

O'Malley Takes On Wall Street

March 25—In a series of events in Iowa last week, Presidential pre-candidate Martin O'Malley took direct aim at Wall Street, by continuing his campaign for restoration of the Glass-Steagall Act, and by slamming those sections of the Democratic Party which are capitulating to the fat cats.

The campaign tour began with the publication of an op-ed in the *Des Moines Register*, the state's leading paper, entitled "Prevent Another Crash, Reform Wall Street." After assessing the damage done to ordinary Americans by the 2007-08 crash, O'Malley, the former Governor of Maryland (2007-15) described how the vulnerability of the nation to another crash is greater today, and that "the most serious structural reform we can make is reinstating the 1933 Glass-Steagall Act."

He outlined five additional measures that must be taken, to "bring fundamental change to the culture of Wall Street." They were:

- "Replace the leadership at banks that are repeat offenders."
- "Appoint people to positions—attorney general and SEC chair for starters—who will prosecute those who commit or permit crimes."
- "End the days of neither admit nor deny, and force law-breaking banks to publicly admit it."
- "Make banks bear the full eight of financial penalties," and
- Implement a "three strikes and you're out or a points-accrual policy—like the one drivers face—to revoke a bank's right to operate if they repeatedly break the law."

He concluded: "It's time to put the national interest before the interests of Wall Street."

Hammering the Issue Home

Speaking to the Scott County Democratic Party in Davenport, March 20, the O'Malley centered his

speech on the fight for the American dream, starting with Baltimore's defeat of the British who had just burned down the city of Washington in the War of 1812. And in declaring that the "American Dream" means a living wage for every family, so that every American generation can be better off than the previous one, as "our parents and grandparents" understood, O'Malley called for "re-instating Glass-Steagall" because "we must not allow another Wall Street meltdown," and must hold banks accountable for their crimes.

O'Malley's reference to defeating the British in 1812—immediately brought the audience to attention. He said that in 1812, the British had just taken Washington and burned down the buildings. People in Maryland could see the glow of the fires and, "we knew they were coming for us." In fact, he said, the British commanding general famously boasted that he was going to march on Baltimore "to dine there, and then I'm going to burn Baltimore to the ground." But the people of Baltimore, "instead of digging graves, dug trenches," and saved the American dream that hung by a slender thread. And that fighting spirit is needed now.

While he included a politically correct Democratic Party laundry list—environmentalism, biofuels (Iowa is the center of biofuels facilities), etc.—in his speech, Glass-Steagall was a recurrent theme.

Restore Glass-Steagall

At a pre-speech informal press conference, O'Malley reiterated the importance of Glass-Steagall, in answer to a question from *EIR*'s Bob Baker, who brought up the need for the U.S. to join with the BRICS and the Asian Infrastructure Investment Bank.

O'Malley replied, "Let me talk about Glass-Steagall. I think that there are lot of people who were on the scene at the time when Glass-Steagall was repealed, who agree now, that that was a mistake. Including the former head of Citibank. . . . [I]t was a mistake to allow the commercial banks and the investment banks to, all, in essence, gamble with our money, and have our full faith and credit backing them up. So, sometimes the best approach is to go back and look at what you un-did. And I think that restoring, reinstating Glass-Steagall is something that we should do. . . ."