

Congress Is Driven To Take Action by Mass Strike Anger

by Jeffrey Steinberg

Dec. 5—Returning from Thanksgiving recess, where they once again experienced, up close, the wrath of their constituents, some Members of Congress are finally waking up to the fact that, outside the Washington Beltway, the American people are going through Hell, and will hold every elected official in Washington accountable for their collective failure to act effectively on the economic crisis and war policy.

The shift in mood on Capitol Hill was palpable this past week, as a small, but growing bipartisan group of legislators took on the White House and the Federal Reserve, for their abysmal failures and refusal to change.

Two events during the week provided the lightning rods for the Congressional revolt, which still has a very long way to go, but which is a welcome change from decades of “go along to get along” complicity.

The first event was President Barack Obama’s Dec. 1 nationally televised speech at the U.S. Military Academy at West Point, where he delivered his belated announcement of a 30,000-troop “surge” in Afghanistan. The second event was the Senate Banking Committee’s confirmation hearings on the re-nomination of Ben Bernanke as chairman of the Federal Reserve Board.

The two issues combined—the escalation of the Afghan War and the continuing Wall Street bailout—encapsulate everything that is wrong with the Obama Presidency. This is driving a mass strike process among the American people, which broke out during the August Congressional recess, and has not abated since.

Fire Bernanke!

As syndicated columnist Mark Shields noted on the PBS Jim Lehrer News Hour on Dec. 4, “I will say this, Jim, that this administration will live or die on jobs.” Shields echoed Lyndon LaRouche, in describing the popular upsurge, stating that the vast majority of Americans believe that “the major financial institutions of the country, the highest and most powerful and most privileged, brought this country to the edge of financial chaos, and caused the economic crisis that has resulted in soaring unemployment, and that the only government action that people can really see that has made a difference in the last year is the bailout of these same financial institutions.

“The only island of prosperity in this sea of discontent and suffering is that—New York financial institutions. And I think that is it. And they see Washington and New York scratching each other’s back.”

That issue exploded on Capitol Hill at the Bernanke confirmation hearings, where four members of the Senate Banking Committee announced that they would move to put a hold on his nomination or force a 60-vote Senate majority to get his nomination approved.

The stop-Bernanke effort was launched on Dec. 1, when Sen. Bernie Sanders (I-Vt.) announced that he was placing a hold on the nomination. Sanders said: “The American people overwhelmingly voted last year for a change in our national priorities, to put the interests of ordinary people ahead of the greed of Wall

Street and the wealthy few. What the American people did not bargain for was another four years for one of the key architects of the Bush economy. As head of the central bank since 2006, Bernanke could have demanded that Wall Street provide adequate credit to small and medium-sized businesses to create decent-paying jobs in a productive economy, but he did not. He could have insisted that large, bailed-out banks end the usurious practice of charging interest rates of 30% or more on credit cards, but he did not. He could have broken up too-big-to-fail financial institutions that took Federal Reserve assistance, but he did not. He could have revealed which banks took more than \$2 trillion in taxpayer-backed secret loans, but he did not."

Sanders was joined on Dec. 3, once the hearings began, by Republican Sen. Jim Bunning (Ky.). In his opening remarks, with Bernanke seated just feet away, Bunning blasted away: "You are the definition of a moral hazard." Bunning, who is the only Senator to have voted against Bernanke's confirmation in 2006, stated: "I opposed you because I knew you would continue the legacy of Alan Greenspan, and I was right." After itemizing the crimes of Greenspan, Bunning zeroed in on Bernanke's own abysmal record:

"You have created zombie banks that are only enriching their traders and executives.

"Even if all that were not true, the AIG bailout alone is reason enough to send you back to Princeton.

"Your time as Fed chairman has been a failure. You stated time and again during the housing bubble that there was no bubble. After the bubble burst, you repeatedly claimed the fallout would be small. And you clearly did not spot the systemic risks that you claim the Fed was supposed to be looking out for. Where I come from we punish failure, not reward it. Judging by the current Treasury Secretary, some may think Washington does reward failure, but that should not be the case. I will do everything I can to stop your nomination and drag out the process as long as possible. We must put an end to your and the Fed's failures, and there is no better time than now."

Before the end of the first day of the Bernanke hearing, two additional Senators, Jim DeMint (R-Ohio) and David Vitter (R-La.) added their names to the hold list, with Vitter insisting that no vote on the Bernanke re-nomination will occur until a full and transparent audit of the Fed has been completed.

A House bill for an annual audit of the Fed, intro-

duced by Ron Paul (R-Tex.) with over 300 co-sponsors, has been stalled by House Financial Services Committee chairman Barney Frank (D-Mass.).

Black Caucus Hits Frank

In another sign of bipartisan revolt against the Obama bailout, ten members of the Congressional Black Caucus stalled a vote on Barney Frank's so-called banking re-regulation bill—a measure that would *increase* the power of the Fed—and subsequently boycotted the final committee vote, forcing Frank to squeeze by with an embarrassingly narrow 31-27 party-line vote to get the bill out of committee.

The vote was symbolic of a much deeper rift—between the interests of Wall Street, promoted by Frank and the Obama White House, and the suffering of the African-American community all across the nation, where unemployment, home foreclosures, and other economic catastrophes are the worst.

'No' to the Afghanistan War

In another sign of the upsurge against Obama's "Bush Lite" policies, Rep. John Conyers (D-Mich.) announced that he would be forming a bipartisan Peace and Security in Afghanistan Caucus, to oppose the President's announced troop surge. Already, a number of House Democrats and Republicans have voiced their opposition to the Administration's policy, including such senior members as Rep. John Murtha (D-Pa.), the chairman of the powerful House Armed Services Appropriations Subcommittee, and Rep. Walter Jones (R-N.C.), whose district includes Fort Bragg and Camp Lejeune.

The question on the table for these members of Congress is whether they are going to stick to symbolic protests, or whether they are going to actually use their Constitutional authority to check an Administration that is driving the country and the world deeper into war and economic depression. The Senate can deliver a powerful message to the world by defeating Bernanke's confirmation to a second term. The House can block funding for the Afghanistan buildup. And Congress, above all, can take LaRouche's warnings to heart: If there is not an immediate passage of a bill to restore Glass-Steagall standards of regulated commercial banking, there is no hope for a recovery, for generations to come. We have reached the branching point, where either the entire system is put through a bankruptcy re-organization, or the entire system comes down.