Pukallus on Qld floods:

Don't glorify hardship, build infrastructure

The Citizens Electoral Council's Queensland State Secretary Jan Pukallus on 28 January submitted the following letter to the editor to the Ipswich News *and Brisbane* Courier-Mail:

Hardship is good for community spirit right? Don't swallow it. Elected Mayor of Ipswich City Council, Cr Paul Pisasale, is no different to any other shameful politician when, on being interviewed during the flood crisis on Channel 9 (28/01/13), he proclaimed "It's not about *infrastructure*, it's about *caring* for people." Care for them when they are dead? What he's really saying is don't invest in the future—it's survival of the fittest. The drought crisis was dealt with the same way: you can hold hands and pray, have a cup of tea with neighbours, share your pain with others but you just can't do anything about it. That's why people take their own lives!

Want to take responsibility for the future? Government-directed, large-scale hydro-electric dams for cheap power, flood mitigation and to drought-proof the nation is what is required if we want to treat human beings humanely. The "mud-army" is only a third world option. What Australia needs, the world needs and every local community needs: Glass-Steagall to reorganise the debt, a National Public Credit System and massive infrastructure to improve the biosphere for humans and animals.

The Danube hydro power plant at Vienna Freudenau.

Citizens Electoral Council of Australia

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Independent Political Party

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Enact the CEC's Commonwealth National Credit Bank Bill in 2013!

Australia's only hope to survive and recover from the final meltdown of the global financial system is to enact in 2013 the Citizens Electoral Council's already-written legislation for a government-owned and -controlled national bank, the *Commonwealth National Credit Bank Bill*.

Presently Australia is losing its real, productive jobs at an accelerating rate—in construction, auto and other manufacturing, health, etc.—even though it is the destination of choice for a massive flood of foreign funds from around the world. However, this money is not foreign investment, it is flight capital, desperately fleeing the advanced meltdown in the collapsing trans-Atlantic economies for *relatively* "safer" shores. Except in isolated cases, this flood of foreign money isn't creating jobs, and it's not even boosting the stock market, because it isn't here to invest—it is being parked in government bonds, which last year became the second-highest sale item to foreigners behind iron ore, and in Australia's major banks, because they carry an implicit guarantee from the tax-payer.

Traced back to its source, this foreign money ultimately originates in central banks—the U.S. Federal Reserve, the Bank of England, the European Central Bank, and now the Bank of Japan—which are electronically "printing" it, creating it from nothing, in a desperate bid to prop up the crushing debt of the global financial system by inflating the money supply, which the central banks term "quantitative easing". For instance, the U.S. Federal Reserve is up to its fourth round of money-printing, at a rate of US$85 billion *per month*. Unconnected to anything productive, this created money is pushing the world economy into *hyperinflation*.

In other words, the liquidity reaching Australia isn't welcome water after a drought, it is a deadly tsunami triggered by financial fault-lines and bringing hyperinflationary destruction.

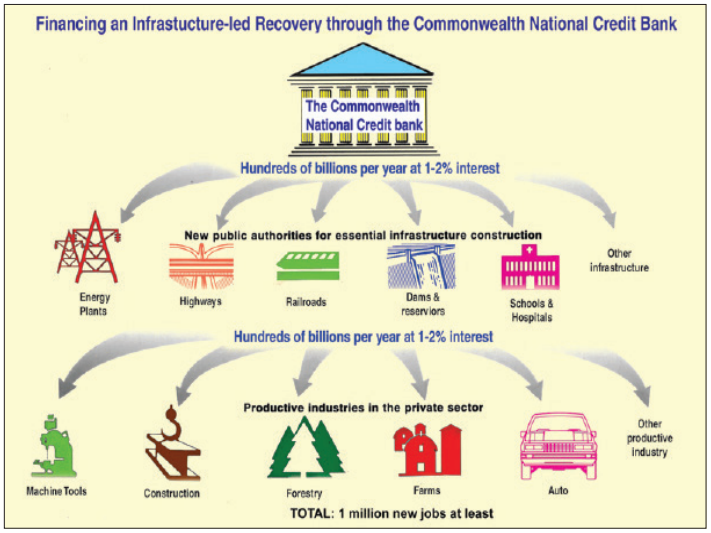
The solution is *physical*

The CEC's credibility and expertise to direct Australia's economic recovery stem from over two decades working closely with the U.S. statesman, physical economist and unmatched economic forecaster, Lyndon LaRouche. Not only did LaRouche accurately forecast the crisis more than a decade before it eventually erupted in 2007—forecasts the CEC publicised to every corner of Australia—he uniquely identified that its cause was not principally financial, but rather the financial consequence of a *physical* economic breakdown of the global economy, the cost of four decades of "globalisation" running down essential infrastructure and productive industries to feed financial profiteering by multinational banks.

Now, four years into the biggest economic breakdown in history, there are three principal measures governments must take for their nations to physically recover from this crisis. These are, in order:

1. Enforce a Glass-Steagall-style separation of retail banks from investment banks, and apply the Glass-Steagall principle to sort the debts that must be honoured from the debts that should be cancelled;
2. Establish national banks and public credit systems;
3. Construct large-scale infrastructure development projects, funded by public credit.

Of these, Glass-Steagall—the name of the U.S. law that mandated such a banking separation from 1933-1999—is an emergency measure to create a firewall to protect normal banking services from the unstoppable meltdown of the gambling debts and derivatives obligations run up by lawless investment banks. It is the subject of intense debate in the U.S. and Europe, and parliaments in seven countries, including the U.S. Congress, are considering various forms of Glass-Steagall legislation.



However, Glass-Steagall will not work, unless it is immediately followed by governments establishing national banks. Of the three measures above, national banking is the most crucial, because it is the only way to generate an economic recovery, not a fake one measured in GDP or a rising stock market, but one which genuinely benefits the people of the nation. Essentially national banks form the basis of credit systems, as opposed to monetary systems, which enable governments to chain financial activity in the economy to physical production. Money itself is reduced strictly to a medium of exchange, and it is through directing credit—public credit issued by the national bank at 1-2% interest—into constructing great infrastructure projects and promoting technological improvements that governments can ensure real growth in economic living standards for their citizens.

(The only valid metric of economic growth is Lyndon LaRouche's formulation of increasing *relative potential population-density*—the ability of the economy to meet the food, clothing, shelter and energy needs of a growing population—*not* the financially-denominated metric of GDP.)

Commonwealth National Credit Bank Bill

The CEC's legislation for the *Commonwealth National Credit Bank Bill* is printed in full in Part III of the CEC's book, *What Australia Must Do to Survive the Depression*, which explains:

- The CNCB will be responsible to Parliament, not private individuals;
- The Bank will invest to "cause a rise in Australia's 'potential population-density' through a 'rise in the physical output of the nation' and in 'the rate of introduction of new technologies into the economy'";
- The Bank shall only issue credit against the tangible wealth-creating capacity of the nation. Such capacity is defined as agriculture, mining and raw materials extraction, manufacturing, infrastructure, health care, education, and scientific research.
- CNCB will operate through eight divisions: the Reserve Division; the Mint and Note Division; the National Development Division; the Statutory Authorities, Scientific and Educational Institutions Division; the State and Local Government Division; the Primary Industries Division; the Manufacturing Division; and the International Division.

Celebrate this Australia Day by joining the CEC's fight to get Parliament to enact the *Commonwealth National Credit Bank Bill* in 2013!