

# Only LaRouche's Homeowners and Bank Protection Bill Can Save Australia

April 12—American statesman and physical economist Lyndon H. LaRouche, Jr shocked his international web-cast audience on July 25, 2007, when he proclaimed that the world monetary system was already then crashing, and that nothing short of reorganising the entire system could stop that process.

"The world monetary financial system is actually now, currently, in the process of disintegrating", LaRouche told his listeners, among whom were members of the U.S. House of Representatives and U.S. Senate and their staffs, along with many state and local elected officials. "There's nothing mysterious about this; I've talked about it for some time, it's been in progress, it's not abating. What's listed as stock values and market values in the financial markets, internationally, is bunk! These are purely fictitious beliefs. There's no truth to it; the fakery is enormous. There *is* no possibility of a non-collapse of the present financial system—none! It's finished, *now!* The present financial system can not continue to exist *under any circumstances, under any Presidency, under any leadership, or any leadership of nations.* Only a funda-

mental and *sudden change* in the world monetary financial system will prevent a general, immediate chain-reaction type of collapse. At what speed, we don't know, but it will go on, and it will be *unstoppable!*"

Within two weeks of that web-cast, the so-called "subprime lending crisis" exploded, followed by existential crises in one sector of the global financial system after another. By year's end, no reasonable person could deny LaRouche's assertion that the *entire system itself is finished.*

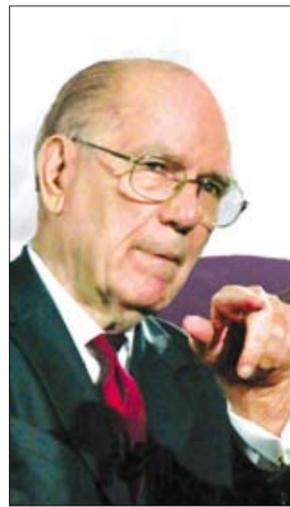
## LaRouche, or the City of London?

To deal with this otherwise uncontrollable, chain-reaction collapse, LaRouche drafted the *Homeowners and Bank Protection Act 2007 (HBPA)*. As a legislative "firewall" between the population and the banking system, on the one side, and the collapsing speculative bubble, on the other, the HBPA would stop millions of Americans from being thrown from their homes within months, devastating the United States, and taking down the entire U.S. dollar-denominated international system.

These are the three points of the HBPA: 1) it establishes

a Federal agency to place the Federal- and state-chartered banks under protection, and to freeze all existing home mortgages; 2) it freezes all foreclosures, and permits homes to be retained with monthly rent-equivalent payments to designated banks; and, 3) it gives state governors the administrative responsibility for implementing the program, while the Federal government provides the necessary credits and guarantees to ensure the transition. (See p. 7 for full text.)

Any attempt to bail out the tens or hundreds of *quadrillions* nominal value of mortgage-backed securities (MBS), asset-backed commercial paper (ABCP), collateralised debt obligations (CDO), and the rest of the alphabet soup of speculative paper, could only lead to a hyperinflationary explosion like that in Weimar Germany in 1923, LaRouche warned. This time, it would be worldwide, because there is no "lender of last resort" to step in and stabilise the system. Yet, spurred by panic and following dictates from the City of London, the U.S. Federal Reserve and the European Central Bank, in concert with other central banks including our own Reserve Bank, have poured untold



Lyndon H. LaRouche, Jr. His LaRouche Youth Movement (LYM) is spearheading the drive in the U.S., and in Australia, to stop home foreclosures and to erect a "firewall" against the global financial collapse. Above: The LYM organising in Melbourne.



trillions into the abyss.

With the U.S. Congress under the thumb of the London financier oligarchy and its appendages in Wall St., the LaRouche Youth Movement (LYM) and the LaRouche Political Action Committee (LPAC) launched a nationwide organising drive to secure support for the HBPA in city councils and state legislatures.

Australia is also in the midst of a devastating housing crisis (see p.2), so the LaRouche Youth Movement here, togeth-

er with the Citizens Electoral Council, launched a campaign to force the Federal Parliament to pass LaRouche's legislation as the *Homeowners and Bank Protection Bill 2008 (HBPB)* (p. 7), which is entirely consonant with Australian State and Federal precedents going back to World War I, though more sweeping—in order to deal with the worst global financial crisis in centuries. (See pp. 3-6.)

To date, the LYM and the CEC have phoned some 3,500

of Australia's 6,566 councillors. As in the U.S., the LYM is spearheading the fight, making presentations on the HBPB to numerous councils, five of which passed resolutions calling for its immediate enactment, while dozens more are debating it and 260 councillors across the country have given their personal endorsement. Following one such presentation, the council CEO wrote to the LYM, "On behalf of Council,

*Continued Page 2*

## DOOM HAS STRUCK!

by Lyndon H. LaRouche, Jr.

March 17, 2008

*As most clearly stated by the voice of Germany's financial market, the Frankfurter Allgemeine Zeitung (FAZ), the Bear Stearns bankruptcy marks the point at which the present world monetary-financial system has entered the terminal, hyperinflationary-collapse phase of that breakdown-crisis which began at the close of the previous July. Now, there are three essential measures which must be taken more or less immediately, before the situation in the U.S.A. and western Europe becomes hopeless. These are the three types of measures which I have presented earlier; those who continue to resist the adoption of these measures now fall promptly into the category of incompetence known as mental cases.*

1. My Homeowners and Bank Protection Act of 2007 must be adopted and set into motion immediately. If not, the situation of the U.S. becomes quickly hopeless.

2. A two-tier credit system, in which a.) U.S. government credit for physical-economic recovery programs is provided at between 1-2%, and b.) other utterances of credit-injections float more or less freely.

3. The U.S.A. government must now immediately approach the governments of Russia, China, India, and others for the prompt establishment of an international, emergency fixed-exchange-rate system, ending the presently hopelessly bankrupt floating exchange-rate system.

Under that latter, proposed agreement, long-term treaty-agreements shall be focussed on intergovernmental development of capital-intensive types

## Three Steps to Survival



We must replace the collapsing speculative financial system with a national bank-financed, high technology-centred economic recovery, featuring magnetically-levitated transport.

of essential basic economic infrastructure, as in: a.) new construction in power generation (with emphasis on nuclear); b.) fresh-water sources creation (relying largely on high-temperature nuclear reactors); c.) increasing reliance on synthetic fuels, such as high-temperature, nuclear-generated power, in place of petrochemical materials used as fuels; d.) high-density systems of globally integrated rail, maglev network

developments must replace presently excessive reliance on highway transport; e.) de-emphasis on giant conglomerates and monopolistic practices, in favor of smaller, more closely held productive enterprises dispersed as essential elements of the economy of moderate-sized regions of combined private entrepreneurial industry and agriculture; f.) heavy, and increasing emphasis on development of high-energy-flux-

density modes in technological progress of manufactures and other applications.

