

Financial Crisis Puts HBPA On State Legislative Agenda

by Nancy Spannaus

Within the first three days of January 2008, legislatures will be gavelled into session in Maine, Massachusetts, New Hampshire, Ohio, Pennsylvania, and Rhode Island. At the top of their agendas will be the devastating budget shortfalls facing nearly every state of the Union, due to the ongoing home mortgage meltdown and banking crises. In New Hampshire and Pennsylvania, however, thanks to the LaRouche political movement, legislators will also have legislation appropriate to *solving* the crisis before them, the Homeowners and Bank Protection Act (HBPA) put together by Lyndon LaRouche.

The LaRouche Political Action Committee (LPAC), led by the LaRouche Youth Movement, is currently on an all-out mobilization to pass memorials for the HBPA in these states, in four others where it has been introduced (Florida, Illinois, Maryland, and Michigan), and in the remainder of the 36 states which go into session early in 2008. These memorials represent demands by states and localities that the U.S. Congress take immediate emergency action to erect a firewall of protection for homeowners and local banks, by freezing mortgages, halting foreclosures, and putting chartered banks under Federal protection while letting the speculative hedge funds take their deserved losses.

In most cases, local officials will be reminding their Congressmen that they are all up for re-election in 2008—and had better act to deal with the life-or-death issues of their constituents, or else.

Pressure is building on the state legislators in places such as Michigan, Maryland, and Pennsylvania, as numerous city councils have taken up and passed memorials for the HBPA. Most dramatic is the activity in Pennsylvania, where, over the last month, 19 city councils have passed resolutions demanding that the legislature enact H.R. 418, the bipartisan bill introduced by state Rep. Harold James (D-Philadelphia) that calls for Congress to implement the HBPA measures.

An Ear to the Ground

Elected officials of states and localities are being hit by waves of tax and other revenue losses, as well as angry citizens who are facing foreclosures at a rate equal to, or greater than, that during the 1930s Depression. Foreclosure repossession are at almost 2,500 a day, two and a half times the rate of the 1930s. Under such pressure, many of these officials are greeting representatives of the LaRouche Youth Movement with open arms, and even putting aside their prejudices against LaRouche, because the HBPA is the *only* proposal on the table that addresses the crisis.

The largest city to take action in late December was Indianapolis, Ind., whose city-county council passed the resolution by a 15-9 vote on Dec. 18. In concluding the debate on the resolution, which had passed the resolutions committee with a 5-3 vote, sponsor and council vice president Joanne Sanders, told the council: “When we take the oath of office, we swear to support the general welfare. And I personally believe this is part of promoting the general welfare.”

During the debate, Sanders told the Council the HBPA is being circulated nationwide, and that it is a “different kind of idea to deal with both homeowners and bank protection.” Republican Lance Langsford next argued that “[A]s a Federal issue, it shouldn’t be before the Council,” and, that the proposed moratorium on foreclosures constitutes “a slap in the face to those who do pay their mortgages.” Councillor Ron Gibson responded that foreclosures “affect middle-class people ... even President Bush understands this, and has proposed a bill [although] it would ... only aid one in eight people.... If we don’t stand up for our own people, who will?” Gibson asked. Councilman William Oliver urged the council to support the HBPA, pointing to many causes for foreclosures and bankruptcies, including runaway jobs and outsourcing—which have occurred all across the spectrum. Council-



EIRNS/Joanne McAndrews

Resolutions in support of LaRouche's "firewall" legislation have been introduced in states throughout the country, aimed at getting Congress to act now to stop mass evictions. Here, LaRouche Youth Movement organizers campaign for the HBPA in the nation's capital.

man Robert Lutz, a Republican, raised the issue that the resolution was from "the LaRouche group," about which "I have serious concerns." He said that it was "a good idea," nonetheless, and he would support it: "We have to do something," Lutz said. Councilman Philip Borst said he would vote against it, because "I'm not sure it's the right idea," and the council can't even understand local issues, let alone this Federal issue.

In her final motivation, Sanders acknowledged that she too had concerns about the origination of the resolution, but she believed the council had to defend the general welfare. Council member Rozelle Boyd noted that similar resolutions had been passed in numerous other cities. The resolution passed 15-9, with support from three Republicans, and now goes to the mayor.

A Surge in Action

On Dec. 16, the city of Irvington, N.J. passed support for the HBPA. Afterward, the president and second vice president of the city council presented representatives of LaRouche PAC with a framed copy of the resolution, with the city's gold seal. Nine of the council members expressed their appreciation for the efforts of LaRouche PAC, especially its work in going from city to city with the HBPA. The resolution has now passed in three New Jersey cities: Newark, East Orange, and Irvington. It is notable that Irvington is near the circulation base of the Bergen County *Record*, which ran articles targetting a New Jersey state legislator,

who supported the HBPA, for election defeat. The legislator won, with the same vote margin as in his previous election.

On Dec. 18, Lawrence, Mass. became the first town in that state to vote up support for Congress to enact the HBPA. That same day, the city of East Cleveland became the first Ohio municipality to have the HBPA introduced for consideration.

Meanwhile, support in the state of Pennsylvania continues to grow. The town councils of Farrell, Bradford, Conshohocken, Norristown, and Nesquehoning endorsed the HBPA during the week before Christmas, bringing the total of localities in support to 19. Supporting councils include those from the state's major cities—Philadelphia, Pittsburgh, and Harrisburg. In all, elected representatives for more than 2 million Pennsylvanians have endorsed the emergency measure.

Breaking the Roadblock

There is no doubt that the pressure building for the HBPA is already being felt in Congress. *EIR*'s sources reliably report that enormous pressure is being exerted on members of Congress by the financial community, and other friends of fascists Felix Rohatyn and George Shultz, to try to *prevent* any effective action, for which LaRouche might get credit. Insane, fly-by-night measures are being put up to pretend to deal with the crisis, simply in order to serve as roadblocks to the HBPA.

Exemplary of the fight behind the scenes was the brawl that occurred at the National Caucus of Black State Legislators' (NBCSL) national conference in Little Rock in mid-December. A pro-HBPA resolution by Rep. Juanita Walton of Missouri was rewritten by the NBCSL leadership, in an attempt to bury the issue. This action provoked a heated political debate in the Housing Committee, which concluded with the saboteurs walking out, and the resolution, which had been amended to include all the relevant measures prescribed in the HBPA, passed nearly unanimously.

But when the resolution was taken up by the full convention, the opposition took new measures to bury it, sending it "back to committee" to be rewritten again. Why the frenzy to prevent action on behalf of suffering homeowners, many of them African-Americans, and chartered banks? It was openly stated that the NBCSL had to be careful not to "offend" the Congressional leadership, which is, of course, dominated by fascist Felix Rohatyn's close friend, Nancy Pelosi.