



Metro Justice News



Citizen Action in Rochester

December-January 2012

Another World is Possible

By Kathy Castania,
Metro Justice member

In the early morning of October 29th I was arrested with 31 other people as a part of the Occupy Rochester movement. I have had a long history of activism with many of the organizers so when I returned that evening from a week of work in North Carolina; I came to Washington Square Park directly from the airport to support them. In a message from Vicki Ryder I heard about the Mayor's edict and the threat of arrests. What I found as I approached the park around midnight was surreal. Police Chief Shepherd was systematically handcuffing the collection of people who boldly stood in the park. I was aghast – why was Rochester's mayor the only one in New York State choosing to evict the protesters? I became concerned as I watched the group of mostly young activists being led to the paddy wagons knowing that in the past we have had experiences with Rochester police doling out harsher treatment at actions where there were predominately young adults. It didn't take long for me to decide to join my friends and fellow activists. We stood proudly arm-in-arm waiting to be cuffed. With each arrest we chanted "we love you" to the person being led away. At one point the chief approached his friend, Shirley Thompson. You could see his hesitation followed by a request for a hug before he put the cuffs on her. I wondered sadly why we were being set up against each other while our wealthy mayor sat comfortably at home doing whatever wealthy people do when they have successfully divided us.

We are a community of connections – the police who are also the 99% are a part of our social world. For example, after being cuffed, when I was turned over to one of the crowd of officers standing in wait, I glimpsed

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By Mike Connelly,
Metro Justice member

We can all congratulate KaeLyn Rich, Genesee Valley Chapter Director Western New York Civil Liberties Union and several union leaders who worked behind the scenes to persuade Mayor Richards to allow Occupy Rochester to be in Washington Square Park 24 /7.

It would be wonderful if only this kind of energy could continue to be channeled into defending the Constitution or enforcing laws against the

flagrant thievery of Too Big To Fail Mega Financial Corporations. At the federal level, Obama and the congress made these institutions of higher speculation whole at one hundred cents on the dollar without any accountability. Fifty Occupy Rochester folks were arrested for trespass and being in a park after hours. Meanwhile, zero bankers continue to be under indictment for monstrous crimes against shareholders, fore-closed homeowners, and taxpayers, not to mention against the stability of the entire financial edifice, a true tsunami of lawlessness.

The Occupy Wall Street movement, now present in a city where you live, is both realistic and principled. Principle and realism coexist, for example, in the present refusal of the movement to make demands that ordinary people and organizations have no power to wrest from sorely corrupted and still all powerful institutions.

We see and acknowledge the obvious, that the inversion of values by the Powers is complete and has not for decades been amenable to negotiation in good faith. The cultural story by the elites is false, but still dominant.

Or is it still? Hmmm.

The Occupy Wall Street movement

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Metro Justice is greater Rochester's leading progressive, multi-issue, citizen-action organization. We enable ordinary people to break through their isolation, join together, educate, agitate, and take non-violent action. Metro Justice has been working for social and economic change since 1965. We seek a more peaceful, just, and sustainable future.

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Organizer's Report

Occupy Rochester's Victory



*By Colin O'Malley
 Metro Justice
 Organizer*

On September 17th, the protests in Zuccotti Park began without much notice by most people around the country. But,

within two weeks it became obvious that this was something new. The protestors were still there, and the crowds were growing every day. By early October, "Occupy" protests had begun in dozens of cities throughout the country in solidarity with the message coming from Occupy Wall Street.

They are occupying Wall Street and parks throughout the country, rallying against growing economic inequality and undue influence of the richest on our political systems. They are highlighting some of the most serious and complicated problems facing our nation. Many tried to dismiss them because they didn't have demands that easily fit into our narrowed legislative dialogue. But, their message ensured a continued growth.

This growing movement began very peacefully in many cities, with mayors agreeing to the protests expectations of 24 hour protest in public parks. In other cities, like Denver, there were clashes with police over the right to protest. In Rochester, like many other cities, the initial battle was over the 1st amendment. The question raised was: Does a park ordinance override freedom of speech?

Mayor Richards, former CEO of RG&E and part of the Rochester 1%, made it clear initially that he believed the park curfew of 11pm was more important than the messages being raised by participants of Occupy Rochester. Before they had even begun to occupy Washington Square Park, the Mayor released a statement reminding them of the 11pm curfew. And, on their first night, 31 other demonstrators and I were arrested for breaking that curfew. Only 3 days later, 16 more would be arrested doing the same.

After these arrests, the pressure quickly began to build against Mayor Richards who had clearly pinned himself into a corner. Occupy Rochester began to have nearly constant media coverage with television cameras even filming their General Assembly decision making meetings. On November 10th, Mayor Richards came to an agreement and signed a contract with Occupy Rochester giving them a 24 hour presence in the park until at least January 11th.

Ultimately there were three factors that forced the Mayor to concede to the Occupy protest. As statements of support came in for the Occupy Rochester protestors, one of those was from the New York Civil Liberties Union. The NYCLU announced soon after that they would be taking action against the city if arrests continued. This legal pressure would be incredibly important.

There was also a statement from the Rochester Labor Council. The leadership of the Labor Council would later meet with Mayor Richards and demand that arrests stop, the charges be dropped, and that Occupy be given access to the park for 24 hours.

The last was the continued presence of the protestors themselves. Occupy Rochester was planning Veterans' day of action on Veterans Day. It was mentioned to Mayor Richards that if he were to continue his policy that we would likely end up arresting veterans on Veterans Day in Washington Square Park.

With the pressure building stronger every day Mayor Richards seemed more than happy to reverse course and allow the protestors to make an occupation in the park. Now Occupy Rochester moves to an exciting next step. The fight to defend the right to free speech has been a victory. But now we have to return to the original issues of economic inequality and the concentration of power and wealth for the 1%. There is a new generation of economic justice activists being inspired by these moments, and Metro Justice will be there to support them throughout that journey. ■

From the beginning, the Egyptian uprising had the effect of a general strike.



