

Comrade Joe Blames Trump for Banking Collapse



By Cliff Kincaid

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Move over China Joe. Comrade Joe has made his appearance on the national stage, declaring, “That’s how capitalism works,” a reference to the banking “crisis” he created and his people knew was coming.

This is what happens when the Biden Administration inflates the currency, the Federal Reserve raises interest rates too fast, and banks like SVB are caught in the middle.

By the way, none of this had anything to do with “Trump deregulation” of banks or the “woke” character of one bank. It’s due to a Soviet-style economic policy designed for a federal takeover of a federal banking system of about 1,200 national banks which also threatens the financial survival of regional and community banks that number in the thousands and serve millions of Americans.

So-called “conservatives” ranting about a “bailout” of the depositors, who need and deserve their money back, are missing the point. They are mostly small and medium-sized firms and small businesses which put their money in that bank and are creating new products and technologies. One of them, Roku, has pioneered streaming services for new conservative channels that enable people to bypass Fox News.

These companies should not be punished for the inflationary

policies of Comrade Joe Biden and the destructive interest rate policies of the Fed.

Biden's people clearly saw this crisis coming and failed to act. No more regulation is needed.

On March 6, Martin Gruenberg, the Biden-appointed chairman of the Federal Deposit Insurance Corporation (FDIC), [declared](#), "The current interest rate environment has had dramatic effects on the profitability and risk profile of banks' funding and investment strategies. First, as a result of the higher interest rates, longer term maturity assets acquired by banks when interest rates were lower are now worth less than their face values. The result is that most banks have some amount of unrealized losses on securities. The total of these unrealized losses, including securities that are available for sale or held to maturity, was about \$620 billion at year-end 2022. Unrealized losses on securities have meaningfully reduced the reported equity capital of the banking industry."

The "current interest rate environment" is a reference to higher interest rates in response to inflation. Trump didn't cause the \$620 billion hole in banks' balance sheets.

Gruenberg is a Democrat [nominated](#) for that post by Joe Biden and was confirmed by the Senate last December. Why didn't the feds intervene when they knew trouble was coming?

For its part, the Federal Reserve has announced a review of what happened with the SVB, saying, "We need to have humility, and conduct a careful and thorough review of how we supervised and regulated this firm, and what we should learn from this experience."

The term "humility" means that the fingerprints of Biden and the Fed's Jerome Powell are all over this debacle. And they know it.

In addition to claiming "That's how capitalism works," Biden

on Monday morning tried to blame Trump, [saying](#), “During the Obama-Biden administration, we put in place tough requirements on banks like Silicon Valley Bank and Signature Bank, including the Dodd-Frank Law, to make sure the crisis we saw in 2008 would not happen again. Unfortunately, the last administration rolled back some of these requirements. I’m going to ask Congress and the banking regulators to strengthen the rules for banks to make it less likely that this kind of bank failure will happen again and to protect American jobs and small businesses.”

With this magic trick, Biden hopes we will forget that he nominated the FDIC chairman and that he even went further, proposing Ms. Saule Omarova, a Cornell Law Professor, to be comptroller of the currency, in charge of the national banking system.

Born in the former Soviet republic of Kazakhstan, she authored a thesis, “Karl Marx’s Economic Analysis and the Theory of Revolution in The Capital,” which she wrote as a student at Moscow State University on the V.I. Lenin Personal Academic Scholarship.

Sen. John Kennedy (R-La.) had [questioned](#) her membership in a communist organization, with these exchanges:

Kennedy: “There was a group called the Young Communists, and you are a member, is that right?”

Omarova: “I’m not exactly sure which group you’re referring to.”

Kennedy: “Well, the formal name of it is the Leninist Communist Young Union of the Russian Federation, and it’s also known as the Leninist Komsomol of the Russian Federation. And it’s commonly referred to as the Young Communists. Were you a member?”...

Kennedy: “Have you resigned?”

Omarova: "From the—"

Kennedy: "From the Young Communists."

Omarova: "You grow out of it with age automatically."

Kennedy: "Did you send them a letter though, resigning?"

Omarova: "Senator, this was many, many years ago. As far as I remember how the Soviet Union worked was at certain age, you automatically stop being —"

Kennedy: "Could you look at your records and see if you can find a copy?"

Described as a specialist in regulation of financial institutions, banking law, international finance, and corporate finance, she favored more power and authority for the Federal Reserve, a source of current economic turmoil, and even proposed a "National Investment Authority" for "public finance" and green energy projects.

Senator Elizabeth Warren (D-Mass.) called her nomination "tremendous news," adding, "She is an excellent choice to oversee and regulate the activities of our nation's largest banks and I have no doubt she'll be a fearless champion for consumers."

But Senate Republicans derailed her nomination in part because she refused to turn over a copy of her thesis. Nominees are supposed to submit copies of their writings to the Senate Banking Committee.

"While she refused to disclose this thesis throughout her nomination process," said Tom Jones, Founder of American Accountability Foundation, "it is clear that Omarova's interest in Marxist policy and analysis did not stop after her academic studies." AAF said it discovered that Omarova was a part of [a Facebook group](#) called "Marxist Analysis and Policy" as recently as 2019.

Despite the failure of her nomination, we are now seeing how federal policies of inflation and rising interest rates are producing the same effect – proposed consolidation of the banking sector, leading to MORE federal regulation and, most likely, a new national banking authority to issue a digital currency to make inflation of the money supply even easier.

Marx's dictum, "Centralization of credit in the hands of the state, by means of a national bank with State capital and an exclusive monopoly," may come to pass.

The paper, ["The National Investment Authority: A Blueprint,"](#) was written by Biden nominee Omarova, now a senior fellow at a "think tank" examining "the future of capitalism." It is a plan to expand federal control over banking.

In opposing Omarova, Senator Marco Rubio was blunt, [saying](#) she had a "Soviet style" approach to the economy. "She supports communist policies & a communist should not be our Comptroller of the Currency," he claimed.

Omarova denied the charge but withdrew her nomination under fire. Her policies remain and are now being pushed by Comrade Joe.

This scandal dwarfs Hunter Biden's curious art sale and laptop. The fate of capitalism, the greatest economic system the world has ever seen, is at risk.

If Comrade Joe succeeds in getting or federal control and regulation of the banks, he will accomplish what Obama/Biden never succeeded in doing – moving the United States into socialism on the road to full-blown communism.

To stop this onslaught, tell the American people the truth. Recommend that they read Karl Marx and his Communist Manifesto. Also, teach the students about communism before it's too late.

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