Retirement Party

Thank you, loyal employees, for all your good work!

Pensions
Real Estate
Money Markets

Economic Meltdown Funnies

Fannie & Freddie
Usury
Debt
Talk Radio
The 4 Pucks of the Apocalypse
Lotta Biltz
Gramm
Greenspan
Rubin
The Bison

Someone left the cake out in the rain.

Text by Chuck Collins & Nick Thorkelson
Drawings by Nick Thorkelson

Thanks to: Sarah Anderson, Cynthia Bargar, Doyle Canning, John Cavanagh, Dick Cluster, Krista Hanson, Chris Hartman, Arthur MacEwan, Dedrick Muhammad, Sam Pizzigati, Susan Rice, and Francis Tobin.

ABOUT US

NICK THORKELSON is a cartoonist and graphic designer, whose work has appeared in the Boston Globe, Dollars & Sense magazine, and comics anthologies about SDS and the IWW. He is working on a book-length comics memoir about his adventures in San Francisco at the end of the sixties. Website: www.nickthorkelson.com

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JOBS WITH JUSTICE (www.jwl.org) is a national network that engages workers and allies in campaigns to win justice in workplaces and in communities where working families live. JwJ was founded in 1987 with the vision of lifting up workers’ rights struggles as part of a larger campaign for economic and social justice. Jobs with Justice has more than 40 affiliated coalitions in 25 states around the country, coalitions that bring together labor, religious, student and community organizations that are committed to each other for the long haul.

INSTITUTE FOR POLICY STUDIES: Program on Inequality and the Common Good (www.extremeinequality.org). The Institute for Policy Studies turns ideas into action for peace, justice and the environment. We strengthen social movements with independent research, visionary thinking, and links to the grassroots, scholars and elected officials. The Program on Inequality and the Common Good focuses on the dangers that growing inequality pose for U.S. democracy, economic health and civic life. The Program coordinates the Working Group on Extreme Inequality.
WHAT ARE YOUR LOSSES TODAY, SCOTTY?

THINGS ARE ROUGH ALL OVER!

20 BIL... IF I DIDN'T HAVE 40 BIL IN RESERVES I MIGHT HAVE TO GIVE UP MY PRIVATE JET.

ANY LUCK TODAY, JIM?

MY FACTORY GOT AN ORDER FOR 500 WIDGETS. CAN I BORROW THE COST OF 500 WIDGET CASINGS?

YOU'RE JOKING, RIGHT?

ANY LUCK TODAY, JIM?

SOMEbody's calling me.


YEAH, ALL BAD BUT I GUESS MARGE & I & THE KID CAN ALWAYS MOVE IN WITH MA.

HOW MUCH CAN WE AFFORD TO SEND TO THE OLD COUNTRY THIS MONTH, MY LOVE?

NOT A DIME!
OK, SO WE'RE ALL FEELING THIS MELTDOWN THING BUT WE'RE NOT ALL FEELING IT IN THE SAME WAY.


NOW IF YOU'RE AN ENDANGERED SPECIES LIKE ME YOU MIGHT ENJOY TAKING A BREAK FROM THE HOUSINGBoom. GIVE YOU A FEW EXTRA YEARS TO PLAN YOUR RETIREMENT.

HA HA! I'M KIDDING! BISON NEVER RETIRE!

NEITHER WILL YOU IF THIS KEEPS UP.

SOMEONE LEFT THE CAKE OUT IN THE RAIN.

IT'S IMPORTANT TO REALIZE THAT THE MELTDOWN WAS NOT SOME UNAVOIDABLE NATURAL DISASTER.

CHOICES WERE MADE!

ON THE NEXT PAGE YOU'LL FIND A SUMMARY OF THE TRENDS THAT LED TO THE MELTDOWN. DON'T WORRY, THERE WON'T BE A TEST. WE'LL EXPLAIN THE DETAILS LATER.
1. Policymakers ignored warnings of an $8 trillion housing bubble, and its inevitable collapse.

2. Conservatives convinced Congress to re-tool the economy, which led to an unprecedented concentration of wealth, and binge speculation by rich investors. Working people got stagnant wages and crushing debt.

