

California Communities in Crisis; How Do We Respond?



\$17,000,000,000,000



FURLOUGH



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The Picture in California

- 25%** Foreclosures in US are in CA
- 2 million** Foreclosure projected thru 2012
- \$627 billion** Lost home wealth
- 35%** Mortgages underwater
- 1.2 million** Jobs lost
- 50%** Bank lending to small business
- 12%** Unemployment
- \$20 billion** Budget deficit- plus cities and counties



***Who is Forcing American families into
Economic Crisis***

HOW WALL STREET STOLE CHRISTMAS

GOUGING

RECKLESSNESS

EVASION

EXTORTION

DECEPTION



**Corporate Hoarding:
Nearly 2 Trillion Dollars in Reserves
Not Including Financial Institutions**

**2009/10 Banker Pay:
\$285 Billion**

**2010 Wall Street Profits \$30 Billion
Highest In US History**

Wall St Practices Crashed the Economy

Bank of America.



JPMorgan



WELLS
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- **Debt Pushers –**
 - Predatory home lending created foreclosures
 - Credit Card offers
- **Gouging government with financial tricks**
(bonds, swaps, lending)
- **Cheating consumers with high fees**
(bank fees & credit card rates)
- **Not paying fair share of taxes**
- **Low worker wages, record high CEO pay**
(CEO bonuses and pay)

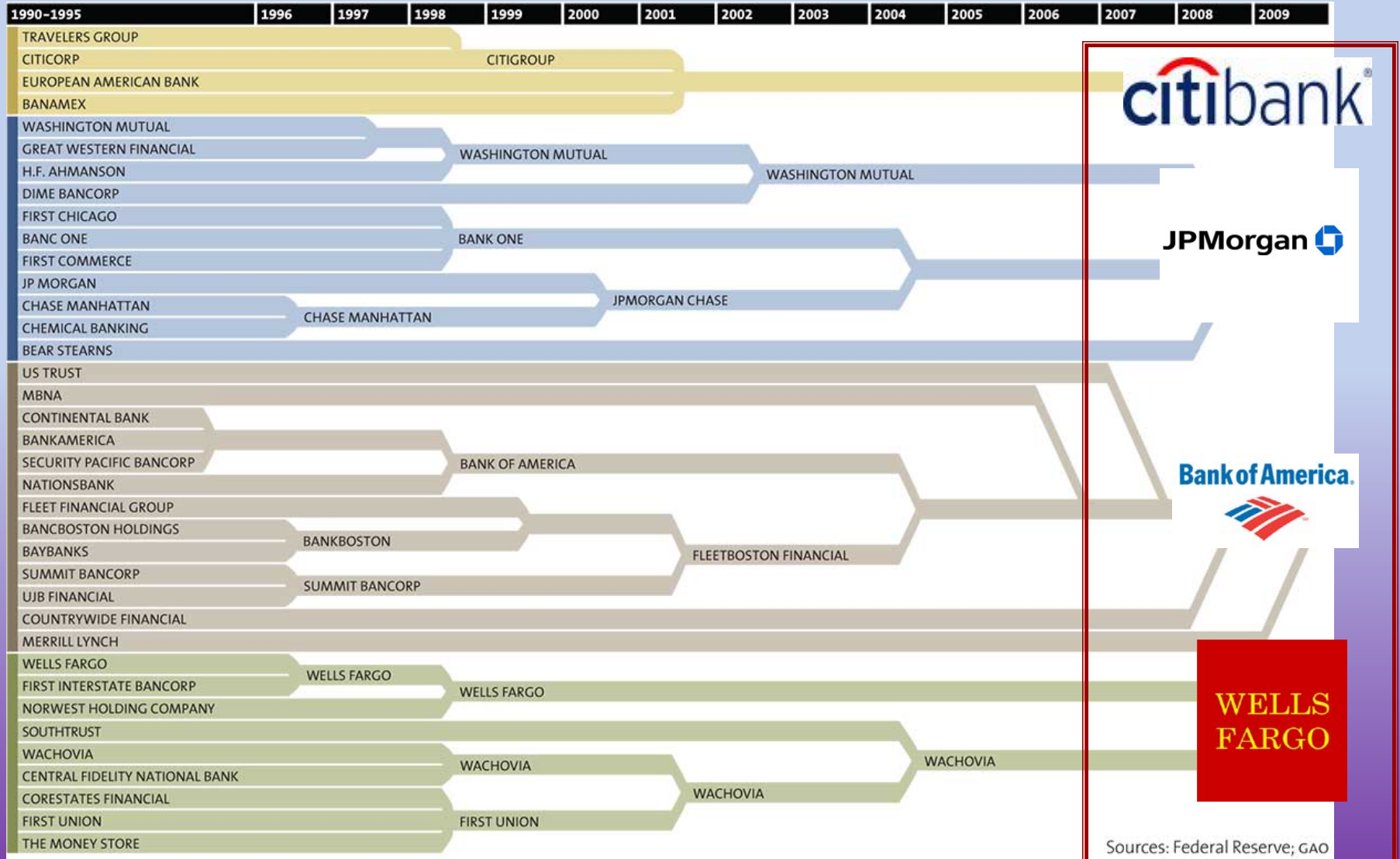
Who's To Blame For The Crisis?

