

National News

VA Tech Panel Gets LPAC Briefing Book

At the third public hearing held by the Virginia Tech Review Panel at George Mason University in Virginia on June 11, LaRouche PAC representatives again highlighted the possible role of video game violence in the April 16 massacre.

Aside from the issue broached by LPAC, there were three “politically correct” topics up for discussion at the hearing: mental health and mental health treatment; restrictions on access to health records due to privacy laws; and gun control, largely taken up during the period reserved for public comment. The materially relevant subject of public access to shooter Seung Hui Cho’s medical and psychiatric records caused considerable frustration on the part of the commission members, with panelist Judge Diane Strickland saying she felt they were blindfolded and gagged in their investigation.

A briefing booked compiled by LPAC, entitled, “After the Virginia Tech Massacre: Stopping the ‘New Violence,’” was made available to all members of the Review Panel. Included in the book are a selection of articles and other documentation on video game violence, which highlights the work of experts, including Lt. Col. Dave Grossman, Dr. Craig Anderson of Iowa State University, and Dr. James McGee of Sheppard Pratt Hospital in Baltimore.

May Foreclosures Up 90% Over Same Month in 2006

A report of the May jump in single-family home foreclosures, by the RealtyTrac firm, shows a rise of 19% from April to May, and a level 90% higher than May 2006. The firm’s report of default notices, auction sale notices, and repossessions totaled 176,137 in May, higher than other tracking firms which use different data methods.

“After a barely perceptible dip in April, foreclosure activity roared back with a vengeance in May,” said James Saccacio, CEO of RealtyTrac.

“Such strong activity in the midst of the typical Spring buying season could foreshadow even higher foreclosure levels later in the year [and] add to the downward pressure on home prices in many areas.”

The foreclosure rate is now being worsened by steadily rising long-term interest rates.

The foreclosure tracking firm Bargain Network reported another national increase in May, by 6% from April, in properties entering some stage of foreclosure. The total was 149,000 homes, according to Bargain Network.

Even Bargain Network’s lower May figure is nearly 40% higher than the same firm counted six months ago, in November 2006, when the total entering foreclosure was 108,000.

The increase is highly concentrated in five states with “exploding” subprime and jumbo-loan markets: Florida, California, Texas, Illinois, and Colorado had as many foreclosures in May as the entire country did last November.

The national anger building over the foreclosure wave was shown in legislation to make “mortgage fraud” a felony, proposed June 12 by Massachusetts Gov. Deval Patrick, as part of a package aimed at stopping foreclosures.

Hagel: ‘Collision Coming’ On Corn—Biofuel or Food

Sen. Chuck Hagel (R-Neb.), speaking June 12 in Washington, D.C. at an energy event, said that, “You’ve got a collision coming” between the use of corn for ethanol, and the need for corn for livestock feed. Referring to his home state as a leader in both corn and beef, he said, “We’re going to see more debate” over biofuels policy. Hagel pointed out that corn is now \$3.60 a bushel, and “we can’t grow enough of it.”

This year there is more acreage being planted to corn—around 92 million acres—than anytime since 1944. Hagel pointed out that there are now 120 operational ethanol plants in the country, with 75 being built, and still more planned. So, “The cattle guys come in and say, ‘Wait a minute! You know

what this is doing to us?’” Even getting corn is a problem.

Noting that right now, about five billion gallons a year of ethanol is being used in the United States, counting in that the 12% that is imported, Hagel said that the original goal of reaching 7.5 billion by 2012—set in the Daschle/Hagel bill on renewables a few years ago, will be reached far sooner.

Hagel drew two points in conclusion. First, “A deeper, wider portfolio of energy sources,” is required in the United States, and he included “more nuclear,” among several “options” cited. But secondly, he said several times, that “the marketplace will sort this out,” meaning the food-vs.-fuel “collision.”

Hagel gave the luncheon keynote to the U.S. Chamber of Commerce event launching a new “Institute for 21st Century Energy,” at which speakers included backers of biofuels and global warming swindles. Hagel described four new energy bills he has introduced, all within the framework of biofoolery and climate change. Therefore, the irony was unintended, when Hagel spoke about the corn shortage problem, “The market will sort that out...if the government doesn’t do dumb things.”

Largest Health Insurer Ripping Off California

The nation’s largest “health care provider” is under investigation by California state regulators for siphoning off a \$950 million dividend from residents of the state. That is almost seven times the \$141 million Wellpoint, Inc.’s subsidiary, Blue Cross of California, is allowed under an agreement with the state’s Department of Managed Care. The agreement paved the way for a merger that made WellPoint the country’s largest health insurance corporation.

Meanwhile, Blue Cross continues to jack up the premiums it charges the 7 million Californians for whom it is supposed to provide coverage.