3. Recent administrations failed to provide effective oversight to investment banks, especially in the area of re-packaging and re-selling home mortgages.

4. A vast shadow investment system emerged with complex new investment packages like hedge funds, "derivatives," and "credit swaps" available only to the very rich. Allies of the financial industry kept these instruments from being regulated.
Another Point of View

Buffalo Doodoo! Everybody knows the crisis was the result of social engineering!

Actually, laws like the Community Reinvestment Act (C.R.A.) had nothing to do with it.

Only one of the top 25 subprime lenders was even subject to the C.R.A.

The government forced the mortgage industry to provide homes to the undeserving poor, which led to massive defaults!

And don't get me started on Fannie Mae or Freddie Mac!

Or Barney Frank!

Fannie Mae & Freddie Mac were no angels, but the mortgages they supported were relatively responsible.

Besides, most of the defaults—in fact, most of the housing debt—was not for buying homes but for refinancing them.

What do you think?

Nah.

National rate of defaults on mortgages: 5%
Fannie & Freddie’s default rate: 2%

The epidemic of mortgage defaults had its origins on Wall Street:

No matter how much mortgage debt we sell, the investors always want more!

We can name our own price!

We can offer insane incentives to the lenders & still come out ahead!

And if they lend to people who can’t pay, so what? We re-sell the debt long before it reaches that point.

The financial industry essentially bribed mortgage originators to write bad loans.

The Buffalo Narrator sees all.
STAGNANT WAGES

FOR MANY PEOPLE, THERE'S BEEN A DEPRESSION GOING ON FOR A WHILE.

OK, SO WE'RE NOT MAKING IT. LET'S NOT PANIC! WE CAN
(a) HAVE YOU AND ME WORK MORE
(b) HAVE MORE FAMILY MEMBERS WORK
(c) MAX OUT OUR CREDIT CARDS
(d) BORROW AGAINST THE HOUSE

I THINK IT'S GONNA HAVE TO BE "ALL OF THE ABOVE."

IF I WORK AFTER SCHOOL, WHEN WILL I DO MY HOMEWORK?

LUCKILY, WE'LL NEVER SEE HIM.

THE POST-2001 U.S. ECONOMIC EXPANSION WAS THE FIRST ON RECORD WHERE FAMILY INCOME NEVER GOT BACK UP TO ITS PREVIOUS PEAK.

EVEN IN THE "PROSPEROUS" 2000s, CONSUMER SPENDING WAS TIED TO OVER-VALUED REAL ESTATE; BY THE MID-2000s, WHEN HOME PRICES GOT TO BE RIDICULOUS, PEOPLE STOPPED BUYING THE FOOLEST HOMEOWNERS - DISPROPORTIONATELY FAMILIES OF COLOR WERE HARDEST HIT.

I'M TAKING YOUR HOUSE OFF THE MARKET.

HAVE YOU PUT UNBEARABLE PRESSURE ON THE ONLY MAJOR ASSET THAT WORKING FAMILIES ARE LIKELY TO HAVE - THEIR HOMES.
EXCESSIVE WEALTH

IT WASN'T JUST STAGNANT WAGES. BOTH SIDES OF THE INEQUALITY TREND FED THE BUBBLE.

THE SUPER-RICH, WITH FAR MORE MONEY THAN THEY NEEDED, COULD AFFORD TO BET SOME OF IT ON...

HIGH-RISK, HIGH RETURN INVESTMENTS!

SECONDLY, YOU'LL HAVE SHARES IN BLUE CHIP STOCKS LIKE GENERAL ELECTRIC AND CAMPBELL SOUP. LARGE STABLE COMPANIES THAT WILL HAVE STEADY GROWTH AND MODEST RETURNS.

WE HAVE DEVELOPED AN INVESTMENT PORTFOLIO FOR EACH OF YOU THAT ALLOCATES ASSETS TO DIFFERENT KINDS OF INSTRUMENTS DEPENDING ON YOUR AGE AND INCOME NEEDS.

SO DON'T WORRY, YOU'LL ALWAYS BE RICH.

