

Senator Johnson offered the following resolution:

Senate Resolution No. 49.

A resolution to urge the President and Congress of the United States to pursue a long-term, durable infrastructure- and industrial-driven economic recovery plan.

Whereas, The United States financial system is in the midst of new financial bubbles in the stock and related markets. A decade ago, similar signs of financial stress lead to one of the greatest economic recessions in modern American history. Today, the same swaps and asset-backed securities that caused the derivatives-based collapse of 2008 are valued in the hundreds of trillions of dollars. Michigan cities, including Detroit, which are still recovering from the last financial downturn, cannot afford another economic collapse; and

Whereas, The deterioration of the financial markets is being driven by the ongoing collapse of the underlying real economy. Real gross domestic product growth in the United States has limped along these past five years at an anemic 2 percent pace, and productivity is mired in a similar stall, growing at an abysmal 1.4 percent pace over the last thirteen years, far below the 2.2 percent average growth rate since the Second World War. Our nation needs to return to an economy built on the solid foundation of manufacturing and building vital infrastructure; and

Whereas, An industrial- and infrastructure-driven recovery will require a return to national banking policies. Under presidents like George Washington, John Quincy Adams, and Abraham Lincoln, the nation turned to national banks to provide credit, and the results were robust. The real economy expanded at a rapid rate and created millions of good-paying jobs. Most recently, under President Franklin Roosevelt, the Reconstruction Finance Corporation was adopted as a national bank and funded much of the New Deal and post-war recovery. Most of the infrastructure of the nation was built under these successful programs, and through these efforts, Michigan's booming industrial sector during the Second World War endeared the Great Lakes state to the nation as part of the "Arsenal of Democracy"; and

Whereas, The separation of commercial and investment banking is necessary to ensure a stable financial system to support the recovery. Under the Glass-Steagall Act, the United States separated commercial and investment banking, and from 1933 to 1999, the law protected Main Street money. The restoration of the Glass-Steagall Act would allow commercial banking to invest more in the real economy, and as a result, accelerate our nation's growth; and

Whereas, Capitalizing on the scientific and human potential of our society will help further propel the real economy forward. When American ingenuity is tasked and focused on a goal, our potential is endless. By dedicating ourselves to the furthering of space exploration, we can advance human knowledge and drive the creation of jobs and innovative new projects. Such an aggressive advancement of science could also solve the puzzle of fusion power, which would resolve the energy problems of this nation and the world; now, therefore, be it

Resolved by the Senate, That we urge the President and Congress of the United States to pursue a long-term, durable infrastructure- and industrial-driven economic recovery plan that includes the:

1. Restoration of the Glass-Steagall Act.
2. Creation of a new national bank modeled after the successful national banks of the past and utilizes \$2 trillion of non-taxpayer money.
3. Utilization of a new national bank and private banks to fund a large-scale infrastructure program capable of implementing a 21st century infrastructure plan,

including a network of at least 25,000 miles of high speed rail, maglev trains, energy projects, and water systems.

4. Establishment of a new space program that capitalizes on scientific and human advancement by building a manned presence on the moon and exploring the far reaches of our solar system.

; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, President of the United States Senate, Speaker of the House of Representatives, and the members of the Michigan congressional delegation.