Directed and Produced by
Danny Schechter
“The News Dissector”

RUNNING TIME: 88 MINUTES
TV VERSION: 52 MINUTES

www.indebtwetrust.com
SYNOPSIS

In America’s earliest days, people held barn-raising parties to help neighbors build up their farms. Today parishioners in some churches hold debt liquidation revivals where participants chip in to free one another from the growing credit card debt and loan squeezes that are driving American families into bankruptcy and desperation.

Debt is strangling the lives of millions of Americans.

IN DEBT WE TRUST is the latest film from Danny Schechter, “The News Dissector,” director of 20 acclaimed documentaries and the internationally distributed and award-winning film “WMD (Weapons of Mass Deception),” an exposé of the media’s role in the Iraq War.

The Emmy-winning former ABC News and CNN producer’s new hard-hitting documentary investigates why so many Americans are unable to manage their debts. It is a journalistic confrontation with what former Reagan adviser Kevin Phillips calls “Financialization – the powerful emergence of a debt-and-credit industrial complex.”

While many Americans may be “maxing out” on credit cards, there is a much deeper story: power is shifting into fewer hands . . . with frightening consequences. Inspired by scholar Robert Manning’s seminal book Credit Card Nation, the film showcases Manning’s insights about the impact on young people and our society. It also suggests the kinds of practical efforts needed to empower the public with information to avoid the traps of debt and dependency. Manning, one of America’s leading experts on these issues, is one of the film’s key advisers.

IN DEBT WE TRUST shows how the mall replaced the factory as America’s dominant economic engine and how big banks and credit card companies buy our Congress and drive us
into what a former economist of a major bank calls “modern serfdom.” Following the lead of a government with a multi-trillion dollar national debt (a large amount in obligations to Communist China), consumers have also racked up trillions in loans, mortgages and credit card debt. For the first time in our history, America has a negative savings rate and buys more from overseas than it produces.

COLLEGE CREDIT: We visit Rochester Institute of Technology (RIT), where college students are being forced to pay higher interest rates for loans and credit card charges, and a majority of them graduate with more than $20,000 in debt. We listen to Robert Manning explain the crisis to students and parents.

EXPERTS WORRY: A top government official compares the U.S. today to Rome before its fall and warns that the bubble could burst. A former prosecutor says that many of these loans are worse than mafia loan-sharking practices. An ex-credit card executive explains how advertising campaigns are deliberately deceptive and misleading.

ROBIN HOOD OR ROBBING THE HOOD?: A real estate expert reports that “tens of billions of dollars” are being transferred from the pockets of the poor into the vaults of big banks that use front groups and subsidiaries to camouflage their association with predatory loans offered at exorbitant interest rates.

SCAMMING SOLDIERS: We visit a military base to learn that soldiers just back from Iraq are being victimized en masse by payday lenders “at rates that would make the mafia blush.”

CONGRESS: BOUGHT AND SOLD: In Washington, we learn how big money funds lobbyists who work to stop the Congress from regulating usurious interest rates leads to the gentrification of poor neighborhoods through predatory lending practices. Result: a wave of foreclosures and home-improvement mortgage scams.

BANKRUPTCY BILL BLUES: We hear about the shame and pain of bankruptcy as Congress passes a bill that makes it harder for Americans to get a second chance and disqualifies Hurricane Katrina victims from filing for relief. We meet filmmaker Joe Sucher, who shares
his personal experience with bankruptcy. We also hear the story of what happened when actor Lorraine Bracco (“The Sopranos”) went into bankruptcy.

**A CALL TO ACTION:** “Economics is called ‘the dismal science’ yet this film is anything but dismal; it exposes practices anybody can relate to because they affect all of us,” says director Schechter. “Drawing on a range of perspectives from across the political spectrum, **IN DEBT WE TRUST** also discusses how people can fight back. This is not a partisan issue.”

As timely as the latest news, investigative, fast-paced, musically charged, and deeply informative, **IN DEBT WE TRUST** is filmmaking with an angry edge and a broad, well-reported scope by an internationally recognized independent journalist and filmmaker. It deals with an issue relevant to Americans of all races and socioeconomic classes. It tells a story and sounds an alarm.

