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**OPEN LETTER TO OHIO DELEGATION OF THE US HOUSE OF  
REPRESENTATIVES ON THE WALL STREET BAILOUT**

October 3, 2008

We urge you to vote NO on the Senate version of the bill to bail out Wall Street bankers and financial institutions, the Emergency Economic Recovery Act of 2008. The Senate bill, while containing some improvements from the original Bush-Paulson plan and the bill originally defeated by the House of Representatives last Monday, remains fundamentally flawed. Its major problem is a massive transfer of wealth from taxpayers to bankers and financial institutions who are in large part responsible for the current financial meltdown. This is profoundly unjust. Meanwhile, those who are facing foreclosures and evictions are not sufficiently helped.

The Senate version is being fast tracked, preventing any amendments. This is unfortunate. "Take it or leave it" is the wrong approach. We ask that you call for changes. If unable to include them, we urge you to vote against the bailout bill.

Five reasons to vote against the Senate bill in its current form are:

1. The bill does not hold directly accountable those responsible for the bailout — bankers and financial institutions. Limiting executive pay is a fine start but incomplete. Directors and major investors of these institutions should also be held responsible. Additionally, there is no added tax on the very rich who have profited by Wall Street. A 10% additional tax on those earning, say, \$500,000 or families earning more than \$1 million could cover almost half of the proposed \$700 billion bailout cost.
2. The bill lacks strong "Main Street" economic recovery provisions - measures that will create jobs for workers who have lost their employment and to invest in the needs of local communities, including in infrastructure. Most glaringly, the bill does not adequately help those whose homes have been foreclosed or those currently facing foreclosure. Without this help, the current foreclosure crisis will certainly continue, further dragging down collective home values, neighborhoods and the local tax base. Any bailout plan should first focus on these individuals and families facing the loss of their home. This could be accomplished any number of ways, including buying up portions of targeted mortgages.
3. The bill does not link any bailout of any financial institution with a prohibition to engage in political lobbying and political campaign contributions. Past political pressure by Wall Street on Congress and the President contributed to market deregulation and subsequent risky investments. Those institutions (not those individuals who work for them) responsible for helping create laws and rules resulting in this financial crisis should have to give up their so-called "first amendment rights" if they desire government assistance.
4. The bill places too much power and control in the hands of US Treasury Secretary Henry Paulson, an unelected official of the Executive branch with direct ties to the Goldman Sachs financial corporation — the largest investment bank in this nation. Driven by fear, Congress should not turn over their constitutional budgeting authority to the Executive branch. Similar decisions by Congress, also based on fear, to yield authority to the Executive branch to wage war in Iraq proved disastrous.
5. We're not aware of the bill addressing the "casino" effect of the economy. The bill does not appear to contain provisions to stem unregulated financial instruments and derivatives, including complicated credit default swaps and hedge funds. Without public controls, there is nothing to prevent investors from engaging in these same financial risks — especially if financial institutions know if their complicated financial ponzi schemes fail they will still be bailed out.

Minus these provisions, at minimum, we respectfully assert that the bill you are being asked to support today is profoundly flawed and should not be supported. We call on you to vote NO.