Wall Street Plays Hardball: Taxpayers are taking another hit as strapped local governments fork over billions in fees on investments gone bad
(Business Week Cover Story)

The banking industry has reduced lending for five consecutive quarters, even as it has regained profitability thanks to vast public aid. (Washington Post)

Foreclosure relief program is stuck in first (Washington Post)

The Big Four



Sources: Federal Reserve; GAO

PLUTOCRACY REBORN

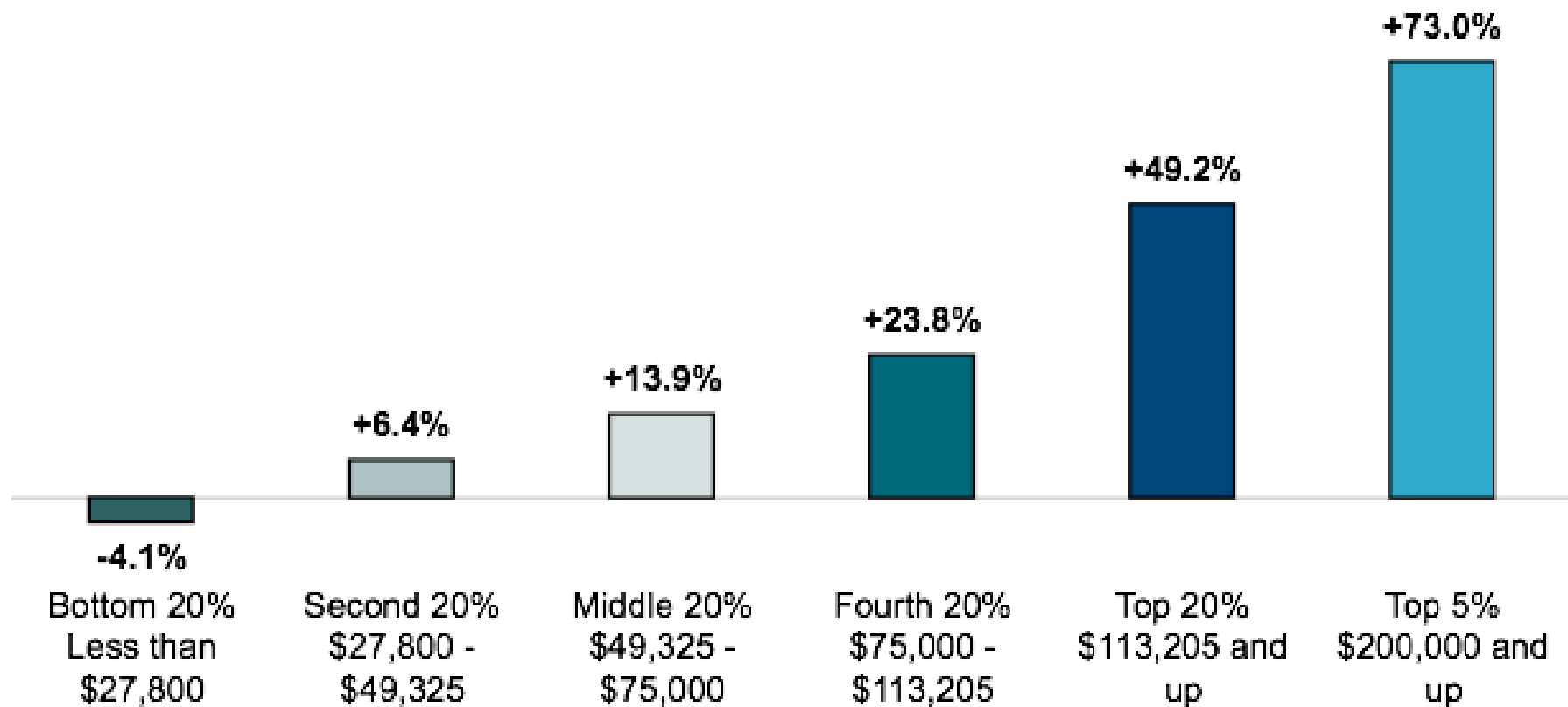
A half-century ago, thoughtful Americans considered the Gilded Age ancient history. By the 1950s, robber baron fortunes no longer dominated – or dazzled – America’s political and economic landscape. But that’s all changed. The awesomely affluent haven’t just returned. Today they cast an even greater shadow.