Why Mubarak Fell:

The (Sometimes) Incredible Power of Nonviolent Protest

By Michael Schwartz, Tomdispatch.com

Why, by simply staying in the streets and adhering to their commitment to nonviolence, were the Tahrir protests able to topple Egypt's tyrant with 30 years seniority and the backing of the United States from the pinnacle of power? One possible answer is that the Egyptian military, unlike its Chinese counterpart in Tianamen Square, decided not to crush the rebellion, and that this forbearance enabled the protest to succeed. But why was the military so restrained this time around, when for 50 years, it stood at the core of a repressive police state? And why couldn't the government, even without military action, endure a few more days, weeks, or months of protest, while waiting for the uprising to exhaust itself?

The answer to both questions lies in the remarkable impact that the protest had on the Egyptian economy. Mubarak and his cohort (as well as the military, the country's economic powerhouse) were alarmed that the business "paralysis induced by the protests" was "having a huge impact on the creaking economy" of Egypt. From their inception, the huge protests threatened the billions of dollars that the leaders of the Mubarak regime had acquired during their 30 year reign. To the generals in particular, it was surely apparent that the massive acts of brutality necessary to suppress the uprising would have caused perhaps irreparable harm, threatening its vast economic interests. In other words, either trying to outwait the revolutionaries or imposing the Tiananmen solution risked the downfall of the economic empires of Egypt's ruling groups.

From the beginning, the Egyptian uprising had the effect of a general

strike. Starting on January 25th, the first day of the protest, tourism – the largest industry in the country, which had just begun its high season – went into free fall. After two weeks, the industry had simply "ground to a halt," leaving a significant portion of the two million workers it supported with reduced wages, and the few remaining tourists rattling around empty hotels, catching the pyramids on television. Since pyramids and other Egyptian sites attract more than a million visitors a month, tourism alone may account for over 15% of the country's cash flow. Not surprisingly, then, news reports soon began mentioning revenue losses of up to \$310 million per day, and each day that Mubarak clung to office produced a growing decline in it.

The fiercely brave response to police attacks, in which repression was met by masses of new demonstrators pouring into the streets, made it clear that brutal suppression would not quickly silence these protests. Such acts were more likely to prolong the disruptions and possibly amplify the uprising. Once the demonstrations involved hundreds of thousands, if not millions, of Egyptians, a huge and bloody suppression guaranteed long-term economic paralysis and ensured that the tourist trade wasn't going to rebound for months or longer. Recovery could only begin after a "return to normal life," a phrase that became synonymous with the end of the protests in the rhetoric of the government, the military, and the mainstream media.

The attack on tourism, however, was just the first blow in what rapidly became the protestors' true weapon of mass disruption, its increasing stranglehold on the economy. The crucial communications and transportation industries

were quickly engulfed in chaos and disrupted by the demonstrations. Similar effects were seen in transportation, which became unreliable and sporadic, either because of government shutdowns aimed at crippling the protests or because the protests interfered with normal operations. And such disruptions quickly rippled outward to the many sectors of the economy, from banking to foreign trade, for which communication and/or transportation was crucial.

By the start of the third week of demonstrations, lawyers, medical workers, and other professionals took to the streets. Tens of thousands of employees in textile factories, newspapers and other media companies, government agencies, sanitation workers and bus drivers, and – most significant of all – workers at the Suez Canal, second only to tourism as a source of income for the country, began voicing demands. In Cairo, demonstrators began to surround the parliament, the state TV building, and other centers critical to the national government. With the economy choking to death, the demonstrators were now moving to put a hammerlock on the government apparatus itself.

At that point, several large companies started putting distance between themselves and the regime. A growing crew of movers and shakers, including the military leadership, major businessmen, foreign investors, and interested foreign governments saw the only solution as Mubarak stepping down, which he was forced to do.

The lesson here is that nonviolent protest has the potential to strangle even the most brutal regime, if it can definitively threaten the viability of its core industries. ■

It's the Beginning of the Beginning

By Jon Greenbaum, Metro Justice member

You know it's a movement when you look around and realize that you don't know the people who showed up to the protest. It's official – Occupy Wall Street is a movement. And this movement has already flipped the script. The last Metro Justice newsletter was filled with articles pushing back against the self-destructive “tighten our belts” corporate news message during this summer's deficit battle in DC. Now the mainstream media has turned 180 degrees and is framing almost all stories through the lens of the 99%.

Normally, Congressional Budget Office reports are page 5 news (and stories about inequality are even more deeply buried). But this October the CBO report on inequality was front page news, catapulted by the force of the Occupy movement. The study showed that the average after-tax real income of the 1% of the nation's households grew by 275% between 1979 and 2007 – about seven times greater than the increase in income by the remaining 99% over the same period.

Within weeks of the CBO report, the Economic Policy Institute released another report showing that the incomes of the top 0.1 percent of households grew even more – 390% between 1979 and 2007, while incomes of the bottom 90% grew by only 5% during the same period.

The change in media coverage was unmistakable. The ThinkProgress blog compiled media mentions of the word “debt” in July. MSNBC, CNN, and Fox News mentioned “debt” over 7,000 times but only mentioned “unemployed” 75 times. But between Oct. 10 and Oct. 16 the word “debt” garnered only 398 mentions, while “Occupy” was mentioned 1,278 times, “Wall Street” netted 2,378, and “jobs” got 2,738.

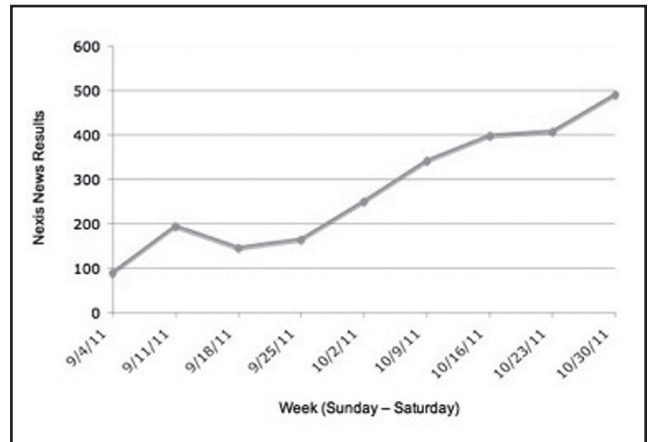
A few days before Halloween, the Bertelsmann Foundation made news with its report that the U.S. ranked dead last in income equality among industrialized countries. Moreover, the United States ranked in the bottom five on a combination of issues including poverty preven-

tion, health and access to education – ahead of only Greece, Chile, Mexico and Turkey.

