

GETTING CENTERED

What's Goin' On?

Shekeyna Black

What does Social Justice mean to you? Attila Nagy, President of the Peace & Justice Center, and I had the opportunity to facilitate a presentation during Social Justice Week at Sonoma State University, where we asked the students to talk about the ways they are involved in Social Justice issues. Being on campus with the motivated students was inspiring. Great big thank you to Professor Peter Phillips for spearheading the Social Justice Week program. Phillips "is co-host with Mickey Huff on the hour long weekly Project Censored show on Pacifica Radio originating at KPFA in Berkeley for airing nationwide," as per his faculty bio at Sonoma.edu. We emphasized the importance of Justice first, and for all, before everyone can experience Peace.

The PJC will be participating in some important community events in April and May. *We the Future Social Justice*, hosted by SRJC Petaluma and the North Bay Organizing Project takes place on Friday, April 13th at the Petaluma Campus. According to the *wethefuture.santarosa.edu* web page, "This day-long conference aims to raise consciousness and inspire action. For those feeling the call toward political engagement, *We the Future* offers an opportunity to build solidarity among activists of color, working-class folks, interfaith allies, feminists, members of the LGBTQI community, immigrants and the undocumented, labor organizers, and environmentalists whose diverse work is united by a desire to build a more just, humane world."

The family-friendly, free, annual Earth Day Celebration on April 21st takes place in Courthouse Square in Santa Rosa from noon-4pm. According to the Sonoma County Tourism website, "This year Earth Day OnStage will also be a Zero Waste event, which means vendors and participants will be reducing consumption, reusing, recycling, and composting all waste with nothing going to landfill or incineration." Stop by our booth to enter to win an annual Peace & Justice membership for you or for a gift for someone else.

The May 1st Coalition is organizing a May Day Walkout and March on International Worker's Day, Tuesday, May 1st in Santa Rosa. This has been an annual action since 2006 when 10,000 people marched in Santa Rosa for comprehensive immigration reform. Even more reasons to participate this year. On another note, did you know the Raging Grannies are back singing in Sonoma County? The singing activists meet the first Wednesday of each month from 5:00 to 6:00 PM at the PJC for open rehearsals.

On a personal note, my Dad, Ed Black, was recently in town for his first visit after my Mother passed. He said of the people of Sonoma County, "there is a genuine love and acceptance from everyone I met from the community." We need to focus on building bridges not walls, figuratively and in actuality. We are in our Spring Appeal period, please consider making a donation to your local non-profit, Peace & Justice Center of Sonoma County. Your support helps the PJC to build bridges for Social Justice.

After the Fire – Using the Public's Credit to Rebuild

Shelly Browning and Marc Armstrong

What's the connection between public banking and natural disasters? Plenty. And anyone with a fiduciary duty involving public finance should pay attention.

When a natural disaster happens, unplanned expenses occur – not just for the general public, but especially for city and county budgets. Overtime pay and unplanned direct costs jeopardize the planning that went into the budget. Frequently these government organizations have to immediately cut other budgets, arrange for a line of credit, or plan for some other kind of funding to see them through.

A public bank, a bank that is owned by the city or state government and that uses government deposits to create credit, can provide this funding and alleviate many of the immediate budget shortfalls. Grand Forks, North Dakota, a city of about 50,000 people, experienced a devastating flood and fire in 1997. Within two weeks of the disaster, the Bank of North Dakota, the nation's only public bank, established a disaster relief loan fund, set aside \$5 million to assist flood victims and set up additional credit lines of about \$70 million:

- \$15 million for the ND Division of Emergency Management
- \$10 million for the ND National Guard

- \$25 million for the City of Grand Forks
- \$12 million for the University of North Dakota, located in Grand Forks
- \$7 million to raise the height of a dike at Devil's Lake, about 90 miles west of Grand Forks.

In other words, the public bank stepped in and provided about \$1,400 (\$2,135 in 2017 dollars) in credit per capita to government agencies immediately after the disaster. The \$25 million line of credit for the City of Grand Forks is the equivalent of Santa Rosa obtaining a \$134 million line of credit today.

But the value of a public bank in times of natural disasters does not stop there. Best of all, mortgage holders and students who had loans with the Bank of North Dakota were granted a six month moratorium on their monthly payments. Have private banks exercised this level of forbearance, especially for the young people of Santa Rosa saddled with student debt?

Why has the City of Santa Rosa, a state chartered city guaranteed by the state's constitution to be able to further its "municipal affairs," not been willing to take this low-cost public finance option? If it were to do so, it would find that the public's credit could be used to effectively address affordable housing, wastewater treatment, local infrastructure, renewable energy production and use, and public health and safety

matters. The list is familiar to many.

Public banking is a bold move, but it's a return to conservative banking and does not use Wall Street to bail us out. It's a move that the City of Oakland is just now beginning to study and the new governor-elect of New Jersey, Phil Murphy, has promised to implement in New Jersey. The fiscally prudent Germans have over 600 public banks with loan programs that address every one of these very same matters that prove so vexing to Santa Rosa city officials.

Surely, Germany and North Dakota have the same public financing options as the public officials in Santa Rosa. They just don't take the least expensive one off the table, and as a result, are able to more effectively be responsible with their taxpayers' money by lowering debt service costs, providing more services with the same money and lowering the risk of Wall Street dependence.

Let's keep the public banking option on the table. A public bank of Santa Rosa can help meet the increasing demand for expanded – and low cost – public finance.

Marc Armstrong is co-founder of the Public Banking Institute and Commonomics USA, an economic justice nonprofit based in Sonoma, CA. Shelly Browning is a small business owner and resident of Santa Rosa and founder of the Public Bank Santa Rosa working group.