

Recurring “Economic Nightmares”? Wake Up and Take Action

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The weekly news is like a recurring bad dream that is becoming an even worse nightmare. While the investor class cheers a rising stock market, the rest of us sink.

The headline that jumped out at us this week came from Bloomberg News, [CEO Pay 1,795-to-1 Multiple of Wages Skirts U.S. Law](#). Is that possible? Can they have gotten that outrageous? Bloomberg reports that it's true.

One example of where that big income is coming from is the health care profiteers, those that treat our health like it is a commodity from which they can profit rather than a human right. This week, Big Pharma executives get the headline, [Big Pharma CEOs Rake in \\$1.57 Billion in Pay](#). Since the passage of Medicare Part D, with the provision forbidding Medicare administrators from negotiating bulk prices, Pharma has ripped off the elderly and the government producing \$711 billion in profits over the last decade.

Another rip-off of Medicare is the private insurance portion known as Medicare Advantage. It added an excess [\\$34.1 Billion](#) to the cost of Medicare in 2012 alone. Between insurance companies and pharmaceuticals, it is no wonder Medicare is struggling in this system. Medicare keeps its overhead at a low 2% to 3%, but the profiteers rip the system off.

It is not only Medicare patients that are in trouble, more and more Americans are not getting needed healthcare because the [out-of-pocket costs are too high](#), as insurance covers less and charges us more. Supporters of Obamacare applaud the lower health costs, but in reality it is coming at the cost of the health of Americans. It is no victory in health policy for Americans not to get the healthcare they need because it is too expensive.

One reason for the increased costs, for-profit hospitals charge as much as they can get away with [creating runaway costs and vast discrepancies](#). As a result, [more Americans are going abroad to get healthcare](#), often to developing countries where the cost of health services is much lower.

They say that a fish rots from the head. When it comes to low-wage workers, while President Obama is saying people should have a living wage, it turns out the [federal government employs more poverty-level workers](#) than McDonald's and WalMart combined. Obama could end it with a stroke of a pen, but will he?

As has been true for a long time, [women workers make up half of the minimum wage earners](#) in the United States, meaning single parent mothers, really struggle – as do their children. All of the challenges of unemployment, underemployment and stagnant wages are leading to a [big increase in suicides](#), now more death from suicides than auto accidents.

Government policies are making the employment situation and race to the bottom for wages worse. Mistaken [austerity programs have cost the U.S. economy 2.2 million jobs](#) according to the Brookings Institution. This loss of jobs due to austerity is occurring despite [rapidly falling deficits in the federal budget](#). In other words, Congress and the administration could be investing in the economy, rather than shrinking it. And, the courts are siding with employers, overruling the NLRB and saying the [bosses don't have to notify workers of their rights](#).

While workers struggle, the [big banks keep racking in government subsidies](#), \$102 billion in subsidies since 2009, but that's not enough. In addition to shaking down taxpayers, they are also shaking down customers. Banks are [using robo-signing to create false credit card debt, suing customers](#) - without giving them notice - and then getting judgments against customers for debts they really don't owe. [California is suing JPMorgan Chase](#) over this practice, but the other big banks do it too. And, as the investor class watches cities fail, they look for opportunities to profit, like [vultures circling cities](#) for meat to pick off the bones of urban decay.

Some good news: there is some pressure on JP Morgan CEO and Chairman, Jamie Dimon. The combination of reckless training, lawsuits and lots of bad PR is leading some to say he should not keep both jobs, maybe even lose both. [Dimon is threatening to quit](#) if he loses one of his jobs at the shareholders meeting on May 21st. [Institutional Shareholder Services recommends rejection of three of management's proposed board members](#), a majority, and big investors in JP Morgan are undecided about Dimon, although they supported him a year ago.

All of these problems point to the reality that the too-big-to-fail banks are on shaky ground and pose a danger to the economy. Is Washington doing anything about it? Well, it doesn't look good. We'll see how far it goes, but the [House Financial Services Committee voted for three bills that would gut](#) the already weak Dodd-Frank bill with just six members of the 61-member committee voting against all of them. Just in the last election cycle, members of this committee received \$14.8 million in donations from the financial services industry.

And, the Obama administration is working to build the power of transnational corporations. This week he met with UK Prime Minister David Cameron. The two were talking [about beginning negotiations](#) on the corporate trade agreement between the European Union and the US. Like the Trans-Pacific Partnership (TPP) [we have been warning you about](#), this trade deal will also give corporations the power to challenge government policy in rigged trade tribunals.

More people are waking up and taking action. Register to participate in the [Trade Justice Training Camp](#) and protest the TransPacific Partnership this summer. If you think corporate personhood is bad, wait till you see the impact of corporate nationhood. These Obama trade agreements are global corporate coups that need to be stopped and can be stopped.

And Food Justice advocates recently joined the growing opposition to the TPP, pointing out [ten reasons why food eaters and food justice activists should oppose the TPP](#). In short, corporate trade agreements give big agribusiness control over food supplies, drive farmers off their land, collapse domestic production around the world and drive up food prices. Profit before people when it comes to food means more hunger and food scarcity.

Food giant, [Monsanto, won a Supreme Court victory](#) protecting its genetically modified seeds. Monsanto dominates the commercial seed market and is pushing genetically modified food into the market aggressively. Indeed, the U.S. [Department of State virtually markets seed giant's products](#) throughout the world. Worldwide [protests against Monsanto](#) are scheduled for May 25th. We [discussed the reasons to protest Monsanto on Clearing the FOG](#) this week.

All of this shows that in order to create an economy that works for us, people must work together. In the battle against austerity, we are seeing too much division, people fighting for their own project to be funded. We can't let the actions of the government divide us. [We must hang together or we will surely hang separately](#). The root causes of the problems we face are all shared – the power of concentrated wealth exercised through corporate interests. That is our political enemy. We must stand in solidarity against it.

Look for our new project this June, Popular Resistance; a news, information and resource clearinghouse for the growing culture of resistance. People are fighting back and there are ways for everyone to become informed, get involved and work together in solidarity. Sign up [here](#) to be notified about Popular Resistance.

We hope to see you at the [Public Banking Conference](#) in June. And we are organizing the Economic Democracy track for the [Democracy Convention](#) in August.

This article is based on a weekly newsletter for [ItsOurEconomy.us](#). To sign up for the free newsletter, [click here](#).

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