Amidst the new focus on inequality, the 2010 census poverty data also made headlines. For years mainstream media coverage of poverty issues was dominated by Reagan's Cadillac-driving welfare queen stereotype. This fall the media swarmed over Florida's law requiring drug testing for public assistance recipients. But, with the Occupy movement capturing the MSM frame, the war-on-the-poor coverage was soon eclipsed by the 2010 census poverty report. Over 15% of Americans (over 49 million) have fallen below the poverty level, the greatest number in two decades. Middle class Americans woke up to the Today Show reporting that more than half of all preschoolers living with a single mother are poor (under the traditional government poverty guidelines the poverty level for a family of 4 is \$22,350. If your 4 person household income is \$22,351 the government doesn't count you as under the poverty line).

As Francis Fox Piven has written recently in the *New York Times*, the traditional poverty guidelines are “calculated as simply three times the minimal food budget first introduced in 1959, and then adjusted for inflation in food costs. In other words, the American poverty threshold takes no account of the cost of housing or fuel or transportation or health-care costs, all of which are rising more rapidly than the cost of basic foods. So the poverty measure grossly understates the real cost of subsistence.”

On the other hand, the outdated poverty guidelines have also been criticized by the conservatives who point out that the calculations do not include food stamps and other assistance. Surely poverty isn't as bad as we think (after all,



OWS has transformed the national conversation. The chart measures a Nexis search of print stories, Web stories, and broadcast transcripts that used the term “income inequality,” measured by week. It runs from 91 instances in the week before the occupation started to almost 500 instances in the last week of October.

Americans on public assistance own flat screen televisions). In order to address these criticisms the government issued new guidelines that take into consideration food stamps, childcare, and variations in local housing costs, and bases the income threshold on a percentile of expenditures rather than the cost of food fifty years ago. Conservatives had to face the fact that the new federal guidelines revealed that there were more, not less, Americans falling under the newly calculated poverty line.

These statistics are notable, but there is something else going on here – a sea change in American consciousness about what is right and wrong. For the last thirty years or so conservatives have succeeded in focusing national morality discussions on abortion, sexual preference and the dalliances of presidents and celebrities. But Occupy has enabled the discussion to turn to the immorality of gross inequality and poverty. The movement has captured America's consciousness. Polls now show Americans lining up with the Occupy movement (and distancing themselves from the Tea Party – see article on page 5). Will the movement transform our society? One thing is certain – nothing will be achieved without turning up the heat considerably. ■

How to Be a 1 Percenter

By George Zornick, *The Nation*

The Occupy movement began on Wall Street, targeting the bankers as the 1% who ruined the economy and then got trillions in taxpayer bailouts. But financial professionals are only the third-biggest slice of the 1 percent. Executives of nonfinancial companies make up the largest share of 1 percenters, and they, too, defy accountability after destroying our standard of living, typically by manipulating the legal process. Take, for example, the recent eviscerations of class-action lawsuits. When Wal-Mart was being sued by a class-action group of women charging gender discrimination at stores nationwide, the U.S. Chamber of Commerce's litigation center filed an amicus brief on the company's behalf, as did a wide array of large corporations, from Bank of America to General Electric. The Supreme Court decided against the women and thereby severely limited class-action suits going forward in the future.

A similar case was won by AT&T Mobility because an arbitration clause in the company's contracts forbids class-action suits. This decision, the result of influential lobbying by big business groups like the American Bankers Association, the Financial Services Roundtable, and the U.S. Chamber of Commerce, effectively eliminated most consumer and employment class-action suits. The effect of these cases, which few Americans are aware of, is that megacorporations, and by extension the executives who staff them for lavish salaries, cannot be held accountable even if their products defraud or damage customers. Nor can they and their fortunes be held accountable for discriminating against their employees.

Medical professionals make up the second-biggest share of the 1 percent. They, too, know how to use the political process to limit their liability. The American Medical Association is one of the largest lobbying forces in Washington. In 2009, as healthcare reform was being debated, the AMA spent more than \$20 million to influence the outcome. One of the top items on its agenda was limiting the damage from malpractice suits. The industry claimed that such lawsuits were



driving up medical costs. A study by the actuarial firm Towers Perrin, however, revealed that medical malpractice tort costs is an insignificant 1–1.5 percent of total medical costs. But the name of the game was to protect medical professionals who may have made an error from having to pay out a lot of money. Twenty-four states have legislated such protections as a result of similar lobbying.

The enormous influence of the top 1 percent can also be seen in the two most recent major actions by Congress – patent reform and the approval of three free-trade deals. More than 800 lobbyists were registered to work on the patent reform bill, which passed the Senate 89–9 and was signed into law by President Obama in September. The goal, stated by Obama, was to streamline the patent process to “make it easier for entrepreneurs to patent a new product or idea.” But the real idea was to protect the patents of megacorporations. The United States already has some of the strongest patent protection laws in the world, which means we pay more, especially for drugs.

The trade deals with Colombia, Panama and South Korea, which passed in October with bipartisan support, serve essentially the

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Americans Agree on #OWS Goals

By Jim Lobe, *Inter Press Service*

A New York Times/CBS News poll (October) showed stronger-than-expected popular support for the “Occupy” movement. A 43-percent plurality of the 1,650 respondents queried by the poll said they agreed with the views expressed by the movement, compared to 27 percent who said they disagreed. Thirty percent – the same percentage who said they had heard little or nothing about the movement – said they had no opinion.

The poll found stark partisan differences on the question: 54 percent of Democrats said they agreed with the movement's views, while only 13 percent disagreed. Among Republicans, however, the numbers were virtually reversed: 19 percent agreed, while 57 percent disagreed.

