

# The Financial Coup d'Etat: Consolidation of America's Economic Elite

## Part !V

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Global Research, March 04, 2010

[Amped Status](#) 21 February 2010

Region: [USA](#)

Theme: [Global Economy](#)

*This is the fourth-part of a six-part report. Part one can be [viewed here](#), part [two here](#), [three here](#).*

Although most of the Economic Elite live and operate inside the US, they are not concerned for our future. To them, the entire world is theirs and they work intimately with other elites throughout the world against the interests of the US public. Ever since the days of Henry Ford, the Economic Elite have needed a thriving US middle class to increase growth and profits, but now, in the global economy, they view the US middle class as obsolete. They increasingly look globally for profits and they would rather pay cheap labor in countries like China and India. On top of the millions of jobs they have already shipped overseas to increase profits at our expense, they are planning to ship an additional [25% of current US jobs](#) overseas as well.

They now see us as the biggest obstacle to their continued consolidation of wealth and resources. This is why they have stepped up their attack on us.

If you want further proof of this, all one needs to do is study the Wall Street bailout. The entire bailout is strategically designed to eliminate the US middle class. Every time you hear the word "bailout," you should think "coup d'état." Here is the definition of [coup d'état](#):

"A coup d'état or coup for short, is the sudden unconstitutional deposition of a government, usually by a small group of the existing state establishment... to replace the deposed government with another.... A coup d'état succeeds when the usurpers establish their legitimacy if the attacked government fail to thwart them, by allowing their (strategic, tactical, political) consolidation and then receiving the deposed government's surrender; or the acquiescence of the populace and the non-participant military forces.

Typically, a coup d'état uses the extant government's power to assume political control of the country. In *Coup d'État: A Practical Handbook*, military historian Edward Luttwak says: 'A coup consists of the infiltration of a small, but critical, segment of the state apparatus, which is then used to displace the government from its control of the remainder', thus, armed force (either military or paramilitary) is not a defining feature of a coup d'état."

The bailout was [a financial coup](#), an intelligence operation to seize control of the US

economy and tax system. It is similar to what the Economic Elite have done through the International Monetary Fund (IMF) in many other countries throughout the world. It is clearly a case of economic imperialism. When financial coups are carried out in other countries, they call it a [Structural Adjustment Program](#) (SAP). The end result is the theft of working class wealth, the privatization of public functions and resources, rising unemployment, the elimination of the middle class and increasing taxation and debt that turns the overwhelming majority of the nation into a peasant class. This is exactly the [track we are on now](#).

Just look at how they have already done this in [many other countries](#), and then [look at the "bailout."](#)

The success of the coup is clear by the control of the US Treasury by Goldman Sachs criminal masterminds Hank Paulson and Tim Geithner, and the continued control of the Federal Reserve by Ben Bernanke.

In 1970, Hank Paulson began his career in the Pentagon working for Secretary of Defense Melvin Laird. In 1972, he then moved to the White House, where he worked for the Nixon Administration. He was "the [assistant to John Ehrlichman](#) during the events of the Watergate scandal for which Ehrlichman was convicted, and sentenced to prison." After Paulson's disgraced exit from the political world, he joined Goldman Sachs in 1974, eventually becoming CEO in 1999 when he led an effort to force out Goldman's previous CEO John Corzine. While leading Goldman, Paulson developed very intimate relations with [members of the Chinese elite](#), visiting the country over 70 times.

In 2004, during his time as Chairman and CEO of Goldman Sachs, Paulson personally led a successful effort to get the SEC to remove the "[net capital rule](#)," which was a "requirement that their brokerages hold reserve capital that limited their leverage and risk exposure." This was the biggest reason why the economic crisis happened. With the "net capital rule" out of the way, Goldman Sachs and other major Wall Street firms with over \$5 billion in assets were free to engage in high risk/high reward behavior. This led to the housing bubble with the creation of [high risk speculation](#), essentially rigged Ponzi-style scams like "[mortgage-backed securities, credit derivatives, and credit default swaps](#)... and other exotic structured finance instruments that only highly-trained mathematicians understand, based on models that are beyond the comprehension of most traders."