*Comment: The present Trans-Atlantic monetary-financial system is now hopelessly bankrupt; the wild-eyed measures associated with actions by the U.S. Treasury and Federal Reserve System represent an eruption of lunatic recklessness beyond belief! Those relevant public or private officials who disagree with that assessment, or who continue to oppose the HBPA as I have defined it, now clearly require professional psychiatric care.*

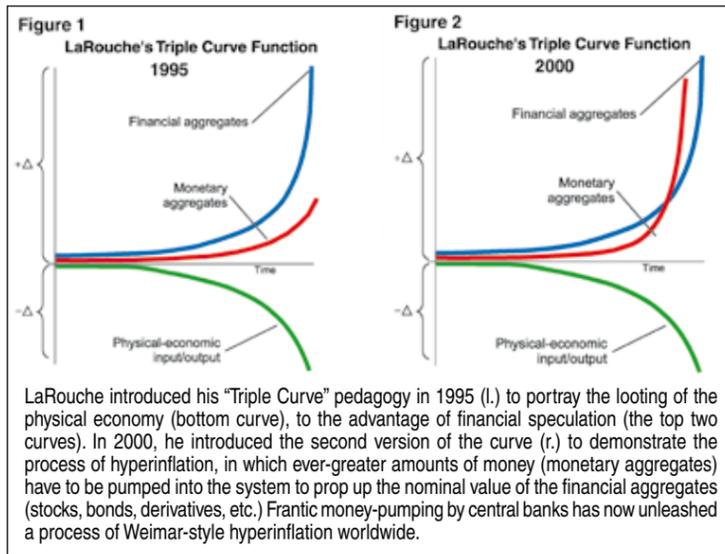
Since efficient, modern production and supporting infrastructure, require emphasis on capital intensive forms of physical capital investments in the order of between a quarter- and a half-century estimated useful life over the course of physical and/or technological attrition,

long-term treaty-agreements among trading-partner nations in those orders of magnitude, at interest rates charged to and among governments in the order of 1-2% per annum, will be the required practice if proper human goals for populations, as in Asia and Africa, are to be reached. To facilitate this, the pseudo-scientific, neo-Malthusian humbug of so-called global warming, must be brought to a halt; otherwise, a plunge of the planet into a mass-murderous new dark age, one worse than that experienced by mid-Fourteenth-Century Europe, were inevitable for the planet as a whole. There are no known, sane alternatives existing at this juncture. The success of President Franklin Roosevelt's reforms of the 1932-1944 interval, is the model of policy-shaping which provides a proven precedent for the policies which must be adopted among sane nations now.

# LaRouche's Forecasting Record

The economic forecasting record of American statesman and physical economist Lyndon H. LaRouche, Jr., over the last five decades, is unmatched. The following chronicle of those forecasts, from 1956 through 1997, is excerpted from the CEC's 2001 book, *What Australia Must Do to Survive the Depression*. LaRouche's subsequent forecasts and analyses, including his devastating exposure of the fraudulent 1995-2000 'Y2K crisis', which was used to pump hundreds of billions of dollars into the system to keep it from disintegrating already then, may be found in the pages of *Executive Intelligence Review* magazine.

The trajectory of the world's monetary system in the current decade is encapsulated in LaRouche's Triple Curve Function (Figs. 1 and 2), which depicts the ever-widening chasm between the real physical economy, and the financiers' speculative bubble which has parasitised and looted that real economy. This, the largest bubble in world history, has now exploded, as LaRouche announced in his July 25, 2007 international webcast, two weeks before virtually anyone had ever heard of the so-called "subprime mortgage crisis".



forced austerity on the developing sector, and Nixon slapped on severe austerity measures in U.S.

### October 1979

**Forecast:** A devastating recession, beginning early 1980, as a result of U.S. Federal Reserve Chairman Paul Volcker raising the prime interest rate to 20%.

**What happened:** A collapse of U.S. housing industry, agricultural and industrial production occurred, exactly as predicted by LaRouche-Riemann economic model, in opposition to all other models.

### February 1983

**Forecast:** LaRouche informs the Soviet government, that if it were to reject a western offer of joint development of anti-missile "beam weapons" (later known as the U.S. Strategic Defense Initiative, when it was adopted by President Reagan in a televised speech on March 23, 1983), the strains of a military buildup on the Comecon economy would lead to a collapse of that system in about five years. That forecast of a Soviet collapse was repeated in an *EIR* special report, *Global Showdown*, issued in July 1985.

**What happened:** Soviet leader Yuri Andropov rejected the SDI offer shortly after Reagan's TV address. The Berlin Wall fell in November 1989. The Soviet regime of Mikhail Gorbachov fell in 1991.

### Spring 1984

**Forecast:** LaRouche warned, in a nationwide half-hour TV address, while campaigning for the Democratic Party pre-selection as a candidate for the U.S. Presidency, of the outbreak of a collapse of a large section of the U.S. banking system, the savings and loan (S&L) banks.

**What happened:** In late 1987, U.S. S&L banks began to collapse around the country, leading to many banks going under, and many more being purchased by larger institutions. The S&L crisis required a multi-billion dollar government bailout.

### May 1987

**Forecast:** As published in *EIR* magazine, and elsewhere, the outbreak of a major stock market collapse beginning approximately October 10.

**What happened:** Black Monday, October 19, 1987: the Dow Jones average dropped 508 points, or 22.6%, the largest one-day point loss in its history.

### June 1994

**Forecast:** LaRouche's famous Ninth Forecast, entitled "The Coming Disintegration of the Financial Markets", in which LaRouche said, "The presently existing global financial and monetary system will disintegrate during the near term", which he specified to mean in the immediate years ahead.

**What happened:** The global crash now unfolding, beginning with the

meltdown of the "Asian tigers" starting July 1997.

### June 1997

**Forecast:** In the context of his Ninth Forecast, LaRouche said in June 1997: "Sometime very soon, between now and the end of the year, possibly in the month of August—more probably, no later than October, but certainly, by around the end of the year—this world is going through one or two of

# Housing Crisis Ravages Australia

In February of this year, a study by the consulting firm JP Morgan Fujitsu found that 300,000 "severely mortgage-stressed" Australian families are in danger of being foreclosed on this year. Only weeks later, the same firm updated its estimate to warn that 300,000 families could lose their homes within



six months. Officially, 1000 families are being foreclosed on every week, but the JP Morgan Fujitsu study, backed by other evidence, reveals that the figure is probably far higher, while our household debt to income ratio is 175%, the highest in the world.

A look at the situation in Perth, in the "boom state" of Western Australia, gives an indication of what the rest of Australia is facing. Weekly rents in Perth are closing in on an average of \$400 per week and an estimated 10,000 are homeless every night, amid heart-wrenching stories of poverty and hopeless conditions for children, for the elderly, and for those suffering severe health problems. Crisis accommodation centres in Perth report that they are turning away up to 98% of those who come to them for help, while Homeswest, which provides public housing, has 17,000 people on its now six-year waiting list. A feature story on the crisis in *The Weekend Australian* magazine of March 22 chronicled numerous stories of personal disaster, summarising the situation: "There is a sad, silent epidemic of poverty sweeping through Perth and it is happening on a frightening scale."

