

We Need To Re-Look At Glass-Steagall

July 3—The Minister of Transport and Water Works of Guyana, Robeson Benn, speaking in his capacity as Acting Foreign Minister at the Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States (OAS) in Washington, D.C., today, called for a broad discussion across the Americas on Franklin Roosevelt’s 1933 Glass-Steagall law, and urging American legislators to reinstate the bill, since its revocation in 1999 had built up the usurious speculative system which today is trying to destroy Argentina, along with many other countries.

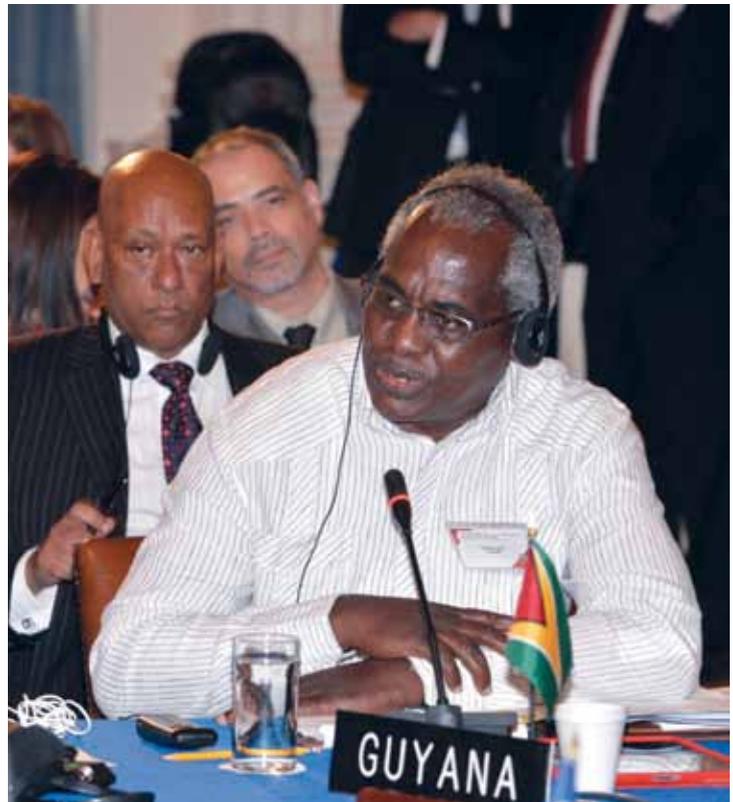
Benn invoked the idea presented by former Malaysian Prime Minister Mahathir, that “the international financial system and policy should revolve around the issue of not begging your neighbor, but prospering your neighbor.” He continued:

“I would like to pose the question, perhaps, as to whether we should not, out of this imbroglio, re-look at the overall question of the repeal of the Glass-Steagall Act in 1999 in the United States, which related to the activity of the banking system, the international financial institutions, mainly resident in the United States and in the United Kingdom. President Roosevelt, of the United States of America, established a banking act, signed off on the Banking Act of 1933, which set up firewalls between the activities of the banks, and on the questions of speculation in the financial system. There is, perhaps, the need now to take a look at putting back in place important sections of the Glass-Steagall Act which was repealed in 1999.”

“And,” Benn continued, “we know the devastation, the dislocations in the United States economy in 2008, had even more devastating, dislocating effects in the world financial system. So we need to perhaps review the question, or call upon U.S. legislators to pursue efforts to put back in place the type of regulation in the banking

system which would prevent vulture funds, which would prevent this response whereby there is this form which I call ‘modern-day piracy,’ modern-day piracy which has serious implications for the world economy and, particularly now, in the case of Argentina, a very significant country in Latin America, severe implications for its economy and which would create a cascading effect in Latin America, and Central America, and elsewhere.”

Benn concluded: “Guyana stands in solidarity with Argentina in rejecting and condemning the actions of vulture funds that put in jeopardy progress made by these countries... The dilemma of the Argentine people and government resonates with all developing countries. It is the moral responsibility of all stakeholders, including the American people and their government, to ensure that countries such as Argentina, which has made significant strides in improving their debt situation, [not have to adopt measures] which threaten the progress that has been achieved.”



OAS/Maria Patricia Leiva

Acting Foreign Minister of Guyana Robeson Benn: The best solution to “modern-day piracy” is for the U.S. to re-instate the Glass-Steagall Law.