

It doesn't come as too much of a surprise that the measure to audit the Federal Reserve is coming under continuous fire from the central bank and its cronies. For the first time since the Federal Reserve was created nearly a century ago, they have hired an actual lobbyist to pound the pavement on Capitol Hill. This is a desperate effort to hang on to the privilege of secrecy and lack of accountability they have enjoyed for so long.

Last week showed they are getting their money's worth in the Senate.

At the very last minute on the floor of the Senate, supposed compromise language was agreed to and substituted in the Sanders Amendment to the Financial Reform Bill. This language was acceptable to the administration, committee leadership, and to the Fed. The trouble is, while it is better than no audit at all, it guts the spirit of a truly meaningful audit of the most crucial transactions of the Fed.

In fact, rather than still calling the Sanders Amendment an audit, maybe it should instead be called more of a disclosure at this point.

The new language of the Sanders Amendment requires a one-time disclosure from the Fed of 13(3) facilities, foreign currency swaps and mortgage-backed securities. Basically, their sins of the past would be revealed and Americans would know more about who got bailed out by the Fed and under what terms. This would be good, but it's not nearly enough.

Taxpayers are sick and tired of bailing out privileged, dysfunctional institutions that should be allowed to fail in order to stop their ability to wreak

havoc on our economy. Perpetuating these corporations at taxpayer expense is not just wasteful, it is actively harmful.

It would be good to know what went on in the past, but what about accountability in the future?

A one-time disclosure now will not do us a lot of good down the road when the cycle repeats itself and friends of the Fed find themselves in trouble again.

More importantly, agreements with foreign central banks are not touched by the new Sanders Amendment language. At a time when Greece, Portugal, Spain and other countries are experiencing dire financial crises and have their hands out to the international community, we need to know if our Federal Reserve is at all involved in bailing them out.

As weary as we are of bailing out companies, the American people would not stand for bailing out entire countries. Our government is wasteful enough in its own affairs without contributing to the waste of other countries.

Yet the Fed currently has the tools it needs to do just this, and to do it in secret.

If we cannot take away the Fed's ability to waste trillions of taxpayer dollars on failing companies and failing countries, at the very least, we can take away their ability to do this with no transparency or accountability to the American people. While the Sanders Amendment no longer contains a full audit, Senator David Vitter has introduced an amendment which contains the Audit the Fed language that passed the House last fall.

The Senate must pass the Vitter amendment for full disclosure

and full accountability going forward.