

## OneCalifornia ▶ In the News

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### ▶ Bill Clinton Calls For Foreclosure Aid In Oakland

OAKLAND — Former President Bill Clinton, surrounded by Oakland Mayor Ron Dellums and other East Bay political leaders, said Wednesday that the federal government needs to help cities bail out homeowners facing foreclosure before the national economy unravels from a mortgage crisis that has more unsuspecting victims than villains.

Clinton called the skyrocketing foreclosure rates “a human tragedy,” brought on by economic speculation from investors and failed economic policies of the Bush administration.

“It’s an honorable thing if we can figure out how to keep these honest homeowners whole for another few tears until we can elect a new president and a new Congress,” Clinton said while campaigning for his wife, Sen. Hillary Rodham Clinton, in Oakland at Everett & Jones Barbeque on Broadway. “The dumbest thing we can do is nothing.”

With less than three weeks to go before California’s Super Tuesday presidential primary, the former president lent his legendary common touch to his wife’s campaign while meeting with about 50 residents and real estate professionals in a roundtable discussion to talk about the subprime mortgage meltdown.

Oakland, one of the nation’s most racially diverse cities, has the nation’s 10th-highest foreclosure rate, according to Dellums, who has endorsed Clinton and organized the gathering.

Clinton acknowledged that foreclosures have disproportionately affected people in cities, particularly in black and Hispanic communities.

“We need to stop the bleeding here,” he said.

Illustrating the scope of the problem, Dorothy Everett, the owner of the downtown barbecue restaurant in Jack London Square where Clinton sat on a wood ladderback chair drinking diet Coke, told the former president that she is at risk of having her late mother’s home repossessed.

“I call them ‘sublime mortgages,’” Everett said.

Clinton said he and his wife have discussed possible short- and long-term solutions, and that if she were elected president he would continue offering his input.

The former first lady has called for a 90-day freeze on adjustable rate mortgages, funneling money to local governments for temporary home loans that would keep residents’ monthly payments from increasing, and creating green collar jobs by putting people to work making homes more energy efficient, Clinton said.

“That will cost the government some money, but it’s nowhere near as expensive as letting these foreclosures occur,” Clinton said, adding that the Bush administration’s mortgage relief plan is not aggressive enough.

“The most expensive way to handle this problem is to let the foreclosures occur,” he said. “The economy will pay more if we let all these mortgages collapse, never mind all the heartbreak to the individual families.”

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Clinton said even though mortgages were extended to people who could not afford them, he did not think irresponsible buyers and lenders were responsible for the rash of foreclosures as much as a national economic policy that relied too heavily on rising home values and not enough on job growth.

“At the local level, there are very few villains,” he said. Clinton blamed investment banks and hedge funds for purchasing mortgage loans from lenders for profit, and a federal government that borrowed money “like a drunken sailor,” for causing rising interest rates that brought on the inevitable jump in foreclosures.

“Part of the job of the presidency is to understand this stuff in sufficient detail,” Clinton advised. “We need community-based solutions and the federal government should support it.”

“People at the local level will figure this out if they have a lot of money to do it,” Clinton explained, adding that a cooperative response is needed among government, banks and lenders, and homeowners.

Additional economic stimulus could come from new federal energy policies that create jobs in cities like Oakland for the building of energy-efficient buildings, according to Clinton. “

High school dropouts who can be trained as green-collar workers” would offer a needed boost to Oakland, he said.

“I believe Hillary’s got the best plan,” he said, adding that he believed the major players involved in addressing the foreclosure issue would cooperate to support the economic health of the nation.

“In this case, there isn’t really any big money interest on the other side of this,” Clinton said.

Thanking Dellums and his hosts, Clinton ungrudgingly agreed to sample the restaurant’s fare before departing for his next stop in Napa’s wine country.

“I come from a place where barbecue is a fine art, so I wanna get some before I leave,” said a smiling Clinton.

Clinton went on later Wednesday to take the stage of the historic Napa Valley Opera House, while people who could not get into the packed space lined the streets to get a glimpse of him.

During his wide-ranging 90-minute appearance, he repeatedly stressed that the former first lady was the best candidate of the Democratic field because she had worked successfully with Republicans while in the Senate and “has got the most proven record of making positive change in other people’s lives.”

“If you need a president, you should vote for her” instead of accepting “the argument that we should discard anyone who had anything to do with all the difficult things that happened while the Republicans were in office,” he said.

Addressing the issue of immigration reform, a hot-button topic in California, he said Sen. Clinton favors finding a way for the nation’s estimated 12 million undocumented workers to stay in the country legally, as well as beefing up enforcement at ports and airports.

“No one seriously thinks the government is going to go find 12 million people and round them up and throw them out of the country, do they?” he said.

In response to a question from the audience, Clinton said his wife’s campaign was prepared to face a slew of negative campaign ads from a Republican opponent, but added that he does not subscribe to the conventional wisdom that her most difficult race would be the general election.

“The longer she goes, the more people like her,” he said.