Breaking Up the "Too Big to Fail" Banks: Only a Small Percentage of Americans are opposed to Breaking Up the Big Banks

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50% In Favor of Directly Breaking Them Up … Many More In Favor of Stopping Artificial Support and Letting them Shrink On Their Own

A new Huffington Post/YouGov poll finds:

> Sixty-one percent of respondents said that banks and other financial institutions have become too large and powerful ….

A Rasmussen poll conducted last month found that:

> A new Rasmussen Reports national telephone survey shows that **50% of U.S. Adults favor a plan to break up the 12 megabanks**, which currently control about 69% of the banking industry. **Twenty-three percent (23%) oppose** breaking up the largest banks, while another 27% are undecided.

While polls show that Democrats favor breaking up the big banks more than Republicans, many Republicans point out that the big banks would fail *on their own* if the government stopped bailing them out. Indeed, a Harris poll from last year shows that 87% of Republicans are against bank bailouts. In other words, the percentage of Americans who favor breaking up the big banks – either directly through government intervention or indirectly by pulling the plug on their taxpayer life support – is probably more like 90-99%.

The 27% of Americans who don't yet have enough information to decide whether they are for directly breaking up the big banks may want to note that the following top economists and financial experts believe that the economy cannot recover unless the big, insolvent banks are broken up in an orderly fashion:

- Current chairman of the Federal Reserve, Ben Bernanke
- Former chairman of the Federal Reserve, Alan Greenspan
- Former chairman of the Federal Reserve, Paul Volcker
- Former Secretary of Labor Robert Reich
- Current Vice Chair and director of the Federal Deposit Insurance Corporation –

and former 20-year President of the Federal Reserve Bank of Kansas City – Thomas Hoenig (and see this)

- Chief Stability Officer at the Bank of England, Andrew Haldane (and see this and this)
- Nobel prize-winning economist, Joseph Stiglitz
- Nobel prize-winning economist, Ed Prescott
- Nobel prize-winning economist, Paul Krugman
- Former Federal Reserve Bank of New York economist and Salomon Brothers vice chairman, Henry Kaufman
- Dean and professor of finance and economics at Columbia Business School, and chairman of the Council of Economic Advisers under President George W. Bush, R. Glenn Hubbard
- Former chief economist for the International Monetary Fund, Simon Johnson (and see this)
- President of the Federal Reserve Bank of Dallas, Richard Fisher (and see this)
- President of the Federal Reserve Bank of St. Louis, Thomas Bullard
- Deputy Treasury Secretary, Neal S. Wolin
- The Congressional panel overseeing the bailout (and see this)
- The former head of the FDIC, Sheila Bair
- The head of the Bank of England, Mervyn King
- The Bank of International Settlements (the "Central Banks' Central Bank")
- The International Monetary Fund
- The leading monetary economist and co-author with Milton Friedman of the leading treatise on the Great Depression, Anna Schwartz
- Economics professor and senior regulator during the S & L crisis, William K. Black
- Leading British economist, John Kay
- Economics professor, Nouriel Roubini

- Economist, Marc Faber
- Professor of entrepreneurship and finance at the Chicago Booth School of Business, Luigi Zingales
- Economics professor, Thomas F. Cooley
- Economist Dean Baker
- Economist Arnold Kling
- Chairman of the Commons Treasury, John McFall
- The Director of Research at the Federal Reserve Bank of Dallas, Harvey Rosenblum
- Director, Max Planck Institute for Research on Collective Goods, Bonn, and Professor of Economics, University of Bonn, Martin Hellwig

And the head of the New York Federal Reserve Bank – and former Goldman Sachs chief economist – William Dudley says that we should not tolerate a financial system in which certain financial institutions are deemed to be too big to fail.

Federal Reserve Board governor Daniel Tarullo also backs a cap on the size of banks, and Former Treasury secretary under Reagan and George H.W. Bush, Nicolas Brady, says that we need to put a cap on leverage.

The undecideds may also want to note that many top bankers are *themselves* calling for a break up, including:

- Former Citi CEO Sandy Weill
- Former Citi CEO John Reed
- Former Citi chairman Richard Parsons
- Former Merrill Lynch chairman and CEO David Komansky
- Former Morgan Stanley CEO Philip Purcell
- Former managing director of Goldman Sachs – and head of the international analytics group at Bear Stearns in London- Nomi Prins
- Numerous other bankers within the mega-banks (see this, for example)
- Founder and chairman of Signature Bank, Scott Shay
- Former Natwest and Schroders investment banker, Philip Augar

- The President of the Independent Community Bankers of America, Camden Fine

Click here for background on why so many top bankers, economists, financial experts and politicians say that the big banks should be broken up.

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