

## **“Golden Parachutes” for Working People:**

# **Jail With No Bail for the Wall Street Rich!**

### **Statement by Revolutionary Organization of Labor, USA**

October 2008

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.

Facing the deepest financial meltdown since 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 has successfully pushed an \$810 billion public bailout for the private Wall Street firms and banks, with hardly a dime for any working family that loses its home! Congressional Democrats and Republicans united in writing this “blank check” for the corporations at taxpayer expense.

This move was on top of other recent bailouts the ruling elite has desperately used to try to shore up the collapsing system. Among others, AIG was bailed out with \$85 billion by the Treasury department. Fannie Mae and Freddie Mac were directly taken over by the government, a move that could come with a \$200 billion public price tag.

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!

Almost all regulation and oversight was systematically eliminated from the banking and investment sector as the financial crisis deepened. 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. Today, McCain and Obama, *both* well funded by the “generosity” of the Wall Street investment banks, offer no way out.

While this economic crisis, largely caused by predatory lending, speculative capital, the oil wars in Iraq and Afghanistan and huge tax breaks for the rich, is wreaking devastation on regular folks, those primarily responsible still have their “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 is over \$14 million and “poor” Fannie Mae CEO Daniel Mudd “only” received about \$10 million.

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

We are in chronic and acute economic crisis. Gas prices are running at \$4.00/gallon. Some are spending 20% of their income for transportation to work while Exxon Mobil made a record \$11.7 billion in profit last year! Food prices are increasing at a gallop. The cost of heating a home this year is estimated to rise 61%. 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. Pensions for workers have all but disappeared into the 401K scam that have now taken a beating from the collapsing stock market. Over 50 million people have no health coverage. Official unemployment is rising at the fastest pace in years. Two and three jobs (often temporary ones with

no benefits) have become a way of life. Many of us are “living to work” rather than “working to live”.

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 apartments. It is projected that 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 such a crisis, alcoholism, drug addiction, suicide and divorce all rise and children do more poorly in school. There are no soft landings for the workers and our families. Just a system that says you’re on your own and if you haven’t “made it”, it’s your own fault.

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Working people were so outraged at this biggest bailout of Wall Street that they forced House members to initially vote down the Bush/Paulson/Pelosi bi-partisan bailout bill, a vote that shocked the world. Now that the Congress has passed an even bigger bailout plan, 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!*
- *Nationalize the banks! Take the profit out of banking and lending. Run them with local community/worker controlled boards. Banks can be run for the public good just like the Post Office.*
- *Government restoration of lost 401K retirement funds due to the economic crisis. Transfer these funds to defined pension plans and stronger social security benefits.*
- *Stop all Home Foreclosures due to predatory lending, loss of jobs and illness.*
- *A massive public works program creating millions of decent jobs while 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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