New York City
June 2006
IN DEBT WE TRUST started out to be a film about what I thought were other people’s problems. I came to realize how deeply they affect me as well. The experience of making this film has led me to understand how many ways policies and practices are tied to a growing national debt burden and have an impact on my personal finances.

Even as a former network journalist and long-time investigative reporter, I was shocked and outraged when I started probing the roots of these issues.

This is a problem involving millions of people and billions of dollars yet it is downplayed and rarely discussed in all of its disastrous dimensions.

It’s about a growing inequality that some experts fear will lead to a new 21st century serfdom. It’s about the transfer of wealth from working people into the vaults and accounts of a relatively small number of financial institutions and real estate interests. The lenders are profiting by charging usurious rates and doing so legally, in part, because they have mastered the art and science of marketing products and then manipulating media, politicians, and political institutions.

Most often, credit card abuses are examined in terms of individuals and consumer scams like identity theft. My film started with that approach but evolved into a much deeper look at what’s been called “financialization.” This is an institutional problem involving a growing debt-and-credit complex that threatens the very fabric of our nation, not just in terms of a possible financial crash in the future but how it is impinging upon our lives and livelihoods right now.

Over the course of my career, I have made 20 films and won many awards and some recognition. Most have been shown at top festivals and aired on television. I am attached to
all of them but IN DEBT WE TRUST is different because it doesn’t just document suffering, it warns of the implications of consequences that will affect all of us. Perhaps that’s why this issue cuts across party and partisan lines in a way that can potentially unite a nation. Perhaps that’s why mostly everyone I’ve told about the film tells me how they’ve come to be personally ensnared in the debt trap.

My hope is that this film will spark a national response – a demand for economic fairness and justice, regulation in the public interest, along with a heightened sense of personal responsibility by consumers seduced by the false promise of “free money.”

What’s been called the “democratization of credit” has led to the democratization of dependency. It has created an unsustainable society, trapping millions in a financial hole they can’t escape from and often do not understand.

Over the past 25 years, America has moved from a society based on production to a nation driven by consumption; from a country that once shared its resources with the world to one deeply in debt to foreign banks and countries – to the tune of trillions of dollars. As the growing number of bankruptcies and foreclosures testifies, our national debt is mirrored by a skyrocketing consumer debt, with an increasing number of individuals and families unable to cope.

Says former Georgia Governor Roy Barnes, “It is shocking to me that intelligent people, educated people, have not taken time to think about this. We cannot sustain over an extended period of time these high levels of debt . . . particularly at high rates of interest. Because . . . what will happen is that whenever it comes to an end . . . and there is an end to the amount of credit . . . in other words, when it gets so leveraged, it will create an economic crisis so deep that it will threaten us as a nation . . . And so we have this . . . this real threat to the way we are as a people. And nobody seems to be concerned about it.”

IN DEBT WE TRUST is concerned about it. My focus is on what to do “before the bubble bursts.” First, we need to put this issue on the national agenda. That’s the hope behind the film.
Working with the country’s leading credit card expert and critic, Dr. Robert Manning, of Rochester Institute of Technology, I intend to use the film as part of an educational campaign to help individuals improve their financial planning and encourage organizations to get involved in a campaign for change.

Over the years, documentaries have helped prompt a national discourse on many issues. That’s my hope for IN DEBT WE TRUST, which we have tried to make compelling viewing in a spirited style. Many at the TV news networks whom I have worked with over the years say you can’t cover complex issues, especially on economic questions, because “the dismal science” is boring and a turn-off.

My film is out to prove them wrong.

The American public needs to know why debt has become “the enemy,” in the words of one of the people we interviewed. All Americans need to know what we can do about it.”

Danny Schechter, “News Dissector”

New York City
June 2006

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DANNY SCHECHTER
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Danny Schechter is a journalist, author, television producer and independent filmmaker who also writes and speaks about media issues.

He is currently the executive editor of MediaChannel.org, the world’s largest online media issues online network, and recipient of many awards including the Society of Professional Journalists’ 2001 Award for Excellence in Documentary Journalism. His latest film is IN DEBT WE TRUST: America Before The Bubble Bursts, an investigation of the impact of credit and debt on American society.

