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Partners in Crime: Goldman Sachs, the Clintons and Wall Street

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The cozy relationship between Goldman Sachs and the Clintons has reached dizzying new heights in recent years, giving the Democratic Party nominee Hillary Clinton an immensely influential partner on Wall Street.

As the public and most of the mainstream media is still processing the political bombshell concerning the newly reopened FBI probe into the ***Hillary Clinton****'s email server case – the global investment banking firm Goldman Sachs quietly endorsed the Democratic presidential candidate this past week.*

The financial ties that bind the Clintons and Wall Street banks like Goldman Sachs are nothing new, but never before have the connections been so exposed. Let's take a trip down collusion lane to review some of the more questionable examples of their political and financial merger formed long ago…

'MONEY CHANGERS' – Wall Street's Goldman Sachs are inextricably linked to the Clinton's and The Clinton Foundation. (Photo illustration 21WIRE)

The Clintons & Goldman Sachs

While campaigning for his first term in the White House, former president **Bill Clinton** received an enormous amount of support from Washington insider lobbyists and investment banking firms on Wall Street.

At the top of the pile sat Goldman Sachs…

In 1992, the LA Times reported that presidential nominee Bill Clinton,"*received the largest share of his financial support–at least $2.6 million–from lawyers and lobbyists,"* and that Clinton also received additional support from *"…big securities firms such as Goldman, Sachs & Co. in New York and Stephens Inc. in his hometown of Little Rock, Ark. In fact, Goldman Sachs employees and their family members were responsible for the biggest contributions from a single firm: $98,700."*

For decades the Clintons have remained close allies to the banking behemoth Goldman Sachs and in the process, a mutually beneficial relationship has taken hold, something that even the NY Times admits:

> Over 20-plus years, Goldman provided the Clintons with some of their most influential advisers, millions of dollars in campaign contributions and speaking fees, and financial support for the family foundation's charitable programs.

By now, there should be little doubt that the Clinton political machine is a wholly owned subsidiary of the Wall Street banking cartel. Their relationship was built over three decades.

The real watershed moment came here…

BLANK CHECK: Bill Clinton laughs with Wall Street elites after signing the Financial Services Modernization Act in 1999.

'Key to the Kingdom'

In one of the most significant financial rulings in the modern era, the Clinton presidency gave big banks like Goldman Sachs the *skeleton key* to the kingdom by deregulating the investment banking system almost entirely.

The Clinton/Goldman Sachs/Wall Street partnership was fully forged after the removal of the **Glass-Steagall Act**, which banking luminaries cynically named the "*Financial Services Modernization Act of 1999″* officially titled the **Gramm-Leach-Bliley Act***.* The original *Glass-Steagall* was a depression-age four-part provision under the **Bank Act of 1933** that strictly prohibited securities activities that could be harmful to investors – the same sort of rogue speculating and paper fiat fraud which triggered the Great Depression (1929-1941). In fact, the Gramm-Leach-Bliley Act which repealed Glass-Steagall, opened the door for the 'shadow banking' realm outside of regulatory oversight which led to a much higher trading risk, as banks became more interlinked.

Simply put: Clinton's repeal of Glass-Steagell removed the firewall between speculative investment banking and regular high street retail and consumer banking – which exposed everyone to toxic, subprime ponzi schemes and fake paper products being pushed around the globe by the banking elite – which ultimately causing the global economy to crash in 2008. All that can be laid at the feet of one William Jefferson Clinton. And Hillary still claims that, "My husband did so well with the economy." *Really?*

In a cross-posted article featured at Huffington Post, **Nomi Prins** underscored the complicit nature of Wall Street and Washington after the removal of tighter bank regulations under the Clinton administration during the 1990's:

> To grasp the dangers that the Big Six banks (JPMorgan Chase, Citigroup, Bank of America, Wells Fargo, Goldman Sachs, and Morgan Stanley) presently pose to the financial stability of our nation and the world, you need to understand their history in Washington, starting with the Clinton years of the 1990s. Alliances established then (not exclusively with Democrats, since bankers are bipartisan by nature) enabled these firms to become as politically powerful as they are today and to exert that power over an unprecedented amount of capital. Rest assured of one thing: their past and present CEOs will prove as critical in backing a Hillary Clinton presidency as they were in enabling her husband's years in office.

Prins herself was a former managing director at Goldman Sachs, senior managing director at Bear Stearns, as well as having worked as a senior strategist at the now defunct investment banking firm Lehman Brothers. Following the financial crash in 2007-2008, Prins blew the whistle on the banking world in a book entitled "***It Takes a Pillage**: Behind the Bonuses, Bailouts, and Backroom Deals from Washington to Wall Street."*

Prins has become an advocate for the reinstatement of the Glass-Steagall Act since departing from the investment banking world.