Among self-identified independents – the 30 to 40 percent of the electorate who will likely decide next November's presidential election – 48 percent agreed with the movement's views, while only 20 percent disagreed. Moreover, a strong plurality of 46 percent of all respondents agreed with the proposition that the “views of the people involved in the Occupy Wall Street movement generally reflect the views of most Americans.” Thirty-four percent said they disagreed, while the rest said they had no opinion.

The poll, which found historically low levels of public confidence in Congress and the federal government, also found strong support for a more equal distribution of “money and wealth” in the country. Two-thirds of respondents said the distribution should be “more even”, while only 26 percent said that the current distribution of money and wealth was “fair”.

And in an ominous sign for the Republican Party, nearly 70 percent of respondents said they think the policies of Republicans in Congress favor the “rich” over the middle class and the poor.

According to recent polls, only about 25 percent of respondents say they support the “Tea Party” and its policies. ■

Let's Bail Ourselves Out!

(and revive the economy, too)

By Doug Noble, Metro Justice member

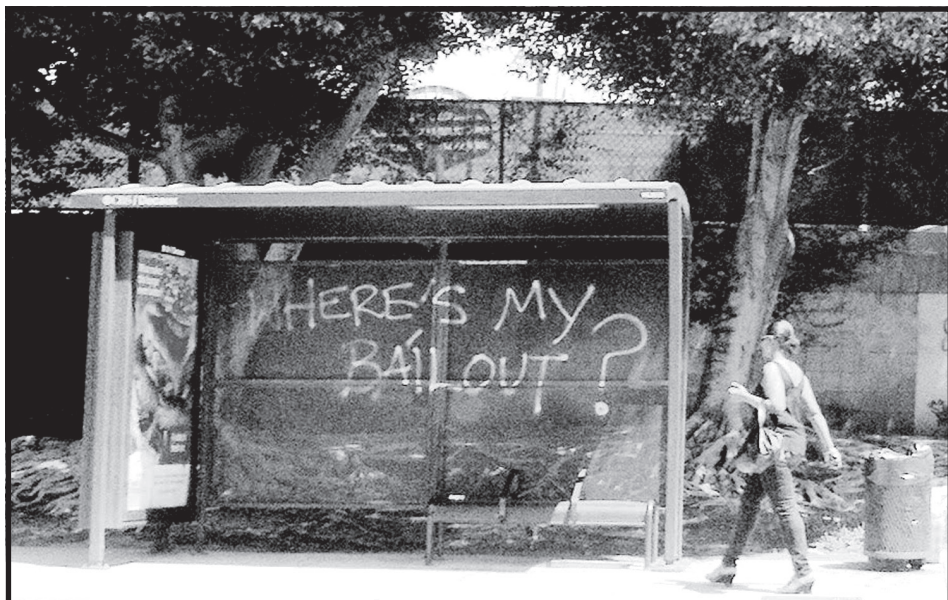
"It's not that we don't have demands... We speak them with our struggle. Our movement is made up of people fighting for jobs, for schools, for debt relief, equitable housing, and healthcare. We are democratic, fierce, and unwavering." And "we aren't going home."

These statements by Occupy Wall Street (OWS) activists remind us that while there's no shortage of policy demands from the left, what's been absent is the power to make these policy ideas a reality in corporate America. The growing Occupy Wall Street movement now offers an opportunity to seize that power. This is its greatest significance.

I propose that we use that power, not by lodging futile demands on unresponsive governments or corporations, but, instead, by taking control of what we can control ourselves within this political economy: the repayment of our own debts.

Consider this from David Graeber, anthropologist, author of *Debt: the First 5000 Years*, and OWS activist: "A debt is just a promise... It has no greater moral standard than any other promise that you would make." Yet politicians insist that they can't keep their promises, their political debts, to the public for education, jobs, or healthcare because they can't break their sacred monetary debts to the bankers, *with interest*.

But in the history of world religions and social movements, what was sacred was not monetary debt, but the ability to make debt disappear, to forgive it, as in redemption. In the ancient Middle East, new kings would simply declare a clean slate and cancel all debts. The Biblical "Jubilee" was a way of institutionalizing that, to refresh a stalled economy of lending and borrowing. More recently, Saudi Arabia, in reaction to the Arab Spring, declared a debt cancellation. So there are precedents. Debts can be renegotiated. Trillions of dollars of debt can be made to disappear. The European Union has just arranged for banks to cut Greece's debt in half in order to save it



But if the government won't take these steps itself, we must do it ourselves.

from default.

How about doing the same for student loans and home foreclosures in this country? Graeber explains: "Debts between the very wealthy or between governments can always be renegotiated and always have been throughout world history. They're not anything set in stone. It's, generally speaking, when you have debts owed by the poor to the rich that suddenly debts become a sacred obligation, more important than anything else. The idea of renegotiating them becomes unthinkable." And yet, insists Graeber, "if democracy is going to mean anything now, we're all going to have to be able to weigh in on what sorts of promises are made and what sorts of promises are adjusted."

So let's weigh in! Let's we the people decide what we will pay and what we won't pay on our debts. And let's do so with heads held high, with no greater moral stigma than that affixed to the billion-dollar defaults of the banks and bankers.

Besides, as William Greider writes, "Debt forgiveness is not just a moral imperative; it's also an economic necessity." Bad debt is suffocating the nation's economic activity. Morality aside, even finance industry insiders argue that general debt reduction schemes make economic sense: write down loan principals, reduce interest rates, set manageable monthly payments. That way homeowners under water and students burdened by impossible loans can begin to spend money on new things, encouraging companies to hire more workers to meet new demand for goods and services.

But if the government won't take these steps itself, we must do it ourselves. And if the government won't honor its societal obligations or make corporations pay their debts to society for the mess they made, then let's not honor our own debts. As the Lord's Prayer says, "Forgive us our debts as we forgive our debtors." The government has certainly forgiven our creditors their debts, so it's high time that we

start forgiving our own debts. Occupy Wall Street activists decry, “THEY GOT BAILED OUT, WE GOT SOLD OUT!” So let’s bail ourselves out. Let’s declare ourselves a Jubilee of debt relief and forgiveness.