It's the same in Victoria, New South Wales and elsewhere. For instance: just one Victorian shire, Casey, has an estimated 1,660 people homeless; a northern Melbourne caravan park reports turning away as many as 80 families per day; and a front page story in the *Herald Sun* of February 21 reported that 26% of low-income renters forego meals to pay the rent, while 42% can't even afford to send their kids on school excursions. Australia's Welfare 2007 report emphasises that housing stress gives rise to deep-seated social problems, including violence and crime, such that even western Sydney's Bible Belt has seen a 20% rise in robbery and other violence, linked to the reality that over 50% of its families spend more than \$2,000 per month on the mortgage. That report also found that 100,000 people (including children) are homeless nationwide. Add to that, that more farmers are expected to be forced off the land this year than in any year since The Great Depression, with national farm debt now at \$44 billion, up from \$24 billion in 1998.

And this poverty-stricken, homeless-ridden country used to be known not so long ago as the "Lucky Country"?

the greatest shocks, financial shocks of the century."

**What happened:** On October 23, the Hong Kong market collapsed 10.41%, followed by the largest-ever collapse in the New York Stock Exchange on "Black Monday", October 27. Currencies and markets plunged in South and East Asia almost daily for the rest of the year, until even the mainstream press began talking of the likelihood of a "global financial meltdown."

# Only LaRouche's Homeowners and Bank Protection Bill Can Save Australia

Cont. From Page 1

I take this opportunity to thank you for your deputation on Monday February 4, 2008. Council was impressed with your presentation and resolved to '...support the Homeowners and Bank Protection Bill of 2008, as initiated by economist Lyndon H. LaRouche, Jr to enact emergency legislation to keep people in their homes and avert social chaos.' To this effect, I enclose a copy of Council's resolution and wish you and your colleagues every success in progressing the issue further through the Citizens Electoral Council of Australia".

The HBPB has also met opposition, usually from Councillors and even Federal MP's who don't have a clue of how severe the global financial crisis is, nor even how devastating the rates of foreclosures and homelessness already are in Australia. Other in-

stitutions, typically of State or Federal government, have chosen to defend the financial bubble, rather than the people, such as the Queensland Local Government Association, which has been intensely lobbying against the HBPB. Typical of the callous indifference of Federal officials thus far, is the Reserve Bank's recent housing report which said that "Australians should resign themselves to the fact that housing will never be affordable". (*Herald Sun* 2 April). A Treasury official acknowledged that, even though the housing crisis is "the worst on record" and 750,000 homeowners will be under mortgage stress in coming months by paying over 35% of their income for housing, they are "not necessarily struggling" (*The Australian*, April 3).

Kevin Rudd's pathetic, corporatist solution to the problem is to hand over government subsidies to the private sector to build a measly 50,000 houses over five years, with only 3,000 in the first year. Not surprisingly, his own Treasurer Wayne Swan is personally deep into the bubble, borrowing on margin to speculate in financial markets; Swan also has money in a cash management trust run by Macquarie Bank.

### The Strategic War

The present severe housing crisis in Australia, as in the U.S. and

elsewhere, is no "natural occurrence of the business cycle", but a calculated onslaught by the City of London-led financial oligarchy as part of their "globalist" assault against nation states. Though they created this speculative bubble in the first place, they are now terrified that, under crisis conditions, populations will respond to competent, dedicated leadership by reasserting sovereignty over their own banking and financial systems as the only pathway out of the crisis.

Australian history itself is one long struggle between the forces of nationalism and sovereignty, against the City of London, as exemplified by the following events:

- the establishment of the Australian Labor Party as a response to London's pulling all its funds out of the property bubble London had created in the early 1890s, resulting in the severe recession of 1893 and the crushing of the maritime workers and shearers;
- the ALP's adoption of a National Bank as a central plank in their original program, which, under King O'Malley's leadership, resulted in the establishment of the Commonwealth Bank in 1911, against severe financier opposition, followed by the oligarchy's destruction of it in the 1920s;
- the financial oligarchy's mobilisation of mass fascist armies in the early 1930s, against the possibility



Several local newspapers, including the 3 March *LaTrobe Valley Express*, have begun to cover the campaign for the *Homeowners and Bank Protection Bill*.

that the Scullin Labor government would reassert control over the nation's finances (documented in the *New Citizen* of April 2004);

- the 1937 Royal Commission investigation of private financier control over the country, during which Labor MP John Curtin proclaimed, "If the Government of the Commonwealth deliberately excluded itself from all participation in the making or changing of monetary policy it cannot govern except in a secondary degree";
- a terrified oligarchy's re-mobilization of a mass fascist army, and a press campaign to whip up hysteria, to try to stop Labor PM Ben Chifley

from passing legislation to keep the wartime banking controls, in order, he explained, that "the banking system of this country shall work in the interests of the people as a whole"; instead, our anglophile High Court and Her Majesty's Privy Council combined to secure the continued dictatorship of the private banks.

Profound as those crises were, today's is far more severe, and only a mass mobilisation and outcry by average Australians against this City of London assault on us can save this nation, by ramming the *Homeowners and Bank Protection Bill 2008* through Federal Parliament.

## New Citizen

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Fax: 03 9354 0166  
Editor Craig Isherwood

# Support Surges for the Homeowners and Bank Protection Bill

Beginning January 2<sup>nd</sup> this year, as the world entered a new phase of the global financial meltdown, the Citizens Electoral Council and LaRouche Youth Movement recruited a volunteer force to contact every one of the 6,566 councillors in the country, to demand that they call upon Federal Parliament to enact the *Homeowners and Bank Protection Bill (HBPB)*.

The global debt bubble has now burst; unless preventive action is taken very soon, millions of Australians will be thrown into the streets and our banks will collapse, given that they owe untold billions overseas and are viewed as highly precarious already.