NOW WE GET TO THE INTERESTING PART.

WE PROPOSE THAT EACH OF YOU PUT A SUBSTANTIAL AMOUNT INTO THESE SEXY THINGS. WE'VE GOT HEDGE FUNDS, WE'VE GOT PRIVATE PLACEMENTS...

THINGS ARE COMPLICATED. I'M NOT SURE I UNDERSTAND THEM, BUT THE RETURNS ARE OUT OF THIS WORLD!

FOR EXAMPLE, THE EGG HEDGE FUND HAS DELIVERED AT LEAST 20% THE LAST 5 YEARS!

WITH THESE BABIES, YOU WON'T ONLY BE RICH, YOU'LL BE HEROES!!

NEW UNREGULATED INVESTMENTS AVAILABLE ONLY TO THE VERY RICH, ATTRACTED THE TRILLIONS OF DOLLARS THAT NEW WEALTH WAS READY TO GAMBLE WITH.
TRADE IS ALSO DEMANDING

GLOBAL ECONOMIC TRENDS ALSO FED INTO THE INTENSE DEMAND FOR HIGH-YIELD INVESTMENTS.

SINCE ABOUT 1970 THE U.S. HAS BEEN A NET IMPORTER OF GOODS. HOW DO WE PAY FOR THEM? ONE WAY IS BY BORROWING.

ESPECIALLY AS INDIAN & CHINESE MANUFACTURES HAVE SQUEEZED POOR WORKERS FOR MOUNTING PROFITS, THE ECONOMIC ROLE OF THE U.S. HAS INCREASINGLY BEEN TO PROVIDE INVESTMENT OPPORTUNITIES FOR ALL THAT SURPLUS CASH.

WHEN YOU COMBINE CHEAP & STAGNANT WAGES WITH ACCELERATED PRODUCTION OF GOODS, THE RESULT IS OVERPRODUCTION. INTERNATIONALLY, WORKERS CANNOT AFFORD TO BUY WHAT THEY PRODUCE.

DEMAND FOR INVESTMENTS INITIALLY FED THE "DOT.COM" BUBBLE.

THERE'S GOLD IN THEM THERE HILLS!

ASSUMING THEY'RE HILLS,

MIGHT BE CLOUDS.

WHEN THAT BURST IN 2000/2001, INVESTORS TURNED THEIR EYES TO THE HOUSING MARKET.

HOUSING ALWAYS APPRECIATES

I APPRECIATE THAT.
Housing values almost always appreciate faster. Trouble is, speculative mania appreciates faster.

Hey! He went out on a limb and did very well.

Obviously a trend. Let’s go!

As the demand for housing profits outstripped the actual value of housing, pressure mounted to increase the volume of loans by relaxing sensible standards in the mortgage industry.

Eventually, there was $3 trillion in debt backed by only $10 trillion in real estate.

This lady is a registered nurse. She wants to borrow 800 thousand. Do you think she’s good for it?

She may very well be.

(That’s good enough for me.)

Predatory lending—once a disreputable sideshow in the mortgage business—increasingly became the norm.

When we ask people how much they make and promise not to verify their income, we’re kind of begging them to lie to us, right?

Right.

So why do we do it?

Everybody does it.

You don’t mind making fifty grand a month in commissions, do you?
Another factor pushing “loan originators” to mass-produce debt: lenders that passed their mortgages off to the financial sector got the initial fees, not the interest.

This created an added incentive to find more people to lend to.

So how do we talk to people in the neighborhood...

You’re not missionaries, are you?

I own this place.

You’ve got a line of credit. You’d like to pay off your kids’ braces?

Oh, ho ho no, well, sorta, we want to help you buy a home.

Excellent, then we’ll get you a line of credit to borrow against. You got few overdue bills you’d like to pay off? Maybe your kids need braces?

What are the chances of you losing your job?

Well, yeah, but I’m not sure I can afford to pay back...

That’s the spirit. Just sign here.

I guess...

CAREFUL! CAREFUL!

Did the lenders and investors know that home prices couldn’t go up forever?

That the bad loans would default?

Sure, but they figured they could outsmart the market.