One possible place to start, already getting traction nationwide, is a debt strike – a massive collective default – on student loan debt. Such debt now totals one trillion dollars, surpassing all credit card debt. Student loans, both federal and private, are especially egregious, offered to 18 year olds under the premise that education will help them earn more money to pay off their loans. Yet the jobs aren’t there, and education itself has become insidiously more expensive, requiring still greater loans.

Meanwhile, a student loan is the only type of loan that cannot be discharged through bankruptcy. It stays forever, is virtually impossible to discharge, and piles up fees when in default. Incredibly, creditors can garnish anything, even Social Security checks, to get repaid. The Truth in Lending Act – which requires full disclosure of terms and costs associated with borrowing from lenders – does not even apply to these usurious student loans. Interest on student loans, typically around 7%, is many times greater than the interest that banks charge each other. The lifetime burden of insurmountable student loan debt has led to individual defaults, diminished expectations, even suicides. One such debtor speaks of being “under permanent house arrest.”

Building on the collective potential of Occupy Wall Street, student loan debt is clearly one prime target for serious, organized direct action. A debt strike would have a much greater impact than moving personal savings accounts, but it would take coordinated grassroots organization, buttressed by networked technology, to succeed. Steps taken by individuals will require assurance that they are backed by a massive act of collective default. But such a collective action is possible, and it is in fact already happening. Readers are encouraged to check out these links: <http://www.alternet.org/story/152897/>, <http://occupystudent-debt.com/>, and debt-strike-kick-stop-per@googlegroups.com. ■

Iceland Overthrows Austerity

By Deena Stryker, *DailyKos*

As one European country after another fails or risks failing, imperiling the Euro, with repercussions for the entire world, the last thing the powers that be want is for Iceland to become an example. Here’s why:

Five years of a pure neo-liberal regime had made Iceland, (population 320 thousand, no army), one of the richest countries in the world. In 2003 all the country’s banks were privatized, and in an effort to attract foreign investors, they offered on-line banking whose minimal costs allowed them to offer relatively high rates of return. The accounts, called IceSave, attracted many English and Dutch small investors. But as investments grew, so did the banks’ foreign debt. In 2003 Iceland’s debt was equal to 200 times its GNP, but in 2007, it was 900 percent. The 2008 world financial crisis was the coup de grace. The three main Icelandic banks went belly up and were nationalized, while the Kroner lost 85% of its value with respect to the Euro. At the end of the year Iceland declared bankruptcy.

The Prime Minister negotiated a two million one hundred thousand dollar loan, to which the Nordic countries added another two and a half million. But the foreign financial community pressured Iceland to impose drastic measures. The IMF and the European Union wanted to take over its debt. Protests and riots continued, eventually forcing the government to resign. Elections were brought forward, resulting in a left-wing coalition which condemned the neoliberal economic system, but immediately gave in to its demands that Iceland pay off a total of three and a half million Euros. This required each Icelandic citizen to pay 100 Euros a month (or about \$130) for fifteen years, at 5.5% interest, to pay off a debt incurred by private parties vis a vis other private parties. It was the straw that broke the reindeer’s back.

What happened next was extraordinary. The belief that citizens had to pay for the mistakes of a financial monopoly, that an entire nation must be taxed to pay



Iceland, like Greece and Italy, was under tremendous pressure to put massive taxes on the population to pay back debts. In a referendum in early 2010, 93% of the people voted against paying the debt back. The IMF froze its loan and an angry Icelandic people went for the heads of those responsible, launching civil and penal investigations against the bankers.

off private debts was shattered, transforming the relationship between citizens and their political institutions and eventually driving Iceland’s leaders to the side of their constituents. The Head of State, Olafur Ragnar Grimsson, refused to ratify the law that would have made Iceland’s citizens responsible for its bankers’ debts, and accepted calls for a referendum. Of course the international community only increased the pressure on Iceland. Great Britain and Holland threatened dire reprisals that would isolate the country. As Icelanders went to vote, foreign bankers threatened to block any aid from the IMF. Grimsson said: “We were told that if we refused the international community’s conditions, we would become the Cuba of the North. But if we had accepted, we would have become the Haiti of the North.”

In the March 2010 referendum, 93% voted against repayment of the debt. The IMF immediately froze its loan. But the revolution (though not televised in the United States) would not be intimidated. With the support of a furious citizenry, the government launched civil and penal investigations into those responsible for the financial crisis. Interpol put out an international arrest *(Continued on page 11)*

How Wall Street Occupied America

By Bill Moyers

In his Pulitzer Prize-winning book, *The Radicalism of the American Revolution*, historian Gordon Wood says that our nation discovered its greatness “by creating a prosperous free society belonging to obscure people with their workaday concerns and pecuniary pursuits of happiness.” This democracy, he said, changed the lives of “hitherto neglected and despised masses of common laboring people.”

It’s heartbreaking to see what has become of that bargain. Nowadays it’s every man for himself. How did this happen? The rise of the money power in our time goes back forty years. We can pinpoint the date. On August 23, 1971, a corporate lawyer named Lewis Powell – a board member of the death-dealing tobacco giant Philip Morris and a future justice of the Supreme Court – released a confidential memorandum for his friends at the U.S. Chamber of Commerce. We look back on it now as a call to arms for class war waged from the top down.

Recall the context of Powell’s memo. Big business was being forced to clean up its act. Even Republicans had signed on. In 1970 President Nixon put his signature on the National Environmental Policy Act and named a White House Council to promote environmental quality. A few months later millions of Americans turned out for Earth Day. Nixon then agreed to create the Environmental Protection Agency. Congress acted swiftly to pass tough amendments to the Clean Air Act, and the EPA announced the first air pollution standards. Corporations were no longer getting away with murder.

Powell was shocked by what he called an “attack on the American free enterprise system.” Not just from a few “extremists of the left” but also from “perfectly respectable elements of society,” including the media, politicians and leading intellectuals. Fight back and fight back hard, he urged his compatriots. Build a movement. Set speakers loose across the country. Take on prominent institutions of public opinion—especially the universities, the media and the courts. Keep television programs “monitored the same way textbooks should be

kept under constant surveillance.” And above all, recognize that political power must be “assiduously [sic] cultivated; and that when necessary, it must be used aggressively and with determination” and “without embarrassment.”