The media outlet Common Dreams described the merger between Citicorp and Travelers Group (becoming Citigroup), which was dubbed the 'Citi-Travelers Act' on Capitol Hill. It was a conglomeration that went hand in hand with the Clinton administration's influence on banking deregulation marked by the repeal of Glass-Steagall:

> Then, in 1998, in an act of corporate civil disobedience, **Citicorp and Travelers Group**announced they were merging. Such a combination of banking and insurance companies was illegal under the **Bank Holding Company Act**, but was excused due to a loophole that provided a two-year review period of proposed mergers. The merger was premised on the expectation that Glass-Steagall would be repealed. Citigroup's co-chairs Sandy Weill and John Reed led a swarm of industry executives and lobbyists who trammeled the halls of Congress to make sure a deal was cut.

At the time, it was the largest financial merger even though it was technically illegal, as stated by the former Bankers of America CEO **Kenneth Guenther**. In 1999, after *"12 attempts in 25 years,"*Congress passed the **Financial Services Modernization Act**, which led to the repeal of Glass-Steagall.

The repeal of Glass-Steagall was pushed heavily by Citigroup's co-CEO **Sanford Weill** and lobbyist **Roger Levy** and according to a report by The Nation:

> They laid out more than $290 million for lobbying in 1998, according to the Center for Responsive Politics, and donated more than $150 million in the 1997–98 election cycle—a figure sure to be topped in 1999–2000.

How much of those contributions made their way to the Clinton family and what kind of impact did this have after they left the White House?

In 2005, Bill Clinton was paid over half a million for speaking at three private Goldman events.

In 2013, after stepping down from her position as Secretary of State, Hillary Clinton gave a total of three paid speeches at Goldman Sachs events to the tune of $675,000 dollars, in which one attendee said *"she sounded more like a Goldman Sachs managing director,"* according to a quote obtained by Politico. Indeed, Clinton gave a glowing speech to the Goldman gang and in the process, as Wikileaks released in early October, the Democratic nominee believes in *"both a public and a private position"* on Wall Street reform and that it is an "*oversimplification"* to suggest that investment banking led to the most recent financial crisis.

That Clinton leak provided another window into the much protected alliance between finance and politics, but it's only the tip of a much larger iceberg.

In 2015, the Washington Post reported that *"Hillary Rodham Clinton and former president Bill Clinton earned in excess of $25 million for delivering 104 speeches since the beginning of 2014, a huge infusion to their net worth as she was readying for a presidential bid."*

'ANOINTED': Chelsea Clinton with Goldman Sachs-backed hedge funder Marc Mezvinsky.

The Clinton family is chock-full of banking connections, as **Chelsea Clinton** 'joined' the Avenue Capital Group, which according to reports is a *"…$12 billion hedge fund whose founder has contributed to many Democratic Party campaigns."* Chelsea is married to **Marc Mezvinsky**, a former investment banker for Goldman Sachs. Chelsea's tenure at Avenue Capital Group was from 2006-2008 just prior to Hillary Clinton's run for president in 2008. Since then Chelsea has risen to vice chairman inside the Clinton Foundation.

Marc Mezvinsky was forced to close one of his hedge funds recently, Eaglevale Hellenic Opportunity, after had the fund lost most of its initial investor funds of $25 million – after blowing the money on secondhand junk Greek bank stocks and toxic government debt.

The apple doesn't fall far from the tree…

As it turns out, Marc is the son of troubled former Congressman Ed Mezvinsky – another close friend of Team Clinton.

Politico reports on one of Ed Mezvinsky's financial controversies in 1999:

> In the waning days of Clinton's presidency, federal prosecutors and the FBI were bearing down on former Rep. Ed Mezvinsky (D-Iowa), who had fallen for a series of Ponzi schemes and pulled in nearly $10 million money from other investors to cover his losses.

Continuing, Politico outlined new information concerning a pardon request sent by from Ed Mezvinsky's wife to then President Bill Clinton:

> …records released last week by the Clinton Presidential Library in Little Rock and obtained by POLITICO show Mezvinsky and his then-wife — ex-Rep. Marjorie Margolies-Mezvinsky (D-Pa.) — pleaded with the former president for a presidential pardon to head off the looming federal case.

