

The Passy Press

Letter to the Editor

From: Harry Howell hwhowell@undisclosed.com

To: Nick Gardiner enpg@thepassypress.com

Date: April 26, 2015

Subject: Re: New Essay Expose on Our Federal Government & What to Do About It

Dear Sir,

An interesting and wonderfully brief article by Pell. We must have crossed at St Paul's but I don't recall him. He is most likely younger and therefore I didn't pay much attention.

I have always thought that getting rid of the gerrymandering would be very helpful as it would end up having more representatives who have to be elected by diverse groups. Pell feels this is a non-starter and he is probably right unless the Supreme Court weighs in.

The decision in Citizens United vs. FEC was correct in that if you allow any group to raise unlimited amounts you need to allow all groups to do so. However, I agree with Pell that we need to rid our system of much of the money, which is raised and used in our elections. The question is how. No good answer has ever been found and I am not sure there is one. If there is, it is certainly not obvious. It is getting worse as state wide and even local elections are costing more and more. I suppose we have to let it play out and see what happens.

In the first paragraph of his comments Pell notes that the blame for the financial meltdown may be more due to Washington than Wall Street. He couldn't be more right. It started with the CRA (Community Reinvestment Act) passed in the 70's, which forced banks to invest in low cost housing. The federal government thought they could build home ownership, which would be a good thing. They did force it through numerous efforts (think Fannie and Freddie) including having congress abandon any efforts to control the huge build up in mortgage lending which they had the capability and the responsibility to do. Barney Frank's comment to roll the dice again shows how badly they managed the whole affair. The banks weren't blameless but they have paid huge penalties and the federal government has never even acknowledged their part.

Thanks for sending this along.
All the best,

Harry

Yale 1964, Oxford 1965, JP Morgan 1965-2000.

During my time at JP Morgan I lived four years in Germany, five years in Australia and eight years in Chicago. Currently on the board of International Flavors & Fragrances and chairman of the Norton Art Museum in West Palm Beach. Enjoying retirement.