Powell imagined the Chamber of Commerce as a council of war. Since business executives had “little stomach for hard-nosed contest with their critics” and “little skill in effective intellectual and philosophical debate,” they should create think tanks, legal foundations and front groups of every stripe. These groups could, he said, be aligned into a united front through “careful long-range planning and implementation... consistency of action over an indefinite period of years, in the scale of financing available only through joint effort, and in the political power available only through united action and united organizations.”

Nixon appointed Powell to the Supreme Court that same year, 1971. By then his document had circulated widely in corporate suites. Within two years the board of the Chamber of Commerce had formed a task force of forty business executives – from US Steel, GE, GM, Phillips Petroleum, 3M, Amway, and ABC and CBS (two media companies, we should note). Their assignment was to coordinate the crusade, put Powell’s recommendations into effect and push the corporate agenda. Powell had set in motion a revolt of the rich.

The National Association of Manufacturers announced that it was moving its main offices to Washington. In 1971 only 175 firms had registered lobbyists in the capital; by 1982 nearly 2,500 did. Corporate PACs increased from fewer than 300 in 1976 to more than 1,200 by the mid-’80s. From Powell’s impetus came the Business Roundtable, the American Legislative Exchange Council (ALEC), the Heritage Foundation, the Cato Institute, the Manhattan Institute, Citizens for a Sound Economy (precursor to what we now know as Americans for Prosperity) and other organizations united in pushing back against political equality and shared prosperity. The Chamber of Commerce, in response to the memo, doubled its membership, tripled its budget and

stepped up its lobbying efforts.

The coalition got another powerful jolt of adrenaline in the late ’70s from the wealthy right-winger who had served as Nixon’s treasury secretary, William Simon. His book, *A Time for Truth*, argued that “funds generated by business” must “rush by multimillions” into conservative causes to uproot the institutions and the “heretical strategy” of the New Deal. He called on “men of action in the capitalist world” to mount “a veritable crusade” against progressive America.

Those “men of action in the capitalist world” were not content with their wealth just to buy more homes, more cars, more planes, more vacations and more gizmos than anyone else. They were determined to buy more democracy than anyone else. And they succeeded beyond their expectations. After their forty-year “veritable crusade” against our institutions, laws and regulations – against the ideas, norms and beliefs that helped to create America’s iconic middle class – the Gilded Age is back with a vengeance. Recently, the Chamber, along with nearly 1,300 business and trade groups, urged Congress to pass a new tax bill, signed into law just before this past Christmas and filled with all kinds of stocking stuffers, including about fifty tax breaks for businesses. The bill gave some of our biggest banks, financial companies and insurance firms another year’s exemption to shield their foreign profits from being taxed here in the United States.

Now, write political scientists Jacob Hacker and Paul Pierson, the United States is looking more and more like “the capitalist oligarchies, like Brazil, Mexico, and Russia,” where most of the wealth is concentrated at the top while the bottom grows larger and larger with everyone in between just barely getting by. Against such odds, discouragement comes easily. But if the generations before us had given up, slaves would still be waiting on their masters, women would still be turned away from the voting booths on election day and workers would still be committing a crime if they organized.

The lesson is clear: Democracy doesn’t begin at the top; it begins at the bottom. ■

(Occupy Rochester/Castania from page 1)

his vowel-ending name. Automatically I asked about his family – a kind of unspoken ritual Italians engage in when we meet each other – wondering if there is a connection between our families. Sure enough within a matter of minutes we determined that his mother probably went to school with my sister, and he and my cousin served together on the police force. We joked about being Westside Italians and how silly it was that we were taught not to associate with Eastside Italians. With some familiarity between us I felt emboldened to ask him what the heck was going on. He said that the police chief didn't want any of the arrests to be messed up so he did them himself. I commented about the strangeness of the arrests, and he shrugged and said he was just doing his job. I reminded him that our cause was about him, fellow police officers and all working people. He didn't argue with that and even looked somewhat embarrassed. His sentiments were reinforced when he handed me over to a young police woman to do the pat down. When she saw me she said, "I can't do this." You could tell she was beginning to be affected by having to pat down and re-cuff so many obviously innocent people, and now there I stood before her – a white matronly looking grandma – it was clearly becoming too much for her. I told her it was okay and that I knew she was just doing her job. When the wagon was filled with the remaining women we headed to the jail.

At the jail we sat lined up on a long bench waiting to individually be called to complete our intake paperwork and have our photos taken. There were about 10 of us on the bench sitting with our cuffed hands behind our backs and staring at the 3 or 4 officers on the bench across from us. I was conscious of our watching each other and wondered about what we were all thinking? Two worlds coming together, maybe realizing that we were not the villains we were made out to be. There was some joking and a few small-talk questions, but mostly there was silent scrutinizing – everyone being very conscious of each other's presence. Some of the younger women burst out in song – one that I joined in because I knew the words was Peter Seeger's *This Land is Your Land*.

After about an hour we were individually called into another room where we

were prepared to enter a cell. The officer in that room looked at my paperwork and facetiously said, "I see you have a master's degree, I guess you will win any argument." I corrected him, stating that education has nothing to do with being smart and that my mother, with her 5th grade education, was one of the smartest people I knew." After that he warmed up to me, sharing our community connections. He went to Aquinas, and I went to Nazareth; although a generation apart there still was a shared cultural familiarity. Our final destination was a big room with an elevated command center where I was able to call home for bail and ultimately be released.

