

1 HR190
2 127382-1
3 By Representative Jackson
4 RFD: Rules
5 First Read: 24-MAR-11

2

3

4

5

6

7

8 URGING CONGRESS TO ENACT GLASS-STEAGALL ACT.

9

10 WHEREAS, the United States banking system is now
11 overwhelmed by useless, devalued, debt instruments known as
12 derivatives; according to the Comptroller of the Currency
13 there were over \$200 trillion of such derivatives on the books
14 of the major banks in 2010; and the Wall Street Journal
15 reported in September 2010 that the swaps derivatives market
16 in the United States alone had over \$600 trillion of contracts
17 being traded; and

18 WHEREAS, the combined federal bailout of these
19 derivatives has already reached over \$26 trillion resulting in
20 bankrupt states and cities around the nation, who are being
21 asked to make endless cuts in necessary services and
22 productive enterprises to cover the bailout; and

23 WHEREAS, in 1993, Congress passed the Glass-Steagall
24 Act to address the financial activities of the banking system;
25 under Glass-Steagall, commercial banks set up a firewall
26 between commercial and investment banking and were prohibited
27 from engaging in risky trading activities; Glass-Steagall was

1 law for 66 years until its repeal in 1999, which opened the
2 floodgates of the current financial bubbles; and

3 WHEREAS, economist Lyndon LaRouche has led the
4 effort to reinstate Glass-Steagall and he is now being joined
5 by economists, journalists, and political leaders worldwide;
6 there are now bills in the United States Congress to reinstate
7 Glass-Steagall, including HR 4375 and S. 2886 in Congress; and

8 WHEREAS, the reenactment of Glass-Steagall should be
9 followed by the immediate easing of federal credit to launch
10 massive national infrastructure projects putting the nation
11 back on the traditional American path to durable, industrial
12 recovery; now therefore,

13 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF
14 THE LEGISLATURE OF ALABAMA, That we urge Congress to
15 immediately pass the Glass-Steagall Act as introduced in
16 Congress.

17 BE IT FURTHER RESOLVED, That copies of this
18 resolution shall be provided to members of the Alabama
19 Congressional Delegation.