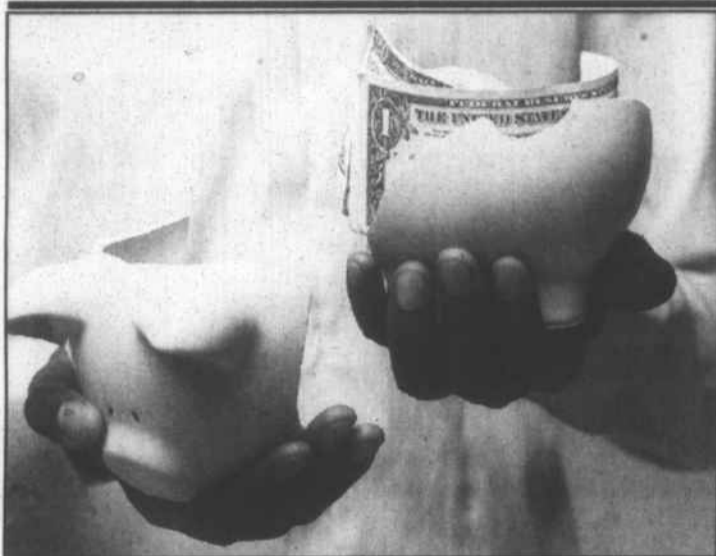


# OPINION

## THE CHRONICLE

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## The Time to be afraid is NOW



**Harry Alford**  
 Guest Columnist

Not since the Great Depression started with the stock market crash of 1929 and followed by an immediate run on the banks has there been such doubt in areas such as "Trust", "Accountability", etc. when it came to where we put our precious money.

The best long term solid investment for all Americans was home ownership. That too has gone away from our trusted beliefs.

Our investments, assets, cash and everything else of value is now on the line. There is a chance that most of it will evaporate right before our eyes and there is nothing we can do about it. Most of this started with the sub-prime mortgage hustle. It has turned out to be a bigger monster than most of us imagined.

One of the biggest examples is IndyMac Bank. This company is a spin off of Countrywide (one of the biggest firms involved in the sub-prime mortgage scam).

Countrywide took its finest products and birthed the Independent Mortgage Acceptance Corporation, hence the name IndyMac. According to Thomson Financial, "Indy" was the second-largest mortgage lender in the United States, and the seventh largest savings and loan, with \$32 billion in assets and \$19 billion in deposits and \$1 billion uninsured.

It was the biggest bank failure in years. Since 2000, according to the FDIC, there have been 32 bank failures in the United States, with IndyMac the fifth one so far in 2008 and bigger than all the other 31 put together. Those depositors with more than \$100 thousand stand to lose all above the \$100 thousand threshold. If you had \$800 thousand in IndyMac you stand to only come out with \$100 thousand.

The rest is a big gamble and most likely at least 50 percent will be lost by the depositor.

Remember, only \$100 thousand in deposits is insured by the FDIC. There is no bank, investment brokerage anywhere that will guarantee you more than the initial \$100 thousand. This is not security!

The real scary part is that the FDIC (Federal Deposit Insurance Corp.) has another 90 to 150 banks on its list of "troubled" lenders. Is your bank on that list? You can't tell as the

FDIC is keeping it a secret to prevent you from running the bank and causing it to collapse like IndyMac. Yes, the times are indeed changing and you nor I know what to do. The government, Congress, Wall St. and others are going in circles and are at a lost on what to do. You and I are at the bottom of this and will be the ones most hurt. **YOUR MONEY ISN'T SAFE!**

Don't think you can avoid this by running to a major bank. They have troubles too. Wachovia Securities, formerly AG Edwards and now a division of the 4th largest bank in the nation - Wachovia Corporation, is now having difficulty in its daily business. The Secretary of State of Missouri after receiving hundreds of complaints from customers who were denied access to their cash sprung a raid on this brokerage last week. Her intent was "to make the investors whole". This looks like the next big horror story.

The equity in your home, the American Dream, is going up in smoke with the rising tide of foreclosures. Even if you have your home free and clear, you are still at risk. For every foreclosure within two miles of your home you will lose approximately \$7,000 in net equity. It doesn't take long for this to start mounting up and chipping away at your family's future.