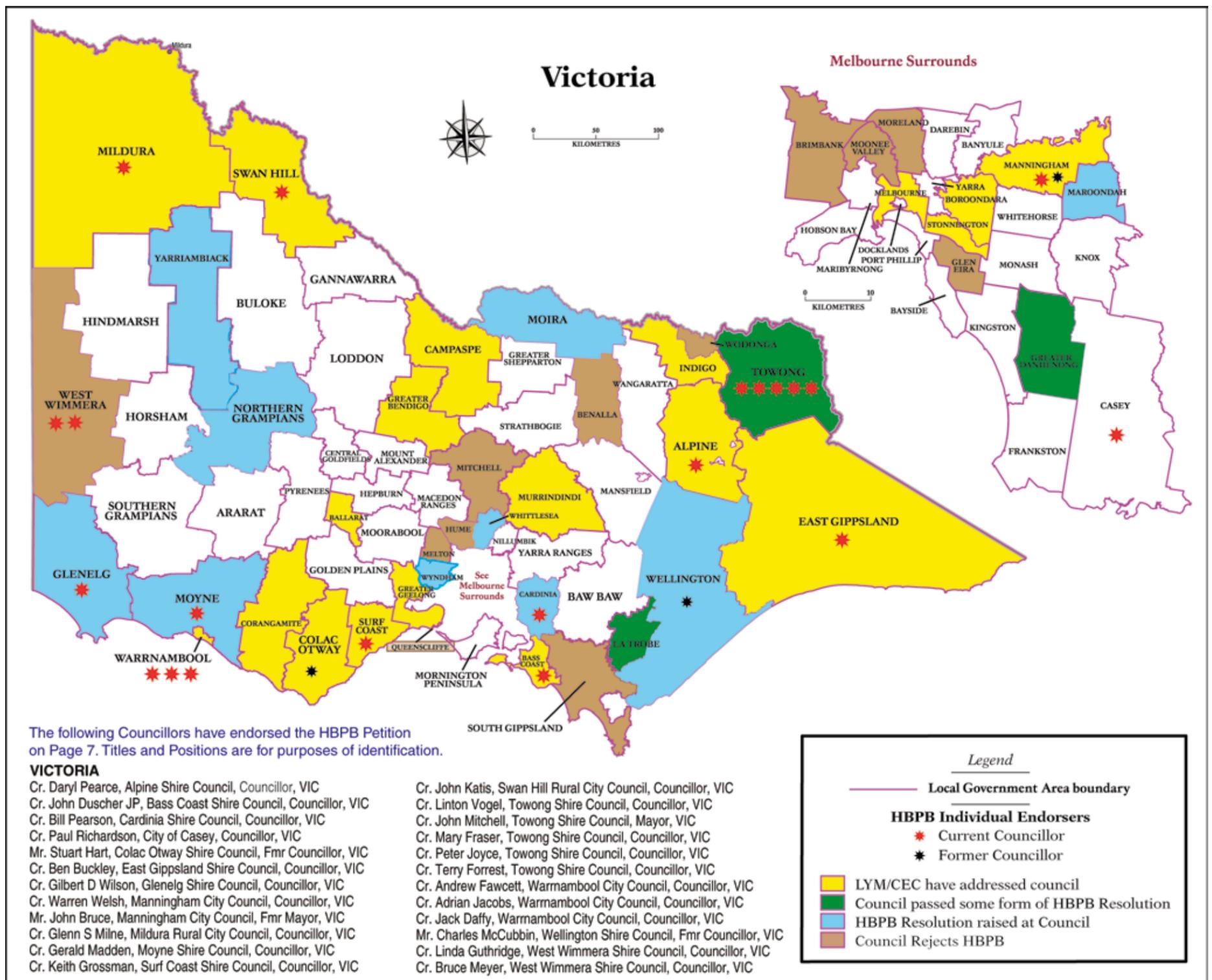
Numerous Members of Parliament have shown sympathy for the HBPB, but they will never act until they are forced to, both by the deepening crisis, and by organising local councils and other local institutions closer to reality to light a grassfire under their backsides.



The CEC and LYM are mounting a campaign on the streets and on the phones to contact every one of Australia's 6,566 local councillors.

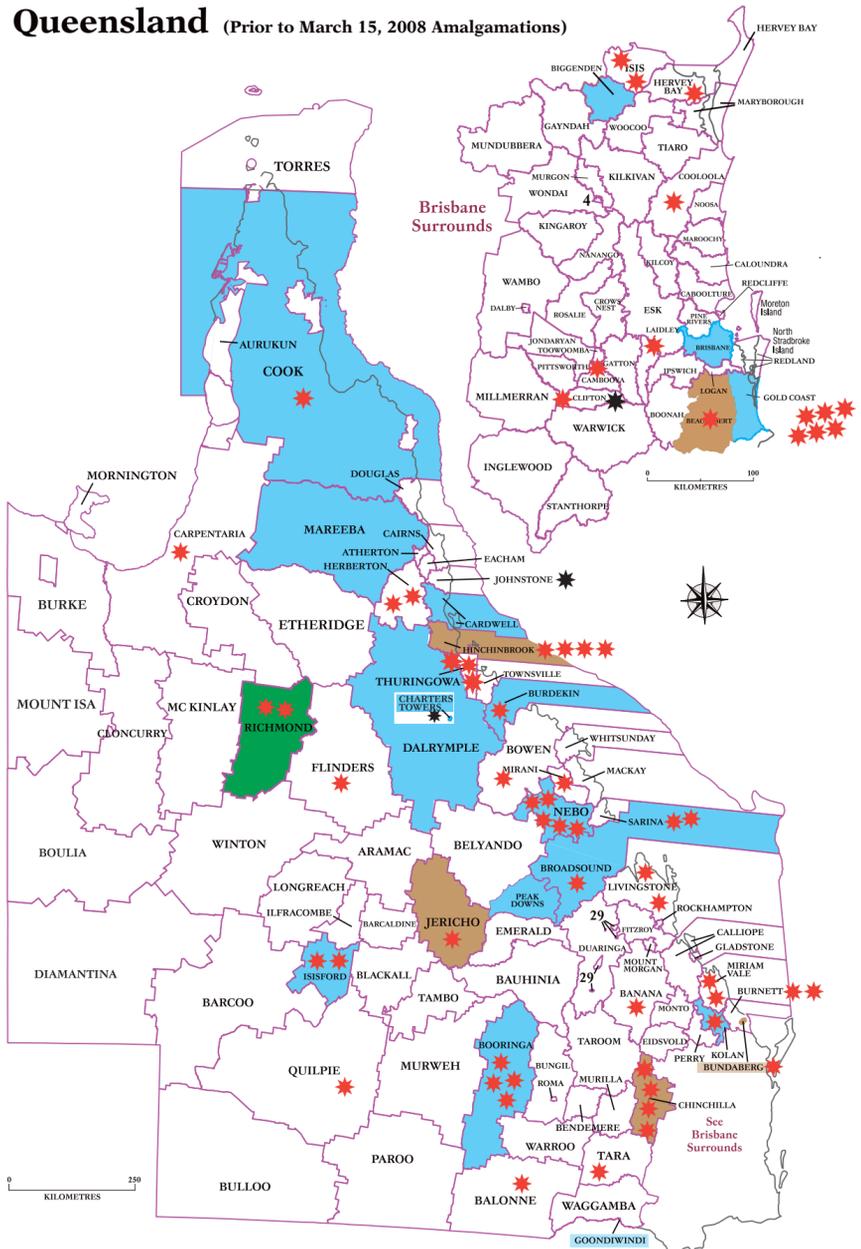
## What You Must Do

- Contact your local councillor and demand that both he or she and the council as a whole endorse the HBPB resolution (see p.7). The same with your State and Federal MP's. And mobilise everyone you know to also contact these officials, in person wherever possible.
- Order as many copies of this newspaper as you can, to get around your neighbourhood, and to local churches, welfare and community groups who would be particularly concerned. Call us on 1800-636-432 and we will send you bulk copies.
- Get signatures on the HBPB petition. It is available from the CEC, or you can download it from our website: [www.ce-caust.com.au](http://www.ce-caust.com.au)
- Write letters to the editor about the HBPB and raise it on talkback radio.
- Watch the special Firewall DVD with the full background behind the HBPB, and the ongoing global financial crash.
- Contribute money and/or your time to help us organise.



