

“Golden Parachutes” for Working People:

Jail With No Bail for the Wall Street Rich!

Statement by Revolutionary Organization of Labor, USA

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With over one trillion dollars in bailouts thus far, the U.S. government and international finance capital have once again proven that they live by their own version of the “Golden Rule”: Protect the gold of those who rule.

In October 2008, facing a deep financial meltdown similar to the Great Depression of the 1930’s, including a series of failures of the major Wall Street firms Bear Stearns, Lehman Brothers, Merrill Lynch, giant mortgage companies Fannie Mae and Freddie Mac, and the largest insurance company, AIG, the Bush regime successfully pushed an \$810 billion public bailout for the private Wall Street firms and banks. There was hardly a dime for any working family that lost jobs or homes! Congressional Democrats and Republicans, including both major parties’ presidential candidates McCain and Obama, united in writing this “blank check” for Wall Street at taxpayer expense.

Those responsible for the mess have done just fine. For, example, in 2006, the then top five Wall Street firms of Bear Stearns, Goldman Sachs, Lehman Brothers, Merrill Lynch and Morgan Stanley (three are now gone!) awarded management employees some \$40 billion in Christmas bonuses. The combined wage increases of the 93 million U.S. workers for the six-year period of 2000-2006 was less than one-half of the 2006 holiday bonuses to these Wall Street crooks!

Over the past decade almost all regulation and oversight was eliminated from the banking and investment sector. Speculative capital reigned supreme with vast profits fueled by sub-prime loans that eventually sunk the housing market. It was a “house of cards”, creating nothing productive, waiting to fall.

This new “great depression” was largely caused by predatory lending, speculative capital, the oil wars in Iraq and Afghanistan, huge tax breaks for the rich, and capitalist overproduction featuring the diminishing purchasing power of the working class. Yet the Wall Street crooks get “golden parachutes”. Kerry Killinger, the forced out CEO of now failed Washington Mutual Bank waved goodbye with over \$20 million in compensation. The exit package for Freddie Mac CEO Richard Syron was over \$14 million and Fannie Mae CEO Daniel Mudd “only” received about \$10 million. As bailed-out Bank of America was about to swallow up Merrill Lynch after the latter had lost \$27 billion in 2008, Merrill Lynch execs received a last minute \$4 billion “consolation prize”! Wall Street managers received \$18 billion in holiday bonuses for 2008 out of the taxpayer funded bailouts.

So what about the rest of us, the workers, the working poor, the oppressed?

We are in chronic and acute economic crisis. Official unemployment is rising at the fastest pace in years with almost two million jobs lost in the last four months of 2008 and over 600,000 more in January of 2009. For many who still have jobs, two and three jobs (often temporary ones with no benefits) have become a way of life. Over 50 million people have no health coverage. Pensions for workers have all but disappeared into the 401K scam that have now taken a beating from the collapsing stock market. Gas prices are again on the rise with large chunks of our income used for transportation to work while Exxon Mobil made a record \$11.7 billion in profit! Food prices are increasing at a gallop. Home heating costs rise far more than our wages. Aggressive corporate union-busting has made it more difficult to organize unions and maintain strong ones capable of forcing companies to share more of their wealth.

Increasingly we face: Lay offs and loss of income; life savings disappearing due to family sickness; entire paychecks going to

childcare; elder care that often sinks a family; working folks losing their homes and rented apartments. Over 4 million homes were foreclosed in the last two years, a lost roof over the heads of over 20 million people! Millions more now owe more on their homes than they are worth, with the dream of home ownership turning into a nightmare.

In this crisis, alcoholism, drug addiction, incarceration, suicide and divorce all rise and children do more poorly in school. The system says if you haven’t “made it”, it’s your own fault. There are no soft landings for the workers and our families.

Working people were so outraged at the massive bailout of Wall Street last fall that they forced House members to initially vote down the Bush/Paulson/Pelosi bi-partisan bill, a vote that shocked the world. However, under pressure from their Wall Street benefactors, Congress passed this grand heist. Today, with more bail-out plans in the works, the Obama-Biden administration and Congressional Republicans and Democrats, are all uniting to serve the Wall Street rich with little attention to the people’s needs. They offer no way out. So what can we do??

In the short run, organize united front/coalition efforts in our communities, unions, fraternal associations and religious institutions. Rally and fight for:

- *No more bailout for the wealthy – period!! Jail with no bail instead!*
- *Nationalization of the banks! Take the profit out of banking and lending. Run them with local community/worker controlled boards for the “public good” similar to the Post Office.*
- *Strengthening of Social Security and expansion of its benefits. Government restoration of lost 401K retirement funds and transfer of these funds to protected and guaranteed pension plans.*
- *Stoppage of home foreclosures and eviction of renters due to predatory lending, loss of jobs and illness.*
- *Millions of decent jobs by winning shorter work week with no reduction in pay and a massive public works program at a living wage, rebuilding the decaying infrastructure of the United States.*

For the long run — organize and fight for workers’ power!

This financial crisis proves that the monopoly capitalist system, based on private profit and greed, is corrupt to the core and a parasite on the toiling masses of humanity. This imperialist system is responsible for the U.S. wars of occupation of Afghanistan and Iraq. It cannot meet the needs of the majority of mankind. It is our enemy!

Workers’ Power, socialism, can provide what the corporations and their Democratic and Republican cronies can never do — a “Golden Parachute” for workers -- a system run for the good of the majority that will provide guaranteed employment at living wages and safe jobs, cradle to grave quality healthcare, child and elder care for all, free education from pre-school through adulthood, leisure time and the opportunity to live in peace, cooperation and harmony with each other the world over.

Join with us in the Fight for Justice!

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