After making over \$700 million on these [shady high risk activities](#) that created a ticking time bomb in our economy, Paulson left Goldman Sachs to run the US Treasury. Shortly after that, the speculative trading scams blew up, and there was the man who played the most pivotal role in causing the economy to crash now running the US Treasury and in charge of "maneuvering" trillions of dollars in national wealth to "fix" the economy. It was time for Paulson, along with his close confidant Tim Geithner, then heading the NY Federal Reserve Bank, and Federal Reserve Chairman Ben Bernanke, to engineer the [greatest theft of wealth in history](#) with the "bailout."

Paulson quickly brought in several former Goldman Sachs partners to help him engineer the coup. A pivotal Paulson asset was former Goldman executive Dan Jester, who Paulson quickly hired as a "contractor." As Robert E. Prasch [recently reported](#), "Jester was never appointed by Congress or otherwise vetted before taking up his role as the Treasury's de facto central player in the crucial decisions that marked that fall's bailout of Wall Street." Paulson's most publicized move was the \$700 billion Troubled Assets Relief Program (TARP).

This was a blatant [no-strings attached giveaway](#) of taxpayer money, handed directly to Wall Street's biggest players. To oversee the TARP operation, Paulson brought in Goldman Sachs Vice President [Neel Kashkari](#).

Another egregious unilateral move by Paulson was [installing Edward Liddy](#), one of his former board members at Goldman Sachs, as [CEO of AIG](#). Liddy was the Chairman of Goldman's Audit Committee, making him the most knowledgeable person regarding Goldman's [collateralized debt obligations](#) (CDOs). Paulson knew these CDOs would go bust because they were based on [fraudulent activities](#), essentially a massive Ponzi scheme. So Paulson and Goldman Sachs covered their risk by [insuring them through AIG](#), making it pivotal to save AIG and have one of his most trusted allies run the company. With Liddy in place, billions of taxpayer dollars were secretly funneled by the [Geithner-led NY Federal Reserve through AIG](#) to Goldman Sachs and several other Wall Street elite counterparties. Without the AIG bailout, Goldman Sachs would have collapsed as a result of their own Ponzi scheme.

The assassinations of Goldman rivals [Bear Stearns and Lehman Brothers](#), and the forced Bank of America acquisition of Merrill Lynch were all equally scandalous actions as well. The hidden hand of the Bernanke-led Federal Reserve's secret "black magic" tactics — which [created and distributed trillions of dollars](#) — turned Morgan Stanley and Goldman Sachs into [bank holding companies](#) overnight, which gave them access to trillions of dollars to further [manipulate the market](#) and create record setting profits.

Every step of the way, the economic terrorist organization led by Paulson, Geithner and Bernanke held our economy hostage by declaring that all their demands must be met or the entire [economy would be destroyed](#), as a result of the very actions the players being rewarded had taken. (I don't use the words "economic terrorists" as hyperbole. The threat posed by them and the amount of death, destruction and misery they have already caused the United States is much greater than that caused by Bin Laden and Al-Qaeda - it's not even close.)

Through the crisis, the fundamental structure of the stock market has been [proven to be a scam](#). The [Ponzi scheme activities](#), outright [market manipulation](#) and massive [worldwide fraud](#) perpetrated by Goldman Sachs, JP Morgan, Morgan Stanley, Citigroup, AIG, the three [major ratings agencies](#) and several other Wall Street elite firms are blatant. Just in the [housing](#) and [oil futures](#) markets alone, the [criminal activity](#) and economic theft is in the multi-trillions.

By looking the other way, the [SEC, Congress and Presidents Bush and Obama](#) are complicit. An analysis of actions taken, or most often not taken, by the leaders of both the Republican and Democratic parties prove that they are now accomplices. They have not only let it happen; they continue to look the other way and have been stonewalling laws, investigations and prosecutions in what is [clearly criminal activity](#).

If we had a nation of law, none of these things would have happened. This proves to anyone who cares to look that we now live in a Banana Republic. Our democracy has clearly become a farce.

