

TAKE ON WALL STREET

Our Campaign

Take on Wall Street is a campaign to ensure that the voices of working people and consumers are heard above the power and influence of Wall Street, with its army of lobbyists and billions of dollars in political contributions. We want a fair economy where everyone has a chance to thrive, not one that protects the wealthy and the well-connected while working families – especially communities of color – are pushed further behind.

We are a broad and diverse coalition united to advance concrete policies that make a dramatic difference in leveling the economic playing field and improving the lives of ordinary families.

We have identified five priority policy goals that would reshape the financial system to put the nation on a path to an economy in which our rules and decision-making structures promote shared prosperity and racial equity, rather than ever increasing inequality.

While working to advance these policies in Washington, our campaign will also fight for change in state houses and city halls -- and in the streets. We will push decision makers not only on specific laws and regulations, but on the critical question of who is at the table when decisions are made.

Our Agenda

1. Make Wall Street pay their fair share of taxes: institute a Wall Street Speculation Tax

A tiny tax - a fraction of a percent - on sales of derivatives, stocks, bonds and other Wall Street financial products would raise many billions of dollars, bring banks closer to paying their fair share of taxes, and nudge the financial markets away from short-term bets toward much-needed, long-term investment. Some people say we can't afford safe bridges or good schools and free college education, or that we need to cut Social Security and Medicare – but in fact we can raise hundreds of billions of dollars in revenue for these and other needs with a tax on wall street traders.

2. End tax avoidance by Wall Street Money Managers: Close the Private Equity and Hedge Fund Manager Loophole

The top 25 hedge fund managers received \$12 billion in 2015 - more than the combined income of every kindergarten teacher in the country. Yet the wealthy

financiers running Private Equity and Hedge Funds take advantage of a special loophole to pay a far lower tax rate than those teachers and millions of other working Americans. They have been allowed to reclassify the profit share fee they get paid for managing their funds (also known as “carried interest,” as capital gains, allowing them to pay 20% in taxes, rather than the 39.5% they otherwise would. Closing this loophole - which one estimate pegs at \$18 billion per year - has attracted support from across the political spectrum.

3. End ‘too big to fail’: Make banks smaller, simpler and safer by reinstating the Glass Steagall separation between commercial and investment banking

The financial crisis revealed that Wall Street was dominated by a small number of global mega-banks that were ‘too big to fail’. The events of the crisis only made the problem worse, as banks that did fail during the crisis were absorbed by still larger players. The enormous size and scope of these institutions makes them too powerful both economically and politically, means that they are often too complex to manage their own risks properly, multiplies conflicts of interest, and creates a situation where the government safety net subsidizes Wall Street speculation.

A key step in addressing this problem is to reinstate the division between Wall Street investment banking and ordinary consumer banking that once existed under the Glass-Steagall Act. That division served the nation well for over 60 years. Restoring the Glass-Steagall division would shrink our largest banks considerably, make them much simpler to manage, and focus banks on lending to businesses and families rather than complex financial market activities. It would also mean that Wall Street trading activities were no longer implicitly supported by public deposit insurance.

4. Stop making the public pay for sky high executive compensation: End the CEO Bonus Loophole

Under current law, the more corporations pay their executives, the less they pay in federal taxes. This is the result of a loophole that allows corporations to deduct unlimited amounts of executive compensation from their taxable income— as long as the pay is in the form of certain “performance-based” bonuses. As the 2008 financial crisis revealed, the Wall Street bonus culture encourages high-risk strategies. While failing to curb risk, this loophole amounts to a taxpayer-funded corporate subsidy of over \$5 billion per year at a time when CEOs are already paid more than 300 times the average worker.

5. Expand access to fair and equitable consumer banking services, including through postal banking, and end predatory lending.

Approximately 68 million Americans are ‘unbanked’ and rely primarily on fringe financial institutions for banking and credit needs -- often on predatory terms. Fees from services like payday lenders and check-cashers cost these families an astonishing \$89 billion a year -- over \$2,400 per family. These predatory services are concentrated in low-income neighborhoods and in communities of color, stripping additional wealth from those who can least afford it.

We need stronger consumer protections, like those the Consumer Financial Protection Bureau is putting in place. And we also need broad access to high quality, low-cost banking options designed to serve customers fairly. The U.S. Post Office is well placed to provide such basic banking services. For many decades the U.S. Post Office provided savings accounts and check cashing services, and postal systems provide these and other services in countries around the world today.

Our Partners

AFL-CIO	Institute for Policy Studies, Global Economy Project
American Family Voices	The Leadership Conference on Civil and Human Rights
American Federation of State County and Municipal Employees	National Education Association
American Federation of Teachers	NETWORK, a National Catholic Social Justice Lobby
American Postal Workers Union	People's Action Institute
American Federation of Government Employees	Public Citizen
Americans for Financial Reform	Service Employees International Union
Catholic Alliance for the Common Good	Strong Economy for All Coalition
Center for Popular Democracy	The Rootstrickers at Demand Progress
Communications Workers of America	UNITE-HERE
Economic Policy Institute	Working Families Party
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