National News

Who's To Blame for Louisville Foreclosures?

The LaRouche Political Action Committee (LPAC) on July 14 issued a press release, titled "Who Should Be Blamed for the Next Foreclosures in Louisville? Two 'Democratic' City Councilmen!"

"In a shameful act of sabotage," the release charged, "which will bring them permanent shame, the Democratic leadership of the Louisville, Kentucky City Council on July 10, acted to kill passage of the LaRouche-initiated Homeowners and Bank Protection Act (HBPA). The resolution, introduced initially in May by Councilman Dan Johnson, had been endorsed by numerous Louisville trade union organizations, as well as the Kentucky state Senate, and the County Democratic Party. After having been challenged during Council hearings, the resolution—which called on Congress to pass a firewall of protection for the chartered banks, and put a moratorium on home foreclosures—was finally scheduled for a vote at the July 10 meeting."

In a Democratic Caucus meeting prior to the Council event, HBPA advocates John Jeffries, former president of the International Association of Machinists Local Lodge 740, and Carol Smith, an LPAC representative and United Autoworkers activist, were invited to speak for the resolution, which they did.

But then, Democratic Caucus leader Rick Blackwell, also a former City Council president, and current City Council president James King, moved to sabotage the vote. King, who is himself a banker, argued that "*there is no banking crisis outside some mortgage banks!*—and that the resolution was wrong," LPAC reported.

By the time the Caucus members reached the City Council meeting, sponsor Johnson had been convinced to withdraw his sponsorship, and the HBPA never came up for a vote.

"The next time there is a foreclosure in Louisville, or a local bank shuts down, along with your bank account, Louisville citizens have to be aware whom to blame," said the release. "The finger of blame needs to be pointed directly at those responsible for sabotaging the HBPA—Rick Blackwell and James King!"

GM Cuts Off Arm and Leg To 'Stay Alive'

Trying to keep its de facto bankruptcy from becoming de jure in the worsening economic collapse, General Motors Corp. on July 15 announced large new capacity and workforce cuts, and other self-cannibalization moves it calls "cost-saving." They will mean another reduction of perhaps 20,000 employees in the near future.

The company said that it now expects only a 14 million total of all car and light truck sales in the United States this year (a 13% drop from 2007, and nearly 20% down from 2005), and will accelerate the already announced closing of four pickup truck assembly plants, laying off their 10,000 workers by the Fall. GM's blue-collar production workforce will fall to about 60,000, half of what it was just two years ago. It will offer buyouts to 33,000 white-collar workers in the United States, and by that means or layoffs, plans to get rid of 10,000 of them. And it announced that the United Auto Workers has been forced to agree to "defer" the $1.7 billion GM payment which is due to the company retirees' health-care trust, which in last year's contract was dumped on the union to administer.

GM said it will also eliminate its stock dividends, and try to raise $2-3 billion in cash by selling brand names, overseas subsidiaries, and its remaining stake in GMAC, its former financial arm, which has been losing large amounts on mortgages and mortgage securities.

All of this is supposed to "generate" $15 billion in cash which would get the automaker through 2009, at its present rate of losses.

Lyndon LaRouche declared in February 2005 that GM was on the verge of bankruptcy, and then proposed Emergency Recovery Act legislation which could have saved the U.S. auto/machine-tool sector, had Congress acted on it.

Pro-Clinton Group Challenges Pelosi, Dean

The second in a series of ads being run by The Denver Group—which is part of a pro-Hillary Clinton coalition fighting for an open Democratic Party nominating convention—appears in the July 17 edition of *Congressional Quarterly Daily*, which circulates widely on Capitol Hill and beyond. The ad features a large photo picture of Franklin Roosevelt, with the headline: "Would Howard Dean and Nancy Pelosi have kept his name off the ballot?" The text reports that FDR went to the 1932 Convention 90 votes short of the nomination and went on to win on the fourth ballot.

Pointing out that neither Barack Obama nor Hillary Clinton have secured a majority of the delegates, the group demands an open convention, with Clinton's name placed in nomination, a roll call vote, and an opportunity for super-delegates to vote their conscience. The ad concludes: "If some in the DNC are afraid that a democratic process could produce a result different from a preconceived set of expectations, as someone once said, 'the only thing we have to fear is fear itself.'"

Medical Journal Backs 'Medicare for All'

The July issue of the *American Journal of Medicine* has a commentary co-authored by its editor-in-chief, calling for a single-payer, non-profit "Medicare for All" health insurance system for the country. The commentary in the 120,000-circulation journal of the Association of Professors of Medicine says: "The U.S. health-care system, which depends on private, for-profit health insurance, is not working. It is time for national health insurance!"

The article notes that the World Health Organization, as of 2000, ranked the U.S. health care system 37th among 191 countries, and last among 17 industrialized nations. The United States is the *only* industrialized nation that does not ensure access of health care for all its citizens.