Make a killing, then get out quick, by repackaging debt and flipping houses!

What do you spend realistically on food?

Gifts? Medical care?

What are the chances of you losing your job?

Car loan?

Car loan?

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Gifts? Medical care?

What are the chances of you losing your job?

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Gifts? Medical care?

What are the chances of you losing your job?

Car loan?
**Lessons from the Great Depression**

The last time we had all these ducks lined up was 1928, on the eve of the Great Depression.

The gap between the rich and the rest was beyond belief.

This graph shows the share of income, including capital gains, enjoyed by the top 1% at various times in the last 80 years.

<table>
<thead>
<tr>
<th>Year</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1924</td>
<td>17%</td>
</tr>
<tr>
<td>1928</td>
<td>23%</td>
</tr>
<tr>
<td>1936</td>
<td>19%</td>
</tr>
<tr>
<td>1945</td>
<td>12%</td>
</tr>
<tr>
<td>1953</td>
<td>9%</td>
</tr>
<tr>
<td>1962</td>
<td>10%</td>
</tr>
<tr>
<td>1970</td>
<td>9%</td>
</tr>
<tr>
<td>1979</td>
<td>10%</td>
</tr>
<tr>
<td>1987</td>
<td>12%</td>
</tr>
<tr>
<td>1996</td>
<td>16%</td>
</tr>
<tr>
<td>2006</td>
<td>22%</td>
</tr>
</tbody>
</table>

Then as now, once things started to fall apart, the conventional wisdom was that government should respond with fiscal austerity.

That didn’t work in 1929. The New Deal Govt. of Franklin Roosevelt got better results by stimulating demand and regulating finance.

Either of you, if elected, would have difficult choices to make. Which babies would you choose to throw overboard?

You mean spreading the wealth, don’t you?

That’s socialism.

Whatever.
LESSONS FROM THE NEW DEAL

IT'S NOT JUST A QUESTI ON OF WHAT GOVERNMENT DOES OR DOES NOT DO.
PRESSURE FROM BELOW MADE THE INNOVATIONS OF THE NEW DEAL POSSIBLE.

WHERE'S OUR BONUS?

IN 1932 UNEMPLOYED WWII VETERANS MARCHED ON D.C. FOR RELIEF.

ORGANIZE!

GENERAL STRIKES & SIT-DOWN STRIKES (FACTORY OCCUPATIONS) HELPED TO BRING UNION & WAGE GAINS TO MILLIONS OF WORKERS.

UNEMPLOYED COUNCILS RESISTED EVICTIONS & MARCHED FOR COMPENSATION OR JOBS.

NEW DEAL LAWS & PROGRAMS RESPONDED TO DEMANDS FOR A DECENT LIFE BY:

- PROTECTING PEOPLE FROM EXTREME POVERTY
- RECOGNIZING THE RIGHT TO ORGANIZE
- WORKERS HAVE THE RIGHT TO ORGANIZE
- WELL, THANK YOU VERY MUCH.
- AND PROTECTING PEOPLE'S SAVINGS.
- HEY, YOU CAN COME BACK NOW.

THE NEW DEAL'S INCOME SUPPORT PROGRAMS ALONG WITH UNIONIZATION MEANT THAT, WHEN PROSPERITY RETURNED, THE WORKING CLASS GOT A PIECE OF THE ACTION.

THE EFFORT TO PROTECT PEOPLE'S SAVINGS PRODUCED THE GLASS-STEAGALL ACT OF 1933, WHICH SET UP THE FDIC (FEDERAL DEPOSIT INSURANCE CORPORATION) & PREVENTED BANKS FROM BEING INVESTMENT BROKERS.

FAIRER DISTRIBUTION OF INCOME CREATED AN INFLATIONARY MARKET WHICH RELIEVED THE U.S. ECONOMY'S OVERPRODUCTION IMPASSE.

ECONOMIC MELTDOWN FUNNIES
FINANCERS, ORTHODOX ECONOMISTS, CORPORATION HEADS & CONSERVATIVE POLITICIANS BEGAN CALLING FOR DEREGLULATION IN THE 1970S. THEY PROMOTED IT AS THE CURE FOR "STAGFLATION," THE DOUBLE WHAMMY OF INFLATION & STAGNATION THAT WAS HITTING THE U.S., DUE IN PART TO NEW COMPETITION FROM ASIA & EUROPE.

