IT'S TIME TO END TOO-BIG-TO-FAIL

Big Banks Are Still Getting Bigger—Putting Working Families at Risk

Too-big-to-fail banks put the economy in jeopardy, but they have only gotten bigger since the Great Recession. Today, the five biggest banks are over 30 percent bigger than they were before the crash.

Why should we break up big banks?

A key cause of the 2008 financial crisis was that banks that were considered too big to fail felt free to take huge risks, knowing taxpayers would bail them out.

What was the Glass-Steagall Act?

The Glass-Steagall Act was passed in 1933 to fix banking issues that had led to the Great Depression. The Act separated Wall Street risky investment banking from everyday commercial banking, like taking deposits and making loans. Starting in the 1980s, regulators began to undermine this division and permit commercial banks to do trading and investment banking. Glass-Steagall was fully repealed in 1999.

Now, a bill is pending in Congress to create a 21st Century Glass-Steagall Act. It would restore the traditional Glass-Steagall division between commercial and investment banking, and also ban commercial banks from engaging in new Wall Street businesses like derivatives dealing and securitization.

How does the new Glass-Steagall Act help solve the problem?

The 21st Century Glass-Steagall Act starts solving the too-big-to-fail problem in two ways:

- Makes banks smaller by separating Wall Street trading and securities dealing from regular banking.
- Keeps the banks we depend on for every day business—and back up with government support—out of high risk Wall Street activities.

Who is supporting the new Glass-Steagall Act?

A wide range of labor unions, like CWA and the AFL-CIO, consumer groups, finance experts and leading politicians of both parties led by Sen. Elizabeth Warren.

View a current list of sponsors at www.TakeOnWallStreet.org

Ask your Member of Congress to co-sponsor the 21st Century Glass-Steagall Act (H.R. 3054/S. 1709) by calling 1-877-782-8274.

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