

UPDATE: How many direct April Fool's lies did Toronto's Daily Financial Writers Tell You Last Week?

Plenty!! No Joke

\$100bn Fed move over credit fears

The U.S. 'Fed' has upped the amount of cash available at auction. The US Federal Reserve will make a further

\$100bn available to major banks in April, trying to ease concerns about a global credit crunch.

The sum, offered across two auctions, is in addition to **\$260bn** provided in short-term loans to the end of March.

Other unorthodox steps include the Fed allowing investment banks to borrow from it directly - previously only possible for commercial banks.

The financial crisis has caused chaos on US and global markets.

This month Bear Stearns became the highest profile US victim of the credit crunch - facing near collapse before a deal was struck for it to be bought at a bargain price by JP Morgan Chase.

The rescue was supported by the Fed,

Anybody who keeps serious track of the global banking breakdown mainly coming out of Wall Street itself — will know that the central banks owned by the taxpayers have had to fork out \$TWO TRILLION since last September. Dec. 30, 2007, alone, saw the Bank of England pump \$700 BILLION into their private banks to save their economic system. Some of this was to save Northern Rock bank of Scotland which had a run on its currency. It wasn't enough — the Bank of England had to "nationalize" or guarantee that banks multi-billion dollar losses. **So, why is it on March 27, 2008:**

Toronto Star's Rita Trachur claimed global banks announced ONLY "more than \$200 BILLION in charges (losses)"???? Rita, Try \$\$\$ TWO TRILLION in losses. Don't lie to us!!

which agreed to buy up to \$29bn of Bear Stearns debts.

The Fed's chairman, Ben Bernanke, will be quizzed about the auctions, and other Fed actions to ease the credit crunch, when he faces Congress next week.

Critics say that the central bank is bailing out banks who have not assessed their risks properly

Auctions continue Since December the Fed has held auctions every two weeks, offering short-term loans to commercial banks.

The amounts offered began at **\$20 billion**, rose to **\$30 billion** and were hiked to **\$50bn** in early March as the severity of the credit shortage grew.

They are set to continue until at least September. The hope is that the extra cash will ease the **fears that banks have of lending money to each other**, which have pushed short-term interest rates to record highs, despite the Fed's series of interest rate cuts.

Harper Filched \$4 Billion Out Of Taxpayers' Own Bank of Canada To Save Wall Street Banks!! Canadians' Hard-Earned Cash Was Used To Save Private World Banking Treachery. Taxpayers' Central Banks Gave \$248 Billion To Private Banks In One Day! CIBC lost \$4 Billion more and is ready to "write-off" (lose) Another \$3 Billion In Bush's Bank Mortgage Bubble!!

Bank of Canada lends \$4B to ease credit crisis by Richard Priestman

The federal government refuses to borrow from the Bank of Canada to finance education, health care, housing and infrastructure, but has not objected to the Bank lending \$4-billion to our commercial banks "to stave off a credit crisis". (*Kingston Whig*).

Our government is so steeped in the free-market ideology that even though its efforts to privatize and deregulate everything in sight has led to crumbling roads, a weakened health care system, students in debt up to their necks and people sleeping on the streets in sub-zero weather, it still balks at borrowing from our central bank to finance needed public capital expenditures. **It prefers to borrow from the private sector at a cost of about \$33-billion a year for interest.** And that's only half the cost because provinces and municipalities are paying an additional \$30 billion a year in interest on top of that.

It wasn't always like this. From 1939 to 1974 the federal government used the Bank of

Canada to finance a significant portion of its debt without serious ill effects. Inflation went up and down, but the rate was almost the same in 1971 (3.0) as in 1951 (2.8). Beginning in the late seventies it borrowed almost entirely from the private sector, and since then public debt skyrocketed from \$19-billion in 1975 to \$588-billion in 1997 along with huge interest costs.