# Support Surges for Homeowners and Bank Protection Bill!

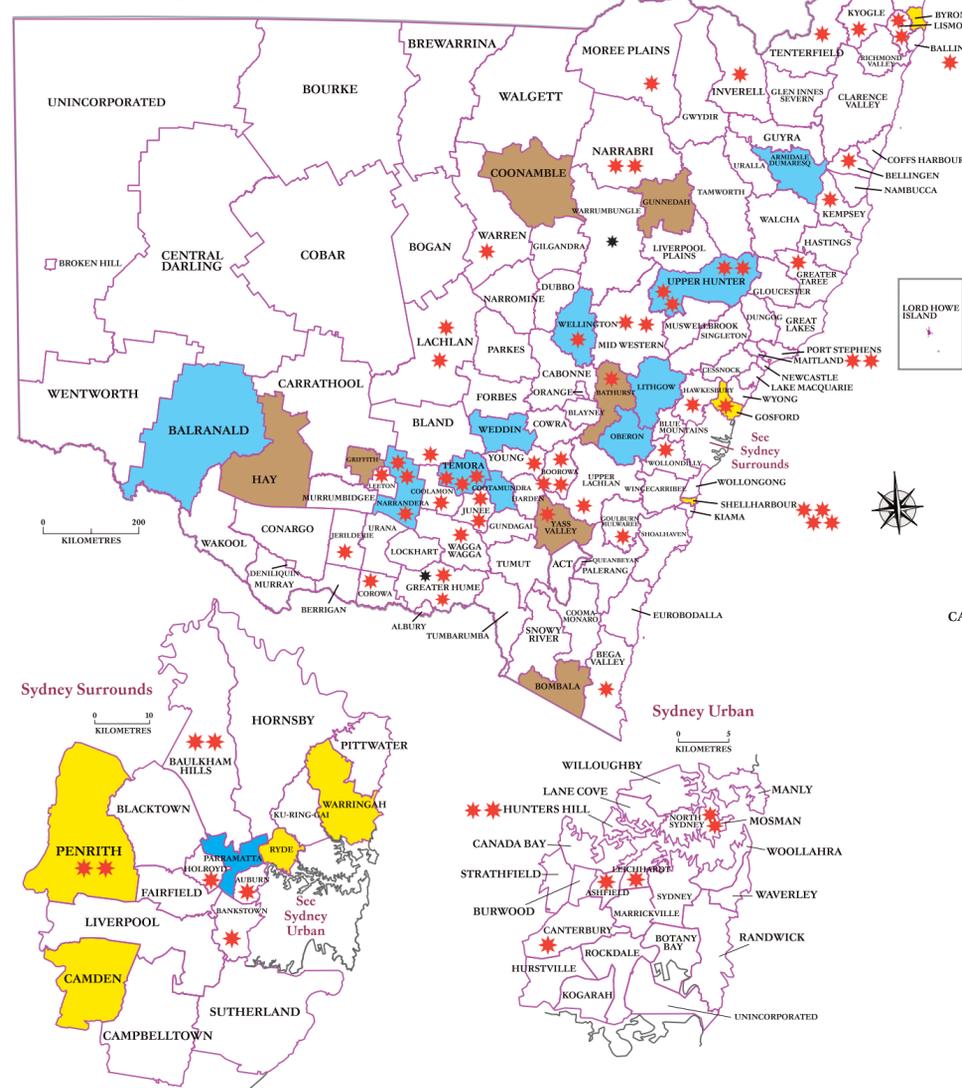
## Queensland (Prior to March 15, 2008 Amalgamations)



**QUEENSLAND**  
 Cr. Rodney Beeson, Balonne Shire Council, Councillor, Qld  
 Cr. Neville Ferrer, Banana Shire Council, Councillor, Qld  
 Cr. Bob Bricknell, Beaudesert Shire Council, Councillor, Qld  
 Cr. Sheryn G Hanna, Booringa Shire Council, Councillor, Qld  
 Cr. Bruce G Beale, Booringa Shire Council, Councillor, Qld  
 Cr. Robert Lethbridge, Booringa Shire Council, Councillor, Qld  
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 Cr. Grace Laws, Chinchilla Shire Council, Councillor, Qld  
 Cr. Gerald O'Leary, Clifton Shire Council, Councillor, Qld  
 Mrs. Lee Gore, Clifton Shire Council, Fmr Councillor, Qld  
 Cr. Keith Eales, Cook Shire Council, Councillor, Qld  
 Cr. Colin Chapman, Cooloola Shire Council, Councillor, Qld  
 Cr. Sean O'Neill, Flinders Shire Council, Councillor, Qld  
 Cr. Greg Betts, Gold Coast City Council, Councillor, Qld  
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 Cr. Ray Hackwood, Gold Coast City Council, Councillor, Qld  
 Cr. Ron Clarke, Gold Coast City Council, Mayor, Qld  
 Cr. Peter Young, Gold Coast City Council, Councillor, Qld  
 Cr. Grant Pflor, Gold Coast City Council, Councillor, Qld  
 Cr. Jane Rodwell, Herberton Shire Council, Councillor, Qld  
 Cr. Brian Stewart, Herberton Shire Council, Councillor, Qld

Cr. Bob Campbell, Hervey Bay City Council, Councillor, Qld  
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 Cr. Andrew John Lancini, Hinchinbrook Shire Council, Councillor, Qld  
 Cr. Shaun Sheahan, Hinchinbrook Shire Council, Councillor, Qld  
 Cr. John Russo, Isis Shire Council, Councillor, Qld  
 Cr. Doug Schofield, Isis Shire Council, Councillor, Qld  
 Cr. Anne E Lines, Isisford Shire Council, Councillor, Qld  
 Cr. Jocelyn Avery, Isisford Shire Council, Councillor, Qld  
 Cr. Sandy Loudon, Jericho Shire Council, Councillor, Qld  
 Mr. David McCarthy, Johnstone Shire Council, Fmr Councillor, Qld  
 Cr. Greg Savage, Kolan Shire Council, Councillor, Qld  
 Cr. Richard Lee, Laidley Shire Council, Councillor, Qld  
 Cr. Brian Dorey, Livingstone Shire Council, Deputy Mayor, Qld  
 Cr. Glenda Mather, Livingstone Shire Council, Councillor, Qld  
 Cr. Tanya Bugeja, Mirani Shire Council, Councillor, Qld  
 Cr. Josie Meng, Mirani Shire Council, Councillor, Qld  
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 Cr. Caroline McFadden, Nebo Shire Council, Councillor, Qld  
 Cr. Benjamin A Hall, Quilpie Shire Council, Councillor, Qld  
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 Cr. Brian Bensley, Thuringowa City Council, Councillor, Qld  
 Cr. Sandra Chesney, Thuringowa City Council, Councillor, Qld  
 Cr. Kenneth Turner, Thuringowa City Council, Councillor, Qld

