

LYM Sets Stage for Congress To Act on HBPA 'Firewall'

by Kevin Evers, LaRouche Youth Movement

The current strategic situation is summed up well in a letter, written by a LaRouche Youth Movement (LYM) member, to a California city mayor, requesting a meeting to discuss the importance of this mayor joining us in demanding that Congress pass LaRouche PAC's "firewall" legislation, the Homeowners and Bank Protection Act of 2007 (HBPA). The letter reads in part: "I'm going to keep the introduction short and to the point because the crisis we are going through is one of great magnitude and generally acknowledged. It has been physically demonstrated all across the United States that the housing bubble has finally popped. Millions of families have either already lost their homes or are about to face foreclosure in the coming months due to predatory lending practices. Many local, city, and state-level agencies and officials have made efforts to prevent evictions, but without much success. Cities and states alone just don't have a capital budget to protect the homeowners' and banks' millions of dollars in mortgages. This crisis requires federal intervention!"

A federal intervention is what the LaRouche Movement is running, at the very least. The LYM, right now, is running a national campaign against the London-centered hedge funds and their lobbyists, to have the U.S. Congress enact a firewall that will keep people in their homes and protect our banks from being sacrificed to the speculative non-economy. It's that idea that has state legislators, and other state officials, saying: "LaRouche has the right approach, and if that's what he's doing, I will endorse it." Wise people know that isolated action won't work now, but a flood of state officials endorsing this piece of legislation will.

As of now, a number of state legislators have either introduced their own resolutions or have formally endorsed our proposal. For non-legislators, or for those state representa-

tives who are not now in session, we have put together a petition for which we are soliciting signatures from elected officials, labor leaders, and constituency groups; a frequently updated list can be found on the LaRouche PAC website (www.larouchepac.com).

To maintain the unity of effect that is needed to run such a national mobilization, we will be utilizing what we call our War Room, which allows us to crossfire developments, as they happen, from around the country, to our Washington D.C. office, and then into the U.S. Congress. This will also keep regions aware of what the others are doing during this mobilization. In other words, the LYM is doing what Congress or the Democratic Party would already be doing if they had any national leadership.

The LaRouche Movement has offices in all of the major regions throughout the country. If there is an event outside of our immediate reach, we can be very mobile; for example, our Midwest office can cover Detroit and Lansing, Mich.; Toledo and Columbus, Ohio; Chicago, Ill., and more. Our Houston office recently made a trip to Austin, the capital of Texas, where we triggered a good response from Democrats and Republicans alike. On the West Coast we are working with some of the hardest-hit cities in the country right now, such as Stockton, Calif., where 1 out of every 27 homes went into foreclosure during the six months ending June 30. In the Northeast region, we have done work throughout the New England area, such as presenting the HBPA to the Connecticut State House special session.

Pennsylvania State House Responds to the LYM

Two LYM organizers, on Sept. 17, went to the State House in Harrisburg, Pa., to recruit representatives to co-sponsor the HBPA resolution that would be introduced the following day



EIRNS/Dan Sturman

The flood of home foreclosures across the country is creating strong support at the state and local level for LaRouche's Homeowners and Bank Protection Act. Here, LYM organizers in Houston, Texas campaign for the HBPA.

by Rep. Harold James. Two state representatives promised to co-sponsor the resolution. In total, the LYM had ten meetings with the representatives themselves, and a few with aides. Generally, nobody denied the crisis, and we ran into no disagreement with using Federal intervention to freeze foreclosures. Most of the representatives had little faith in the Federal government, and two of them showed open hostility for their respective Congressmen, but they responded well when the organizers gave them a picture of what the Youth Movement was doing nationally, and to the idea that Pennsylvania would be only one of many statehouses that would put forward this resolution.

At an early meeting with a state representative, the first thing he said was, "I don't want to save the speculators!" He made the point that he was fine with saving people's primary homes, but didn't want to save rich people's second or third homes that they were using to speculate with. He was muddy on how you could save the banks, but not rescue the hedge funds. So, the LYM made the point that erecting a firewall against the offshore hedge funds was the first step in sorting everything out. He also asked explicitly, what is the British system? We gave him a history of the bubble, and he wanted to know what Alan Greenspan had to say about it now. We told him about Greenspan's new book, in which the former Fed chairman denied knowing that the crisis would turn out to be this bad. The state rep then said, "Well, that defense didn't work at Nuremberg!"

