From: University of Southern Mississippi, Steven J. Cloud

Proposal: 1442 (RIN 7100-AD 87) Regs H, Q, & Y Regulatory Capital Rules

Subject: Regs H & Y Regulatory Capital Proposals

Comments:

Date: Jul 21, 2012

Proposal: Regulatory Capital Rules: (1) Implementation of Basel III, Minimum Regulatory Capital Ratios, Capital Adequacy, & Transition Provisions; (2) Standardized Approach for Risk-weighted Assets; (3) Advanced Approaches Risked-based Capital Rule & Market Risk [R-1442]
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Your comment: Basel III is a VERY bad idea (just ask Bear Sterns, Merrill Lynch, and Lehman Brothers)! If the Federal Reserve TRULY wants to "help maintain strong capital positions" in Tier I banks, it will NOT implement this proposal. Requiring the banks to maintain a 33:1 leverage ratio (maintaining just 3% in capital) is akin to economic suicide. The citizens of the United States are already swamped with $55 trillion of total debt, and the U.S. government made $454 billion in interest payments on this national debt in 2011 alone. Timothy Geithner and the Fed believe that they can continue to print Treasury Bonds, thus creating "free" money into eternity, but I will scream loudly so that all can hear: "It's nothing more than a Ponzi scheme that will totally and irrevocably bring this great nation to financial ruin!" As the European economy collapses and the banking systems of the world decay, many, if not most, Americans who have not already lost faith in their banking system will choose to
withdraw their financial resources in tandem, bringing BofA, Citi, Wells Fargo (remember Wachovia?), Morgan Stanley, and Goldman Sachs to their knees. We're all dependent on these megalithic corporations to protect our daily wages and our future retirements. Please do not allow Basel III to move forward for the sake of our economic futures.