What did the experience of this night tell me about who we are as a community? That a group of nonviolent, cooperative people were arrested for trying to exercise their free speech and show their concern about the power of big money and the future of our democracy; that police are often asked to be an instrument of this power – forced to uphold an eroding system that only works if we are pitted against each other; that inside all our roles there are humans who want to care about one another; that there are bonds to be found and that based on our social identities we are able to find more bonds and get more privileges; that race, class, education, gender, ethnicity, sexual orientation or age may help or hinder us in these situations; that Gandhi, Martin Luther King and other bold resisters who came before us were right that non-violent acts of resistance breaks the silence and brings to light all of the dysfunction that we learned to live with. ■

(Occupy Rochester/Connelly from page 1)

insists on principle by refusing to participate in non-democratic institutions. It poses the radical alternative of replacing the Powers, or perhaps reinventing them, so that institutions created for the purpose of serving human needs can once salvation of rearranging the deck chairs on the Titanic. Impossible change is necessary, is required, to escape our present death spiral. By insisting on this core insight, the impossible finally becomes both visible and thinkable. This is a huge achievement of the Occupy movement.

In a deeply cynical world, (what other view of things as they now stand, is possible?) we have grown extremely

unaccustomed to operating from any principled basis so that the reversion of OWS to principle stresses forgotten muscles and feels awkward and strange.

But in every city where the OWS movement exists democracy, the genuine article, is being both rediscovered and quite effectively reinvented by these very OWS communities.

And just maybe this will turn out to be an even deeper democracy than that envisioned by the Founders, a democracy that is genuinely and fully inclusive. again be set free to serve human needs.

OWS has also challenged the all too human (and liberal) wish to find the cheap but entirely spurious.

Mike Connelly, 72, retired assembly line worker at Rochester Products (GM), is a long time peace activist. He spent a night and a day at Zuccotti Park with Occupy Wall Street where he learned very little about sleeping on concrete and a night in jail with 31 others for hanging out after hours in Washington Square Park. ■

(1 Percenters from page 5)

same protective purpose for the top 1 percent. Our trade policy is designed to depress the wages of ordinary workers by subjecting them to direct competition with the lowest paid workers anywhere in the world. Our highest paid professionals, e.g., doctors and lawyers, many of whom are in the 1 percent, are largely protected from competition.

The list goes on: lax antitrust enforcement of market-owning corporations; federal labor laws tilted toward the rich and against aggrieved workers; corporate governance rules that give undue power to executives and not enough to shareholders; a tax system that offers breaks for capital gains generally available only to the wealthy and that allows huge fortunes to pass from generation to generation at low tax rates; and so on. The common denominator, aside from maneuvering in unwieldy policy areas invisible to most Americans, is the money that the top 1% spends to influence the policy outcomes. And the country's campaign finance system, wherein billions are spent each year on lobbying and electing federal officials, gives the 1% their greatest advantage: in Washington, theirs is the loudest voice of all. ■

The Myth of American Free Markets

By S.M. Miller, *Dissent*

In remarks that spread quickly through the conservative blogosphere, Massachusetts senatorial candidate Elizabeth Warren challenged those who buttress their anti-tax agendas with appeals to self-reliance and individual initiative. She reminded successful entrepreneurs and other “pro-business” listeners that “you didn’t get rich on your own.” Warren pointed out that we all benefit from government spending and that no “individualist” initiative would be possible without essential infrastructures that ensure public safety, transportation, a functioning market economy, and other critical services. Warren is right, of course, but she has perhaps not gone far enough in making her case.

Those who would claim that an activist federal government contravenes traditional “American” values – and who call Warren’s remarks “class warfare” – miss the long history of American federal involvement in the economy; we have never had an economy “independent” of federal influence, nor should we expect or hope to. From the very early days of the republic, the federal government actively promoted and shaped America’s economic growth – and helped to determine the beneficiaries of this growth. Government intervention in economic development has hardly been an unfettered good, or politically neutral – but it has been absolutely essential in creating the purported climate of “free enterprise” that most Republicans extol.

Alexander Hamilton, the nation’s first secretary of the treasury, has been called the original American planner. He established the First Bank of the United States to support the federal government’s efforts to develop the American economy. In contrast to Thomas Jefferson, a fellow member of George Washington’s cabinet, Hamilton argued that agriculture alone could not sustain economic well-being; the government needed to promote manufacturing. Nor was he alone in welcoming an activist government. As early as 1794, Congress authorized a national armory; the first was at Springfield, Massachusetts and not long after at Harper’s Ferry, Virginia, where John Brown launched his raid. The government sub-

sidized private firms to produce pistols, muskets, and rifles.

In 1806 Congress enacted the first federal effort at widespread economic development: the construction of the National Road from Cumberland, Maryland to Wheeling, West Virginia. It enabled Ohio Valley farmers to cross the Appalachians and sell their produce in Eastern markets. Albert Gallatin, another widely heralded secretary of the treasury, issued in 1808 a “Report on Roads and Canals” that endorsed Hamilton’s doctrine of “internal improvements,” recommending infrastructure development to aid economic development in the growing nation.

The first half of the nineteenth century saw a great expansion of roads and canals, which made possible an enormous increase in domestic and international trade. National and state governments were major stockholders in canal companies and subsidized many ventures. Before the Civil War, federal and state governments furnished at least a quarter of all funds invested in railroads.

The Civil War period marked the next great wave of federal intervention in the economy. Federal inducements supported the construction of the railroad that connected the east and west coasts, a great spur to economic development. President Lincoln, a Republican icon, signed bills during the Civil War to subsidize the transcontinental railroad so that it would pass through the difficult terrain of the Rockies, rather than the flatter land of a southern route.

Again, the government’s role here was far from neutral. The federal government offered free land – not infrequently taken from Native Americans – on either side of the tracks to encourage railroad companies to lay rails. Often the companies sold the land and kept sub-surface mineral rights, which became a huge source of revenues for them. (This kind of support for business development stands in stark contrast to the unfulfilled promises to former slaves that the government would provide them “Forty Acres and a Mule.”)

Lincoln also passed the Homestead Act of 1862, encouraging migration to the newly opened West by providing virtually free land to homesteaders who had

worked the land for five years. Prospective farmers, particularly from Northern Europe, swelled the ranks of immigrants (and developed an attachment to the generous Republican Party).

That same year, the Morrill Act passed, providing free land to states that established “agricultural and mechanical colleges” and had a ROTC unit on campus. These colleges not only supported agricultural development but also expanded educational opportunity, fostering social mobility for many young people.

