Across the country, families facing foreclosure and homeowners with "underwater" mortgages are fighting back against the big banks that stripped them of their one valuable asset and crashed the economy. The resistance takes many forms - homeowners refusing to leave when the sheriff arrives with an eviction notice, community groups engaging in civil disobedience at bank offices and lobbying campaigns to get city and state government to enact protections from banks foreclosing on owners for missing one or two payments, often as a result of banks making unscrupulous loans.

Occupy Wall Street provided Americans and the media with a new framework for explaining the nation’s economic hard times - the ”1%” vs. the ”99%.” But veteran community, union and faith groups that are mobilizing against Wall Street know that to hold big banks accountable, they need to identify and name the top executives whose decisions ripped off consumers, plunged the nation into a deep recession, plummeted housing prices and put cities and states at the precipice of fiscal ruin due to declining property values and revenues.

One of the banking industry’s ruling elite is Timothy J. Sloan. Sloan has spent 25 years working his way up the Wells Fargo corporate hierarchy. After heading the bank’s commercial real estate and securitization business, in March 2011 he was named Senior Executive Vice President and Chief Financial Officer. Sloan lives in a 5,804 square foot, 8-bedroom Spanish-style mansion at 1320 Woodstock Road on a cul-de-sac without sidewalks in San Marino, a wealthy Los Angeles suburb. He purchased the home in 2007 for $5.15 million. Last year, Sloan made $8.4 million, according to Wells Fargo’s proxy statement.

For several years, Sloan’s bank has been trying to kick Ana Casas Wilson, a wheelchair-bound homeowner, out of her modest home. Wilson, a court interpreter, lives with her husband (a school janitor), her mother (a retired factory worker who now works as a home health aide), and her 17 year old son in the gritty working class city of South Gate, only 10 miles away - but worlds apart - from tony San Marino. The family has lived in their tiny 949 square foot house since 1975 which, thanks to plummeting housing prices brought about by the Wall Street mortgage collapse, is now worth no more than $175,000.
2009, Wilson was diagnosed with breast cancer and underwent a double mastectomy. She also suffers from cerebral palsy and is confined to a wheelchair. Her husband James quit his night job as a security guard - and reduced his income - to tend to her. While Wilson was in the hospital and undergoing chemotherapy, the family fell behind on its mortgage payments and the bank started to foreclosure on their property.

Once the family's financial situation stabilized, they sought to resume making payments and asked Wells Fargo to renegotiate their mortgage. But the bank refused to accept the Wilsons' checks and pursued legal proceedings to foreclose on the house and evict the family from their home.

Last October, the Alliance of Californians for Community Empowerment (ACCE, a community organizing group), the Service Employees International Union and other activist groups showed up in front of Sloan's mansion to protest Wells Fargo's predatory lending practices. In response, the five-member San Marino City Council adopted a new law, requiring protesters to keep 150 feet from a target residence, or 75 feet from the curb adjacent to the home, whichever is farther.

"The purpose of the ordinance is not to reduce picketing, but to protect the people who are the victims of picketing," San Marino city manager John Schaefer told the Los Angeles Times. "We're a prime target. We have a lot of people who fit the profile to be the victim of this type of crime."

In April of this year, after Wells Fargo repeatedly refused to help the Wilsons stay in their house, Wilson and over 100 supporters from ACCE and SEIU showed up at his house again, this time to demand that the bank stop foreclosure proceedings. Wilson, 49, brought a check for her mortgage payment, which she hoped to deliver personally to the Wells Fargo executive.

Instead, she got arrested.

While the protesters carried signs and chanted "Wells Fargo, shame on you!" in the street in front of Sloan's home, Wilson crossed a police cordon in her wheelchair to deliver the check to Sloan. She knocked several times, but nobody opened the door.

According to the Los Angeles Times: "Just before 8 p.m., about 90 minutes into the demonstration, police formed a line around the home, declared the assembly illegal and ordered the group to move 75 feet up the street."

Wilson refused to go and was taken to San Marino police headquarters with the...
assistance of San Marino Fire Department paramedics.

Police departments from nearby Pasadena, South Pasadena, Alhambra and San Gabriel, many in crowd-control gear, were called to back up the San Marino cops.

