

# PEOPLE'S WORLD

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## Gulf Coast scientists warn of hidden oil disaster

By John Wojcik

**T**he BP oil explosion offshore has already snuffed out the lives of workers and threatened the economic survival of at least 200,000 residents in this state alone. The oil spill, scientists here warn, could also transform one of the nation's most ecologically valuable areas forever.

As expected, tar balls and oiled seaweed are beginning to wash up on beaches here, as they have after other big oil spills. But scientists say the environmental disaster unfolding is dramatically different from anything the nation has yet experienced.

The oil spreading across the Gulf, much faster than many previously believed, is the first major spill in U.S. waters whose worst effects may largely be hidden under water.

BP has been trying to take credit for slowing the movement of oil and tar balls toward the coast, saying that the chemical dispersants the company uses are doing their job.

But Ronald Kendall, a professor at Texas Tech University who has done extensive research on the effects of oil in various ecosystems, said, "To me, it's a disaster already. It doesn't have to go up on the beach."

Because of the leak's extreme depth, and the use of 500,000 gallons of dispersants, the idea



that oil floats no longer holds, environmental scientists here say. Contrary to BP's claims that the dispersants are saving the coastline, the oil is settling on sensitive corals and poisoning ecosystems that produce shrimp, snapper and many other types of fish - all in places that are too deep for humans to intervene in a helpful fashion, scientists say.

"By dispersing the oil at depths, you create smaller globules of oil and it makes the oil more

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likely to be affected by even the slow moving currents," said James Cowan, a professor of oceanography at Louisiana State University. "We just don't know where it is, and we don't know where it is going."

Prosanta Chakrabarty, an assistant profes-

**In the area's marshes, there is another world even less visible to the human eye that is also at risk.**

sor at LSU and expert on fish and marine life, said, "People think of oiled birds and animals and things like that and overlook the effects of the BP oil spill in the deep sea. There will be effects. This is where the oil is coming from."

"When the Exxon Valdez spilled, it was at the surface, and it stayed at the surface," Chakrabarty said. "This is totally different. A lot of oil is coming up, but some of it is at different levels." He said that oil is spreading both at the surface and at levels well below.

He said that the 2,000 species that live in the deep sea environment are facing two major assaults that they, unlike life forms near or on the surface, haven't had to face before - the massive oil leak itself and the chemical dispersants with which they are being bombarded.

In the area's marshes, there is another world even less visible to the human eye that is also at risk. Its fate is particularly important because the entire marsh ecosystem depends on the survival of the microscopic creatures that live in a slim top

layer of marsh mud.

"The top 2 millimeters of that marsh muck is where the action is in a coastal estuary," said Kevin Carman, dean of the College of Basic Sciences at LSU. "That's the base, the food that fuels the whole system. If you lose that in a large enough area it could have a disproportionate impact on the food web, and everything that depends on it - fish, shrimp, oysters, all the species that rely on the estuary."

Carman describes the slimy zone that is just seven-hundredths of an inch thick as "an incredible engine for a wide range of life." The larger animals, including birds, wild hogs and even humans are part of the chain, environmentalists note. For ages, that thin zone of microscopic life has survived all the hits nature delivers, from hurricanes to freezes. The worry now is how well it will cope with a giant oil spill washing ashore.



**John Wojcik writes for the People's World.**

## North Dakota socialism

By PW Editorial Board

**T**he Bank of North Dakota is the only state-owned bank in America. Despite that, or because of it, the bank earned a record profit last year even as its private-sector corollaries lost billions.

Some who have difficulty even absorbing news of a profitable socialist enterprise point to North Dakota's well-insulated economy, which is heavy on agricultural staples and light on housing speculation, as the source of its success.

But this has not stopped out-of-state politicians from making pilgrimages to Bismarck for counsel and advice. Could opening state-owned banks across America get us out of the financial crisis? The Bank of North Dakota, with its \$4 billion under management, has avoided the credit freeze and crisis by creating its own credit, and in doing so, is leading the nation in establishing state economic sovereignty as well. Could decentralizing large sectors of finance provide better insurance - a better hedge, if one may use that term - for the people, against the "too big to fail" phenomenon?

The North Dakota state bank was created 90 years ago, in 1919, as a populist movement swept the northern plains. Basically it was a very angry movement led by farmers against bank and land speculators in Minneapolis, or New York. A rebellion swept the northern plains. In North Dakota the movement was called the Nonpartisan League, and the League actually took control of the legislature and created what was called an industrial program, which created both the Bank of North Dakota as a financing arm and a state-owned mill and elevator to market and buy the grain from the farmer. And both of those institutions are in existence today doing exactly what they were created to do 90 years ago.

Can a "state bank" play a positive role in current struggles for jobs and sustainable recovery? YES! Although the emergence of such banks must be linked directly to the kinds of investments each state needs to move forward.



