Corruption Busters #4, Fighting for Fair Elections and Exposing Corruption

May 23, 2020

**GET MONEY OUT - MARYLAND, INC. (GMOM)** is a group of volunteers trying to get big money out of our political system and make our elections fairer. Through our work on Maryland's Democracy Amendment Resolution, we are pursuing a U.S. Constitutional amendment to guarantee every citizen’s right to vote, reserve Constitutional rights for human beings, and regulate money in politics.

**Overview**

Pandemic response to date by the Federal Reserve totals $3 trillion to Wall Street and foreign central banks. The $4 trillion additional lending authorized in the CARES Act of March 26 has barely been touched. Congress has authorized another $3 trillion in direct spending for the crisis in four bills. The total amount is equivalent to $30,000 for each person in the U.S.A.

Still, the suite of programs to aid families and individuals is plagued by red tape and does not assure food or shelter for all. Relationships with employers have been needlessly severed for 38,000,000 workers. Both health coverage and the care system are deteriorating. Essential public health protections are absent.

The House of Representatives passed the symbolic HEROES Act, which contains a substantial amount of aid for workers, but which does little to restore employment relationships or fill gaps in access to health care. The Senate will not consider it.

The President continues to resist oversight and to fire Inspectors General, but some progress has been made by Congress and accountability journalists.

Congress has done little to assure the fairness, accessibility, safety, and security of the November elections. Election officials are begging for help, and the public wants access to mail-in voting.

The scattershot approach taken by Congress and the Administration raises serious risks that our economy will emerge from the pandemic with millions of failed businesses, more monopolies, and a massive transfer of wealth and power to the wealthiest tier of society.
How Well Is the Federal Government Responding to Meet Human Need and Protect Fair Elections?

Below, we compare the cumulative Federal response to the pandemic to the criteria Get Money Out has adopted, which form the basis our petition.

**GOAL: Provide adequate financial aid and health care to all workers with as little bureaucracy as possible.**

The use of unemployment insurance as a primary tool to support family income is a bureaucratic debacle, and it undermines employer-employee relationships. The Brookings Institution said, "Our preliminary calculations suggest that UI [Unemployment Insurance] offset a small portion of personal income loss in March 2020, but roughly half of lost wages and salaries in April."

Many wealthy nations have done much better, including the right-wing government of Australia. Democrats have pushed subsidies to help insurance companies rather than guarantee health insurance to unemployed or uncovered workers.

**GOAL: Guarantee jobs and assure that small businesses can survive.**

As of May 16, the Paycheck Protection Program had distributed 4.3 million loans with an average amount of $118,000 - over $500 billion dollars altogether. Journalists exposed loans to larger businesses quickly, which may have helped direct them more effectively to smaller businesses, but, still, many were left out. Congress must assure that the workers get paid. Republican Sen. Josh Hawley has a better idea, which is to have the government directly pay through employers most of the compensation costs for each employee who is not working due to the pandemic. Several Democrats from various points on the political spectrum agree with him.

The Senate Banking Committee held a hearing on May 19. Sen. Elizabeth Warren pounded Treasury Secretary Steven Mnuchin for his failure to set terms that would require big business to retain employees in exchange for access to favorable loans. Congress did not require employee retention but did give the Secretary authority to do so.

Senate Republican Leader McConnell and President Trump are focused on forcing workers back to work without adequate safety standards. McConnell wants immunity for employers as his highest priority.
GOAL: Strengthen accountability and transparency for CARES Act and any prior or subsequent relief plan.

In addition to the Senate hearing mentioned above, the Congressional Oversight Panel (COP) issued its first report on the use of $4.5 trillion in Treasury funds to guarantee $4 trillion in Federal Reserve loans to businesses. So far, only $37.5 billion of the $4 trillion is in the pipeline. This money does not carry worker guarantees and Secretary Mnuchin can waive requirements that corporations limit dividends, executive pay, and stock buybacks.

The COP report also posed key questions such as, "How will the Federal Reserve and Treasury enforce: Conflict of interest rules? The requirement that only U.S. businesses are aided? A fair process for selecting contractors? Fraud prevention?"

The Federal Reserve hired BlackRock, which manages $7 trillion in assets, to advise on what investment-grade and junk bonds should be purchased with our money. This arrangement is rife with possible conflicts of interest, not the least of which is that both Fed Chair Powell and Vice Chair Quarles have millions of dollars in BlackRock accounts. BlackRock is even free to recommend purchase of securities in which it deals. How will the public interest be protected?

Education Secretary Betsy DeVos is spending CARES money on her favorite private schools. She "has directed school districts to share millions of dollars designated for low-income students with wealthy private schools," a policy that Congress has rejected multiple times.

GOAL: Support the public health and health care systems with test kits, personal protective equipment, ventilators, and necessary supplies. Bolster the health and public health work forces.

A Baltimore nurse practitioner reveals the sad truth about personal protective equipment. President Trump has not used the Defense Production Act to ease bottlenecks. The debate over opening up the economy often lacks appropriate discussion of adequate testing and contact tracing that have proven to effectively contain outbreaks. The HEROES Act passed by the House of Representatives would help some, but prospects are murky in the Senate.

GOAL: Provide needed funding to the states and the U.S. Postal Service.

Almost nothing has been accomplished. The previous $150 billion for state aid in the CARES Act that was enacted on March 26 is a drop in the bucket to help with extra COVID-19 expenses, but does nothing to maintain public school, higher education, and health care during a devastating period of revenue drop-off. The U.S. Post Office is the most popular government service, but Republicans seem to want to kill it.

GOAL: Every voter must be able to choose to 1) vote by postage-paid mail or drop-off; or 2) vote in-person during an early voting period.

President Trump continues to attack the mail-in voting option even while Republican voters and election officials embrace it. Many states, however, do not have legal or logistical infrastructure to support what is needed.

GOAL: States must receive $2 to $4 billion in federal aid to implement these options for the primary and general elections.

The CARES Act of March 26 authorized only $400 million. The Brennan Center explains why we need 10 times the financial assistance to states that Congress has provided so far.

TAKE ACTION NOW!

Sign Here: Meet Human Needs and Assure Fair Elections

Call your senators. Ask for enough federal aid for fair elections

Why does our petition require your address and phone number? Our petition instantly emails your message to the Congressperson, and Congress requires this information. Many similar petitions merely collect your information for the organization although they may send a list to the Congressperson at some point. We do not share your information with anyone.

Bonus Resources

• Read how private equity investors harmed patients at a chain of nursing homes. Both the Chair and Vice Chair of the Federal Reserve Board of Governors worked at the Carlyle group.
• Find out how much corruption cost us before the pandemic crisis.
• Watchdogs: More than 50% of ads in U.S. Senate races are bought with dark money. Democratic-leaning dark money groups are so far outspending Republican-leaning groups. Groups do not have to name individual donors but are now also finding ways to avoid disclosing the spending in a timely way.

Previous issues of Corruption Busters:
Corruption Busters #1  Corruption Busters #2  Corruption Busters #3

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GMOM Teleconference, Monday, May 25, 7:30 pm.

Two ways to join the conference: 1) Dial 1 301 715 8592, meeting ID: 931 3066 2622, call 410-624-6095 for the password. Or 2) Click on your device if you have downloaded the app from Zoom.

Agenda: 1) Our continuing campaign to expose corruption and win fair elections; 2) Using the Congressional campaign to promote a Democracy Amendment to the Constitution.

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Click here to tell Congress: Human Need Not Corporate Greed - and Fair Elections, Too

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