
National News

Detroit Council Vote For HBPA Is Unanimous

The 39 Detroit City Council members on March 25 unanimously passed the Homeowners and Bank Protection Act (HBPA), a resolution to Congress which is being circulated for endorsement by the LaRouche movement.

The resolution was offered by council president Kenneth V. Cockrel, Jr. Leading up to the vote, the LaRouche Youth Movement and LaRouche PAC had presented the HBPA in meetings with council members, in public-input sessions, and by mass leafletting.

The Detroit City Council previously passed the LaRouche-authored legislative resolution for the Emergency Recovery Act, which called for retooling the automobile industry to build infrastructure.

The Michigan cities of Flint, Hamtramck, Highland Park, Melvindale, and Pontiac have already passed HBPA resolutions.

Southern State Houses Join Fight for HPBA

While Washington hasn't yet mustered the gumption to seriously deal with the financial system's meltdown and the subsumed mortgage crisis, its suicidal fantasy is losing its grip on more and more of the nation beyond the Beltway.

The Senate is entertaining a bipartisan housing bill that even the April 3 *Washington Post* belittled on its front page, and the Bush Administration's criminal actions are unintentionally being exposed by its allies: "[Treasury Secretary Hank] Paulson is doing a pretty good job of looking like he's doing something," Republican strategist John Feehery told the April 3 *International Herald Tribune*.

But in city after city, and in more and more state houses, reality is being addressed by elected officials, as they vote up resolutions calling for Congress to implement the Homeowners and Bank Protection Act (HBPA), originally drafted by American economist and statesman Lyndon LaRouche

in August 2007. (For the original text of the HBPA, see the April 4 *EIR*.)

In Mississippi, the House of Representatives passed its resolution, House Concurrent Resolution 5, on March 28, by a bipartisan vote of 111 to 5, with 6 abstentions. The city council of the state capital, Jackson, has already passed the resolution.

In Alabama, the State Senate passed Senate Joint Resolution 54 April 1, and has forwarded it to the Alabama House of Representatives, which passed a slightly different version the week before. The new version, co-sponsored by six Senators, notes that it will take years for the shakeout of the mortgage market to occur.

HBPA Passes Pennsylvania Lower House Committee

House Resolution 418 was voted up April 1 by the Intergovernmental Affairs Committee of the Pennsylvania State House of Representatives on a straight party-line vote of 16 Democrats to 12 Republicans. The resolution may come up for a vote on the floor of the Pennsylvania lower house as early as the week of April 7, when the legislature is in session for two days, before recessing for the April 22 Presidential primary. Supporters of the resolution are pushing for a House floor vote before the recess.

During the committee meeting, Republican minority committee chair, Rep. David Steil, was the first to speak, saying that he would vote against the resolution, claiming that there is a blizzard of bills and initiatives pending in the U.S. Congress on the matter, and that, therefore, the state legislature should defer to the Congress on it.

He was answered by a Democratic representative from Allegheny County in Western Pennsylvania, who said: "No, you are wrong. We have to do this." He pointed out how devastated the population is across the state, and especially in Western Pennsylvania. He said that action must be taken, that such action is vital, and that a strong message to that effect must be sent to Congress.

During the intense debate, a Republican representative asked how the legislation will work, and who will determine how much the inflated mortgages will be

written down, effectively suggesting that this would be a bailout.

Rep. Harold James of Philadelphia answered the first question by pointing out that the HBPA stipulates that the state governors assume the administrative responsibilities for implementing the program. He then asked Phil Valenti of the LaRouche Political Action Committee to answer the question about the writedown, and whether it constitutes a bailout.

Valenti explained that there is already a bailout going on, which is the illegal bailout of Bear Stearns, but that what the HBPA calls for is not a bailout. The mortgages will be frozen for a period of however many months or years are required to adjust the values to fair prices. Ultimately, speculative debt obligations will be written off, Valenti said, reflecting the deflation of the housing bubble. This will take time, but what we need immediately, as stipulated in the HBPA, is to put the mechanism in place to protect homeowners and banks.

Although no Republicans on the committee voted for the resolution, numerous Republicans in the state legislature support the measure, and had attempted to organize Republican committee members to vote for it.

More than 35 Pennsylvania city councils, including those of Philadelphia, Pittsburgh, and the capital, Harrisburg, have already passed resolutions endorsing the HBPA.

Canton Votes Up HBPA Resolution

The City Council of Canton, Ohio, a formerly industrial town south of Akron, passed a resolution March 31, calling on Congress to enact the HBPA. This is the eighth city in Ohio—the state with the third-highest number of foreclosures in the nation—to pass it.

Canton has 79,000 residents, and a foreclosure rate of 1 in every 12 households—worse than Detroit.

The Ohio cities that have already passed the HBPA include: Akron, Bedford, Bedford Heights, East Cleveland, Maple Heights, Warrensville Heights, and Youngstown.