During the years 1939 to 1974 banks were constrained by regulations brought in during the depression. They were shown to have issued too much credit without adequate collateral, which contributed to the depression. Governments of the day, starting with the American government under FDR, agreed to help the banks get back on their feet providing they agreed to certain conditions, e.g.: they would limit their interest rates to a maximum of 6%; they would not get involved with insurance, stock brokerage or mortgages, and they could not own property other than that necessary to carry out their banking business.

After the end of World War II, banks began

to lobby governments for changes. At first it was just to lift the 6% interest limit. Then they were allowed to get back into mortgages and brokerages and to own property. The move during the 1960's to extreme free market ideology supported their lobbying for removal of regulations. Then, in 1974, when central banks decided that governments should borrow only from the private sector for their long term debt, creation and control of money was effectively privatized. Bankers and financial traders became very wealthy, while the income of most of the population remained the same, or was reduced.

The crisis of confidence in our banks exposes the weakness in a deregulated financial system which depends on the system to supervise itself. Re-regulation is needed as is also the need for government to take back control of the nation's money creation by borrowing from its own Bank to finance public capital works. **This is not something the current government or opposition are inclined to talk about -- not the Conservatives, not the**

Liberals, not the Bloc, not even the NDP. The latter is surprising since one of the fundamental principles of the NDP's predecessor organization, the CCF, was the "control of finance" and the provision of capital for public works "free from perpetual interest charges", as can be done today through the Bank of Canada.

One way to change the situation is to vote in the coming federal election for candidates who support using the Bank of Canada to finance public capital works. **(Editor's Note: As of this writing only the Canadian Action Party has a policy which would return to a balanced budget by using the taxpayers' own bank—the Bank of Canada to do it.**

Currently, private Rockefeller banks "loan" money to Canada for all that interest and no risk to the bank)

About the writer: Richard Priestman, is affiliated with the Kingston Chapter of the Committee on Monetary and Economic Reform.

Be Healthy Or Rot!!

Shining A Light On Hazards Of Fluorescent Bulbs!

Energy-efficient coils booming, but disposal of mercury poses problems

The hazards of CFL bulbs While CFL bulbs are extremely energy-efficient, officials warn the mercury contained within could be harmful to health and the environment.

Energy saving compact fluorescent bulbs may also be dangerous

Squiggly Fluorescent Bulbs can be Dangerous

Compact fluorescent light bulbs, long touted by environmentalists as a more efficient and longer-lasting alternative to the incandescent bulbs that have lighted homes for more than a century, are running into resistance from waste industry officials and some environmental scientists, who warn that the bulbs' poisonous innards pose a bigger threat to health and the environment than previously thought.

Fluorescents — the squiggly, coiled bulbs that generate light by heating gases in a glass tube — are generally considered to use more than 50% less energy and to last several times longer than incandescent bulbs.

When fluorescent bulbs first hit store shelves several years ago, consumers complained about the loud noise they made, their harsh light, their bluish color, their clunky shape and the long time it took for them to warm up.

Story continues below ↓advertisement

Since then, the bulbs — known as CFLs — have been revamped, and strict government guidelines have alleviated most of those problems. But while the bulbs are extremely energy-efficient, one problem hasn't gone away: All CFLs contain mercury, a neurotoxin that can cause kidney and brain damage.

The amount is tiny — about 5 milligrams, or

barely enough to cover the tip of a pen — but that is enough to contaminate up to 6,000 gallons of water beyond safe drinking levels, extrapolated from Stanford University research on mercury. Even the latest lamps promoted as "low-mercury" can contaminate more than 1,000 gallons of water beyond safe levels.

There is no disputing that overall, fluorescent bulbs save energy and reduce pollution in general. An average incandescent bulb lasts about 800 to 1,500 hours; a spiral fluorescent bulb can last as long as 10,000 hours. In just more than a year — since the beginning of 2007 — 9 million fluorescent bulbs have been purchased in California, preventing the release of 1.5 billion pounds of carbon dioxide compared with traditional bulbs, according to the U.S. Environmental Protection Agency.

