



Bank Bailout is Illegal

Congress Must Implement LaRouche's Four Laws

(March 15, 2023)—As a candidate for U.S. Senate from the State of New York, I am calling for an emergency session of the U.S. Congress to deal with the onrushing blow-out of the trans-Atlantic financial System, as evidenced by the recent bank failures, including the New York-based Signature Bank.

As my mentor, the late economist and statesman Lyndon LaRouche already warned decades ago, the system is completely bankrupt. There is no possibility of making good on the over \$2 quadrillion of derivatives obligations held by the "too-big-to-fail" financial entities of London and Wall Street. The system must be put through an orderly bankruptcy reorganization as part of reinstating the Glass-Steagall Act-mandated separation of commercial from investment banking. This is the first of LaRouche's "Four New Laws to Save the USA Now" which he drafted in 2014, but which were not implemented because most Americans and their representatives were still in a delusional state of denial about the status of the U.S. economy. Only this will protect the American people from waking up one fine morning to discover that all their savings have disappeared into cyberspace, and all electronic transfers are frozen.

The March 12 announcement by the Federal Reserve, FDIC, and Treasury Department of a full bailout of Silicon Valley Bank beyond the legally FDIC-insured amounts was illegal and will only exacerbate the inevitable collapse. Section 11 of the Federal Deposit insurance Act reads in part: "The net amount due to any depositor at an insured depository institution shall not exceed the standard maximum deposit insurance amount as determined in accordance with subparagraphs (C), (D), (E) and (F)...." Those paragraphs specify \$250,000 as that maximum, with minor additions only possible as inflation adjustments, and for retirement accounts. "Systemic risk exceptions" do not exist in this Act.

As in the ongoing policy of keeping American soldiers in Syria without a declaration of war from the Congress, the Biden Administration has again violated the intent of the U.S. Constitution by increasing the indebtedness of the American people, with a destructive action, without congressional authorization.

Bankruptcy reorganization and implementation of the original FDR-era Glass-Steagall bank separation, while a necessary first step, will not create the conditions for an economic recovery. Once the voluminous hot air has been released from the speculative bubble, it will be urgent to replace the bankrupt and unconstitutional Federal Reserve with a new National Bank with the power to issue credit on an emergency basis to secure certain debts related to the survival of the American people, such as funding pension funds, municipalities' public works departments, including water treatment plants, trash collection, fire and police departments, hospitals and schools.

At the same time, a crash program to replace ancient dams, bridges, railroads and highways must be launched, which will employ millions of people. We are going to have to launch a crash program to train young people to carry out the productive work which is urgently needed, and we will discover that this cannot be done without repairing our strained relationship with China, which is the leading productive economy of the world, and which will have to supply many of the materials and parts which we no longer produce ourselves.

LaRouche's Fourth Law calls for a "Fusion-Driver" crash program to develop fusion energy as part of the lawful development of mankind's continuous discovery and mastery of new universal physical principles, which allow more people to live more productive lives from one generation to the next. A reliable supply of efficient and dense energy production is crucial to fueling the transformation of the American and world economy.

As Lyndon and Helga Zepp-LaRouche proposed for decades, no nation can survive in isolation, so there must also be an international conference of leading nations, perhaps initiated by the BRICS-plus, the SCO or the Eurasian Economic Union, but also including the United States, to cancel speculation on currencies, and return to fixed exchange rates, which will allow for long-term credit for great projects of economic development, many of which are already underway through the Belt and Road Initiative.

Given the recent swinish behavior of the vast majority of our federal representatives on matters of war and peace, as well as simple morality, like their decision to reimpose the brutal Caesar Sanctions on Syria in the wake of a horrific earthquake, I agree with the assessment of Zepp-LaRouche that the urgently needed measures may have to come from abroad, before the American Government will be induced to act rationally.

However, we have seen recent glimmers of potential, such as the bi-partisan support for Rep. Gaetz's (R-FL) HCR 21, calling for the removal of American troops from Syria. The resolution failed, but instead of the typical 421 to 2, a bipartisan group of 103 representatives voted for the initiative, and Rep. Gaetz stated that he is "not giving up" on his intention to end the forever wars.

One of the reasons that the Congress is so bad, is because we, the American people keep letting them off the hook, even reelecting them after they enact measures which destroy us. That has to stop!

Call your representatives today. Demand that they act on an emergency basis to reinstate the Glass-Steagall Act and halt the illegal hyper-inflationary bailouts which have begun again and which will be even more destructive than they were in 2008. Send them the two documents accessible from the QR codes below and demand that they study them. Call them again to make sure. We will not get a second chance.

READ Helga Zepp-LaRouche's "Call for an International Emergency Conference to Reorganize the Bankrupt Financial System"



READ Lyndon LaRouche's "The Four New Laws to Save the USA Now!"



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