

all the “crooks” seem to have been in the thrifts!

The excuse given for banks, especially the big banks, like Chase and Citicorp and Bank of New England, is that they were “victims of a bad economy,” or in New England, of “tax laws.”

On the other hand, the S&Ls are accused of being irresponsible and criminal for using government-insured deposits to invest in and finance such allegedly unsafe and unsound things as real estate. Well, the commercial banks also have used their government-insured deposits to invest in real estate, as well as to finance brokerage houses underwriting junk bonds, corporations doing leveraged buyouts and Third World debt, which the regulators seem to think are perfectly sound and acceptably prudent.

Washington has not yet correctly identified the cause of the problem, much less begun to cure it. We have seen only the tip of the iceberg. . . .

I have reluctantly come to agree that perhaps 95% of the cost of the S&L disaster is due to fraud—fraud committed by the money-center bankers, the regulators and politicians who 1) caused the problem, 2) failed to deal with it correctly, 3) deceived the public about it, 4) used smoke and mirrors and off-balance-sheet accounting to hide the extent of the problem while sweeping it under the rug, and 5) offered scapegoats to hide their own culpability.

EIR: The government has offered you a plea-bargain deal. Why have you not accepted it?

Adams: I could strike a deal for myself, but if the country goes to hell, as it is, it’s not worth it. What is gained by saving yourself, if you lose your soul and everything you believe in?

Our form of capitalism is a great system and the universal hope of humanity. It is a pity that so many of our present leaders have abandoned it. They have been won over by the seductive temptations of the fast-buck sirens. Perhaps, by taking a stand, I can make people aware of the truth, that everything that we love and cherish about the American System is about to go down the tubes, and encourage them to act to do something about this horrible situation before it’s too late.

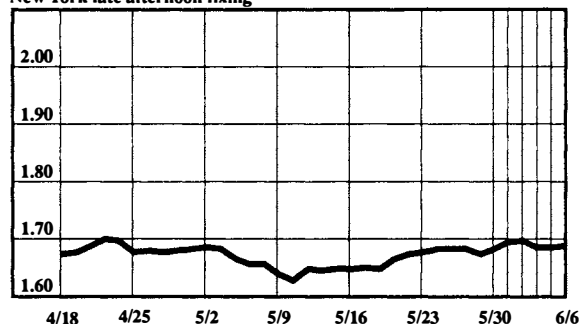
EIR: Any thoughts on the *Houston Post* articles alleging CIA-organized crime involvement in S&L fraud?

Adams: After reading the *Post* articles alleging CIA-mob collaboration to scam money from the thrifts to fund the Contras, I was shocked! Then, I realized that Lamar, which was named as one of the 23 thrifts involved, did business with one-third of the others on the list. I could see patterns between institutions and individuals that moved around among them, and realized that, if lawyers, appraisers and title companies are not working for your interest, they might be able to make large chunks of money “disappear.” The more I look, the more I learn, the more convinced I am that there is not only smoke, but fire here.

Currency Rates

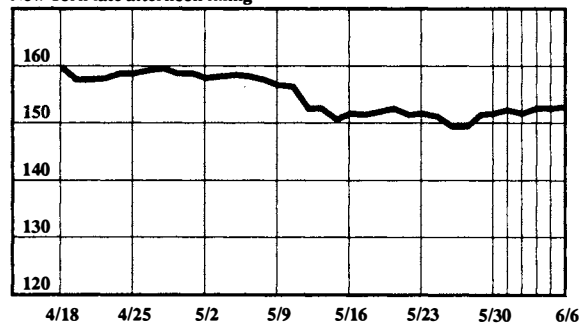
The dollar in deutschemarks

New York late afternoon fixing



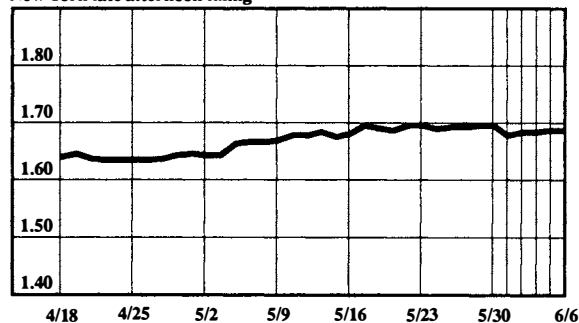
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing

