

# Citizens Electoral Council of Australia



Postal Address: PO Box 376, Coburg Vic 3058

Phone: 1800 636 432 Fax: 03 9354 0166

Home Page: [www.cecaust.com.au](http://www.cecaust.com.au) Email: [cec@cecaust.com.au](mailto:cec@cecaust.com.au)

Authorised by R. Barwick, 595 Sydney Road, Coburg, Victoria 3058. Printed by Citizens Media Group Pty Ltd., 595 Sydney Road, Coburg, Victoria 3058.

Independent Political Party

18<sup>th</sup> of August 2014

## Financial System Inquiry boss on 'bail-in': Australia depends on foreign investment, so we must conform to foreign regulations

The banker Joe Hockey appointed to run the Financial System Inquiry (FSI) told a fiery public hearing in Melbourne late last week that because Australia depends on foreign investment, we have to conform to foreign regulations such as bail-in.

In response to a number of concerned audience questions about the bail-in law that Australia signed on to at the G20, under which depositors could have their savings confiscated to prop up too-big-to-fail banks, as happened in Cyprus in March 2013, FSI Chairman and former CBA boss David Murray initially downplayed the threat.

Murray claimed the FSI isn't ruling bail-in in or out, but he asserted that bail-in means different things in different jurisdictions, so in Europe it has included seizing deposits, but, he surmised, in Australia bail-in will have to fit in with the existing Financial Claims Scheme (FCS) guarantee of deposits up to \$250,000. (An unworkable guarantee, because the government only makes provision for \$20 billion per bank, but about 80 per cent of Australian deposits are in the Big Four banks, which each hold around \$400 billion.)

But then Murray spectacularly contradicted himself, by declaring that Australia is dependent upon foreign investment, which means: "Now if we are dependent on foreign capital, we cannot go and say to the capital markets of the United States and Europe, and their regulators, that 'don't mind us, we are going to have our own set of regulations irrespective of what you say'."

When the questioner interjected, "But does that mean we're not a sovereign nation?", Murray confirmed we *are not*: "Well, I've made the point, quite clearly, that we are dependent on foreigners for savings," he replied. "If we want to change that dependency, we'd better run the economy in a very different way."

Murray also spent the evening deflecting questions on the importance of going with a full Glass-Steagall separation of everyday retail banking from risky investment banking, to protect depositors, instead of his proposal that Australia adopt the watered-

down British version called ring-fencing. Only bankers oppose full Glass-Steagall, because they know their financial gambling depends upon unfettered access to other people's money; Murray demonstrated in technicolour that he is a banker. The CEC is not alone in this observation. In the 18 August *Australian Financial Review*, former ANZ Bank director John Dahlsen charged, "The [FSI] interim report has been prepared by bankers, on behalf of bankers, for bankers."

### Demand sovereignty for Australia: Glass-Steagall, not bail-in

Murray has made it crystal clear that the fight against bail-in is a fight for economic sovereignty. The CEC is fighting to do exactly what Murray admitted is required for Australia to be sovereign—"run the economy in a very different way". It is mobilising to build a groundswell of public support to force Parliament to legislate for a full Glass-Steagall banking separation to protect the everyday economy from speculators, and a new government-owned and run National Bank like the original Commonwealth Bank, which can pour public credit at low interest into a massive program of water, power and transportation infrastructure development, and into small and medium family farming and manufacturing enterprises, to revitalise Australia's agro-industrial base and create hundreds of thousands of full-time, high-skilled, high-wage jobs.

If you haven't already, make your voice heard in this fight by making a submission to the Financial System Inquiry. The deadline for submissions is 26 August, so you still have time.

Join the hundreds of everyday Australians who have written to the FSI, with the loud and clear message: No to Australia enacting a bail-in law, yes to a full Glass-Steagall banking separation, with emphasis on the full separation—not a sham ring-fence.

Please go to the CEC's website for detailed instructions on making a submission.

<http://www.cecaust.com.au/fsi/>

## Free copy of CEC's submission to Financial System Inquiry

The CEC's submission details the systemic risks confronting the Australian financial system, and explains why a full Glass-Steagall banking separation is the only solution.

It was submitted with four supporting documents:

- *Memo: The Great Australian Mortgage Bubble*
- *How safe is your super?*
- *Glass-Steagall Now!*
- *Commonwealth National Credit Bank Bill*

Call toll-free 1800 636 432, or send this coupon to:

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Phone: \_\_\_\_\_

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13<sup>th</sup> of August 2014

## Chronology:

### CEC/LaRouche warned forcefully against U.S./U.K./Aus support for jihadists in Syria which has created terrorist Islamic State

Following are five releases the CEC issued since 2012 which repeatedly exposed the policy of Australia's major allies—the U.S. and U.K.—and Australia, of backing al-Qaeda-linked jihadists to achieve their aim of regime change in Syria. Those jihadists have now formed the Islamic State of Iraq and Syria (ISIS), slaughtering thousands of innocents on their way, and recruiting jihadists from as far afield as Australia. The American, British and Australian governments are wringing their hands in a show of despair, but they caused this mess.