In 2016, the Daily Mail reported the following:

> Chelsea Clinton's husband and his partners have suffered a huge loss after trying to bet on the revival of the Greek economy, and are now being forced to shut down one of their hedge funds.
>
> Marc Mezvinsky, 38, and his partners, former Goldman Sachs colleagues Bennett Grau and Mark Mallon, raised $25million from investors to buy up bank stocks and debt from the struggling nation.
>
> That fund however has lost 90 percent of its value, investors with direct knowledge of the situation told The New York Times, and will now be closed.

*'THE INSIDERS' – A ground-breaking ceremony at Goldman Sachs headquarters in Manhattan in 2005. Hillary Clinton is joined by **Michael Bloomberg**, **Lloyd Blankfein** (current Goldman Sachs CEO), Former Goldman Sachs CEO Henry Paulson. (Image Source: ilovemyfreedom)*

The NY Times further outlined the long-held Clinton/Goldman connection just two years before the 2007-2008 financial crisis:

> The Clintons' relationships with Wall Street deepened in the 2000s, when Mr. Clinton set up his foundation in Harlem and Mrs. Clinton was elected to the Senate from New York. That brought her in close touch with the big Wall Street firms, a source of jobs and tax revenue for New York — and a leading source of campaign funds for Mrs. Clinton. During her years in Congress, employees of Goldman donated in excess of **$234,000** to Mrs. Clinton, more than those of any other company except Citigroup, accordingto the Center for Responsive Politics.
>
> Along with other New York politicians, Mrs. Clinton worked to obtain federal tax breaks to resuscitate Lower Manhattan after the Sept. 11, 2001, attacks, and those breaks helped Goldman build its new, roughly **$2 billion** headquarters. When it broke ground in 2005, Mrs. Clinton and other New York officials were on-site.

'HOW TO MONETIZE INFLUENCE' – Lloyd Blankfein at a Clinton Global Initiative event with Hillary Clinton. (Image Source: sputniknews)

The Wall Street Racket

To understand who powers the Clinton Foundation's billion dollar RICO influence-peddling slush fund, you need to understand how money is laundered between Wall Street and Washington DC.

Goldman Sachs, JPMorgan Chase, Morgan Stanley, Bank of America and Citigroup and many others were all ordered to pay [millions for misleading investors] after the 2008 crash, then in April of 2016, Goldman was ordered to settle a federal and state probe for **$5 Billion** dollars. [CNBC reported] the following:

> Goldman Sachs will pay $5 billion to settle federal and state probes into the bank's sale of mortgage-backed securities before the financial crisis, the Justice Department announced Monday.
>
> Authorities said Goldman misrepresented the quality of loans it securitized and then sold to investors ahead of the housing bubble and 2008 crisis. The settlement includes a $2.4 billion civil penalty, $1.8 billion in relief payouts to underwater homeowners and affected borrowers and **$875 million** to resolve various other claims.
>
> **This resolution holds Goldman Sachs accountable for its serious misconduct in falsely assuring investors that securities it sold were backed by sound mortgages, when it knew that they were full of mortgages that were likely to fail," acting Associate Attorney General Stuart Delery said in a statement**.

In 2013, a [Bloomberg article] questioned how Goldman managed to survive and even *thrive* during the 2007-2008 economic crisis:

> Whether Goldman could have gone the way of Lehman Brothers or Merrill Lynch remains the subject of much debate. Goldman maintains that it did not need, or want, the $10 billion bailout that Hank Paulson [former Goldman alum] pushed on it and other firms in October 2008. But the fact remains that when the Federal Reserve allowed Goldman and Morgan Stanley—but not Lehman Brothers—to become bank holding companies on Sept. 21, 2008, Goldman was able, three days later, to raise $10 billion in equity, $5 billion from the public and another $5 billion from investor Warren Buffett. That would probably not have happened without the Fed's expedited decision and support. (A week later, Morgan Stanley saved itself from bankruptcy when it negotiated a $9 billion equity investment from Mitsubishi UFJ Financial Group.)

All told the Clinton friendly investment giant Goldman Sachs (after making record profits) [became the fifth mega-bank] ordered to pay billions to the Department of Justice after the financial crash of 2007-2008. In addition, the firm was ordered to pay **$3 billion** to the Federal Housing Finance Agency in 2014 – not including pending private lawsuits levied on the firm since the Great Recession.

In a [New York Review article] Goldman Sachs was already under investigation for committing fraud at least a year before the economic crash in 2007-2008:

> Data gathered mostly from the [Corporate Research Project], a public interest website, show that on thirteen occasions between 2009 and 2016, Goldman was penalized by US courts or government agencies for fraudulent or deceptive practices that were committed mostly between 2006 and 2009.

