

Should Occupy Wall Street become Occupy Foreclosures?

By James Pethokoukis

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The wonderful Political Math Blog lays out an intriguing proposition (excerpts):

There seems to be a very loose relationship between what the protesters say they want and their method of protesting. Giving this some thought, I think there is an civil disobedience action the Occupiers can take that would make a great deal more sense. And that is occupying foreclosures. Hear me out here... I'm not the most sympathetic toward the Occupy movement, but occupying foreclosures has the following benefits:

2. The action is directly related to the financial sector (although they would quickly discover that Fannie Mae and Freddie Mac are bigger culprits than Goldman Sachs).
3. It would be genuinely disruptive to the financial sector. Don't fool yourselves, sleeping in a park is more disruptive to a bagel shop than to a hedge fund manager.
5. They could actually get arrested for peaceful civil disobedience (trespassing) rather than for jaywalking or public indecency.
6. Good optics if they keep the houses clean & leave when they are sold.
9. They can attach themselves closely to the individual stories of woe within the local community.
10. If banks decided it would be better to sell foreclosures for a loss rather than risk an occupation, it might move inventory, actually help solve one of the problems.
11. Filter out the antagonistic element from Occupy. I suspect anarchists are less interested in playing house with a half dozen people than with running down the streets smashing windows.

Those last two points are key. First, my experience with OWS is that the anarchist-to-signal ratio is awfully bad. Frankly, if you separate out the anarchists, mentally unbalanced, homeless, and hipsters, there might not be much of a movement left — certainly not many protesters who would want the unglamorous task of occupying a house and keeping it up.

Second, we need to speed up foreclosures so the market can clear. As Cato's [Mark Calabria notes](#):

The massive shadow inventory of homes yet to hit the market, numbering in the millions, is keeping potential buyers on the sidelines. Why buy now when a future massive increase in supply will likely depress prices more? It is best to get that supply to the market now. We also, by my estimate, have about 500,000 borrowers still in their homes that have not made a single payment in over 2 years. These borrowers will likely never get current.