He has produced and directed many TV specials and documentary films, including 2004’s WMD (Weapons of Mass Deception), about the media coverage of the Iraq War; Counting on Democracy (2002), about the electoral fiasco in Florida, narrated by Ossie Davis and Ruby Dee; the post 9-11 film We Are Family (2002) shown at the Sundance Film Festival; Nkosi: A Voice of Africa’s AIDS Orphans (2001), narrated by Danny Glover; A Hero for All: Nelson Mandela’s Farewell (1999); Beyond Life: Timothy Leary Lives (1997); Sowing Seeds/Reaping Peace: The World of Seeds of Peace (1996); Prisoners of Hope: Reunion on Robben Island (1995, co-directed by Barbara Kopple); Countdown to Freedom: Ten Days that Changed South Africa (1994), narrated by James Earl Jones and Alfre Woodard; Sarajevo Ground Zero (1993); The Living Canvas (1992), narrated by Billy Dee Williams; Beyond JFK: The Question of Conspiracy (1992, co-directed by Marc Levin and Barbara Kopple); Give Peace a Chance (1991); Mandela in America (1990); The Making of Sun City (1987); and Student Power (1968).

Schechter is co-founder and executive producer of Globalvision, a New York-based television...
and film production company now in its 18th year. He founded and exec-produced the series *South Africa Now* and co-produced *Rights & Wrongs: Human Rights Television*. He has specialized in investigative reporting and programming about the interrelationship between human rights, journalism, popular music and society.

His career as the "News Dissector" began at Boston’s leading rock station, WBCN. Later he moved into television as an on-camera reporter for WGBH (Channel 2), in Boston, and then as a producer for WLVI (Channel 56) and WCVB (Channel 5). Schechter then joined the start-up team of CNN and later became a producer for ABC NEWS 20/20. He produced 50 segments for ABC and won two national Emmys, and was nominated for two others.


A Cornell University graduate, he received his Master’s degree from the London School of Economics, and an honorary doctorate from Fitchburg College. He was a Nieman Fellow in Journalism at Harvard, where he also taught in 1969. After college, he was a full time civil rights worker and then communications director of the Northern Student Movement, and worked as a community organizer in a Saul Alinsky–style War on Poverty program. Then, moving from the streets to the suites, Schechter served as an assistant to the Mayor of Detroit in 1966 on a Ford Foundation grant.

Schechter has reported from 51 countries and lectured at scores of schools and universities, from Harvard to Hamline, from Minnesota to MIT, NYU to Georgia State, Santa Monica to the University of Hawaii, Princeton to Cornell.

He was an adjunct professor at the Graduate School of Journalism at Columbia University and taught investigative reporting at the New School. Schechter’s writing has appeared in leading newspapers and magazines, including *The Nation, Newsday, The Boston Globe, Columbia Journalism Review, Media Studies Journal, Detroit Free Press, Village Voice, Tikkun*, and *Z*, among others.

For interviews: please call Marie Sullivan at 212.246.0202, ext. 3014 or email: Marie@globalvision.org

For more information and the trailer, see www.indebtwetrust.com
STEVEN GREEN

Executive Producer

Steven Green divides his time equally between his real estate development company, charitable work, and entertainment-related pursuits.

Green Realty Development Company was started in 1981 and specialized in the architecturally sensitive renovation of apartment communities located throughout the country. A so-called “renovation activist,” Steve tackles the tough projects that other developers shy away from.

The company employs 200+ people and maintains over 7,000 units of housing, mostly in the southeast United States.

Steven is extremely active in charitable work. For 10 years he has supported (and is a Board member of) The Shield Institute, which benefits autistic and developmentally disabled New Yorkers. On Nantucket (where he currently serves as Madaquecham Trustee), he serves on the Board of the Nantucket AIDS Network and is a longtime supporter of the Nantucket Historic Association. Steve also serves on the Board of the Empire State Pride Agenda, and is a major donor to several other organizations including the Boys and Girls Clubs, Seeds of Peace, and the Sage at Home Foundation – protecting youth in troubled homes.

