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States move on banks over foreclosure epidemic

By Juan Lopez

As street heat and public opinion escalates to “make the banks pay,” a number of states are moving aggressively to bring relief to homeowners facing foreclosure and make financial institutions pay for the crisis they created.

On Dec. 6, while grassroots militant actions were breaking out in some 20 states, California Attorney General Kamala Harris and Nevada Attorney General Catherine Cortez Masto declared their states were joining forces to more effectively combat fraud and other misconduct in the mortgage industry at a press conference in Los Angeles.

Nevada and California are the epicenter of the nation’s foreclosure epidemic, with first and second place rankings respectively in the nation’s foreclosure rate.

“There must be accountability and consequences associated with this crisis,” Harris said. “There must be meaningful relief for people in the process of foreclosure and in the process of modifying their home loans.” Harris said her state would also be pursuing “lasting reform” in the mortgage industry.

A week earlier, Massachusetts announced it was suing the nation’s five biggest mortgage services over foreclosure illegalities.

These actions are widely interpreted as moves



to escalate pressure on the nation’s largest financial institutions, currently in negotiations with a coalition of state attorneys general being facilitated by the federal government, over mortgage industry abuses.

Harris has said the proposed national settlement - purportedly about \$20 billion - is inadequate and grants too much immunity to bank officials.

New York, Delaware, Kentucky and Minnesota have also indicated displeasure with the nature of the proposed settlement and the pace of negotiations, which have dragged on for more than a year. New York and Delaware earlier also struck

T H I S W E E K :

- States move on banks over foreclosure epidemic
- Editorial: Mumia win a victory for democracy
- Chicago mayor aims to aggressively privatize schools
- Union rallies call for jobs
- Muerte y persecución: Coca Cola y Luis Adolfo Cardona

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their own pact to investigate Wall Street’s role in the mortgage crisis.

Lenders have stepped up their efforts to foreclose in California and Nevada.

Nevada's Masto denounced the cold-blooded activities of both the established financial institutions and fly-by-night outfits offering desperate homeowners relief they cannot deliver.

"Families are being forced out of their homes," Masto said. "This crisis is causing great havoc in the local economy."

Lenders have stepped up their efforts to foreclose in California and Nevada.

Notice of default filings in California - the initial step in the foreclosure process - increased 17 percent in October to a 13-month high of 29,240.

With a one in every 243 homes receiving a new foreclosure filing, the Golden State had the second highest foreclosure rate in the nation in October. The first place prize went to the Silver State, with one in every 180 housing units receiving a foreclosure notice.

Masto this week said she had expanded a criminal probe involving employees of Lender Processing Services, a Florida-based firm and key player in the national dispute over fraudulent foreclosure practices. Two California Orange County loan officers are the ringleaders of the scam.

Masto sued Bank of America last December for breaking a three-year-old agreement with Ne-

vada over predatory lending practices by its Countrywide unit.

Masto's suit, amended in August, accused the nation's largest lender of filing faulty foreclosures against homeowners with pending loan modification requests and raising interest rates of troubled borrowers after promising to lower them.

California's Harris is also investigating Bank of America and its mortgage arm Countrywide Financial, along with Citibank, on their practices selling mortgaged-backed securities in California.

Harris said California is investigating abuses in originating and servicing mortgage loans as well as looking into foreclosure rescue schemes that prey on desperate homeowners "who are trying to do anything and everything to keep their homes."

Paul Leonard, California director of the non-profit Center for Responsible Lending, said the pact between California and Nevada "brings more firepower to the efforts to investigate."

Both states will be able to share information, witnesses, subpoenaed documents, litigation strategies and other resources.



Juan Lopez is Vice Chair of the Communist Party.

Mumia win a victory for democracy

By PW Editorial Board

A huge victory occurred yesterday with the announcement of the defeat of efforts to execute journalist and activist Mumia Abu Jamal.

Abu Jamal has been on death row in Pennsylvania for 30 years, unjustly accused of killing police officer David Faulker.

It is a victory for Mumia himself, who has kept the faith despite the tortuous isolation. It is also a victory for the ordinary working people who sustained it. It is a victory against over systemic racism in the U.S. criminal justice system.

Coming in the aftermath of the execution of Troy Davis it is yet another sign of the birth of a new movement to abolish the death penalty.

