



## MESSAGING FOR FINANCIAL REFORM

**CORE MESSAGE ..... 1**

**RESPONSES TO ATTACKS ..... 2**

**KEY COMPONENTS OF FINANCIAL REFORM ..... 3**

**TALKING POINTS ..... 4**

### CORE MESSAGE

SLOGAN: Hold the Big Banks Accountable

#### **Short Version**

##### Optional lead-in

It's outrageous that after taking trillions of our tax dollars in bailout money, the big banks are back to business as usual, taking billions in profits and bonuses and spending hundreds of millions to pay lobbyists to fight against reforms that would protect us from their abuses in the future.

##### Core message

Financial reform will protect working families and small businesses by reining in the greedy, reckless behavior of big banks on Wall Street and cracking down on the abuses committed by credit card companies and the mortgage lending industry. These reforms will hold Wall Street accountable and prevent another financial crisis.

#### **Full Version**

The greedy and reckless behavior of big banks on Wall Street, credit card companies, and mortgage lenders caused a financial crisis that cost Americans millions of lost jobs, billions in tax-payer funded bailouts and trillions of lost retirement savings.

It's outrageous that after taking hundreds of billions of our tax dollars in bailout money, the big banks are back to business as usual, taking billions in profits and spending hundreds of millions to pay lobbyists to fight against reforms that would protect us from their abuses in the future. We need financial reform that will hold corporations, big banks and individuals accountable, crack down on the greedy, reckless behavior on Wall Street, rein in excessive bonuses and pay for CEOs and executives, protect consumers from the exorbitant fees deceptive practices of credit card companies, increase stability for small businesses and prevent predatory lenders and borrowers from entering into loans they know cannot be paid back. Financial reform will help put an end to the Wall Street abuses that helped cause the financial crisis.

By demanding accountability from those who helped cause the financial crisis, we can make financial dealings safer and more transparent for the American consumers, investors, and small business people who play by the rules, help small businesses, prevent future bailouts and job losses. We can prevent future crises and bailouts, and lay the foundation for a financial system that promotes stability and long-term economic growth, rather than greed and short term-profits.

Those who oppose this reform are standing with Wall Street lobbyists who are trying to keep the system rigged so that it benefits them, not ordinary Americans, and trying to take us back to the failed [Bush]<sup>1</sup> economic policies of the last decade.

## **RESPONSES TO ATTACKS**

It's important to emphasize that not only is financial reform popular in general, but also that most of the other side's attacks largely fall flat. Their most powerful attack is that the Consumer Financial Protection Agency and other reforms will lead to more bureaucracy that will raise taxes and hurt the economy. In our research, we have largely found that the best strategy is to inoculate against the attack early by reinforcing our frame linking the big banks and Wall Street to the economic collapse, and pointing out that the subsequent bailouts have hurt taxpayers. Financial reform is about restoring transparency, accountability, affordability, and fairness to our economy.

Also likely to be ineffective is a new opposition strategy that attacks a Consumer Financial Protection Agency as a "new EPA." In our research and in other research, we have found that the EPA is actually very popular with voters (61% favorable, 22% very favorable, LRP August 2009). Though our key comparison is with the Consumer Product Safety Commission, if opponents want to attack us by comparing us to the agency that keeps our air and water clean, we should not be overly concerned.

### *Primary Response:*

Financial reform is about holding big banks and those responsible for the financial crisis accountable. Any member of Congress who opposes this bill is standing with Wall Street lobbyists, putting the interests of big banks and credit card companies ahead of working Americans who play by the rules.

### *Response to charge that it will cost jobs:*

Opponents of financial reform are protecting the greedy and reckless abuses on Wall Street that cost us so many jobs and created the worst economic mess since the Great Depression. Financial reform will stop Wall Street abuses, protect jobs and lead to a stronger, more stable economy that creates new jobs.

---

<sup>1</sup> Optional

*Response to charge that it will create more regulation and bureaucracy:*

The recent financial crisis was a direct result of Wall Street and the big banks weakening regulations that had governed America's financial system for decades and rigging the rules to benefit themselves, not ordinary Americans. Financial reform will put strong limits on the reckless Wall Street behavior to prevent future financial crises, rein in pay for CEOs and executives whose companies receive government assistance and protect consumers by cracking down on the abuses and deceptive practices of credit card companies and predatory lenders.

*Response to charge that it will hurt small businesses:*

Financial reform will help small businesses by creating a more stable and dependable flow of credit for them. The financial crisis significantly reduced small businesses access to credit, forcing many to close and many more to lay-off workers. By creating a more stable flow of credit for small businesses, financial reform will make it easier for them to succeed and create jobs.

*Response to charge that it will hurt community banks:*

Financial reform will help community banks by leveling the playing field between them and the big banks and by working to ensure that they have access to funding to make sound loans, by significantly reducing the funding advantage of big banks on Wall Street and by closing the loopholes that these big banks have exploited. By taking these measures, financial reform will strengthen protections for community banks and establish the level playing field that they deserve.

*Response to charge that this is a new bureaucracy that will raise taxes and fees:*

Financial reform will stop the greedy abuses by big banks on Wall Street that cost people their savings and cost taxpayers billions in bailouts. It will also put an end to bailed-out companies awarding bonuses to their CEOs.

## **KEY COMPONENTS OF FINANCIAL REFORM**

- Rein in the greedy and reckless behavior of big banks by increasing oversight of Wall Street
- Protect Consumers by cracking down on abuses and deceptive practices of credit card companies
- Set limits on pay for CEOs and executives whose companies receive government assistance

- Help small businesses by creating a more stable source of credit for them
- Require big banks to keep a certain percentage of their profits in reserve to prevent them from failing and needing a bailout to survive
- Strengthen fraud detection and protections for whistleblowers to prevent schemes like Bernie Madoff's
- Close the loopholes that allow big banks to operate without any oversight over their risky deals
- Prevent brokers and lenders from making loans that borrowers can't afford to pay back
- Eliminate the incentives that reward employees on Wall Street for risking people's savings with zero accountability
- Protect consumers from intentionally deceptive products and confusing contracts

## TALKING POINTS

- This issue offers supporters a major opportunity to win over Independents and to frame a larger debate over economic priorities and how to strengthen the economy
- Financial reform offers supporters the opportunity to establish a compelling contrast between their support for working families and small businesses, and opponent's support for the big banks on Wall Street that helped cause the financial crisis
- Financial reform proposals and the messages in support of them are poll tested.<sup>2</sup>
- When Independents hear a short description of the plan, over 60 percent support it

---

<sup>2</sup> These findings are based on an LRP poll of 900 likely 2010 voters in 77 Blue Dog and DCCC Frontline districts between October 7-11 2009, an Anzalone Liszt Research poll of 1000 likely voters nationwide November 30-December 3, 2009, and a Benenson Strategy Group poll of 800 likely voters nationwide September 30-October 4, 2009.

- 70 percent of voters believe America's financial system is in need of major reform, even higher than the percentage that wants major reform of our healthcare system
- Two thirds of voters in both Blue Dog and other hotly contested congressional districts support creating a Consumer Financial Protection Agency.
- Voters in those swing districts also strongly support reining in the unregulated market for complex financial products like derivatives by a 46 point margin.

2/4/2010