“Health insurance is a competitive industry that does not exhibit excessive profit margins,” WellPoint spokesman Shannon

Briefly

BEAR STEARNS issued \$4 billion in Mortgage Backed Securities June 14, in a desperate effort to shore up its losses in the sub-prime blow-out. Two of its funds are in trouble, and if both close, as expected, then a subsidiary of Bear Stearns, Everquest Financial, could go out of business, just as it was about to conduct an IPO. One of the endangered funds, the "High-Grade Structured Credit Strategies Enhanced Leverage Fund," has \$640 million in invested capital, plus \$6 billion in borrowed capital, mostly from Goldman Sachs and Bank of America.

REP. WALTER JONES, a critic of the Iraq War, said of the Republican Congress's relationship with the President, "We had better relationships with the [White House] legislative affairs shop when [Bill] Clinton was the President—even after we impeached him." The North Carolina Republican made his quip before the June 13 "President's Dinner," where fundraisers underachieved.

BUBBLES GREENSPAN, speaking recently in New York, made note of the rising interest rates, and said that the liquidity boom can't last forever, so, "Enjoy it while it lasts!"

THE FED must use its authority to write regulations prohibiting unfair and deceptive mortgage practices, House Financial Services Committee chairman Barney Frank (D-Mass.) told a June 13 hearing—or Congress will find an agency, such as the FDIC, that will.

FBI AGENTS frequently violated the law or agency rules while collecting communications and financial data with "national security letters," according to a new FBI internal audit. The report was leaked to the *Washington Post*. Reviewing just 10% of such investigations, the audit found 1,000 violations of law or agency rules.

Troughton told the May 26 *Los Angeles Times*.

WellPoint CEO Angela Braley boasted to the Bank of America Health Care Conference June 1, "WellPoint has a consistent track record of delivering on our financial promises to Wall Street, and we expect this to continue."

In April, Braley was named one of the Top 25 Women in Healthcare by *Modern Healthcare* magazine. The month before, Wellpoint was dubbed by *Fortune* magazine one of America's Most Admired Companies.

Hedge Funds Buy Up Used Politicians

Hedge funds and private equity firms are buying up used government officials in the Americas and Europe. One of the funds, Centaurus, said recently that the former public servants help provide the "big picture perspective" and an understanding of complex government deals. Ironic, since one of the arguments hedge funds make against regulation, is that their business is so complex that government types can't understand it.

Among those on the take at vulture funds are: former British Finance Minister Ken Clarke (Centaurus); former Spanish Prime Minister José Maria Aznar (Centaurus); former Bush 43 Treasury Secretary John Snow (Cerberus); former Bush 41 Vice President Dan Quayle (Cerberus); former Bush 43 Treasury Secretary Paul O'Neill (Blackstone); former Canadian Prime Minister Brian Mulroney (Blackstone); former Clinton Treasury Secretary Lawrence Summers (DE Shaw); and former Clinton Ambassador to the UN Richard Holbrooke (Perseus).

Former President George Bush and former British Prime Minister John Major have formerly been with Carlyle Group.

Not to be outdone, a former Clinton Secretary of State has been set up with a hedge fund in her own name, "Albright Capital Management."

In its recent tally of bought-up former pols, AFP left out former Clinton Vice President Al Gore. Gore is chairman of the Generation Investment Management hedge fund,

where he stands to make more than chump change from carbon cap-and-trade deals made possible by his man-caused-global-warming propaganda.

Funds Use U.S. Banks To Steal from Africa

Reps. John Conyers (D-Mich.), Chair of the House Judiciary Committee, and Rep. Donald Payne (D-N.J.) went to President Bush this Spring, demanding he close the loophole, which allows U.S. bank accounts of poor nations earmarked for AIDS drugs, for example, to be attached and looted by vulture funds. Bush promised the Congressmen he would "get on top of it," but apparently did not attend the discussions on this problem at the G-8 meeting which ended June 8, Palast told Amy Goodman on a Democracy Now! interview on June 11. Pressure is also building on incoming British Prime Minister Gordon Brown to close this loophole.

"Vulture Funds" operated by major GOP contributor Paul Singer, the principal of Elliot & Associates hedge fund, and Michael Francis Sheehan, a U.S. resident who is the principal of Donegal Fund and Debt Advisory International, and other vulture funds, are looting international aid monies deposited by poor African nations in U.S. banks, according to a June 12 exposé by BBC investigative journalist Greg Palast.

The vulture funds thwart the intention of African debt relief by buying up the debts of poor countries just as they are about to be written off, for a small fraction of their value, then suing the nations for the full value. Under U.S. banking laws they can collect.

The case of Zambia is cited by Palast, where Sheehan bought Zambia's \$40 million debt for \$4 million, then sued to collect the entire \$40 million. Worldwide, Palast says, Sheehan and other vultures are suing poor nations for more than \$2 billion in debt. In February 2007, a British judge ruled that he had no choice but to order Zambia to pay Sheehan's firm \$15 million (a sum arrived at after a \$2 million "donation" to a former Zambian President's favorite charity). British law does not forbid such attachments.