Davis's murder by the state of Georgia represents a turning point in this effort.

Outraged by the injustice, public sentiment is beginning to make a significant shift.

The decision by the Philadelphia's district attorney Seth Williams, encouraged by the slain officer's widow, takes place within this context.

Philadelphia prosecutors earlier efforts to obtain the death penalty against Abu Jamal was

blocked by a federal appeals court 2008 ruling ordering a new sentencing hearing because of improper jury instructions. After 3 years of internal debate and public pressure the DA's office faced with the prospect of years of new appeals finally relented.

The struggle to free Mumia continues. As in the case of literally hundreds of death row convictions there was ample evidence of police tampering, withholding of evidence and improper legal procedures.

It is this systemically racist application of the death penalty that repulses the U.S. public.

Public revulsion must be broadened and deepened to final success.

In this regard, next year's election will be an important testing ground. Will those those tea party led elements who in recent GOP candidate forums cheered state sanctioned executions prevail or will the the civilized democratic majority regain control of Congress.

If the latter, Mumia Abu Jamal's important victory will have made a significant contribution.

The assault on the constitutional right to due process, and also on the ancient right of habeas corpus, is blatant.

Chicago mayor aims to aggressively privatize schools

By John Bachtell

Mayor Rahm Emanuel and Chicago Public Schools sparked uproar among educators, legislators and many parents with the announcement that a record 10 schools will be “turned around” and 8 others will be closed or phased out in response to low performance.

Meanwhile CPS will radically expand its relationship to charter school operators.

The action will affect 10,000 students and result in the firing of 600 teachers, principals, building maintenance, cafeteria and other workers. All the turnarounds and closures are on the West and South Sides, predominantly African American and economically distressed communities.

The twin announcements came as new studies show the last 10 years of school reforms driven by leading corporate and financial interests, including turning increasingly to charter schools, have barely made a difference in student achievement.

In announcing the plans, CPS CEO Jean-Claude Brizard said they are part of a more aggressive response to the recent report that 42 percent of the city’s schools were on probation for academic low performance. Critics say placing schools on probation opens the door for new rounds of closings and privatization.

Chicago Teachers Union (CTU) President Karen Lewis sharply criticized the announcement. “School closings, consolidations, turnarounds and other similar experiments do not work and do little to improve student achievement,” said Lewis.

CPS will contract with Academy for Urban Leadership (AUSL) to run six of the turnaround schools and provide them with \$20 million.

Teachers at the AUSL schools will still be under the CPS-CTU collective bargaining contract.

The CTU and community groups have launched a campaign to “support our schools, don’t shut them down.” Over 400 people gathered to map out strategy of bringing together teachers, parents, students and community to oppose the



Board’s actions.

The new board action marks over 100 schools, nearly one in six, that have been “turned around” or closed since a new policy took effect in 2002 under then schools CEO and current Secretary of Education Arne Duncan. Under the policy the entire school staff is dismissed, and outside “education maintenance organizations” are often brought in to run the schools.

The CPS relationship to AUSL, the national charter operator started by venture capitalist Martin Koldyke, is called a conflict of interest.

Earlier this year Emanuel doubled the number of AUSL run teacher-training academies, from seven to 14. Emanuel is continuing a privatization policy begun under Mayor Richard M. Daley.

In signing the pact, which could mean millions of dollars from the Gates Foundation in additional funding for charters, Emanuel was ignoring fresh evidence that charter schools don’t provide any advantage over traditional public schools. In a new report the Illinois board of education found eight of nine Chicago charter school networks do worse than traditional schools for the percentage of students who pass state standardized tests.

The relationship to the national charter operator is called a conflict of interest.

Union rallies call for jobs

By Mark Gruenberg

Jobs, justice and voting rights were the focus of two mass rallies in New York City, Dec. 9-10.

The rallies there, which attracted unions ranging from the Retail, Wholesale and Department Store Workers to AFSCME, SEIU and more, emphasized the heavy impact the recession has on minority workers and the anti-minority rights impact of voter suppression laws now pending around the country.

Organized by the Rev. Al Sharpton's National Action Network on Dec. 9 and the NAACP the following day, the rallies drew thousands to sites in Manhattan. The network's rally opened with a protest march that started at the New York offices of the infamous Radical Right Koch Brothers - funders of politicians such as Gov. Scott Walker, R-Wis. - before moving downtown. AFSCME was its main union backer.