CLASS-STEAGALL (SEE P.11) WAS ALWAYS THE DEREGLUTATORS' TARGET. IN 1980 THE SECTIONS OF THE LAW THAT LIMITED INSURANCE (EXORBITANT INTEREST) WERE REPEALED.

I CAN'T PAY YOU ALL, BUT I'LL PAY YOU WHAT I CAN.

HOW MANY FINGERS YOU GOT LEFT?

PUT 'EM ON THE COUNTER!

IN 1998, GREENSPAN APPROVED THE LARGEST CORPORATE MERGER OF ALL TIME, BETWEEN TRAVELERS INSURANCE AND CITICORP. UNFORTUNATELY, THAT SILLY OLD CLASS-STEAGALL OBLIGES YOU TO DIVEST NON-BANK OPERATIONS WITHIN TWO YEARS, UNLESS OF COURSE CLASS-STEAGALL IS REPEALED DURING THAT TIME.

THE FEDERAL RESERVE BANK, CHARGED WITH ENFORCING CLASS-STEAGALL, BECAME INCREASINGLY THE CREATURE OF THE INDUSTRY IT WAS SUPPOSED TO POLICE.

W.M. MCHESNEY MARTIN, THE FED HEAD FROM 1987 TO 2006, HAD A DIFFERENT IDEA:

"THE ROLE OF THE FEDERAL RESERVE WAS TO TAKE AWAY THE PUNCH BOWL JUST AS THE PARTY GETS ROLLING."

"SURE, BOYS?"

GREENSPAN'S LOW INTEREST RATES ENCYCLED SPECULATIVE MANIA WHILE HIS RULINGS UNDERMINED CLASS-STEAGALL.

"CITIGROUP," WITH HELP FROM CLINTON'S TREASURY SECRETARY, DEMOCRAT ROBERT RUBIN, SUCCEEDED IN GETTING CONGRESS TO REPEAL CLASS-STEAGALL IN OCT. 1999.

"TOP FLOOR, PLEASE.

A FEW DAYS LATER, RUBIN WAS HIRED BY CITIGROUP AS A TOP EXEC.
PLAYING CHICKEN WITH THE MARKETS

IT'S CERTAINLY BEEN WORTH IT TO SEND ITS TOP GUYS INTO GOVERNMENT.

HENRY PAULSON, LIKE ROBERT RUBIN, A FORMER GOLDMAN-SACHS CEO, WANTS YOU TO SAY "CONFLICT OF INTEREST?"

HANK!

YOU'RE NOT GONNA MAKE ME GIVE UP OUR BONUSES JUST BECAUSE WE TRASHED THE ECONOMY, ARE YOU?

WE LOVE CHICKEN, I MEAN CHICKENS!

THE JOB OF PROTECTING THE PUBLIC IN A TRENCHEROUS ECONOMY IS CUSTOMARILY ENTRUSTED TO FINANCE INDUSTRY LEADERS. CAN YOU SAY "CONFLICT OF INTEREST?"

DON'T WORRY YOUR LITTLE HEADS, FELLAS!

WALL ST. ALSO SUBSIDIZES POLITICIANS. FORMER SEN. PHIL GRAMM, A TOP RECIPENT OF BANK & FINANCE CAMPAIGN CONTRIBUTIONS, SPONSORED THE BILL THAT FINISHED GLASS-STEAGALL, AND, WITH GREENSPAN & RUBIN, HE BLOCKED ATTEMPTS TO REGULATE THE "SHADOW" WORLD OF NEW FINANCIAL INSTRUMENTS, A.K.A. THE

CHAMBER OF FINANCIAL HORRORS

IN THE LAST 10+ YEARS, MANY NEW WAYS TO PACKAGE MORTGAGE DEBT HAVE APPEARED. AND GROWN RAPIDLY. SOME ARE DESIGNED TO MIX HIGH AND LOW RISK LOANS, OR TAKE ADVANTAGE OF LOW INTEREST RATES, OR FREE UP THE ORIGINATOR'S CAPITAL. WHAT THEY HAVE IN COMMON IS THAT THEY ARE UNREGULATED AND:

HIGHLY LEVERAGED

'AND VOLATILE BECAUSE NOT BASED ON REAL VALUE.'

