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# The Homeowners and Bank Protection Act of 2007

## Save the Homeowners, and the Banks!

The LaRouche Political Action Committee (LPAC) announced a mass mobilization on Aug. 22, to get Congress, on return from recess after Labor Day, to enact the Homeowners and Bank Protection Act of 2007. This legislation, crafted by Lyndon LaRouche, is the only means, at this late date, for stopping millions of home foreclosures and evictions this year and next, and for launching a larger process of bankruptcy restructuring of the U.S. and global dollar-based financial system, which is now already doomed. Governors and state legislators all across the United States will enthusiastically join in this effort, which some leading bankers and Democratic Party figures, briefed on LaRouche's proposal, have already declared is "doable" and the "only salvation" for the American people.

Here are the essential features of the Homeowners and Bank Protection Act of 2007:

**1.** Congress must establish a Federal agency to place the Federal and state chartered banks under protection, freezing all existing home mortgages for a period of however many months or years are required to adjust the values to fair prices; restructure existing mortgages at appropriate interest rates; and write off all of the cancerous speculative debt obligations of mortgage-backed securities, derivatives, and other forms of Ponzi schemes that have brought the banking system to the present point of bankruptcy.

**2.** During this transitional period, all foreclosures shall be frozen, allowing American families to retain their homes. Monthly payments, the effective equivalent of rental payments, shall be made to designated banks, which can then use the funds as collateral for normal lending practices, thus recapitalizing the banking system. Ultimately, these affordable monthly payments will be factored into new mortgages, reflecting the deflation of the housing bubble, and the establishment of appropriate property valuations, and reduced fixed mortgage interest rates. It is to be expected that this process of shakeout of the housing market will take several years to achieve. In this interim period, no homeowner shall

be evicted from his or her property, and the Federal and state chartered banks shall be protected, so they can resume their traditional functions, serving local communities, and facilitating credit for investment in productive industries, agriculture, infrastructure, etc.

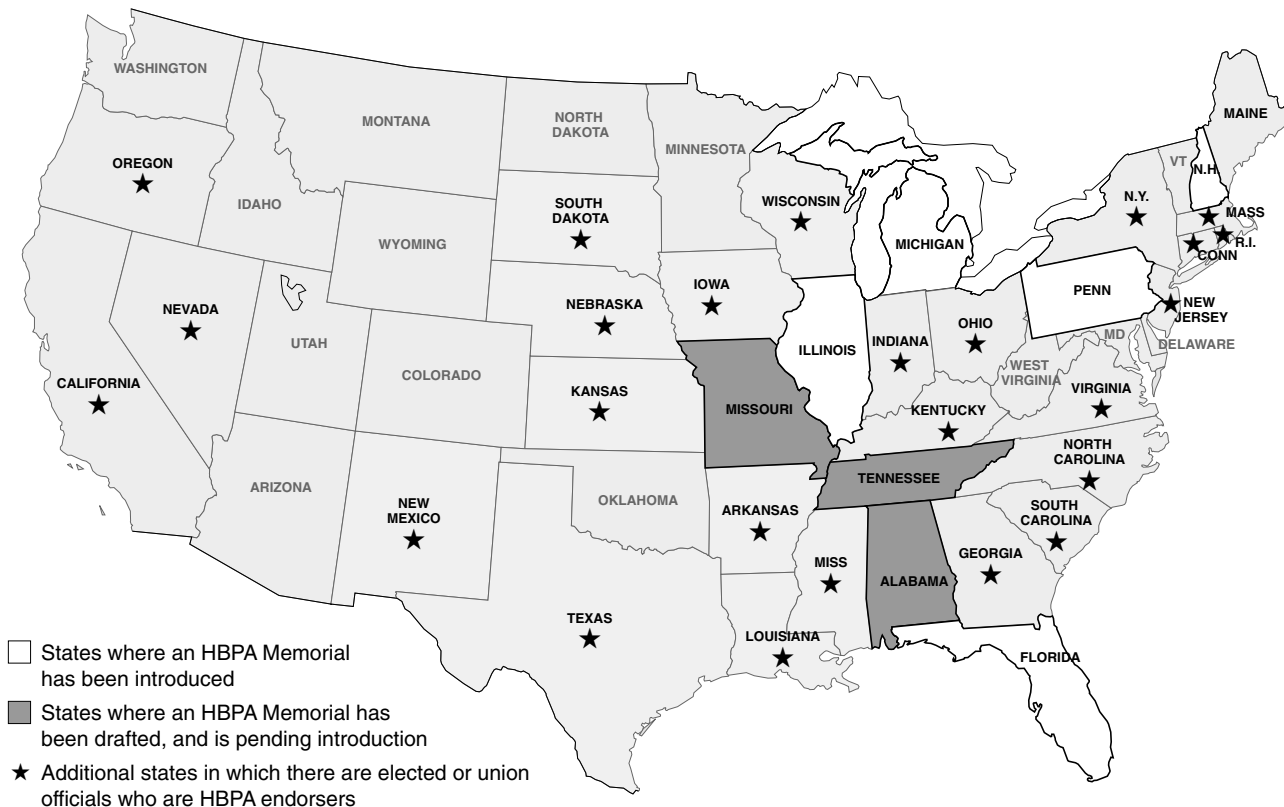
**3.** State governors shall assume the administrative responsibilities for implementing the program, including the "rental" assessments to designated banks, under the authority of the Federal government, which will provide the necessary credits and guarantees to assure the successful transition.