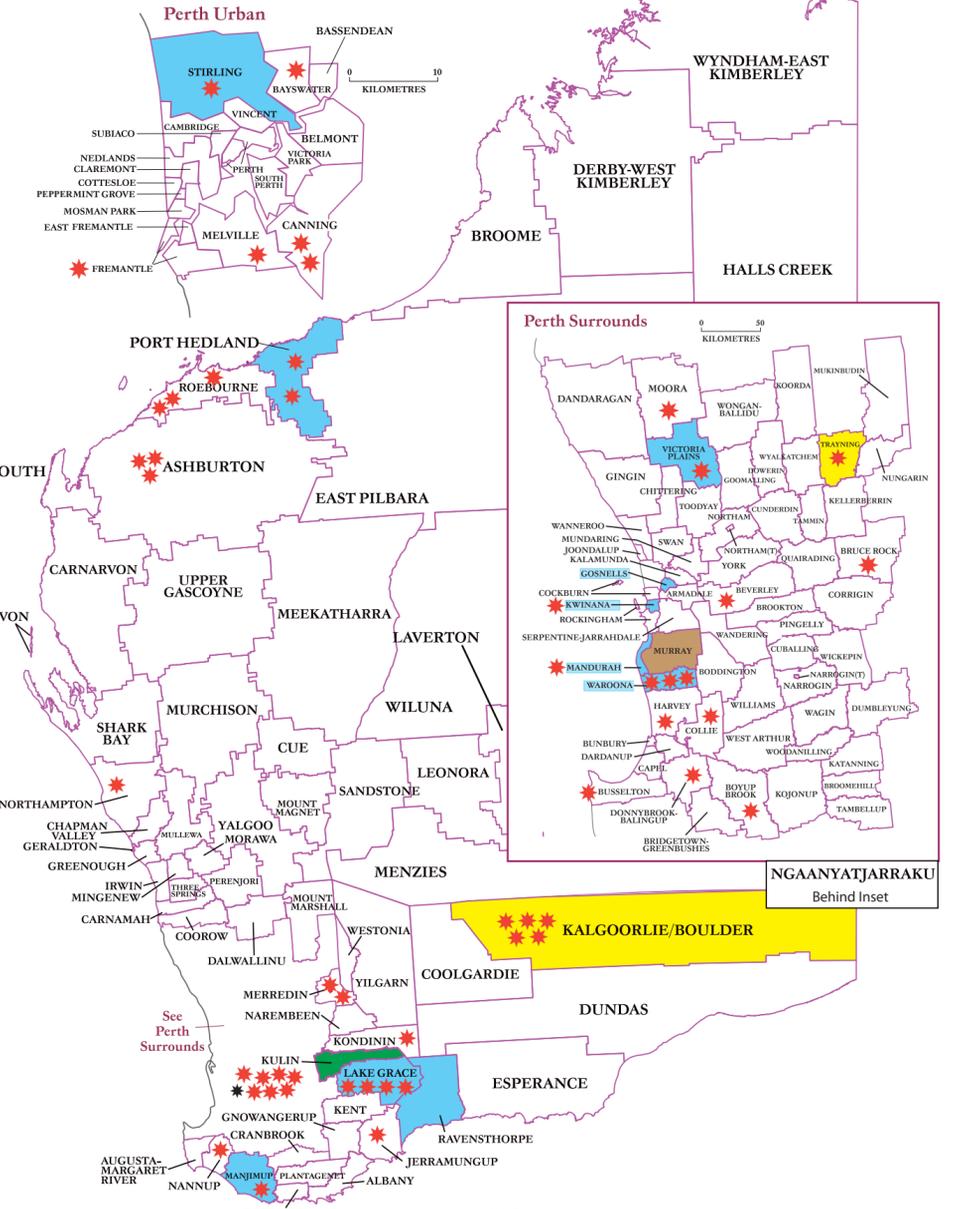
## New South Wales



**NEW SOUTH WALES**  
 Cr. Semra Batik, Auburn City Council, Councillor, NSW  
 Cr. John Burns Felsch, Ballina Shire Council, Councillor, NSW  
 Cr. Allan Winterbottom, Bankstown City Council, Councillor, NSW  
 Cr. Gordon Crisp, Bathurst Regional Council, Councillor, NSW  
 Cr. David Bentham, Baulkham Hills Shire Council, Deputy Mayor, NSW  
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 Cr. Mike Skitt, Bega Valley Shire Council, Councillor, NSW  
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 Cr. Don H Hatch, Bland Shire Council, Councillor, NSW  
 Cr. Neil Gorham, Boorowa Council, Councillor, NSW  
 Cr. John Snelling, Boorowa Council, Councillor, NSW  
 Cr. Cliff Workman, Boorowa Council, Councillor, NSW  
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 Cr. William Lander, Lachlan Shire Council, Councillor, NSW  
 Cr. John Egan, Leeton Shire Council, Deputy Mayor, NSW  
 Cr. Robert Webb, Leichhardt Municipal Council, Councillor, NSW  
 Cr. John Chant, Lismore City Council, Deputy Mayor, NSW

