
National News

The Bailout Is Killing Federal Housing Admin.

The Federal Housing Administration is running out of money, as a result of its role in the bailout of the imperial monetary system. The agency is being used to guarantee mortgages, as a way of propping up the values of the securities backing them. So far this year, the FHA has guaranteed 23% of U.S. home loans, up from about 3% in 2006.

By law, the FHA is required to hold reserves equal to 2% of the mortgages that it guarantees. The agency is in danger of violating that limit as of Oct. 1, FHA Commissioner David Stevens told the Sept. 18 *Washington Post*. To build up its reserves, the agency may need to turn to Congress for a bailout, although Stevens insists, "We are absolutely not going to Congress and asking money for the FHA. We're not going to need a special subsidy or special funding of any kind." Brave words, Mr. Stevens. Given the way the economy continues to collapse, you're going to have to eat them.

Frank Whines: GOP Has Not Repudiated LaRouche

Appearing on CNN's "Anderson Cooper 360 Degrees" program Sept. 17, Rep. "Bailout Barney" Frank (D-Mass.) attacked Republicans and conservatives for not repudiating Lyndon LaRouche. He even whined that he has been criticized by Fox News "for being rude to a LaRouche advocate holding a picture of the President as Hitler."

Prior to Barney's outburst, Rep. Mike Rogers (R-Mich.) accused "people in the talking head arena" of misjudging the town hall meetings. Rogers pointed out that "these are just average people" who are agitated about health care and other matters.

Cooper then played a video clip of Frank's famous encounter with La-

Rouche PAC's Rachel Brown, to which Barney retorted that the woman who asked that question was "an advocate of Lyndon LaRouche ... who came out of deep lunacy."

Frank then sputtered, "The mistake I think conservatives have made, and they're paying for it now," is that they were happy to let the LaRouche people and others attack Democrats, when they should have been repudiating LaRouche.

Lyndon LaRouche's comment on Barney Frank's performance, was that he is paranoid and needs a shrink; and that the idea of the Republicans curbing LaRouche is ludicrous.

A spokesman for the Jewish Anti-Defamation League, quoted in the *Seattle Times*, had a similar complaint, that, "the language first propagated by LaRouche backers ... is now entering the mainstream debate." She further lamented, "What used to be so fringe is making its way onto talk shows, radio, blogs, YouTube and other sources that people see as legitimate."

Cook Report: House Dems in Big Trouble

"Blue-state Democrats are showing little awareness that their party has a problem," says veteran political analyst Charlie Cook in his Cook Report in *National Journal*. He reports that a GOP polling/message-testing service had found that there is a "reservoir of goodwill among independents toward Obama—if not his policies—but those warm feelings did not extend to Congress." Independents provided the crucial margin (18%) for the Democratic sweep in the 2006 mid-term elections.

Most House Democrats live in blue (Democratic) America and show little awareness that their party has a problem, Cook says, but the Democratic majority in the House is built on 54 seats that the party picked up in 2006 and 2008 that are largely in purple—or even red (Republican)—America. Forty-eight of those Democrats

are from districts that voted for Bush in 2005 and McCain in 2008. "That America is very different from the Democratic base in blue America," Cook notes, "and it sees many major issues very differently."

UN: Crisis Devastating World's Poor Nations

In the week before the annual high-level debate in New York at the United Nations General Assembly, the UN issued two reports on the devastating impact the international economic crisis is having on the poor nations. These followed an August report by the Food and Agriculture Organization at the UN, which noted that for the first time in human history, more than 1 billion people worldwide are undernourished.

The report "Strengthening the Global Partnership for Development in a Time of Crisis" highlights the \$35 billion a year in unfulfilled pledge of aid, that the Group of Eight industrialized countries made in 2005, which includes a \$20 billion annual shortfall on commitments to Africa.

A second report, "Voices of the Vulnerable: The Economic Crisis from the Ground Up," stresses that the "green shoots" of recovery are not being felt by the poor. On the contrary, the global economic crisis continues to push millions into poverty, hunger, and early death. Some 100 million people have been forced below the poverty line, while an estimated 61 million have become unemployed over the last two years. Youth unemployment increased by about 18.2 million in the last year alone.

The report notes that infant mortality rates are set to rise by an additional 200,000-400,000 annually, and that the crisis will have long-term consequences, with tens of millions of children suffering from cognitive and physical injury caused by malnutrition.

The report stressed that the expected spread of swine flu could be the straw "that may break the back of overstretched populations and governments."