By September-October, unless this legislation is enacted as a first order of business of the 110th Congress in September, many millions of Americans will be evicted from their homes, setting off a process of social chaos that must be avoided. The freezing of foreclosures is the vital first step in a thorough reorganization.

Under this plan, the Federal Reserve System will, itself, be put through bankruptcy reorganization, and transformed into a Third National Bank of the United States. As developed in LaRouche's just-released draft platform for the Democratic Party, these actions shall be complemented by the creation, by treaty agreement among leading nation-states, of a new Bretton Woods system, based on fixed exchange rates, and long-term treaty agreements for large-scale development projects on a global scale.

The foreclosure tsunami is occurring, not as a result of a mere housing or mortgage crisis, but a disintegration of the entire global financial system. There is no bottom to this collapse—unless a legislative firewall is created now, and a halt to the income drain on the population, brought on by the hyperinflationary debt bubbles created by Alan Greenspan and his ilk.

Once again, at a crucial inflection point, Lyndon LaRouche has provided the solution which will uniquely remove the nation from the pathway to disaster. Now the question is, will the leaders among the American population stand up and lead the fight to win a human future for our nation, and civilization itself?



# You, the Citizen, Must Get Congress to Act!

Why hasn't the Congress passed LaRouche's Homeowners and Bank Protection Act (HBPA) yet? The American citizenry has done its job—burned their asses politically to force them to act.

At this very moment, the HBPA is the *only* thing that will work to save the United States, and the people in it, from mass foreclosures and a shutdown of the financial system. Many leaders on the state and local level understand this clearly (see map). More than 75 elected state officials, and hundreds of labor leaders and others, have come forward to sign a petition demanding the HBPA be enacted. A number of local leaders have introduced memorials in their political bodies, and in Pontiac, Mich., the memorial was passed by the city council.

But Congress and full state legislative bodies have refused to act. Felix Rohatyn, George Shultz, George Soros and Co. are all operating to prevent Congress from doing what most lawmakers know needs to be done. These traitors have been effective—and Congress's popularity has gone down to 10.7%! Lower than Cheney! Lower than Bush!

Meanwhile, mass foreclosures have already begun to occur. People are enraged, and threatening to revolt. This is the stuff fascism is made of—unless real patriots stand up and demand the only solution that returns us to the principle of the U.S. Constitution—the HBPA!

Call LaRouche PAC today! The HBPA must be rammed through now!

**LaRouche PAC** On the Internet: [www.larouchepac.com](http://www.larouchepac.com) Call toll-free: **1-800-929-7566**

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