The overwhelming majority of our politicians are now on the [Economic Elite payroll](#). This financial coup started under Hank Paulson in the Bush Administration and has been carried

through, without even the slightest hitch, under Geithner in the Obama Administration, and all along Ben Bernanke has been leading the Federal Reserve. Bernanke's reconfirmation shows you who the co-conspirators are – just look at the [members of Congress who voted for it](#).

All three branches of our government are now complicit in what is literally the [greatest theft of wealth in history](#), along with a mainstream “news” media that keeps going about their “reporting,” as if this wasn't a crime, business as usual. Nothing to see here...

### Obama's Role

As hard as it is for many Americans to admit, after a year in office it is now obvious, to those who study policy decisions, that Obama's rhetoric is very far from the reality of his actions. Outside of the tough talk Obama gives concerning “Wall Street Bankers,” all evidence clearly demonstrates that [he is their puppet](#). The list of decisions that he has made to support the Economic Elite at our expense is already extensive.

As mentioned before, the fact that the bailout started under Bush and went straight through without a hitch under Obama is proof enough. On top of this, Obama's campaign was [heavily financed](#) by Goldman Sachs, and prior to the election Obama [often spoke with Paulson](#). An analysis of phone records shows that Obama and Paulson engaged in 26 direct calls prior to the election. “Paulson placed more than [twice as many](#) individual outgoing calls to [candidate] Obama (14) as to President Bush (6).”

As soon as Obama was elected, he got rid of all the economic advisors he had during his campaign and replaced them with Wall Street insiders who were committed to “[turning the bailout into an all-out giveaway](#).” He took the [main players](#) that caused the economic crisis to begin with, and put them [in charge of economic policy](#).

Right from the start he appointed Tim Geithner, Paulson's right-hand man, to run the US Treasury. Mark Patterson, a former Goldman Sachs lobbyist, then became [Geithner's Chief of Staff](#) with the direct approval of Obama. Geithner has surrounded himself with many aides that formerly worked for Goldman Sachs, “[none of whom faced Senate confirmation](#).” Obama also allowed Adam Storch, a Goldman Sachs VP, to become “the first chief operating officer of the Securities and Exchange Commission's [enforcement division](#).” Obama even “[nominated](#) Goldman Sachs executive [Gary Gensler](#) to head the Commodity Futures Trading Commission, which regulates futures markets.” Gensler was “a high-level Treasury official in a 2000,” when he helped create a “law that exempted the [\\$58 trillion credit default swap market](#) from oversight.” Another major player in the economic collapse was [Larry Summers](#), who Obama quickly appointed as White House National Economic Council Director.

All of this is, in essence, the final stage of a coup d'état, with Obama now serving as their puppet.

Obama clearly has not held the thieves accountable. He has emboldened them in ways that led to record setting profits and bonuses – bonuses that are 100% a direct result of our tax money. He let them take the money, keep the money, and now he lets them continue to make even more money.

Even now, with all his new anti-Wall Street talk, his proposals are [extremely misguided and weak](#).

Obama always [deceptively frames the bailout](#) discussion in relation to the \$700 billion TARP program. He, along with the mainstream media, always seems to gloss over the fact that the bailout is much more than just the TARP program. TARP is a mere [2% of this multifaceted scam](#).

His proposal of a tax on Wall Street firms to get some of our tax money back is estimated to bring in \$90 billion over the next ten years. That works out to \$9 billion a year, compare that to the [\\$150 billion in bonuses handed out](#) by these same firms... just in the past year! The top Wall Street firms would [no longer even exist](#) if we didn't bail them out. Their profits are a direct result of our tax money. If Obama is serious about getting our money back, [100% of the record-breaking bonus money](#) that these thieves gave themselves should be going back into the tax system that it came from to pay down our national debt, lower our tax rates and create jobs.

The \$150 billion in bonuses handed out this year cost you \$500 of your hard-earned money. For a family of four, that's \$2000 that was taken from you and your family just this year and given directly to Wall Street bonuses. Think about that... Your personal money was taken from you and your family, and given directly to Goldman Sachs CEO [Lloyd Blankfein](#). In fact, your direct gift to Wall Street is much more than that; the \$2000 your family lost was just for this year's bonuses, much more of your money was [given away in the bailout](#). The real size of the bailout is estimated to be \$14 trillion, which works out to be \$46,662 for every man, woman and child in America.