Cr. Peter Graham, Lismore City Council, Councillor, NSW  
 Cr. Henry Meskauskas, Maitland City Council, Councillor, NSW  
 Cr. Paul Casey, Maitland City Council, Councillor, NSW  
 Cr. Jeff Moore, Mid-Western Regional Council, Councillor, NSW  
 Cr. John Webb, Mid-Western Regional Council, Councillor, NSW  
 Cr. Allan Boardman, Moree Plains Shire Council, Councillor, NSW  
 Cr. Shirley Jenkins, Mosman Municipal Council, Councillor, NSW  
 Cr. Dominic Lopez, Mosman Municipal Council, Councillor, NSW  
 Cr. Bevan O'Regan, Narrabri Shire Council, Councillor, NSW  
 Cr. Ron Lowder, Narrabri Shire Council, Councillor, NSW  
 Cr. Des Edwards, Narrandera Shire Council, Councillor, NSW  
 Cr. Nick Jensen, Narrandera Shire Council, Councillor, NSW  
 Cr. Kevin Morris, Narrandera Shire Council, Councillor, NSW  
 Cr. Lexie Cottolin, Penrith City Council, Councillor, NSW  
 Cr. Jackie Greenow, Penrith City Council, Councillor, NSW  
 Cr. Geoff Rose, Shellharbour City Council, Councillor, NSW  
 Cr. Jeff Bailey, Shellharbour City Council, Councillor, NSW  
 Cr. Helen Stewart, Shellharbour City Council, Councillor, NSW  
 Cr. Charles Maher, Shellharbour City Council, Councillor, NSW  
 Cr. Peter Speirs OAM, Temora Shire Council, Mayor, NSW  
 Cr. Rick B Firman, Temora Shire Council, Councillor, NSW  
 Cr. Trevor Colwill, Temora Shire Council, Councillor, NSW  
 Cr. Tom Peters, Tenterfield Shire Council, Councillor, NSW  
 Cr. Ean Cottle, Upper Hunter Shire Council, Councillor, NSW  
 Cr. Nat Doonan, Upper Hunter Shire Council, Councillor, NSW  
 Cr. John Scriven, Upper Hunter Shire Council, Councillor, NSW  
 Cr. Dairde Peebles, Upper Hunter Shire Council, Councillor, NSW  
 Cr. John Shaw, Upper Lachlan Shire Council, Mayor, NSW  
 Cr. Lindsay Vidler, Wagga Wagga Shire Council, Councillor, NSW  
 Cr. Pauline Sertidy, Warren Shire Council, Councillor, NSW  
 Cr. Rex Turner, Wellington Council, Councillor, NSW  
 Cr. Norman R Jew, Wollondilly Shire Council, Councillor, NSW  
 Cr. David Hingston, Yass Valley Council, Councillor, NSW  
 Cr. John F Walker, Young Shire Council, Councillor, NSW

## Western Australia



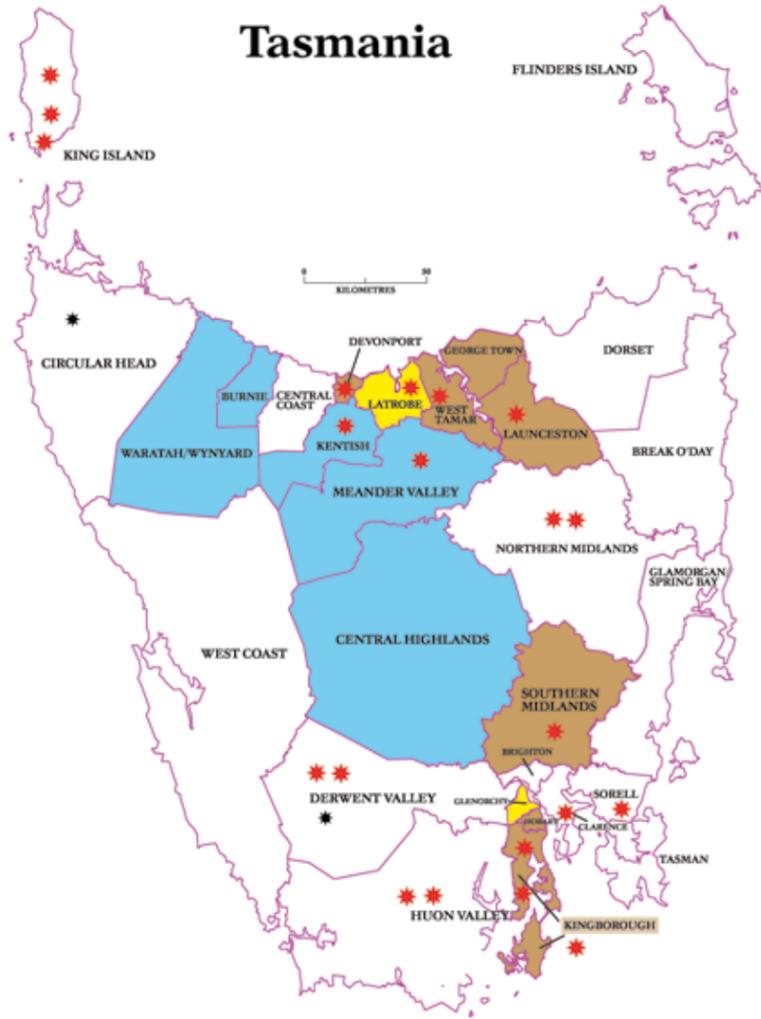
Cr. Michael Sabatino, City of Bayswater, Deputy Mayor, WA  
 Cr. Peter Gogol, Shire of Beverley, Councillor, WA  
 Cr. Eric D Muncney, Shire of Boyup Brook, Councillor, WA  
 Cr. Graeme Currie, Shire of Bruce Rock, Councillor, WA  
 Cr. Rodney L Wheeler, Shire of Bussetton, Councillor, WA  
 Cr. Graham Barry, City of Canning, Councillor, WA  
 Cr. John Wiberley, City of Canning, Councillor, WA  
 Cr. Gary Benton, Shire of Collie, Councillor, WA  
 Cr. Gwendoline Nidd, Shire of Donnybrook/Balingup, Councillor, WA  
 Cr. Peter Tagliatieri, Fremantle City Council, Mayor, WA  
 Cr. Brian Hollands, Shire of Harvey, Councillor, WA  
 Cr. Keith Edson, Shire of Jerramungup, Councillor, WA  
 Cr. Anne Petz, City of Kalgoorlie-Boulder, Councillor, WA  
 Cr. Wayne Johnson, City of Kalgoorlie-Boulder, Councillor, WA  
 Cr. Lisa Schofield, City of Kalgoorlie-Boulder, Councillor, WA  
 Cr. Deborah Botica, City of Kalgoorlie-Boulder, Councillor, WA  
 Cr. Nola Wolksi, City of Kalgoorlie-Boulder, Councillor, WA  
 Cr. Bruce Stanes, Shire of Kondinin, Councillor, WA  
 Cr. James Sullivan, Shire of Kulin, President, WA  
 Cr. Barry D West, Shire of Kulin, Deputy President, WA  
 Cr. Haydn T McInnes, Shire of Kulin, Councillor, WA  
 Cr. Graeme Robertson, Shire of Kulin, Councillor, WA  
 Cr. Mathew J Ledwith, Shire of Kulin, Councillor, WA  
 Cr. Rodney D Duckworth, Shire of Kulin, Councillor, WA  
 Mr. Harold Proud, Shire of Kulin, Fmr Councillor, WA  
 Cr. Joe Varone, Shire of Kulin, Councillor, WA  
 Cr. Glen Bersan, Town of Kwinana, Councillor, WA  
 Cr. John Dunkel, Shire of Lake Grace, Councillor, WA  
 Cr. Dean Sinclair, Shire of Lake Grace, Councillor, WA  
 Cr. Royce Taylor, Shire of Lake Grace, Councillor, WA  
 Cr. Walter Newman, Shire of Lake Grace, Councillor, WA  
 Cr. Doug Cavanagh, City of Mandurah, Councillor, WA