Tariffs have also long been a centerpiece of U.S. economic policy; advocates see them as protecting “infant industries” and older industries that could not compete effectively in world markets. The Civil War reduced the federal government’s revenues from tariffs and led to the introduction by the Lincoln administration of the wartime income tax. Later Republican administrations strongly supported high tariffs as a way of protecting domestic industries and workers.

The Civil War saw the foundations of Social Security-like programs. Pensions were given to Northern soldiers disabled by their military service and to their dependents if they were killed. Regulations defined “disabled” in broad terms, and any veteran could receive a pension if he could not do manual labor. After 1890, old age was defined as a disability so that all surviving veterans were eligible. Many widows continued to receive benefits well into the twentieth century. While many Republicans disdain “entitlement” spending as a sign of a contemporary culture in which citizens resist taking “responsibility” for their own economic situations, government spending to aid possibly needy citizens is a long-established and admirable tradition in the United States.

Even Republicans with a reputation for backing free enterprise have supported federal involvement in the economy. It was the Hoover administration that started the Reconstruction Finance Corporation (RFC) in 1932 as a way of stimulating production and employment in the Depression. It provided funds to businesses that had trouble obtaining capital, influencing which companies and indus-

tries had a chance to grow. The Franklin D. Roosevelt administration expanded the role of and funding for the RFC, continuing it until the United States entered the Second World War.

Long before the New Deal and Great Society, federal and state governments played essential roles in developing the economic and social potential of the United States. The Republican rhetoric that government “intervention” is inconsistent with traditional American values and practices clashes with American history. As Elizabeth Warren pointed out, no American entrepreneur or businessperson has ever succeeded without an enormous amount of local, state, and federal assistance. Rather than “class warfare,” her arguments are firmly within the American grain. ■

(Iceland from page 7)

warrant for the ex-president of one bank, as the other bankers implicated in the crash fled the country. But Icelanders didn't stop there: they decided to draft a new constitution that would free the country from the exaggerated power of international finance and virtual money.

To write the new constitution, the people of Iceland elected twenty-five citizens from among 522 adults not belonging to any political party but recommended by at least thirty citizens. This document was not the work of a handful of politicians, but was written on the internet. The constituent's meetings are streamed on-line, and citizens can send their comments and suggestions, witnessing the document as it takes shape. The constitution that eventually emerges from this participatory democratic process will be submitted to parliament for approval after the next elections. Today, the country is recovering from its financial collapse in ways just the opposite of those generally considered unavoidable, as confirmed by the new head of the IMF, Christine Lagarde.

The people of Greece have been told that the privatization of their public sector is the only solution. And those of Italy, Spain and Portugal are facing the same threat. They should look to Iceland. Refusing to bow to foreign interests, that small country stated loud and clear that the people are sovereign. That's why it is not in the news anymore. ■

How to Get Medicare for Everybody in Monroe County

By Bill McCoy, Metro Justice member

In 2009 Washington was immersed in a heated debate over health care. Insurance companies fought long and hard to preserve their entrenched, high profit business from reform that would cut deeply into their profits. 37 of the 38 “industrialized” countries in the world use some form of Medicare-for-all to provide health care coverage for their citizens. They spend half what Americans spend and are significantly healthier. But Senator Max Baucus, chair of the senate Finance Committee, declared that “single payer” was off the table. Doctors and nurses at the hearings stood and loudly protested because “single payer” or “Medicare for All” would cover everybody, improve our health and save us hundreds of billions of dollars.

Baucus had them arrested.

But when a mining disaster struck the town of Libby Montana and the WR Grace company was liable for the costs of providing health care to hundreds of victims, Baucus inserted into the



Affordable Health Care bill a special provision that would guarantee Medicare coverage to the entire community. He had Social Security Administrator, Nancy Berryhill from Denver, travel to Libby and sign up people, most of whom had no or insufficient insurance to cover the cost of treatment. When a NY Times reporter asked Baucus how he could justify what he did for a small town in his home state, he responded, “Public health tragedies like this could happen in any town in America. We need this type of mechanism to help people when they need it most.” Not to mention saving the company lots of expense.

I am no longer astounded at the outrageous hypocrisy of those who represent the 1% but I am surprised that they would state publicly and rationally that the 99% deserve better and that we all deserve Medicare. ■

WHAT YOU CAN DO

The Ciudad Hermana Task Force has an opportunity to send a shipment to El Saucé, Nicaragua at minimal cost. We hope to send the shipment within the next month.

The most helpful items:

- New school supplies
- Sports equipment (baseball/soccer preferred)
- Medical and first aid supplies
- Summer clothing (in good shape only)
- Children's shoes (in good shape only)
- Small stuffed animals in good condition

We cannot accept:

- Electronics or medical supplies with dates of expiration less than 1 year

If you have items you wish to donate:

- E-mail Patricia Corcoran: PCorc@aol.com
- Phone Lynda Howland: (585) 381-7420



Metro Justice, Inc.
167 Flanders Street
Rochester, New York 14619

MJ Calendar

Second Saturdays for Social Justice,

Meet MJ staff, members and others interested in social justice. Learn what MJ is currently doing and how you can get involved. Share your thoughts about the work that we're doing. Every second Saturday at 10am at Equal Grounds Coffee, 750 South Ave.

Tuesday, January 10, NYS Education Justice Conference: Albany. Contact Colin at colin.metroj@gmail.com if you're interested in attending.

Continuing:

Every Sunday, Noon-1, Peace Action & Education (PA&E) weekly antiwar vigil at East Avenue and Goodman Street. Please join us in standing against the occupation of Iraq and demanding that U.S. troops come home now.

First Wed., 7pm, Rochester Committee on Latin America (ROCLA), Downtown United Presbyterian Church, 121 N. Fitzhugh Street.

Third Mon., 7:15pm, Metro Justice Council meeting, 167 Flanders St. If you would like to address the Council, please contact Tanya attanyaMetroj@frontiernet.net or at 325-2560 to get on the agenda.

Fourth Thurs., 7pm, Ciudad Hermana Task Force, St. Anne Church, 1600 Mt. Hope Ave.

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