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SENATE RESOLUTION

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WHEREAS, The prices of commodities - from oil and copper to coffee and corn - have declined by 10-70% per commodity over the past year as measured in the Dow Jones and Bloomberg Commodity Indices; the price of oil has fallen 70%; this price collapse is now creating a new crisis; and

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WHEREAS, The collapse of commodity prices is the new "subprime mortgage" crisis of 2016; the commodities and their related financial paper are tied to a \$300 trillion derivatives bubble in the major banks and other companies in the U.S., and far more internationally; it was the derivatives meltdown that set off the 2008 financial collapse; and

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WHEREAS, This new financial crisis is being driven by a collapse of our industry and infrastructure; November and December, 2015, U.S. Commerce Department durable goods orders fell by 1.1% and 5.1% respectively; mass layoffs are increasing, highlighted by the announcement of 10,000 layoffs at Caterpillar and 200,000 layoffs in the oil fields; the Institute for Supply Management Manufacturing Index has contracted for 4 straight months nationwide; and

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WHEREAS, A return to a durable recovery will require adoption of national credit and national banking policies as

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1 was done by Alexander Hamilton, John Quincy Adams, Abraham  
2 Lincoln, Franklin D. Roosevelt, Dwight Eisenhower, and John F.  
3 Kennedy; the program of federal credit to industry, states and  
4 cities built the industry and agriculture of our nation; and

5 WHEREAS, National credit, under this Constitutional  
6 program, can be made available for the creation of productive  
7 jobs in infrastructure, manufacturing, and high technology  
8 projects, thus creating mass employment for our now heavily  
9 unemployed and underemployed workforce, especially young  
10 people; therefore, be it

11 RESOLVED, BY THE SENATE OF THE NINETY-NINTH GENERAL  
12 ASSEMBLY OF THE STATE OF ILLINOIS, that we urge the United  
13 States Congress to immediately adopt the "American Recovery"  
14 program by doing the following:

15 1) Restore the provisions of the Glass Steagall Act, and  
16 pass HR. 381 in the U.S. House of Representatives and S.  
17 1709 in the U.S. Senate, which aim to immediately restore  
18 the separation of investment and commercial banking;  
19 Glass-Steagall in the U.S. House has 4 Illinois  
20 Congresspersons co-sponsoring, and was law for 66 years; it  
21 prevented banking crises like the one experienced in 2008;

22 2) Return to a national banking and a federal credit

1 system, modeled on the principles of Alexander Hamilton's  
2 First Bank of the United States, which built all the  
3 infrastructure of the nation for the first 40 years; it was  
4 reinstated as Illinois native son Abraham Lincoln's  
5 National Banking-Greenback policy that built everything  
6 from railroads to steel mills; Lincoln was the architect of  
7 the Transcontinental Rail System that built America, and as  
8 a State Legislator he was a leading sponsor of internal  
9 improvements and water projects here in Illinois;  
10 nationally, Lincoln was a leading advocate for a new  
11 National Bank; the same credit policy was embodied in  
12 Franklin Roosevelt's Reconstruction Finance Corporation,  
13 which financed the New Deal infrastructure program; for  
14 example the Works Progress Administration was financed by  
15 RFC and employed tens of thousands of Chicagoans of all  
16 ethnic backgrounds in productive jobs; Ronald Reagan's  
17 father, Jack, was the director of the Works Progress  
18 Administration in Peoria;

19 3) Use the federal credit system to build a modern network  
20 of high speed rail, power generating systems, water  
21 projects, such as those urgently needed in the Southwest  
22 and cities like Flint, Michigan; Chicago; Philadelphia;  
23 and others nationwide; and other critical programs; and

24 RESOLVED, That suitable copies of this resolution be

1 delivered to President Barack Obama, U.S. Speaker of the House  
2 Paul Ryan, U.S. Senate Majority Leader Mitch McConnell, and all  
3 members of the Illinois Congressional Delegation.