
Editorial

Glass-Steagall Is the Lifeboat

It's a scene we've seen before, particularly in the Fall of 2008, when Wall Street and its kept politicians insisted that a massive bailout was absolutely necessary in order to avoid disaster. In fact, they were executing a diversion from the only solution to the crisis, the Glass-Steagall reform LaRouche demanded at that time. One could compare the bankers' tactic to demanding a mobilization to save the *Titanic*, while insisting that nobody man the lifeboats.

Today, the emergency that Wall Street is proclaiming is the threat of a U.S. sovereign default if the debt ceiling is not raised. A shrill scare campaign is escalating, in an attempt to panic the Congress and the public to fall in line behind not only a debt ceiling increase, but a new package of deadly fiscal austerity for the American population. Once again, this campaign is a diversion from the available policy to prevent such a crisis, in this case, the immediate reinstatement of FDR's Glass-Steagall.

There are many, even on Capitol Hill, who know better. It was only three weeks ago, during the Lehman Brothers anniversary week of Sept. 18, that two leading Congresswomen, Marcy Kaptur (D-Ohio) from the House, and Elizabeth Warren (D-Mass.) from the Senate, came forward with prominent appeals for their fellow legislators to sign on to their Glass-Steagall bills. Representative Kaptur appeared on the floor of the House of Representatives Sept. 18 to blast the failed policies of the last five years, and insist on Glass-Steagall. Senator Warren, in a widely reprinted op-ed, insisted that a modern Glass-Steagall should be put into place *before the next crash*.

There was an obvious juggernaut developing in favor of immediate action for Glass-Steagall. Wall

Street had already sensed it in August, and now it was getting even more serious. Yes, Wall Street has consistently been able to count on British tool Barack Obama to kill Glass-Steagall, but Obama was getting to be a less reliable instrument. After all, he was forced to call off the war against Syria, even, as some U.S. intelligence sources attest, *after* he had given the order for the strike.

This is the real context for the allegedly impossible stalemate between the Republican leadership, also controlled by Wall Street, and Obama, over funding the government, and raising the debt ceiling. The game is to create a crisis to escalate the austerity, and *take Glass-Steagall off the table*. And so far, it's worked.

On Oct. 8 leading Wall Street bankers, and their magazine *American Banker*, began shrieking that any U.S. Treasury default later this month will blow out the banks. On the same day, leaks began from the Social Security Administration indicating that Social Security checks might be held up in the event of a default—a clearly unlawful threat intended to panic the public into accepting Wall Street's deal.

Lyndon LaRouche had a clear answer for the banksters.

"No, it will not blow out," LaRouche said, "for the simple reason that Glass-Steagall will solve this problem. And nothing else will solve it; no other policy can possibly work but restoring Glass-Steagall.

"These bankers have never really earned any money honestly, to be crying about losing it because of the government. We should *shut Wall Street down*. Ram through the whole Glass-Steagall policy. That, and only that, will solve the problem."