Re-creating the Gap that Gave Us the Great Depression

Average income of top 0.01 percent of US families as a multiple of average income of bottom 90 percent of US families

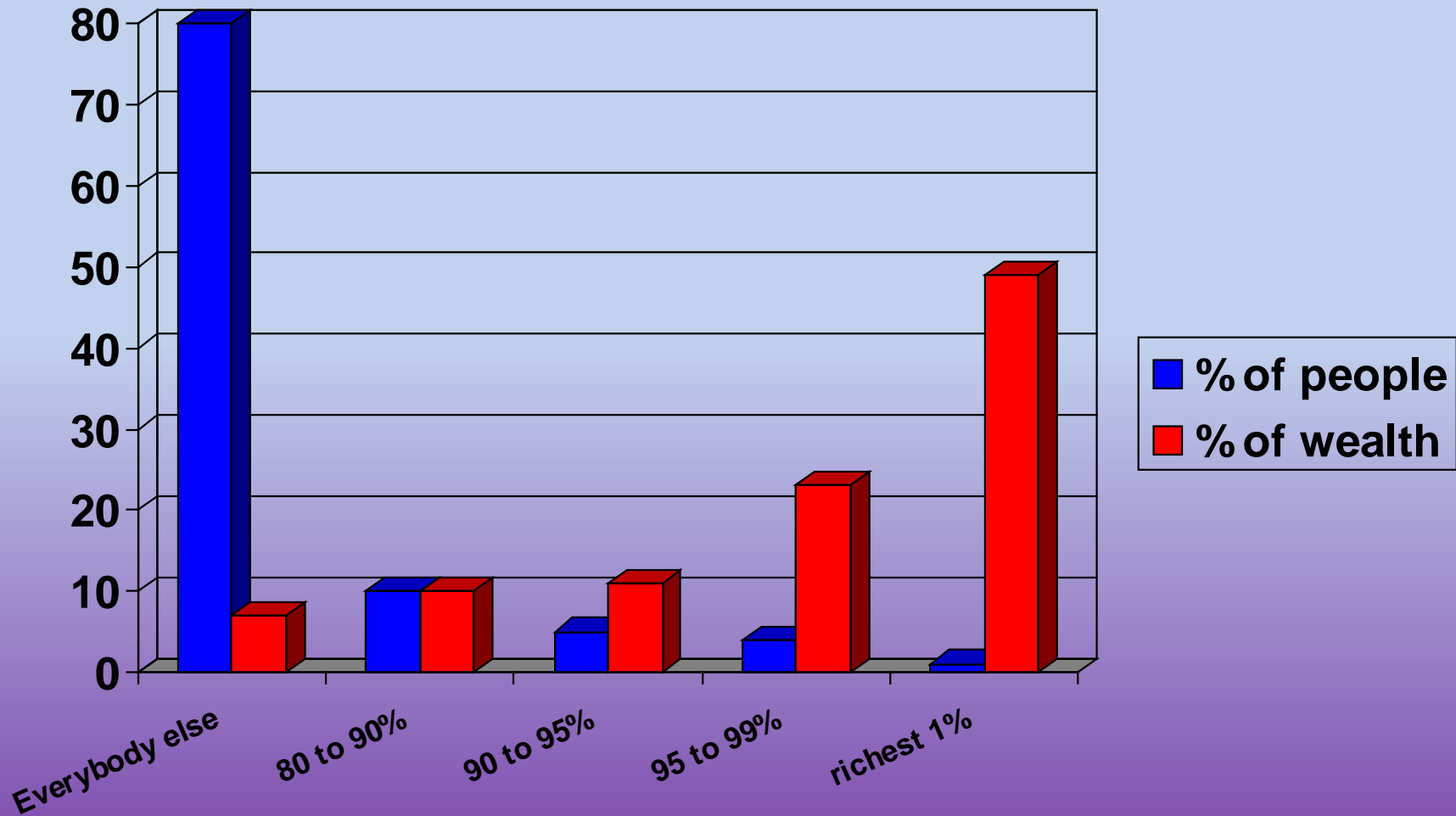


Change in Real Family Income by Quintile and Top 5%, 1979-2008



Source: U.S. Census Bureau, Historical Income Tables, Table F-3 (for income changes) and Table F-1 (for income ranges in 2008 dollars).

Distribution of Wealth and Population – US 2010





Toxic Swaps Banks Gouging Taxpayers For Hundreds of Millions of Dollars

Swaps by Local Geography	Known Swaps	Annual Loss to Bank Gouging	Termination Fee
221	1	(1,006,302)	Unknown
521	11	(20,041,638)	(103,788,764)
721	16	(62,012,078)	(135,277,807)
1021	60	(179,734,688)	(654,390,990)
Other CA	170	(277,645,540)	(510,080,000)
CA Known To Date	258	(540,440,246)	(1,403,537,562)

Toxic Swaps Banks Gouging Taxpayers For Hundreds of Millions of Dollars



Wall St Banks and Corporation Avoid Paying Taxes

Taxes paid last year = \$0



Paid less than 10% taxes





2010 Banker Pay: \$145 Billion!

That's Enough To...

- Stop Every Foreclosure Through 2012
- Fill Every State and Local Budget Gap
- Create 2.8 Million \$50,000 paying jobs



PHOTO: MICHAEL O'NEILL

Jamie Dimon, CEO JP Morgan Chase

Bailouts: \$99.8 billion

2010 Compensation: \$15.5 million

**Pay for top bankers:
\$26.9 billion**

**2010 highest profits in
company history**

Who Is Going To Pay?



California Families Like Debra and Tommy Beard

- Debra is a teacher's assistant who helps educate California schoolchildren.
- Tommy is a cook at St. Francis Hospital, where he helps feed the sick.