'CASHING OUT' – Bill Clinton with his top economic strategist Robert Rubin. (Image Source: St. Louis Post-Dispatch)

Wall Street Selects 'Team Clinton'

The Clinton connection to Goldman Sachs emerged in the early 1990's as **Robert Rubin**, a former senior partner with Goldman (with a 26-year tenure with the firm), joined former President Clinton's economic policy team, later becoming Secretary of the Treasury in 1995. Around that time, the Clinton presidency ushered in soaring tax hikes under the 'Rubinomics' banner (aka Clintonomics), the plan raised taxes on most Americans, specifically the middle class, in what was said to be the largest increase in American history at the time.

According to Congressional record (Vol.146 part 2), *"In 1995, the economy grew at a sickly 1.5% – Clinton's vetoes of spending cuts [insured] continued deficits well into the 21st Century."*

In a Multinational Monitor report entitled ***"Wall Street's Best Investment: Ten Deregulatory Steps to Financial Meltdown,"*** *by* ***Robert Weissman*** *and* ***James Donahue***, a clearer picture of the financial collusion spawned in the 1990's under the Clinton administration was revealed:

> During the Clinton Administration, Treasury Secretary Robert Rubin, who had run Goldman Sachs, enthusiastically promoted the legislation. In a 1995 testimony before the House Banking Committee, for example, Rubin argued

> that "the banking industry is fundamentally different from what it was two decades ago, let alone in 1933. … U.S. banks generally engage in a broader range of securities activities abroad than is permitted domestically. Even domestically, the separation of investment banking and commercial banking envisioned by Glass-Steagall has eroded significantly.

With a pedigree that included Goldman Sachs, the **Council on Foreign Relations** (CFR), **The Brookings Institution** and the **Bilderberg Group**, Robert Rubin emerged in 1999 as the vice chairman at Citigroup (1999-2009) after overseeing its merger as well as helping to craft the repeal of Glass-Steagall while serving as Secretary of Treasury. Rubin made a fortune with **Citigroup** causing sharp criticism in media and from those within the financial sector following the 2007-2008 crash. Here's a passage from Bloomberg regarding Rubin in the aftermath of the banking collapse:

> When it collapsed, due in part to bank-friendly policies that Rubin advocated, he made more than $100 million while others lost everything. "You have to view people in a fair light," says Phil Angelides, co-chair of the Financial Crisis Inquiry Commission, who credits Rubin for much of the Clinton-era prosperity. "But on the other side of the ledger are key acts, such as the deregulation of derivatives, or stopping the Commodities Futures Trading Commission from regulating derivatives, that in the end weakened our financial system and exposed us to the risk of financial disaster.

'SWORN' – FBI director James Comey sworn in by former DOJ head Eric Holder. (Image Source: thewhitehousespin)

Under the Microscope

Over the summer *21WIRE* observed some curious connections between the Clinton Foundation and FBI director **James Comey**, as well as his questionable handling of other cases related to the Clinton family. Here's the following passage to consider in light of the new information related to the Clinton investigation:

> Many will also be unaware that before Comey was installed by the Obama Administration as FBI Director, he was on the board of Director at HSBC Bank – a bank implicated in international money laundering, including the laundering of billions on behalf of international drugs and narcotics trafficking cartels.Forbes also points out where Comey was also at the key choke-point during the case involving dodgy auditor **KPMG** which followed on by the HSBC criminal case:
>
> If Comey, and his boss Attorney General Alberto Gonzalez, had made a different decision about KPMG back in 2005, KPMG would not have been around to miss all the illegal acts HSBC and Standard Chartered SCBFF +% were committing on its watch. Bloomberg reported in 2007 that back in June of 2005, Comey was the man thrust into the position of deciding whether KPMG would live or die for its criminal tax shelter violations.

In 2015, the Guardian discussed the financial relationship between HSBC and the Clinton Foundation receiving a startling **$81 million** in donations from clients of the large bank:

> The charitable foundation run by Hillary Clinton and her family has received as much as $81m from wealthy international donors who were clients of HSBC's controversial Swiss bank.
>
> Leaked files from HSBC's Swiss banking division reveal the identities of seven donors to the Bill, Hillary and Chelsea Clinton Foundation with accounts in Geneva.

A new update on the FBI investigation into the Clinton Foundation was announced over the last 24 hours, in addition the recently reopened Clinton email probe from last week. It remains to be seen how in-depth this new investigation will be.

To call it collusion would be an understatement.

When looking back at the financial affairs of the Clintons, Goldman Sachs and others on Wall Street – it's clearer than ever that what we are looking at is a criminal syndicate.

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