Los Angeles County Sheriff Lee Baca hasn't yet sent his deputies to evict Wilson and her family. His office has been reluctant to do the banking industry's bidding in the face of mounting protests by community activists. Baca obviously doesn't want TV cameras showing up to film his deputies throwing people out of their homes, particularly if their supporters have linked arms to resist the evictions, as has happened a number of times in the past year.

But San Marino - which in 2010 had a population of 13,147 and a median income of $154,962, three times the state's median income - has had no second thoughts about using the full force of the law against protestors like Wilson. This month, the town's City Council upped the ante, introducing another ordinance to stop protests directed at local residents. The new law gives city officials the authority to steer protesters away from homes to the median strips along the city's major street, Huntington Boulevard, or to public sidewalks away from the target's home.

At the meeting where the Council discussed the proposed law, city manager Schaefer explained, "I kind of think the Occupy thing is dying out," according to a front page story in Sunday's Pasadena Sun. "But this does give staff a tool if there's a next generation of this sort of thing." Schaefer told me that he expects the October 10 Council vote on the ordinance to be unanimous. "A slam dunk," he predicted.

No doubt the Council would have preferred a total ban on any protests at all, to protect its wealthy denizens from the unruly mob who can't afford to live within its walls.

Indeed, Schaefer considers part of his job as protecting the privacy of San Marino's elite. He told me that other influential residents - including a board member of a prominent hospital and the president of a major university - have faced protests in the past, and that John Bryson, the former CEO of Edison International and one-time Secretary of Commerce in the Obama administration - lives in the cozy community. When I asked Schaefer about the protest at Sloan's house, he said, "I'm trying to save this guy from having his name in the paper."

But just a few days before I interviewed Schaefer, Sloan did have his name in the local Pasadena Sun - not once, but twice. On the front page was a story about the City's ongoing prosecution of Wilson for trespassing on Sloan's property. And on page 13 was a photo of Sloan in his tuxedo, smiling for the camera at a fundraising ball for the Huntington Library, Art Collections and Botanical Gardens, a San Marino institution housed in the former estate of one of America's most despicable robber barons, Henry Huntington, owner of the powerful Southern Pacific Railroad and a real estate speculator who died in 1927.
Sloan chaired Saturday’s fundraiser, which attracted 380 supporters, who, according to the Sun, munched on "mini Kobe burgers and watermelon and cucumber sangria drops" served on silver trays, followed by a dinner of "grilled filet of beef and jumbo shrimp scampi," with a "warm chocolate soufflé cake" for dessert. The dining was "accompanied by music from Wayne Foster Entertainment."

The battle between Sloan and Wilson is emblematic not only of the nation’s wide and growing gap in economic wealth, but also of the huge disparity in political influence.

Sloan and his bank can exercise their free speech rights with huge campaign contributions and lobbying expenses, now made easier by the Supreme Court’s Citizens United decision. Sloan has donated more than $25,000 to political candidates in the past two years. About 80% of his contributions have gone to Republicans, including $8,750 to Mitt Romney, $5,000 to Sen. Scott Brown of Massachusetts (who is being challenged by Elizabeth Warren, the banking industry’s biggest foe), and $6,000 to the Republican National Committee.

Sloan’s donations parallel Wells Fargo’s broader efforts to wield political clout. During the same period, according to the Center for Responsive Politics, Wells Fargo has contributed more than $2.4 million to candidates for president and Congress, most of it directed to Republicans. In addition, Wells Fargo, the nation’s largest home mortgage lender and fourth largest bank, spent over $11.6 million on lobbying expenses, primarily to get Congress to weaken regulations protecting consumers from Wall Street trickery.

Wilson can’t afford to make campaign contributions to politicians. Instead, she and people like her depend on grassroots organizing and protest to get their voices heard.

"I’m doing this because people need to see what the banks are doing. It’s awful. It has to stop,” explained Wilson. "When I was down and out in the hospital, they took my house.”

In the eyes of San Marino’s elected officials and its city manager, Wells Fargo CFO Tim Sloan is a victim of ‘this type of crime’ - people exercising their First Amendment rights to assemble and protest. To enforce this odious law, San Marino taxpayers paid for police to protect Sloan from 80 peaceful protestors and a woman in a wheelchair.

But who’s the real criminal here?

Among major banks involved in shady and abusive practices, Wells Fargo has been one of the worst offenders.