"Using them actually reduces overall emissions to the environment, even though they contain minuscule amounts of mercury in themselves," said Mark Kohorst, senior manager for environment, health and safety for the National Electrical Manufacturers Association.

Public, agencies ill-informed of risks As long as the mercury is contained in the bulb, CFLs are perfectly safe. But eventually, any bulbs — even CFLs — break or burn out, and most consumers simply throw them out in the trash, said professor Ellen Silbergeld at Johns Hopkins U and editor of the journal *Environmental Research*.

"This is an enormous amount of mercury that's going to enter the waste stream at present with no preparation for it," she said.

Manufacturers and the EPA say broken CFLs should be handled carefully and recycled to limit dangerous vapors and the spread of mercury dust. But guidelines for how to do

that can be difficult to find.

"It was just a wiggly bulb that I reached up to change," Bridges said. "When the bulb hit the floor, it shattered."

How to clean up a fluorescent bulb

Before cleanup: Vent the room

1. Open a window and leave the room for 15 minutes or more.

2. Shut off the central forced-air heating/air conditioning system, if you have one.

Cleanup steps for hard surfaces

3. Carefully scoop up glass fragments and powder using stiff paper or cardboard and place them in a glass jar with metal lid (such as a canning jar) or in a sealed plastic bag. 4. Use sticky tape, such as duct tape, to pick up any remaining small glass fragments and powder. 5. Wipe the area clean with damp paper towels or disposable wet wipes and place them in the glass jar or plastic bag. 6. Do not use a vacuum or broom to clean up the broken bulb on hard surfaces.

Cleanup steps for carpeting or rug

3. Carefully pick up glass fragments and place them in a glass jar with metal lid (such as a canning jar) or in a sealed plastic bag.

4. Use sticky tape, such as duct tape, to pick up any remaining small glass fragments and powder. 5. If vacuuming is needed after all visible materials are removed, vacuum the area where the bulb was broken. 6. Remove the vacuum bag (or empty and wipe the canister), and put the bag or vacuum debris in a sealed plastic bag.

Disposal of cleanup materials

7. Immediately place all cleanup materials outside the building in a trash container or outdoor protected area for the next normal trash.

8. Wash your hands after disposing of the jars or plastic bags containing cleanup materials.

9. Check with your local or state government about disposal requirements in your specific area. Some states prohibit such trash disposal and require that broken and unbroken lamps be

taken to a recycling center.

Future cleaning of carpeting or rug

10. For at least the next few times you vacuum, shut off the central forced-air heating/air conditioning system and open a window prior to vacuuming.

11. Keep the central heating/air conditioning system shut off and the window open for at least 15 minutes after vacuuming is completed.

Source: U.S. Environmental Protection Agency

When Bridges began calling around to local government agencies to find out what to do, "I was shocked to see how uninformed literally everyone I spoke to was," she said. "Even our own poison control operator didn't know what to tell me."

The state eventually referred her to a private cleanup firm, which quoted a \$2,000 estimate to contain the mercury. After Bridges complained publicly about her predicament, state officials changed their recommendation: Simply throw it in the trash, they said.

Break a bulb? Five steps for cleanup

That was the wrong answer, according to the EPA. It offers a detailed, 11-step procedure you should follow: Air out the room for a quarter of an hour. Wear gloves. Double-bag the refuse. Use duct tape to lift the residue from a carpet. Don't use a vacuum cleaner, as that will only spread the problem. The next time you vacuum the area, immediately dispose of the vacuum bag. Find fluorescent bulb recycling in your area

Are fluorescent bulbs worth the risk?

Silbergeld also does not discourage their use because of their energy savings, but she said authorities could be sending mixed signals to confused consumers. "It's kind of ironic that on the one hand, the agency is saying, 'Don't worry, it's a very small amount of mercury.' Then they have a whole page of [instructions] how to handle the situation if you break one," she said.