

2020 -- S 2359

LC004134

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2020

SENATE RESOLUTION

RESPECTFULLY REQUESTING THAT THE UNITED STATES CONGRESS ADOPT "AN  
AMERICAN ECONOMIC RECOVERY" PROGRAM

Introduced By: Senators DiPalma, Miller, Metts, Euer, and Ciccone

Date Introduced: February 13, 2020

Referred To: Senate Commerce

1 WHEREAS, There is an ongoing banking crisis gripping the United States and other  
2 nations, typified by the massive fraud committed by Wells Fargo Bank, and the malfeasance at JP  
3 Morgan Chase, Bank of America, HSBC, Goldman Sachs and other major banking entities. Too  
4 Big to Fail Banks (TBTF) have paid tens of billions of dollars in fines for criminal activities  
5 against the American public; the same banks were still holding \$222 trillion of derivative  
6 contracts on their books as of 2017, the same derivatives that blew up the economy in 2008; and

7 WHEREAS, The financial crisis is driven by a collapse of industry and infrastructure.  
8 From 2007 through 2018, Gross Domestic Product grew at the anemic rate of 1-2.9 percent per  
9 year, and productivity rose at an even worse rate of .5 percent or less per year; and

10 WHEREAS, A return to a durable industrial recovery will require adoption of a national  
11 banking policy as was done by Alexander Hamilton, John Quincy Adams, Abraham Lincoln, and  
12 Franklin D. Roosevelt. This program of federal credit to industry, Cities and States built the  
13 productive capability of our nation; now, therefore be it

14 RESOLVED, That this Senate of the State of Rhode Island and Providence Plantations  
15 hereby respectfully urges the Congress of the United States to immediately adopt "An American  
16 Economic Recovery" program and do the following:

17 1. Restore the provisions of the Glass Steagall Act in the United States, which aimed to  
18 immediately restore the separation of investment and commercial banking. Two members of the  
19 Rhode Island delegation to the United States Congress cosponsored legislation, and the Rhode

1 Island State Senate was one of more than fifteen state legislatures to file Glass-Steagall  
2 resolutions in 2016. Glass-Steagall has also been previously adopted on the platforms of both the  
3 Democratic and Republican Parties;

4         2. Return to a national banking federal credit system, modeled on the principles of  
5 Alexander Hamilton's First Bank of the United States, which built all the early infrastructure of  
6 the nation. President Abraham Lincoln was a leading advocate for a new National Bank, and used  
7 the Greenback policy to build the industrial might of the nation, and that same credit policy was  
8 embodied in Franklin Roosevelt's Reconstruction Finance Corporation (RFC), which financed the  
9 gigantic New Deal infrastructure program. New Deal spending in Rhode Island was responsible  
10 for schools and Post Offices as well as water projects in Cranston and Warren, and was directly  
11 funded by offshoots of the RFC. A new National Bank can be immediately capitalized at \$1 to \$2  
12 trillion and finance a similar national recovery;

13         3. Use the federal credit system to build a modern network of high-speed rail, power  
14 generating systems, water projects, and other programs. Rhode Island would benefit by a network  
15 of high-speed rail lines from Boston to Washington D.C., and storm protection and port  
16 development projects. The port facilities of the state will be major beneficiaries of National Bank  
17 credit;

18         4. Rebuild our space program, picking up where the Kennedy space program left off,  
19 exploring the solar system and thus inspiring future generations. It would also launch massive  
20 research into key scientific frontiers including nuclear fusion, which is the long-term solution to  
21 our energy needs; and be it further

22         RESOLVED, That the Secretary of State be and hereby is authorized and directed to  
23 transmit duly certified copies of this resolution to all members of the Rhode Island delegation to  
24 Congress and to the President of the United States.

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