HIGHLY OPAQUE

'IT'S ONYX! GET ME MORE!'

'NO! WAIT! IT'S MUD! GET OFF ME!'

'WHAT'S IN IT?'

'NOBODY KNOWS!'

'WHINE AWAY, YOU PEONS!'

'HEUG! FUNS!

'COLLATERALIZED PBET OBLIGATIONS STANDARD MORTGAGES'

'NICKELS, DIME S, QUARTERS, DOLLARS!

'LEGEN D FUND!

'TRANCHE!

'AND SHORT SELLING!'

'SUBPRIMES, CREDIT DEFAULT SWAPS, MORTAGE-BACKED SECURITIES, DERIVATIVES!'
PREDATORS WITHOUT BORDERS

QUICKERBELLYACHIN’!
THE PROBLEM ISN’T THE INNOVATIONS OF PRIVATE ENTERPRISE. IT’S THE BREAKIN’ FURRINERS!
YES, FOLKS, TOO MANY EUROTRASH BILLIONAIRES, LOWLIFE LATINOS. TOO MANY OIL SHEiks ARE CALLING THE SHOTS!

DRILL, BABY, DRILL!

INTERNATIONAL INTERDEPENDENCE (ALSO KNOWN AS “TRADE”) IS HERE TO STAY. ASSUMING CIVILIZATION DOESN’T SELF-DESTRUCT. TRADE FUNDs THE PRODUCTIVITY GAINS THAT ALLOW ALL OF US TO DREAM OF A DECENT LIFE.

BUT...

WE CAN LOOK AT THE RECENT USE OF TRADE BY GLOBAL ELITES TO SEE THE ISSUES OF PREDAATORY LENDING AND INSTITUTIONALIZED INEQUALITY UTLARGE.

YOU COULD USE SOME PAVED ROADS, COULDN’T YOU?

I WAS THINKING MORE ALONG THE LINES OF GRANDIOSE MONUMENTS TO MY VISIONARY LEADERSHIP.

NOT MUCH LATER.

I’VE COME TO COLLECT!

BUT OUR DEBT PAYMENTS ARE ALREADY OUTSTRIPPING OUR GROSS DOMESTIC PRODUCT?

WHATEVER, JUST SIGN HERE.

IN OTHER WORDS, PUT YOUR FINGERS ON THE COUNTER.

WE’LL, I COULD RESTRUCTURE YOUR LOAN IF YOU WOULD DRIVE ALL YOUR SMALL FARMERS OFF THE LAND. REVERT TO A PLANTATION ECONOMY, AND ETERNALLY RELINQUISH ECONOMIC AUTONOMY.

WHEN POOR COUNTRIES COULDN’T MAKE THEIR PAYMENTS, THE INTERNATIONAL MONETARY FUND & WORLD BANK INISTED THEY ELIMINATE TARIFFS, PRIVATIZE NATIONAL FIRMS & REDUCE INCOME SUPPORTS.

DOESN’T SEEM FAIR.

THOSE DEBTS WERE INCURRED BY OUR FORMER CORRUPT LEADERS, WHO NEGLECTED THE PEOPLE’S WELFARE.

EXACTLY. THAT’S WHY WE’RE DEMANDING THAT YOU GET INCORRUPTIBLE LEADERS TO NEGLECT THE PEOPLE’S WELFARE.

RECENT YEARS HAVE SEEN THE ELECTION OF NEW GOVERNMENTS IN LATIN AMERICA WILLING TO BUCK THE “WASHINGTON CONSENSUS” AS THE WORLD BANK/IMF DOGMA IS KNOWN.

WHAT TH’??

LIKELYWISE, WE IN THE U.S CAN DEMAND SOLUTIONS TO OUR OWN “POST-CRISIS” THAT DO NOT FURTHER PERPETUATE CRIMES OF OUR MIS-LEADERS.