After being briefed on how the campaign is going throughout the country, he said, "If LaRouche keeps recruiting smart young people like you guys, he'll do fine." The last thing he

said was that money and wealth are not the same thing, that wealth has to be earned; just because you say you have money in the stock market, doesn't mean that it exists. Wealth, he said, was what you created for yourself and your family. We then said: "Yeah, physical economy—now you're starting to sound like LaRouche!" He got a good laugh out of that, and said he would talk to Representative James, and that he would co-sponsor the resolution.

To emphasize our point that this is a systemic crisis and not just a foreclosure crisis, the LYM pointed to the recent bank run on England's Northern Rock. One representative, at the mention of this, immediately compared it to what happened with Countrywide in August of this year. His office has been focussing mostly on the foreclosures, but not on the collapse of the banks. Otherwise, all were shocked to see our LaRouche PAC release on Northern Rock, with a photo of people lined up around the block to withdraw what would add up to billions of dollars.

Massachusetts Attorney General Hearings

In four of the hardest-hit cities in Massachusetts being devastated by the spreading plague of home foreclosures, Attorney General Martha Coakley held a series of four field hearings Sept. 17-20, in Worcester, Brockton, Springfield, and Boston, on the subject of certain limited, state-level initiatives to combat deceptive mortgage practices, and provide assistance to families suffering foreclosures. The LaRouche Youth Movement was given the opportunity to testify on the HBPA.

As the LYM all over the country are discovering, the horror stories are endless. The secretary of the city manager in Worcester reported that she had just lost her house at the same time that her sick husband was hospitalized, so that she found herself paying all of his hospital bills the same month that she was being forced to leave her home. And in Brockton, members of the LYM spoke to a secretary to the mayor, who had spent the entire morning taking telephone calls from citizens whose homes were being foreclosed on. As she answered one of these calls, she heard a desperate voice on the other end of the line, telling her that he was so frightened about losing his home, that he was considering committing suicide.

At both of these hearings, as the youth organizers read the text of the proposed HBPA, support was expressed by both the audience and the panelists. A number of elected officials responded to the presentation of the idea of saving the homeowners by freezing foreclosures, and to the explanations of the full history of the housing collapse and the hedge funds, by approaching the organizers and presenting their information for further contact, requesting meetings with representa-

tives of the LaRouche PAC on the subject of this proposed bill. One state rep was so enthusiastic, he gave the legislative proposal a big thumbs up during the hearing.

At the Brockton hearing, after a LYM representative presented the HBPA, the mayor testified, emphatically insisting that the attendees did not understand how bad the foreclosures crisis really was, emphasizing that while the crash will first impact poor people, it will then spread to everyone. The mayor was extremely grateful to receive the proposed Homeowners and Bank Protection Act.

The final testimony came from two members of the LYM, in which they emphasized that the crash is systemic, and that LaRouche had forecast it. After reading off the names of all the cities in Massachusetts which are listed on RealtyTrac's list of the top 100 cities hit by foreclosures (see *EIR*, Sept. 21), the organizers emphasized that state-level solutions will not work, citing the example of Ohio's failed bailout plan—and that Federal intervention is needed. The hearing ended with a reading by the LYM of Franklin Roosevelt's remarks to the Congress in 1933, proposing emergency action to stop foreclosures.

The last of the four hearings, which occurred in Boston, erupted into an infantile blame-game, with mortgage lenders getting hit the hardest. We intervened by taking the discussion to a higher level, and pointing out once again that the problem lies outside both the lenders and homeowners; that the key is presenting a solution, which is what the HBPA represents. We ended the event with our testimony, which included the reading of the Preamble of the U.S. Constitution.

A Congressional Town Hall Meeting

On the West Coast, in Glassell Park, a section of Los Angeles, LYM members put Rep. Xavier Becerra (D) on the spot to state his position on the HBPA and the British Cayman Islands hedge-fund operations. We asked the Congressman if he would act to defend the nation against the hedge funds. In his response he stated that he does not support a bailout for those lenders who issued certain types of mortgages, such as interest-only mortgages, saying that that means a bailout by tax dollars for speculators, a prospect that he did not support.

In response to the next question, on illegal campaign finances, Becerra referred to the previous question on private equity funds and hedge funds, explaining how these firms were the largest source of pressure and dirty money coming into the Congress today. He asked his constituents if they knew what these companies had earned last year. As figures in the billions were named, a member of the LYM from the audience shouted out that they aren't even taxed. To this Becerra added: "Yes, they aren't even taxed, because of their offshore status."

As all of this makes clear, it is urgent that Congress act now to defend the nation by passing the LaRouche Homeowners and Bank Protection Act.