
National News

Pelosi: 'Tighten Belts, Go Into Survival Mode'

House Speaker Nancy Pelosi, at an Oct. 13 press conference following a closed-door meeting with a flock of pro-bailout economists and Democratic Congressmen, let it be known that the policy she is following leads to fascist austerity.

"We invited some leading economists in the country to give us the benefit of their thinking on the subjects of how we help the taxpayer, how we help working families in America, how we stabilize financial institutions, how we take advantage of the opportunities that this crisis may present," she said. The meeting discussed "a recovery package that will enable America to lead, to participate in and take advantage of the opportunities that the 21st century will present to the world."

Both Pelosi and the economists, in their short turns at the microphone, said how pleased they were that they all agreed on their overall approach.

In answer to the first question by the media, Pelosi said, "We have been working closely with the Obama campaign because we want to have an initiative that responds to the needs of the American people."

Giving a better idea of what all the blather means, Pelosi said twice, "We have to tighten our belts, take ourselves into survival mode."

HUD Doesn't Recognize Growing Hidden Homeless

The U.S. Department of Housing and Urban Development (HUD) does not recognize hundreds of thousands of the victims of mortgage foreclosures as "homeless," the National Policy and Advocacy Council on Homelessness (NPACH) told Inter Press Service on Oct. 18. The HUD definition of homelessness "does not include children and families who have lost their homes but are temporarily staying in mo-

tels or with other people because other shelter is not available or appropriate," NPACH reported.

The U.S. government has not counted the homeless since 2005, National Coalition for the Homeless head Michael Stoops told IPS. Even back then, he said, the government admitted that "44% of the nation's homeless are unsheltered."

Sixty percent of local and state homeless coalitions report steady growth of homelessness since home foreclosures began escalating in 2007.

Jeremy Rosen, head of NPACH, said that some 600,000 children and youth are among the "hidden homeless," members of families who lost homes due to foreclosures or family crisis, but not recognized by HUD. "They become the "hidden homeless," moving around from place to place—sleeping in cars, on couches, sometimes in shelters, sometimes with friends, and sometimes with family. Unfortunately, our country chooses to deny this reality and doesn't define many of these people as homeless," Rosen said. "More than 60% of the homeless students identified by public schools are ineligible for HUD Homeless Assistance," NPACH reported.

Stoops reported that a "month ago, over 900,000 homes were foreclosed and some of the people concerned will wind up homeless." Laid off Wall Street bankers could soon be joining them, he noted.

LaRouche's HBPA Passes Buffalo Common Council

The Buffalo Common Council has become the latest local governing body to pass a resolution endorsing a version of the LaRouche Political Action Committee-initiated Homeowners and Bank Protection Act. The resolution had been submitted in November 2007, but was permitted to lie dormant until this Fall, when the worsening crisis apparently motivated the Councilmen to act. The vote was unanimous.

More than 100 local and state governing bodies have passed the HBPA since the Fall of 2007, demanding that Congress

protect the state- and Federal-chartered banks, and freeze home foreclosures, among other measures. Had Congress heeded their constituents, and passed LaRouche's proposal, the current banking meltdown, and foreclosure crisis, would not be occurring.

Buffalo joins other Rust Belt cities that have passed resolutions endorsing the HBPA, including St. Louis, Gary, Akron, Youngstown, Pittsburgh, Detroit, and Philadelphia.

For the full text of the Buffalo resolution, and the Homeowners and Bank Protection Act, go to www.larouchepac.com.

Draconian Cuts: States' Answer to Revenue Loss

States from California to Virginia are imposing their next round of drastic budget cuts as tax revenues are slashed in the collapsing economy. States across the nation report vanishing first-quarter fiscal year revenues totalling in the billions. But this is just the beginning, unless they adopt LaRouche's solution: No bailout; only bankruptcy reorganization will work.

California continues to lead the pack in size of revenue losses. On Oct. 10, legislators were back negotiating how to deal with a first-quarter fiscal year 2008-09 loss of \$1.1 billion announced by State Controller John Chiang. Yet, the same day this *revenue loss* was reported, state Treasurer Bill Lockyer said he hopes to sell \$4 billion in *Revenue Anticipated Notes* to raise enough money to pay the bills.

Examples from a few other states:

- Massachusetts has a \$223 million first quarter FY shortfall, leading Gov. Duval Patrick to begin drastic cuts. A hiring and salary freeze and a mandatory unpaid seven-day furlough for all employees have been imposed. The state's pension fund has lost \$8 billion since January.

- Pennsylvania expects a \$2.5 billion FY shortfall. It has already lost \$281.4 million in its first quarter.

- Virginia projects a \$2.5 billion FY shortfall.