On top of being bailed out with our tax money, Goldman Sachs, which just had its [most profitable quarter](#) in its 140-year history, only paid [1% in taxes in 2008](#)!

And now that Obama has given trillions of our dollars to Wall Street, he is all of a sudden so [concerned about our national deficit](#). That is disgraceful! When it came to the Economic Elite he could [give away trillions](#), but when it comes to the social infrastructure of the American public and [creating job programs](#), we all of a sudden have to be tight with our tax money and make "[painful choices](#)." When looking at Obama's latest \$100 billion jobs program, again, compare that to the \$150 billion in bonuses. If you want to know if Obama is serious about creating jobs, just look at where he gave his big "[Jobs Speech](#)" – at the Business Roundtable affiliated Brookings Institution. Thus again, confirming where his true loyalties lie.

Obama's sudden change of heart after the Massachusetts Senate election defeat is still [more empty rhetoric](#). His new found [support for Paul Volcker](#), and his proposals to bring back Glass-Steagall type laws to prevent another economic catastrophe sound great on the surface, but then you find out that Wall Street firms have already figured out ways [around these proposed laws](#). While it would be great to have Volcker creating the rules over the [Goldman Sachs-led team at the Treasury now](#), he is himself a former Federal Reserve Chairman who [represents JP Morgan Chase interests](#). Jamie Dimon, current JP Morgan Chase CEO and Business Roundtable member, is considered by Obama to be a possible replacement for Geithner at the Treasury. Replacing Goldman Sachs interests with JP Morgan interests is hardly change for the 99% of Americans who have seen their interests ignored thus far. JP Morgan and Goldman Sachs are two heads of the same monster.

An analysis of the "Volcker Rules" shows you the essence of what Obama is all about. The "Volcker Rules" are just more propaganda. First off, the rules do not go far enough. Simon Johnson [testified before the Senate Banking Committee](#) and summed them up by saying:



“while the principles behind these proposed rules are exactly on target... the specific rule changes would need to be much tougher if they are to have any effect.” Johnson earlier exposed the “Volcker Rules” to merely be a “[marketing slogan](#).”

Jeff Madrick, writing for the [Roosevelt Institute](#), rightly questioned if Obama’s economists even did their homework when putting together the rule. “What is disturbing is how poorly the Volcker rule has been thought through. When first announced, it sounded like a worthy and needed step in the right direction, and a suggestion the Obama team was waking up to reality. But I also expected more sophisticated details to come. So far, there are none... it looks like they didn’t give it much thought before announcing the plan. This is a critical error in judgment.” Even if the flawed laws make it to the Senate floor, the Banking Committee has come out [strongly against them](#) as being too little, too late. To sum this all up, this is another case of Obama trying to make it look like he’s doing something, when in reality, he isn’t doing anything.

This is similar to Obama’s \$75 billion taxpayer funded foreclosure-prevention program that has been a [spectacular failure](#) in stemming the foreclosure crisis. The Obama Administration [knew the program wasn’t working](#) from the start, but they just sat back and let it continue to fail, wasting billions of taxpayer dollars in the process.

Even Neil Barofsky, the special inspector general for the TARP program, said the following in his January 30th [report to Congress](#): “It is hard to see how any of the fundamental problems in the [financial] system have been addressed to date.... Even if TARP saved our financial system from driving off a cliff back in 2008, absent meaningful reform, we are still driving on the same winding mountain road, but this time in a faster car.” Now that the “Too Big to Fail” Wall Street elite know that the government will come in to bail them out, they are engaging in even riskier behavior than before.

As President [Theodore Roosevelt once declared](#) in a situation much like our current crisis, “Corporation cunning has developed faster than the law of nation or state. Corporations have found ways to steal long before we have found that they were susceptible to punishment for theft. But sooner or later, unless there is a season of readjustment, there will come a riotous, wicked, murderous day of atonement.... These fools on Wall Street think that they can go on forever! They can’t!”

It is hard to face the fact that we have been so taken advantage of and abandoned by the very people we supported and had put our hope and faith into. Americans need to understand that Obama, along with most of the Democrats and Republicans are not looking out for our best interests.

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