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SENATE MEMORIAL 38

53RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2018

INTRODUCED BY

William P. Soules

A MEMORIAL

REQUESTING THE NEW MEXICO CONGRESSIONAL DELEGATION IN WASHINGTON, D.C., TO SUPPORT THE ADOPTION OF AN AMERICAN ECONOMIC RECOVERY POLICY TO SUPPORT EFFORTS TO RESTORE THE PROVISIONS OF THE FEDERAL GLASS-STEAGALL ACT, TO SUPPORT A NATIONAL BANKING SYSTEM AND CREDIT POLICIES TO FINANCE IMPORTANT INDUSTRY AND INFRASTRUCTURE PROJECTS AND TO SUPPORT REBUILDING THE UNITED STATES' SPACE PROGRAM AND THE DEVELOPMENT OF FUSION POWER.

WHEREAS, the financial system in the United States is now holding over two hundred seventy-five trillion dollars (\$275,000,000,000,000) of derivatives contracts in federally insured banks, according to the office of the comptroller of the currency; and

WHEREAS, derivatives contributed to the financial meltdown

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1 of 2008, and derivatives now threaten a new financial crisis
2 like that which occurred in 2008; and

3 WHEREAS, the financial crisis is being driven by a
4 collapse of the United States' industry and infrastructure; and

5 WHEREAS, the United States' gross domestic product has
6 experienced very slow growth since 2008; and

7 WHEREAS, total factor productivity has been falling
8 continuously, exhibiting low rates not seen in decades; and

9 WHEREAS, a return to a durable recovery would be
10 facilitated by the adoption of national banking and credit
11 policies, similar to those that were implemented by Alexander
12 Hamilton, John Quincy Adams, Abraham Lincoln, Franklin D.
13 Roosevelt, Dwight D. Eisenhower and John F. Kennedy; and

14 WHEREAS, an American economic recovery policy would
15 restore the provisions of the federal Banking Act of 1933, also
16 known as the federal Glass-Steagall Act, and pass H.R. 381,
17 known as the federal Return to Prudent Banking Act of 2015, and
18 S. 1709, the federal 21st Century Glass-Steagall Act of 2015,
19 which aim to immediately restore the separation of investment
20 and commercial banking; and

21 WHEREAS, the Glass-Steagall Act was law for sixty-six
22 years and prevented banking crises like the one experienced in
23 2008; and

24 WHEREAS, the 21st Century Glass-Steagall Act of 2015 was
25 added to the platforms of the Republican and Democratic parties

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1 in 2016; and

2 WHEREAS, an American economic recovery policy would return
3 to a national banking system, modeled on the principles of
4 Alexander Hamilton's first bank of the United States, which
5 built all of the early infrastructure of the nation, and on
6 President John Quincy Adams's second bank of the United States,
7 which oversaw the building of America's railroads; and

8 WHEREAS, Abraham Lincoln adopted the same banking
9 principles; and

10 WHEREAS, the same federal credit policy was embodied in
11 Franklin D. Roosevelt's reconstruction finance corporation,
12 which financed the gigantic new deal infrastructure programs,
13 of which New Mexico was a major beneficiary; and

14 WHEREAS, under the new deal, countless New Mexico schools,
15 post offices and public buildings were constructed and water,
16 irrigation and power projects were undertaken, including the
17 Elephant Butte dam and reservoir project and the Conchas lake
18 and dam project on the Canadian river; and

19 WHEREAS, New Mexico was a major research center of the
20 Manhattan project, where the first nuclear devices were
21 developed; and

22 WHEREAS, an American economic recovery program would allow
23 congress to immediately enact a new national infrastructure
24 bank, with at least one trillion dollars (\$1,000,000,000,000)
25 to three trillion dollars (\$3,000,000,000,000) of federally

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1 insured credit, not taxpayer money, to dedicate to
2 infrastructure; and

3 WHEREAS, an American economic recovery policy would use
4 the federal credit system to build a modern network of high-
5 speed rail, power-generating systems and water projects that
6 would dramatically help New Mexico; and

7 WHEREAS, an American economic recovery policy would launch
8 an initiative, similar to that of John F. Kennedy's, to rebuild
9 America's space program for the exploration of the solar system
10 and to inspire future generations; and

11 WHEREAS, an American economic recovery policy would also
12 start an effort to develop fusion power, benefiting New Mexico,
13 which is at the forefront of fusion-power research at both
14 Sandia and Los Alamos national laboratories;

15 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE
16 OF NEW MEXICO that the New Mexico congressional delegation be
17 requested to support the passage of an American economic
18 recovery policy to restore the provisions of the Glass-Steagall
19 Act; and

20 BE IT FURTHER RESOLVED that the New Mexico congressional
21 delegation be requested to support a national banking system
22 and credit policies in the tradition of Alexander Hamilton,
23 Abraham Lincoln and Franklin D. Roosevelt to finance important
24 industry and infrastructure projects; and

25 BE IT FURTHER RESOLVED that the New Mexico congressional

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1 delegation be requested to support rebuilding and investing in
2 the United States' space program and the development of fusion
3 power; and

4 BE IT FURTHER RESOLVED that copies of this memorial be
5 transmitted to the president of the United States and members
6 of the New Mexico congressional delegation.

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