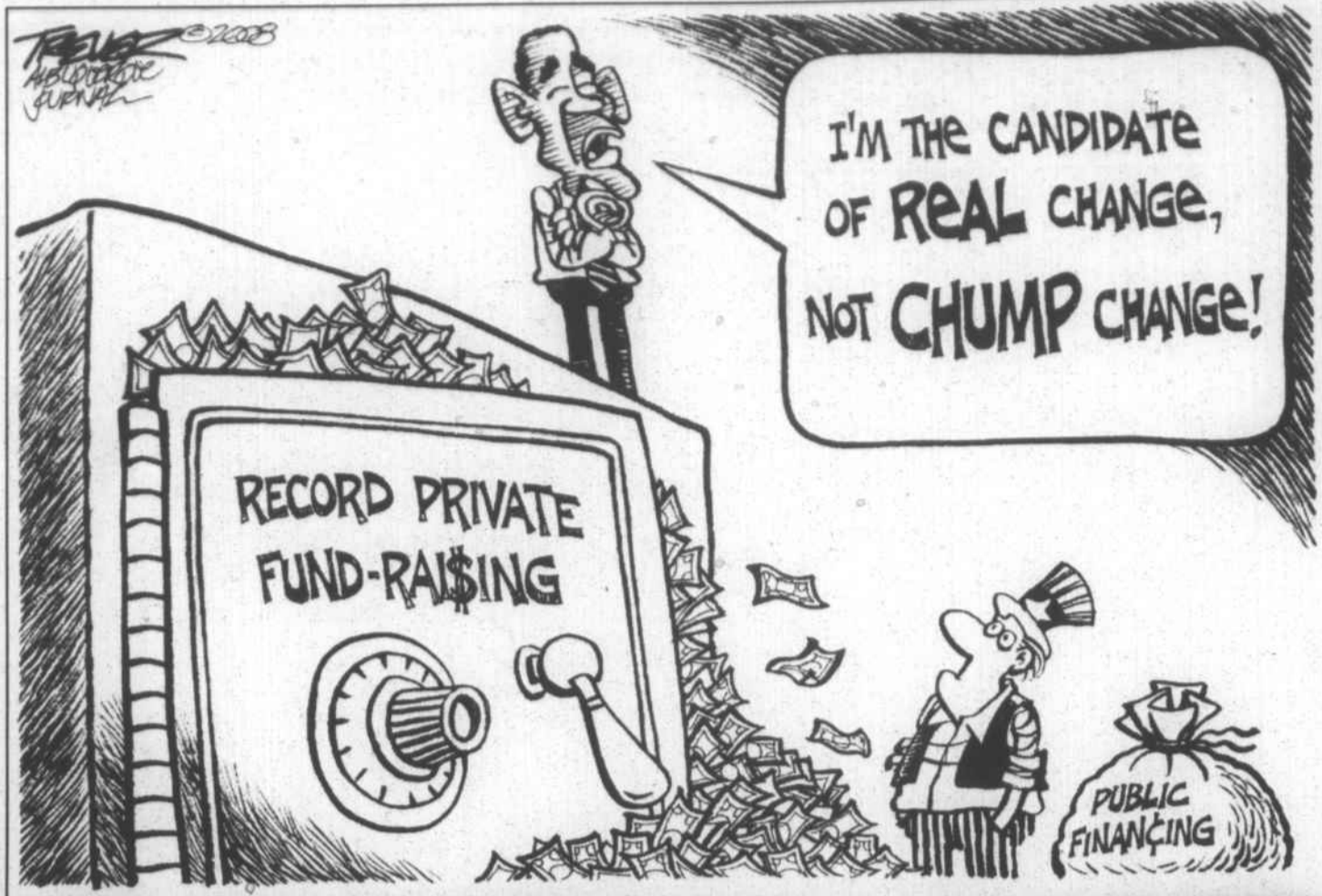
What is going to happen to our retirement accounts and life insurance policies? These two industries have long been investing in the above areas and they must be taking a beating right now.