Sharpton's group said their rally was to call attention to the disproportionate impact that state and local government firings and budget cuts have on members of minority groups. A recent study showed African-Americans are 30% more likely to hold public sector jobs than white workers are. Sharpton's group also sponsored rallies in other cities, including Chicago, Cleveland, Detroit, Milwaukee and Baltimore.

The rallies "bring attention to the growing economic disparity in these cities, lack of employment, and equality issues surrounding our current economic state. The rallies... call attention to the disproportionate layoffs of Blacks, Latinos and other groups, and the growing wealth gap. The rallies are in cities most impacted by joblessness and attacks on workers rights," the group said. "With African-American unemployment at an unacceptable 15%, this is a clear sign that we need action - inaction is not an option."

Muerte y persecución: Coca Cola y Luis Adolfo Cardona

Por Wilmer Barzallo

"Por luchar por los derechos de los trabajadores, de los indígenas, de los campesinos y de los estudiantes hemos sido víctimas del exilio, persecución, desaparición y asesinato". Así iniciaba el relato de su pesadilla con Coca Cola el dirigente social colombiano Luis Adolfo Cardona. Exiliado desde el 2002 en los Estados Unidos junto a su esposa y sus dos hijos, Cardona muestra un profundo conocimiento de la situación política, económica y social de su país.

Si bien organizaciones sindicales sólidas pueden ser determinantes para mejorar salarios, condiciones de trabajo y derechos humanos; en Colombia estas organizaciones pueden ser sinónimo de muerte. De hecho éste país se ha convertido en el más peligroso del mundo para líderes sindicales con cerca de cuatro mil asesinatos en los últimos veinte años.

La historia de Cardona, como la historia de centenares de obreros, es una historia de terror instituida por la paradójica "chispa de la vida", transnacional responsable de más de una decena de muertes en la zona de Antioquia, al norte de Colombia.

El vehículo de represión según Cardona son grupos paramilitares que fueron "armados y entrenados por el gobierno de Alvaro Uribe". Estos "escuadrones de la muerte" en presencia suya asesinaron al miembro de la unión y compañero de planta Isidro Segundo Hill, el 5 de diciembre de 1996. Estos mismos agentes de la violencia ingresaron en la planta de Cardona y ofrecieron el ultimatum de inmediata renuncia al sindicato o muerte. Las renuncias habían sido redactadas por la compañía misma. "Así terminaron con la organización", dijo.

Este oscuro capítulo vivido por

Cardona lo convirtió en blanco de intimidación, persecución y muerte. Secuestrado por ocho paramilitares aquel mismo fatídico 5 de diciembre, Luis Adolfo logró escapar y hacer pública esta tétrica historia. Coca Cola se había empeñado manifiesta, en destruir el sindicato para pagar menos mano de obra y para someter a los trabajadores a una pobreza absoluta. En las vísperas, cuando el sindicato esperaba respuesta al nuevo pliego de peticiones el día 6 de diciembre de 1996, Coca Cola si respondió, pero con el asesinato de Hill, el secuestro de Cardona y la toma de la planta por parte de los paramilitares. Estos grupos que hoy se hacen llamar "Aguilas Negras", "fueron armados y entrenados por el gobierno colombiano y fueron patrocinados por Alvaro Uribe Vélez". Cuando en el 2002 sus denuncias alcanzaron niveles nacionales e internacionales el odio del gobierno se aceleró y llegó a ser "el blanco de los paramilitares". Cuando las amenazas de muerte se intensificaron e incluyeron a familiares Luis Adolfo no tuvo otra alternativa sino salir del país.

Hoy Cardona vive en Chicago gracias al esfuerzo conjunto de la Federación Americana del Trabajo y del Departamento del Trabajo.

A cerca de diez años en el exilio regresará a Colombia mientras no se acaben los paramilitares", concluyó., Cardona trabaja en la actualidad como organizador para el sindicato United Steel Workers (Unión de Trabajadores del Acero). A pesar de que extraña inmensamente a su país y a "sus seres queridos", Luis Adolfo Cardona no encuentra hoy condiciones de seguridad en su país natal.