Steve Green’s Altacliff Entertainment is pleased to have supported in part Danny Schechter’s film WMD (Weapons of Mass Deception). In addition to acting as Executive Producer of In Debt We Trust, Steve is producing the revival of Ira Levin’s Deathtrap, opening on Broadway in January 2007.
An Altacliff Film, A Globalvision Production, A Danny Schechter Dissection

A Globalvision Production shot in New York City; Rochester, N.Y.; Philadelphia, Pa.; Wilmington, Del.; Washington D.C.; and Norfolk, Va

Executive Producer: Steve Green

Written, produced, and directed by “News Dissector” Danny Schechter for Globalvision, Inc

Editorial Adviser: Robert Manning, author of Credit Card Nation

Edited by: Linda Hattendorf, 2006 Tribeca Film Festival Prize winner

Shot in HD by Academy Award winner Gary Keith Griffin

Executive in charge of Production: Rory O’Connor

Original music by Polar Levine/Polarity 1, Clifford Tasner, and Nenad Bach
A promotional CD of the original music is available

IN DEBT WE TRUST will be available in June 2006
Email: Danny@mediachannel.org / P: 212.246.0202 x3006

For publicity materials, contact Marie Sullivan
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Website: indebtwetrust.com

Press Kit produced for Globalvision by Coldtype.net
Visit www.coldtype.net
"THE MUSIC THAT MOVED A MOVIE CAN MOVE A COUNTRY TO ACT"

"IN DEBT WE TRUST" OFFERS A "SOUND TRACK FOR CHANGE"

Globalvision partners with Polarity/1's subTEKst Records on a CD Of Original Music and Classic Songs about Debt and Credit in America

A professionally produced concept album of songs about the credit crisis in America from Danny Schechter’s new Globalvision documentary "IN DEBT WE TRUST: AMERICA BEFORE THE BUBBLE BURST" is now available on CD.

"Few documentaries feature the wide range of music about credit cards and the credit crunch like IN DEBT WE TRUST," says Director Danny Schechter. "The music not only enhances and drives the film but uses popular culture to raise important social issues as only powerful music can."

Produced by musician Polar Levine along with "News Dissector" Danny Schechter, the CD features many genres of music from rock to rap to folk and country. It includes original songs by Polarity/1, Rubio, Audioplasm, Clifford Tasner and the team that created songs for Billionaires for Bush, LA's hip-hop artist Wil B, The Austin Lounge Lizards and Philadelphia folk musician Fred Stanton.

The album also includes the original pre-depression 1929 country classic "How Can A Poor Man Stand Such Times and Live" by Blind Alfred Reed (Courtesy of SONY BMG).

The album begins with the In Debt We Trust Anthem sung by Maureen Costa. There are both a techno/funk and a blues version of Polarity/1's "Free Money" as well as special audio collage that hits all the film’s key issues with bites from the documentary riding a Polarity/1 groove. Polarity/1 also contributes the chilling rap song "Winter in America (Chills to the Bone)". Polar's production partner Rubio does a wrenching Spanish language song "Hay Que Pagar" about the financial struggles immigrants face in America. And both Polar and Rubio join forces as Audioplasm for the metal song "I'm So Broke." The CD also features upbeat satirical takes on the credit card industry with Cliff Tasner's "Plastic Fantastic" and The Austin Lounge Lizards' "Christmas for Visa." Rapper Wil B offers the hard-hitting "Predators," and Fred Stanton contributes his original song "Plastic" and a new version of a folk classic, "The Banks Are Made of Marble."

Documentary Director Danny Schechter "The News Dissector" includes a special Master Card "Priceless" commercial parody that appears in the documentary as well as a podcast explaining his reasons for making the film. There are also clips from a 1960 educational film on the wise use of credit by Mr. Money.

Some of the songs can be sampled on the movie website: INDEBTWETRUST.COM

For more information, call Danny Schechter at 212 246-0202x3006
When I started out, my film was going to be about other people’s economic woes. Soon I realized I was part of this story of how the credit industry targets poor and middle-class Americans. Not only was I a target, too, but all of us are.