When the "Baby Boomers" start retiring and cashing in on long-term life insurance policies will they be in for a major shock also? Probably, as the pain is being spread throughout the world.

The way the Global Economy is set up now - we are severely vulnerable. Even giants like FannieMae and FreddieMac may have to be rescued by our national treasury. That will be tragic as we can ill afford such major bailouts.

All of this and China is one of our major creditors. Our personal wealth is going down the tubes; our dollar is shrinking in value weekly; lost faith in the financial markets and a foreign country who could call in our "note" whenever they feel like it. It took our parents/grandparents twenty years and a world war to get out of the last Great Depression. How long and at what price will we have to pay for this one? Let us pray.

Harry Alford is the co-founder, President/CEO of the National Black Chamber of Commerce. [www.nationalbcc.org](http://www.nationalbcc.org).



## LETTER TO THE EDITOR

### Be a Life-Changer

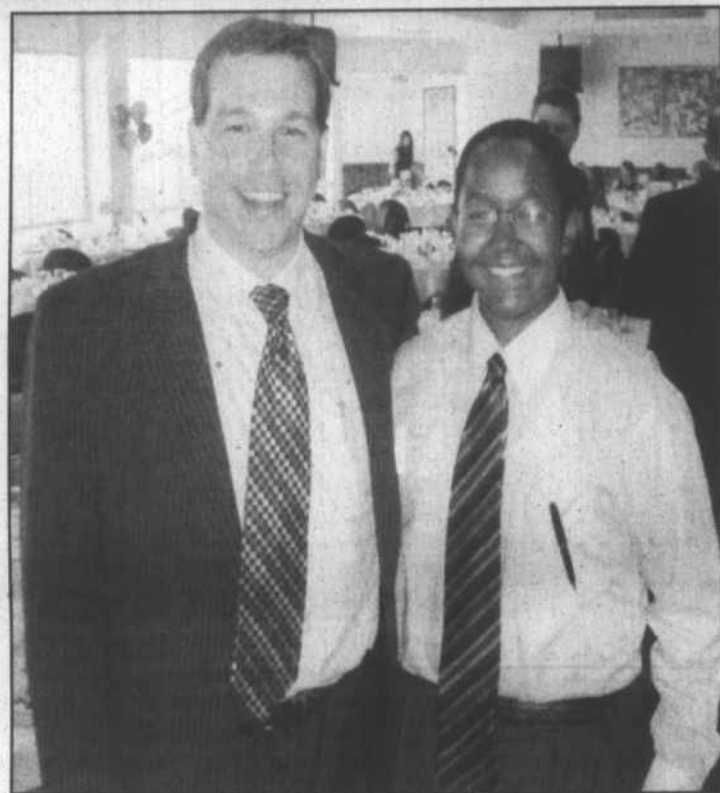
To the Editor:

Big Brothers Big Sisters of America, Inc. is committed to "helping children reach their potential through professionally supported, one-to-one relationships with mentors that have a measurable impact on youth." A Big Brother or Big Sister can be very important to the development of a young person that is missing either a mother or a father. I know this firsthand because I have had a Big Brother for three years. He has had a very positive influence on my life and has become a role model and friend that I can count on.

Being a Big Brother or Big Sister is a responsibility as well as a joy. It involves staying active in the life of the young person with whom you are paired. From making a phone call to spending a Saturday night at a football game, simply the presence that you will have in a young person's life is priceless.

As a Boy Scout, I have chosen to recruit Big Brothers and Big Sisters for my Eagle Scout Project. I encourage everyone in the community to consider being a life-changer for a young person in need. So if you have the time, and if you have the will, give Big Brothers Big Sisters a call at (336) 724-7993. Ask for Mrs. Williams and tell her that Steven Banks sent you.

Steven Banks,  
 Winston-Salem



Steven Banks with his big brother, Brad.