On the other hand, Russia, the nation the Anglo-Americans are so intent on demonising, opposed the illegal invasion of Iraq on a lie, which is ultimately responsible for unleashing these monsters, and opposed the backing of these monsters to topple Assad in Syria. As British columnist Max Hastings wrote in London's 9 August *Daily Mail*, "And I cannot forget that when David Cameron's government was so schoolboyishly eager to give support to the rebels attacking the tyranny of Syria's President Assad, a very senior British soldier friend said to me: 'This is the first time in my career that I think the Russians have a point. They keep wagging their fingers and saying to us "be careful what you wish for". They believe the anti-Assad jihadis represent a threat to us all, and they may be right.'"

It is time the people of Australia, Britain and the United States rise up and demand their governments dump their imperial agenda of regime change, and instead respect the sovereignty of other nations, and work with those nations—especially Russia and China—on genuine solutions to the crisis in the Middle East.

#### CEC releases on Syria 2012-2013:

17 February 2012:

#### Obama allies with al-Qaeda against Syria; how heavily is Australia involved?<sup>1</sup>

The British, Barack Obama, Israel and Australia (under Foreign Minister Kevin Rudd) are so hell-bent on "regime change" in Syria that they are now allies of the very terrorist network against whom we have sent troops to their death, and given up our civil liberties to fight a "war on terror"—al-Qaeda...

10 December 2012:

#### Top U.S. official: British-Obama lies on Syrian chemical weapons 'preposterous'<sup>2</sup>

The same apparatus which knowingly lied in 2002-2003 that Iraq had planned to use "weapons of mass destruction", in order to justify an invasion of Iraq and the overthrow of Saddam Hussein, is at it again. This time, however, not everyone is willing to be suckered by the British-orchestrated lies. The former chief of staff

to U.S. Secretary of State Colin Powell, Col. Lawrence Wilkerson (US Army-ret.), for instance, has just denounced as "preposterous" the present British and U.S. claims that Syrian President Assad is preparing to use chemical weapons against his own people...

11 December 2012:

#### A Preliminary fact sheet: President Obama is in bed with al-Qaeda in Libya and Syria<sup>3</sup>

Thirty-nine Australian soldiers have died in Afghanistan, after their government sent them to fight alongside our U.S. allies against the al-Qaeda terrorist network and the Taliban. The following release from U.S. statesman Lyndon LaRouche's Political Action Committee (LPAC) exposes how closely Barack Obama has allied with the very same al-Qaeda terrorists to execute his British-directed agenda of "regime change" in Libya, and now targeting Syria. The Gillard government has signed on to the British-Obama agenda, and has taken a leading role in demanding regime change in Syria—first under Kevin Rudd as Foreign Minister, and now Bob Carr. Australia's role in Syria is a betrayal of the sacrifice of the 39 Australian soldiers killed fighting al-Qaeda in Afghanistan...

26 August 2013:

#### Rudd is Britain's agent to turn Syria into WWIII<sup>4</sup>

Everything that the media is feeding Australians right now about the Syrian chemical weapons attack is "Iraqi WMDs"-style propaganda crafted in London, to orchestrate a military intervention that could blow up into WWIII.

The British are manipulating Australia, through their agent Kevin Rudd, a longtime intelligence operative closely tied into MI6, so that Australia's position as incoming president of the UN Security Council is used to escalate, rather than resolve, the conflict...

29 August 2013:

#### The Syria crisis—stop British/Obama mad drive for WWIII<sup>5</sup>

CEC National Secretary Craig Isherwood declared today, "All competent strategists are aware that the current drive for a British and U.S.-led attack upon Syria could rapidly escalate into World War III. Australia will take up the chair of the UN Security Council on September 1, so we Australians have a special responsibility to speak out against this madness. Thus far, the 'evidence' for the Assad government having used chemical weapons is of the same quality as then-British PM Tony Blair's infamous 'sexed-up' dossier in 2003 which claimed Saddam Hussein possessed WMD. That unleashed a needless war in Iraq with all its horrible, continuing consequences, but an attack on Syria may well unleash Hell on earth..."

#### Footnotes

1) [http://cecaust.com.au/main.asp?sub=releases&id=2012\\_02\\_17\\_Al\\_Qaeda.html](http://cecaust.com.au/main.asp?sub=releases&id=2012_02_17_Al_Qaeda.html)

2) [http://cecaust.com.au/main.asp?sub=releases&id=2012\\_12\\_10\\_Syria\\_WMD\\_Lies.html](http://cecaust.com.au/main.asp?sub=releases&id=2012_12_10_Syria_WMD_Lies.html)

3) [http://cecaust.com.au/main.asp?sub=releases&id=2012\\_12\\_11\\_Preliminary\\_fact\\_sheet.html](http://cecaust.com.au/main.asp?sub=releases&id=2012_12_11_Preliminary_fact_sheet.html)

4) [http://cecaust.com.au/releases/2013\\_08\\_26\\_Syria.html](http://cecaust.com.au/releases/2013_08_26_Syria.html)

5) [http://cecaust.com.au/releases/2013\\_08\\_29\\_Stop\\_WWIII.html](http://cecaust.com.au/releases/2013_08_29_Stop_WWIII.html)