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Sanders proposed a five-year, 10 percent surtax on families with incomes of more than \$1 million year and individuals earning over \$500,00 to raise \$300 billion to help bankroll the bailout. Senators, however, set aside the amendment on a voice vote.

In a Senate floor speech, Sanders elaborated on the bailout bill's flaws:

"This country faces many serious problems in the financial market, in the stock market, in our economy. We must act, but we must act in a way that improves the situation. We can do better than the legislation now before Congress.

"This bill does not effectively address the issue of what the taxpayers of our country will actually own after they invest hundreds of billions of dollars in toxic assets. This bill does not effectively address the issue of oversight because the oversight board members have all been hand picked by the Bush administration. This bill does not effectively deal with the issue of foreclosures and addressing that very serious issue, which is impacting millions of low- and moderate-income Americans in the aggressive, effective way that we should be. This bill does not effectively deal with the issue of executive compensation and golden parachutes. Under this bill, the CEOs and the Wall Street insiders will still, with a little bit of imagination, continue to make out like bandits.

"This bill does not deal at all with how we got into this crisis in the first place and the need to undo the deregulatory fervor which created trillions of dollars in complicated and unregulated financial instruments such as credit default swaps and hedge funds. This bill does not address the issue that has taken us to where we are today, the concept of too big to fail. In fact, within the last several weeks we have sat idly by and watched gigantic financial institutions like the Bank of America swallow up other gigantic financial institutions like Countrywide and Merrill Lynch. Well, who is going to bail out the Bank of America if it begins to fail? There is not one word about the issue of too big to fail in this legislation at a time when that problem is in fact becoming even more serious.

"This bill does not deal with the absurdity of having the fox guarding the hen house. Maybe I'm the only person in America who thinks so, but I have a hard time understanding why we are giving \$700 billion to the Secretary of the Treasury, the former CEO of Goldman Sachs, who along with other financial institutions, actually got us into this problem. Now, maybe I'm the only person in America who thinks that's a little bit weird, but that is what I think.

"This bill does not address the major economic crisis we face: growing unemployment, low wages, the need to create decent-paying jobs, rebuilding our infrastructure and moving us to energy efficiency and sustainable energy.

"There is one issue that is even more profound and more basic than everything else that I have mentioned, and that is if a bailout is needed, if taxpayer money must be placed at risk, whose money should it be? In other words, who should be paying for this bailout which has been caused by the greed and recklessness of Wall Street operatives who have made billions in recent years?

"The American people are bitter. They are angry, and they are confused. Over the last seven and a half year, since George W. Bush has been President, 6 million Americans have slipped out of the middle class and are in poverty, and today working families are lining up at emergency food shelves in order to get the food they need to feed their families. Since President Bush has been in office, median family income for working-age families has declined by over \$2,000. More than seven million Americans have lost their health insurance. Over four million have lost their pensions. Consumer debt has more than doubled. And foreclosures are the highest on record. Meanwhile, the cost of energy, food, health care, college and other basic necessities has soared.

"While the middle class has declined under President Bush's reckless economic policies, the people on top have never had it so good. For the first seven years of Bush's tenure, the wealthiest 400 individuals in our country saw a \$670 billion increase in their wealth, and at the end of 2007 owned over \$1.5 trillion in wealth. That is just 400 families, a \$670 billion increase in wealth since Bush has been in office.

"In our country today, we have the most unequal distribution of income and wealth of any major country on earth, with the top 1 percent earning more income than the bottom 50 percent and the top 1 percent owning more wealth than the bottom 90 percent. We are living at a time when we have seen a massive transfer of wealth from the middle class to the very wealthiest people in this country, when, among others, CEOs of Wall Street firms received unbelievable amounts in bonuses, including \$39 billion in bonuses in the year 2007 alone for just the five major investment houses. We have seen the

and trillions dollars in esoteric financial instruments, in unregulated industries which no more than a handful of people even understand. We have seen the financial services industry charge 30 percent interest rates on credit card loans and tack on outrageous late fees and other costs to unsuspecting customers. We have seen them engaged in despicable predatory lending practices, taking advantage of the vulnerable and the uneducated. We have seen them send out billions of deceptive solicitations to almost every mailbox in America.

"Most importantly, we have seen the financial services industry lure people into mortgages they could not afford to pay, which is one of the basic reasons why we are here tonight.

"In the midst of all of this, we have a bailout package which says to the middle class that you are being asked to place at risk \$700 billion, which is \$2,200 for every man, woman, and child in this country. You're being asked to do that in order to undo the damage caused by this excessive Wall Street greed. In other words, the "Masters of the Universe," those brilliant Wall Street insiders who have made more money than the average American can even dream of, have brought our financial system to the brink of collapse. Now, as the American and world financial systems teeter on the edge of a meltdown, these multimillionaires are demanding that the middle class, which has already suffered under Bush's disastrous economic policies, pick up the pieces that they broke. That is wrong, and that is something that I will not support.

"If we are going to bail out Wall Street, it should be those people who have caused the problem, those people who have benefited from Bush's tax breaks for millionaires and billionaires, those people who have taken advantage of deregulation, those people are the people who should pick up the tab, and not ordinary working people. I introduced an amendment which gave the Senate a very clear choice. We can pay for this bailout of Wall Street by asking people all across this country, small businesses on Main Street, homeowners on Maple Street, elderly couples on Oak Street, college students on Campus Avenue, working families on Sunrise Lane, we can ask them to pay for this bailout. That is one way we can go. Or, we can ask the people who have gained the most from the spasm of greed, the people whose incomes have been soaring under president bush, to pick up the tab.

"I proposed to raise the tax rate on any individual earning \$500,000 a year or more or any family earning \$1 million a year or more by 10 percent. That increase in the tax rate, from 35 percent to 45 percent, would raise more than \$300 billion in the next five years, almost half the cost of the bailout. If what all the supporters of this legislation say is correct, that the government will get back some of its money when the market calms down and the government sells some of the assets it has purchased, then \$300 billion should be sufficient to make sure that 99.7 percent of taxpayers do not have to pay one nickel for this bailout.

"Most of my constituents did not earn a \$38 million bonus in 2005 or make over \$100 million in total compensation in three years, as did Henry Paulson, the current secretary of the Treasury, and former CEO of Goldman Sachs. Most of my constituents did not make \$354 million in total compensation over the past five years as did Richard Fuld of Lehman Brothers. Most of my constituents did not cash out \$60 million in stock after a \$29 billion bailout for Bear Stearns after that failing company was bought out by J.P. Morgan Chase. Most of my constituents did not get a \$161 million severance package as E. Stanley O'Neill, former CEO Merrill Lynch did.

"Last week I placed on my Web site, [www.sanders.senate.gov](http://www.sanders.senate.gov), a letter to Secretary Paulson in support of my amendment. It said that it should be those people best able to pay for this bailout, those people who have made out like bandits in recent years, they should be asked to pay for this bailout. It should not be the middle class. To my amazement, some 48,000 people cosigned this petition, and the names keep coming in. The message is very simple: "We had nothing to do with causing this bailout. We are already under economic duress. Go to those people who have made out like bandits. Go to those people who have caused this crisis and ask them to pay for the bailout."

"The time has come to assure our constituents in Vermont and all over this country that we are listening and understand their anger and their frustration. The time has come to say that we have the courage to stand up to all of the powerful financial institution lobbyists who are running amok all over the Capitol building, from the Chamber of Commerce to the American Bankers Association, to the Business Roundtable, all of these groups who make huge campaign contributions, spend all kinds of money on lobbyists, they're here loud and clear. They don't want to pay for this bailout, they want middle America to pay for it."