

# Metro Industrial Areas Foundation

FOR IMMEDIATE RELEASE

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## Citizen Leaders in Five U.S. Cities and London Launch Anti-Usury Campaign

The Metro Industrial Areas Foundation (IAF) proclaims:  
**“Ten Percent is Enough!”**

**Date:** Wednesday, July 22

**Time:** 10 am

**Location:** Federal Reserve Bank of Boston, 600 Atlantic Ave

Clergy and lay leaders from the Greater Boston Interfaith Organization, the Metro IAF-affiliate in Greater Boston will kick off a national campaign to re-instate caps on the usurious interest rates that have devastated millions of families and undermined the global economy.

This public action will occur **simultaneously with events led by clergy in New York, Washington D.C., Chicago, Durham, and London England** under the auspices of the Metro Industrial Areas Foundation. Metro IAF's 17 affiliated organizations on the East Coast and Midwest represent over 450 congregations, schools, neighborhood associations, local unions, and other community based non-profits. These 450 institutions represent over 500,000 families.

**Metro IAF leaders propose a ten percent cap on interest rates** for credit cards and personal loans, including payday loans and rapid-return tax refund businesses. “Usury laws were repealed in Britain in the 19th century but were in place in America until 1980. It was one of Jimmy Carter's last acts as president to allow banks and other institutions to charge unlimited interest rates, ushering in the era of unfettered markets,” explained a [recent Guardian article](#) on this campaign. “Before 1980, in the context of these caps, banks had somehow found ways to operate profitably. We can – we must – do this again,” says the Rev. Hurmon Hamilton of Roxbury Presbyterian Church, the President of GBIO.

Why ten percent? **“If ten percent is good enough for God, it's good enough for Bank of America,”** says Rev. Hamilton.

“I got trapped with a Home Depot credit card. My interest rate jumped from 18% to 26% with no notice and no recourse,” reports Mark Taylor, a GBIO and Metro IAF leader in Boston. “The agent told me that only the debt collectors could lower the interest rate, but first I would need to default on my credit card payments to speak to the debt collector who could possibly lower the rate. This loan put tremendous stress on my family relationships. **I wish someone had stopped me. And now it's time for us to stop them.**”

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Metro IAF has sent letters requesting meetings with the CEOs of the nation's five largest credit card companies: Bank of America, JP Morgan Chase, Wachovia/Wells Fargo, Citibank, and Capital One.

## **GBIO leaders will hand deliver the Bank of America letter to 100 Federal Street, Bank of America's Boston headquarters.**

At this action, clergy and lay leaders will offer testimony on the impact usurious interest rates have had on their lives and their communities, and will then march into the Bank of America branch to **demand that the CEOs meet with the people whose lives have been devastated by their usurious practices.**

Metro IAF is part of the National Industrial Areas Foundation (IAF), which was founded in 1940 by Saul Alinsky and is the oldest and largest organization of its kind. A sample our of organizations' accomplishments are:

1. Our organization in Baltimore (B.U.I.L.D.) created the idea of the "living wage." In 1994 B.U.I.L.D. pushed for and got the first living wage ordinance passed by the Baltimore City Council;
2. Our organizations in New York City, Baltimore, Washington, DC have built 5,000 Nehemiah homes. These are for sale homes for working income people. In writing about the foreclosure crisis, Jim Dwyer of the *N. Y. Times* wrote about the reasons why, as of a couple of months ago, we had experienced few foreclosures;
3. GBIO here in Boston was the lead organization in a coalition that brought about the enactment of universal health care in Massachusetts; and
4. Our organizations in the Chicago area were instrumental in moving the state to pass health care for children.

In the past four months our 17 organizations have conducted over 1,500 small group meetings with thousands of citizens in cities and suburbs to find out how the current economic crisis is affecting them. Time after time, our members reported that their families are drowning in massive debt. Skyrocketing interest rates are disastrous because they assure that the poor and the impoverished middle class will be pushed into a hole of deeper debt from which it is impossible to dig out.