There is a credit divide in America that fuels our economic divide. Put another way, the globalization of our economy is about more than the outsourcing of jobs. There is a deeper shift underway from a society based around production, with the factory as the symbol of American economic prowess, to a culture driven by consumption, with the mall as its dominant icon.

My film, tentatively titled “In Debt We Trust,” combines storytelling, often in a voice laced with outrage, with investigative inquiry.

It’s about a nation where our credit score is the only score many people and institutions care about and where vast databases record our every purchase and consumer choice. Ours has become a nation in which the carrot of instant affluence is quickly menaced by the harsh stick of bill collectors, lawsuits and foreclosures. And yet this bubble can burst: The slickest of our bankers and the savviest of our marketers have been able to undo the law of gravity, that what goes up must come down.

Viewers of our film will be transported behind the scenes to meet their biggest scammers, the engineers and operators of the billion dollar credit card industry who have researched the details and minutiae of consumer needs and our fantasies so that they can deploy the deceptive art of seductive marketing and modern usury. We will scrutinize a carefully conceived but stealth electronic Web designed to entrap, cajole and co-opt the most powerful consumer culture on earth. It teases us with a financial advance when we want it, then sucks it away from us with more force than we realize.

### Reporting these stories

In the old days the poor couldn’t qualify for loans. Today they are considered among the better risks because, unlike the rich, many feel an obligation to pay back. Steve Barnett, who worked in the credit card industry and will appear in our film, explains: “These are the perfect customers. They need credit, so they’re not all that concerned about interest. They’ll take a higher interest if you will grant them credit. They’ll pay off a small amount each month so they’re in a sense ‘on the hook.’ And because of their own sense of values or because of their own background, their family background, they’re not likely to declare bankruptcy again. Given the change of laws that’s more difficult, anyway.” And manufacturers now know they can spur sales by lending money to buyers up front and then get them to pay twice – first at the register, then with credit card payments, big interest rates, and compounded interest.

Given the ubiquitousness of these practices – and the reasons why they exist and persist that stretch from corporate America into the halls of government and revolve around issues of corporate greed and political favors – the expanding gaps between those who have (and then have more) and those who don’t (but pay anyway) need to be explored and exposed by journalists. I am raising this issue and suggesting ways that it can be reported because I believe this is an essential story for us to tell.

- Report more regularly on these credit issues; billions of dollars are involved, not to mention millions of lives.
- Identify the key corporate institutions and contrast the compensation of their executives with the financial circumstances of their customers.
- Shine a spotlight on how special interests and lob-
byists for financial institutions contribute to members of Congress and other politicians, across party lines, to ensure their desired policies and regulations. Investigate political influence affected by campaign contributions. Some reporting about this took place during the bankruptcy debate, but there has been little follow-up.

- Examine the influence credit card companies have on media companies through their extensive advertising.
- Take a hard look at the predatory practices in poor neighborhoods – and crimes committed against poor and working-class people, who are least able to defend themselves. Legal service lawyers tell me about how they are overwhelmed by the scale of mortgage scams involving homes whose value have been artificially inflated.
- Focus attention on what consumers can do to fight back. Robert Manning, author of "Credit Card Nation," explains: "If 10 percent of American credit cardholders withheld their monthly payments, it would bring the financial services industry to a standstill. At a larger issue, what we have to do is to get people involved at the state level, get their state attorneys general involved, aggressively filing class-action lawsuits and then putting pressure on key legislators to say, 'This is unacceptable that they're not representing and balancing the issues of commerce with consumers. The balance is tilted dramatically against the average American.'"

The story's key ingredients

Class struggle is assuming a new form in the conflict between creditors and lenders that reaches into many Americans' homes, where each month bills are juggled and rejuggled with today's credit card bills paid by tomorrow's new card. Meanwhile, with interest compounding at usurious rates, indebtedness grows, and people sink even deeper into debts they cannot manage. In this conflict, companies function as well-organized machines while borrowers are forced to react as individuals. Many are browbeaten with lectures about "personal responsibility" by corporations that only pay lip service to any form of social responsibility.

