosevelt's New Deal, since Roosevelt was emphatically pro-technology. And so, if there's anyone who has been practicing product piracy, it's the Greens—but they're very bad plagiarists.

UN Photo/Marco Castro

Frank-Walter Steinmeier addresses the UN General Assembly, as Germany's Deputy Chancellor and Foreign Minister, Sept. 26, 2008. His "Germany Plan" for creating jobs is a fraud.

What we need now, is the original, and that means FDR and his New Deal, and the New Bretton Woods. It means the BüSo, which most recently, in 2005, presented a program for how 10 million new jobs could be created, since that's how many we actually need in Germany. For we already have at least 8 million unemployed, and soon we will have 10 million. But we can only turn this around if the financial toxic waste in the banks is eliminated, *after which* the Kreditanstalt für Wiederaufbau, or a nationalized Bundesbank, can make lines of productive credit available. Then, we'll really be talking about a New Deal; and that's what, thus far, only the BüSo has been proposing.