

Labor, Faith, Community Activists Call on Big Banks to 'Share the Wealth'

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Hundreds of labor and community activists demonstrated outside of Wells Fargo in the Financial District yesterday, demanding that the six largest banks in the nation – Goldman Sachs, JPMorgan Chase, Bank of America, Citigroup, Wells Fargo, and Morgan Stanley – help California working families recover from the economic recession by preventing home foreclosures, providing healthcare and unemployment benefits, and solving the \$6.3 California budget shortfall.

The protesters, members of the Service Employees International Union (SEIU), the Contra Costa County Interfaith Supporting Community Organizations (CCISCO), People's Action in Community Together - San Jose, Oakland Community Organizations, and the San Francisco Organizing Project, demanded that Wall Street executives be held accountable for helping ordinary people struggling to weather the economic recession, instead of enriching themselves.

“It’s unbearable that Big Bank CEOs and top executives are paying themselves \$577 million per day, while more than 10,000 working families face home foreclosure each day,” said Minister Marvin Webb, a member of CCISCO. “We demand that Wall Street be held accountable, and redirect their bonus pay to help our families and communities recover.”

If redirected, the \$150 billion pool of bonuses and compensation at the 6 largest banks could significantly improve the situation of California working families. For example, a fraction of the bonuses and compensation could plug the entire \$6.3 billion mid-year gap in the California state budget, avoiding further cuts to K-12, universities, healthcare, and social services.

Just 7.2% of the pool could provide mortgage payment assistance to 1.8 million California families, preventing or postponing every foreclosure projected in the state for 2009-2012. Furthermore, 22% of the pool could fund health insurance coverage for all 6.7 million uninsured Californians, and less than 2% could fund health insurance coverage for each of the 784,045 uninsured residents of the San Francisco Bay Area.

“It’s clear that Wall Street isn’t going to reform itself — so we are demanding that Congress and the Obama Administration reign in their greed and excess,” said Pete Vargas, SEIU organizer. “We will not allow the Big Banks to reward themselves with the biggest payout in history, after they crashed our economy and took trillions in taxpayer bailouts.”

SEIU is calling for Congress and the Obama administration to initiate additional reforms of the financial industry, to:

- Reform executive compensation practices to remove the incentive for executives to take excessive risks; strengthen the links between compensation and performance, long-term perspective, prudent risk-management; and improve transparency.
- Establish a watchdog on the financial industry to prevent another financial meltdown, such as the Consumer Financial Protection Agency (CFPA) proposed by the Obama Administration
- Impose a speculators tax on excessive Wall Street transactions and profits;
- Create an immediate moratorium on foreclosures of houses already in the loan modification process.
- Crack down on the sale of derivatives and other risky products;

This week’s actions are the latest in a series of national public demonstrations to demand an end to Wall Street’s greed and reckless behavior. In more than 24 cities this week, Americans took to the streets outside offices and branches of major U.S. banks to demand excessive compensation and bonuses be redirected to help families, small businesses, and state and local governments recover.

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