**Can a "state bank" play a positive role in current struggles for jobs and sustainable recovery? YES!**

# New foreclosures down, repossessions rise

By Joe Sims

**W**ith over 12 percent of current mortgages in danger of default - close to 7 million homes - foreclosure notices made a slight drop in April signaling a potential bottoming out of the housing crisis. The number of homes threatened with foreclosure fell 2 percent from a year ago.

Repossessions however have shot dramatically up. Reuters reports in April banks took control of a record 92,432 properties, up 1 percent from March and 45 percent from a year earlier.

The states of Nevada and California topped the list, with Ohio and Michigan following closely behind.

While working and middle class families are attempting to take advantage of new federal programs, nearly 3 million homes received a foreclosure notice in 2009.

Economists consider the main source of new foreclosure to be unemployment which rose slightly in April. Over 11 million jobs have been lost due to the recession.

Efforts by White House are credited with easing the severity of the housing crisis. "The Obama administration's new program encouraging short sales, allowing homeowners to avert foreclosure by selling their homes for less than they owe on their mortgages, probably drove the drop in default notices."

In February, more people bought previously-owned homes due to the Obama administration's tax credit, the rate of new purchases rose 8.2 percent.

In addition, the president's team has worked to modify loan payments and keep families in their homes with some modest success. "The Obama administration is managing a \$75 billion program that so far has helped about 231,000 homeowners with permanent reductions to their monthly



mortgage bills. That's about 20 percent of the 1.2 million borrowers who started the program over the past year."

Banks have been reluctant to modify loan terms, profiting from late penalty payments and other fees.

A backlog of existing mortgage defaults also contributed to the decrease. "What we're really seeing is the effect of lenders slowing down the initial notices of default while they are processing what's already in the pipeline," Rick Sharga, senior vice president at RealtyTrac. RealtyTrac issues reports about the housing market.

Meanwhile, a new study shows African Americans and Latinos face continuing discrimination in treatment by banks. In the Washington DC region, Blacks were 20 percent more likely to have their homes foreclosed on than white counterparts with identical credit histories and scores. Strikingly Latinos were 90 percent more likely.

Big banks are fiercely contesting the creating of a new Consumer Protection Agency. The mortgage crisis is expected to continue at least through the end of 2010. A drop in unemployment will contribute significantly to abating new foreclosures.

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## LOCAL NEWS

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### Freedom Ride brings solidarity to Arizona

By Jim Lane

**A**fter the downtown May Day immigrant rights march of 28,000 or more in Dallas, organizers set out to send a busload to Arizona to carry a message of solidarity there. Domingo Garcia, central organizer of the May 1 “Mega-March,” joined with Peter Johnson of the Southern Christian Leadership Conference to build a diverse group. The bus left on May 13 and arrived in Phoenix the next day.

In Phoenix, the Freedom Riders arrived just in time to protest at the JW Marriott Hotel. Inside, Sarah Palin was said to be joining the hate campaign alongside Arizona Gov. Brewer. The group marched out of the bus singing a melody written by a fellow Freedom Rider. They were quickly approached by Marriott security agents and over 30 local police officers. Undaunted, the group set up their picket line before hundreds of wealthy Republican Brewer supporters.

They didn’t move far even then, but went to the front of the hotel to continue the protest with local brothers and sisters. The Phoenix contingent fed the Dallasites a home-cooked meal of mole and tamales. The report that the Dallas group sent back home ended: “Our message is being heard loud and clear in Arizona ... America will not stand idle as the values we hold dear are threatened. We stand in solidarity with our brothers and sisters as we act as defenders of American values of justice for all and justice now. Hasta la victoria!”

### Protestando ley antiinmigrante, se transforman ‘Phoenix Suns’ a ‘Los Suns’

Por Pepe Lozano

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sultado de la aprobación de esta ley es que se ponen en tela de duda nuestros principios más básicos de igualdad de derechos y protecciones bajo la ley,” declaró el dueño de los Phoenix Suns.

La ley define como crimen estatal el hecho de estar en Arizona sin documentos en arreglo y autoriza a la policía local verificar el estatus legal de quienes sospechen de ser inmigrante indocumentado.

El Gerente General de los Suns, Steve Kerr, dijo que la organización ha concluido que tiene el “deber” de dirigirse a la cuestión.

“Es difícil imaginar en este país que tenemos que producir papeles,” dijo Kerr al diario Arizona Republic. “Nos hace pensar en imágenes de Alemania Nazi. Comprendemos que las intenciones de la ley no buscan eso, pero tienes que tener mucho, mucho cuidado. Es importante que todo mundo en nuestro estado y la nación entiendan que esta es una cuestión que se tiene que explorar. Así que estamos tratando de exponerla”.

Apoyan la NBA y el sindicato de jugadores de la liga la decisión de los Suns de protestar a la ley.

El co-capitán de los Suns, Steve Nash, canadiense nacido en Sudáfrica que tiene tarjeta verde para trabajar en EEUU, dice que la idea de llevar puestas las camisetas y protestar a la ley es “fantástica”.

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