In 2006, before the subprime bubble started to burst, Wells originated or co-issued $74.2 billion worth of subprime loans, making it one of the top subprime lenders in the country. The Federal Reserve Board levied an $85 million civil fine on Wells Fargo for steering borrowers inappropriately into subprime loans and falsifying income information on loan applications. This is the largest civil consumer enforcement fine
ever imposed by the Fed.

In July, in another legal imbroglio, Wells Fargo agreed to pay at least $175 million to redress blatant discrimination against African American and Hispanic borrowers. In cities across the country, brokers working with Wells Fargo steered minority borrowers into costlier subprime mortgages with higher fees when white borrowers with similar credit risk profiles received regular loans. Furthermore, while its mortgage lending to white borrowers increased, it dropped dramatically for African-American and Hispanic borrowers.

In past five years, Wells Fargo has been sued at least 55 times for charging abusive mortgage default fees, submitting false and misleading court documents, processing unlawful foreclosures, mortgage appraisal and origination fraud, charging military veterans with hidden and illegal fees, robo-signing of mortgage documents, and other illegal acts.

Wells Fargo is also deeply involved in the payday lending business that preys on cash-strapped families by providing short term loans with exorbitant fees and annual interest rates (typically around 400%) that trap people in a cycle of debt, particularly borrowers in poor and minority neighborhoods. Wells Fargo provides financing for nine payday companies that operate one third (32%) of the entire industry, whose stores are concentrated in African American and Latino neighborhoods.

As of June 2010, Wells Fargo had $17.5 billion worth of foreclosed homes on its books, making it one of the nation’s three top banks in foreclosure activity. Despite getting a $37 billion taxpayer bail-out, Wells Fargo went kicking and screaming before it reluctantly agreed to participate in the federal government’s Home Affordable Modification Program. Even so, it has provided help to few of its borrowers who are eligible for loan modifications that will keep families in their homes.

In the past six years, housing prices nationwide have fallen by a third. Families have lost nearly $7 trillion of home equity. More than four million homeowners have lost their homes. Another 3.5 million homeowners are in the foreclosure process or are so behind in their mortgage payments that they soon will be confronted with losing their homes.

About 15 million homeowners are "under water" - they owe $700 billion more on their mortgages than their homes are worth. Many economists agree that the most effective solution would be for the federal government to require banks to renegotiate mortgages for "underwater" owners to reflect the new market values of their homes. The Obama administration resisted this idea until recently, but the bank industry lobby, including Wells Fargo, has fought to stop any legislation mandating "principal reduction." Instead, they want any mortgage re-sets to be entirely voluntary.

Wilson is one of those many homeowners whom Wells Fargo refuses to help, which is why she wound up on Tim Sloan's doorstep, trying desperately to pay her mortgage so she can stay in her home.

Sloan's Huntington Library charity ball raised $300,000, almost twice the current value of Wilson's house, which she may soon have to leave if Sloan and his bank don't do the right thing.

California is ground zero in the battle between homeowners and Wall Street. ACCE, SEIU, and their allies (including groups like the National Council of La Raza, the Courage Campaign, and others) have won important victories on several fronts - keeping families in their homes by pressuring banks to rewrite mortgages, getting
cities to require banks to pay for the costs of cleaning up vacant foreclosed properties, and getting the state legislature to enact of Homeowners Bill of Rights to protect consumers from banks pulling the foreclosure trigger too quickly.

Nationwide, community groups, unions, and faith based groups are laying the groundwork for a major assault on Wall Street greed. They intend to expand their protest actions by focusing on a handful of major banks that are responsible not only for the epidemic of foreclosures and declining home values, but also the implosion of family debt (due to outrageous student loans) and government austerity (due to declining property values and revenues).

And should Obama win a second term, groups like the Home Defenders League, a national network of activist groups, expect to push the president and Congress to adopt regulations to require banks to reset mortgage loans (called "principal reduction") so that payments align with the reduced value of their homes. They estimate that homeowners' monthly savings, if spent on consumer goods and services, would generate a million jobs a year.

"This is about more than helping homeowners stay in their homes," explains ACCE's Amy Schur. "This is about holding Wall Street accountable, fixing the economy and getting the government on the side of consumers, not bankers. To do that, we have to name names. People have to know who the enemy is."

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