ECONOMIC MELTDOWN FUNNIES
**Solutions**

So, what can we demand, what should we work for?

Not just to get the economy moving, but to address the inequality that brought about the meltdown?

On these 2 pages we briefly outline some proposals for solutions. You'll find links & resources in the back of the book for more info on organizations you can contact.

I fell in a hole, so what?

Before we talk about positive steps, let's acknowledge one big difference between the depression years and today:

Any solution to today's economic mess has to address the issues of climate change, peak oil, food security and pollution, as well.

**1. INVEST IN THE REAL ECONOMY: A "GREEN" NEW DEAL**

The Great Depression lasted a decade, & was finally ended by the greatest public works project ever seen at that point: military spending for World War II.

Today, however, the U.S. already produces more weapons than anyone will ever use (hopefully), & the chances of bringing back the level of basic industry we had in the 1940s are slim, given foreign competition. But we can invest in:

- Green technology
- Infrastructure
- Public health
- Schools
- Daycare
- Public transportation
- And other things we need badly!

**2. EMERGENCY MEASURES: HELP THOSE UNDER WATER**

- Strengthen & extend food stamps and unemployment insurance - mend the weakened safety net.

- Stop the foreclosures - help people stay in their homes.

Revenue sharing or stimulus package directed to:

- States (so declining tax revenues & tight credit don't force state governments to cut too deep); &
- The unemployed and overmortgaged.
3. **Restore the Right to Organize**

Wage stagnation is directly tied to the destruction of unions. Today, workers who want unions face overwhelming odds: intimidation campaigns, hostile courts & laws, the threat of economic ruin. American workers have many rights on paper but, without a union to enforce them, these rights are worthless.

**Let workers decide:**

**Pass the Employee Free Choice Act**

4. **Don't Just Add to Debt—Make Speculators Pay**

- Tax stock transfers
- Eliminate loopholes
- Claw backs: Rescind exorbitant bonuses from execs whose policies failed
- Henry Paulson’s golden parachute
- I will survive!
- Cap executive pay (Paulson made $82 million at Goldman Sachs in 2003-05)

5. **Regulate the Reckless**

- Shouldn’t you mend your roof?
- It’s raining.
- Too busy telling the place out.

**Transparency**

**Regulate leverage on new financial instruments**

**Prohibit predatory lending**

6. **Fair Trade**

**Trade policy should not disempower poor nations**

- They should be able to:
  - Regulate capital flows
  - Protect their producers
- End U.S. subsidies to job exporters

**In sum: A Solidarity Economy**

Let’s have an economy that works for everyone, not just the world’s wealthiest.
Jobs with Justice (www.jwj.org). Check out our Take Action section and find an affiliate close to you.

Working Group on Extreme Inequality (www.extremeinequality.org) was founded in 2007 to challenge the concentrated wealth and power that increasingly sit at the top of our economic ladder. Based at the Institute for Policy Studies, our work includes mobilization, education and advocacy for public policies that not only lift the floor and reduce poverty—but address the concentration of wealth and income.

THE ECONOMIC CRISIS: HOW DID IT HAPPEN?

ARTICLE: Walden Bello, “Wall Street Meltdown Primer.”
A global perspective on financial bubbles and the crisis of overproduction in capitalism leading to the current crisis. www.fpif.org/fpiftxt/5560.

SOLUTIONS: WHAT CAN WE DO?
There are a number of coalitions forming and engaging in activities. Visit www.economicmeltdownfunnies.org to find out the latest action campaigns.

POLICY BRIEF: “Sensible Plan For Recovery,” from the Institute for Policy Studies
Download a 5-page PDF overview of a comprehensive plan to stabilize Main Street. www.ips-dc.org/reports/#752.


ARTICLE: “Ten Ways to Bailout Wall Street (and Main Street) without Soaking the Taxpayer” by Chuck Collins and Dedrick Muhammad. www.alternet.org/workplace/100223/.

It's ONYX! GET ME MORE!

No! WAIT! IT'S MUD! GET IT OFFA ME!