- Debra and Tommy made a combined \$60,000 in 2009.
- Debra, Tommy and the rest of American taxpayers gave Jamie's bank \$99.8 billion in bailouts in its time of need.
- Debra and Tommy are being foreclosed by JPMorgan Chase after 25 years of home ownership.



Jamie Dimon, CEO of JPMorgan Chase

- Jamie forecloses schoolchildren's homes and throws them into the street.
- Jamie's bank cooks up schemes such as credit default swaps to feed Wall Street greed.
- Jamie made \$13.4 million in 2009 and paid \$26.9 billion to JPMorgan Chase bankers.
- Jamie refuses to give Debra and Tommy a permanent, affordable loan modification to help them stay in their home.

Jamie Dimon and JPMorgan Chase. ***Stop Foreclosing Our Homes!***

THE BEST DEFENSE IS A POWERFUL OFFENSE

- **Going On Offense Isn't:**

- **Doing defensive fights more militantly**
- **Doing defensive fights with more people**
- **Calling defensive fights "Going on Offense"**

- **Going On Offense Is:**

- **Identifying the Real Corporate Forces Driving Our Communities into Crisis**
- **Taking Our Fight Directly To Them – Face to Face with the people paying the price for their greed.**
- **Creating A Crisis For Them to Force Them to Agree to Rebalance the Economy**

Going On Offense – Expose the Real Culprits And Make Them Pay Their Fair Share

Bank of America.



JPMorgan 

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- Form/Expand Base and Coalition
- Ongoing Direct Campaigns on Banks to Change Practices
- Force Elected Officials To Declare on Bank Accountability

Going On Offense