Centuries ago, we had debtor's prisons. Today, many homes become similar kinds of prisons, where debtors struggle with personal finance issues. The scale of indebtedness is staggering as consumers simply follow their government's lead. As of Christmas 2005 the national debt stood at $8,179,165,267,626.42. Break that down, and each American's share comes to $27,439,48, and our nation's debt increases $2.83 billion each day. Add to that two trillion more for consumer debt, including mortgages. That's a lot of money.

Who is really responsible for it? Few of us seem to know. And fewer appear to know what can be done about it. "They're never going to be repaid," says economic historian Michael Hudson, who for many years worked at Chase Bank. "Adam Smith said that no government had ever repaid its debts, and the same can be said of the private sector. The U.S. government does not intend to repay its trillion-dollar debt to foreign central banks and, even if it did intend to, there's no way in which it could. Most of the corporations now are avoiding paying their pension fund debts and their health care debts."

The government and big companies might not have to pay, but regular people do, as our collective consumer debt has doubled in the past 10 years. With mortgage debt included, it's now reached seven trillion dollars. Hudson compares the plight of millions of debtors in the United States to serfs of an age gone by: "For many people, debts now absorb 40 percent of their income. So many people are paying all of their take-home wages over and above basic expenses for debt service. And that's rising. In effect, 90 percent of the American population is indebted to the top 10 percent of the population."

The coffers of creditors – funded by the most prestigious banks and financial institutions – are swelling with payments for arbitrarily imposed late fees and rising interest rates that seem to be largely unregulated. Borrowing is now a national habit. Fueling this shift globally has been our national debt – now in the trillions – as other countries finance our trade imbalances and keep our economy strong. Without that influx of money, the U.S. economy would be in crisis. Everyone in the know knows this, but they do little to deal with it, relying on the theory that if it ain't broke, don't fix it. Occasional warnings and lots of noise surface about cutting the government's annual deficit, including a devastating report by Comptroller General David Walker, who compares the United States today to Rome before its fall. He is dismissed as a prophet of gloom and barely covered while debt keeps growing. All of this borrowed money keeps people pacified and, for the most part, politically complacent for now.

So many of us live beyond our means. This is not news, but what isn't found in most news reporting is
how this shift has been engineered through corporate decisions that are aided and abetted by government polices. Questions of by whom and for whom need more and better investigation, as well as a look at who are the losers and who are the winners.

Business reporting that focuses on the upticks and downticks of the market provides little room for explanation, analysis or connecting-the-dots journalism. In part, that is a result of the fact that many of our major media companies don’t operate in a world apart from these pressures. At least 10 credit-card solicitations have arrived recently in my mail, and the Disney (owner of ABC television network) card was in that pile. Many credit cards boast of partnerships and discounts from media companies and entertainment providers, from subscriptions to DVD’s. Like car companies and airlines before them, the media industry has discovered that there’s money to be made in the credit business and so credit card companies become big media advertisers. Why alienate them?

This credit squeeze is hitting the news business, too. Jobs are being cut and reporting trimmed. Joe Strupp of Editor & Publisher observed in his 2005 media wrap up, “Using the bizarre premise that newspapers can bring back lost circulation and ad revenue by making their products worse, top executives at major chains from The New York Times Company to Tribune took a butcher knife to staffing with buyouts and layoffs that appeared almost epidemic.”

What happens to news business employees laid off in this environment? Like those in other industries where cost-cutting leads to unemployment, they enter what insiders in the credit business call “the turnstile,” living on more and more credit from cards, soon to be followed by a dip into home equity. Nor have wages and benefits kept up with inflation and many are being cut. Health care extensions after a job ends are over in 18 months and then what? What’s the alternative? More debt is one of the few accessible options. The turnstile keeps turning as personal debt keeps growing.

These issues and scams can be reported, and they must be, not just in consumer advice columns but also with serious investigative reports.

Danny Schechter, a 1978 Nieman Fellow, writes his “news dissector” Weblog for MediaChannel.org and is the author of two new books, “The Death of Media: And the Fight to Save Democracy,” and “When News Lies.” A former producer at CNN and ABC News, he is now executive producer at Globalvision, Inc.