## Cosby needs to walk the walk

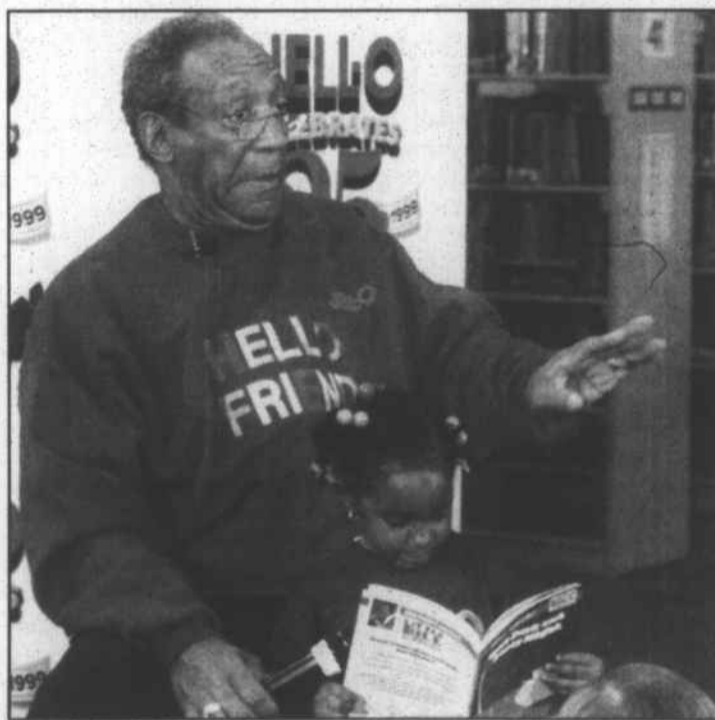


**Peter Bailey**  
 Reality Check

As a person who shares some (not most, not all) of the opinions Bill Cosby has regularly expressed during the past two years, I say it is now time for him to walk the walk, not just talk the talk.

Cosby has been especially outspoken on the lack of parenting skills among low-income Black folks. I should add here that my major problems with Cosby's comments is that he doesn't also target those middle-and upper-income Blacks whose apathy and me, myself and I-ism are just as irresponsible and devastating to our group progress as the shenanigans of low-income Blacks. Cosby has both the resources and connections needed to establish an institution or a series of small institutions where people can go and be taught the kind of critically important parenting skills that he believes are missing.

Continually delivering scolding rhetoric is simply not enough these days. Influential people who consider themselves leaders or spokespersons must now be judged by whether or not they build institutions (not launch organizations) that employ, educate, house or provide health care for Black communities throughout the nation. So-called leaders and spokespersons who limit themselves to repetitious rhetoric instead of building institutions should be disdainfully kicked to the curb.



Funnyman Bill Cosby pitches Jello.

Somewhat along the same lines, if so-called Black leaders, from all ideological leanings, would spend one-third of the time they spend on politics advancing the economic literacy of our people, it would be a giant step toward serious individual and group empowerment. It is impossible to have political power without economic power - perhaps some degree of political influence but not political power. Why the leaders and spokespersons don't deal with this is best explained by the perceptive Harold Cruse, a most notably author of the must-read books, *Crisis of the Negro Intellectual* and *Plural and Equal*. Professor Cruse wrote that "The reason that the debate on black economy has gone on back and forth for years, with no conclusions reached, is because the idea is

many Black folks that "I don't need to know nothing about Wall Street. It has nothing to do with me."

Wrong! Wall Street plays a pivotal role in determining how much one pays for a loaf of bread or gallon of gas. One way to begin enhancing one's economic literacy is to read the cogent, informative, educational, solutions-oriented columns of Black economist, James Clingman, which are published in numerous Black newspapers. A group that doesn't have or doesn't effectively use economic power will be eternally behind no matter who's the occupant of the White House.

On the Fourth of July, politicians and pundits love to quote Thomas Jefferson whom we are all supposed to consider the ultimate believer in liberty and freedom. He is quoted as having said that "the mass of mankind has not been born with saddles on their backs, nor a favored few booted and spurred, ready to ride them legitimately, by the grace of God."

This is a stirring statement from a man who enslaved African people throughout his entire life. That statement and others credited to Jefferson, in my opinion, are what makes him the ultimate hypocrite. Unlike some of his fellow slave owners, who had convinced themselves that enslaving African people was righteous, Jefferson's statements revealed that he knew it was wrong. But he did it anyway for his own personal convenience.

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