Cr. Robert Taylor, Shire of Manjimup, Councillor, WA  
 Cr. Clive Robertson OAM, Melville City Council, Councillor, WA  
 Cr. Maria Young, Shire of Merredin, Councillor, WA  
 Cr. Stephen Elliott, Shire of Merredin, Councillor, WA  
 Cr. Robert Kearny, Shire of Moora, Councillor, WA  
 Cr. Barbara Dunnet, Nannup Shire Council, President, WA  
 Cr. Alcida Link JP, Shire of Northampton, Councillor, WA  
 Cr. Stan Martin, Town of Port Hedland, Councillor, WA  
 Cr. Arnold Carter, Town of Port Hedland, General Manager, WA  
 Cr. John Lally, Shire of Roebourne, Councillor, WA  
 Cr. Garry Bailey, Shire of Roebourne, Councillor, WA  
 Cr. Peter Rose, City of Stirling, Deputy Mayor, WA  
 Cr. Ronald Greaves, Shire of Trayning, Councillor, WA  
 Cr. John Salerian, Shire of Waroona, Councillor, WA  
 Cr. Trish Witney, Shire of Waroona, Councillor, WA  
 Cr. Craig Wright, Shire of Waroona, Councillor, WA  
 Cr. James Kelly, Shire of Victoria Plains, Councillor, WA

**Legend**

- Local Government Area boundary
- HBPB Individual Endorsers
  - Current Councilor
  - Former Councilor
- LYM/CEC have addressed council
- Council passed some form of HBPB Resolution
- HBPB Resolution raised at Council
- Council Rejects HBPB

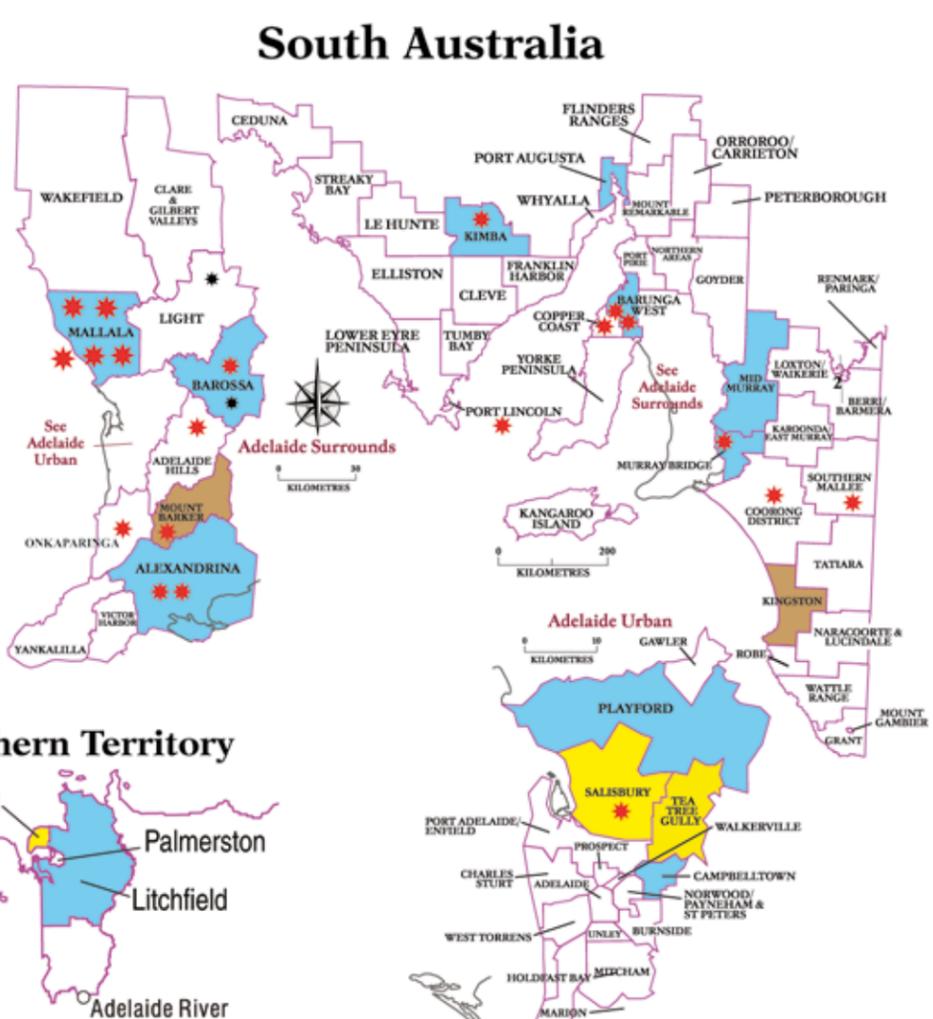
# Support Surges for Homeowners and Bank Protection Bill!



**TASMANIA**

Mr. Michael Weldon, Circular Head Council, Fmr Councillor, TAS  
 Cr. Richard James, Clarence City Council, Councillor, TAS  
 Cr. James Elliott, Derwent Valley Council, Councillor, TAS  
 Cr. Richard Parker, Derwent Valley Council, Councillor, TAS  
 Mr. Ray Williams, Derwent Valley Council, Fmr Councillor, TAS  
 Ald. Grant Goodwin, Devonport City Council, Alderman, TAS  
 Cr. Laurie Dillon, Huon Valley Council, Councillor, TAS  
 Cr. Ian Paul, Huon Valley Council, Councillor, TAS  
 Cr. Tony Duggan, Huon Valley Council, Councillor, TAS  
 Cr. John Deverell, Kentish Council, Deputy Mayor, TAS  
 Cr. Gregory R Barratt, King Island Council, Deputy Mayor, TAS  
 Cr. Vernon Philbey, King Island Council, Councillor, TAS  
 Cr. Charles Arnold, King Island Council, Mayor, TAS  
 Cr. Roger J McGinniss, Kingborough Council, Councillor, TAS  
 Cr. Peter Lindsay, Kingborough Council, Councillor, TAS  
 Cr. David Grace, Kingborough Council, Councillor, TAS  
 Cr. Stephen Dick, Latrobe Council, Councillor, TAS  
 Cr. Ian Norton, Launceston City Council, Alderman, TAS  
 Cr. Ray Johnstone, Meander Valley Council, Councillor, TAS  
 Cr. Andrew Calvert, Northern Midlands Council, Councillor, TAS  
 Cr. Matthew Brooks, Northern Midlands Council, Councillor, TAS

Cr. Judy Young, Sorell Council, Councillor, TAS  
 Cr. Delia Thompson, Southern Midlands Council, Councillor, TAS  
 Cr. Peter Doddy, West Tamar Council, Councillor, TAS



**SOUTH AUSTRALIA**

Cr. Valerie Hall, Adelaide Hills Council, Councillor, SA  
 Cr. Alan Oliver, Alexandrina Council, Councillor, SA  
 Cr. Mary Beckett, Alexandrina Council, Councillor, SA  
 Cr. Barrie Stewart, Barossa Council, Councillor, SA  
 Mr. Ian C Ross, Barossa Council, Fmr Councillor, SA  
 Cr. Russel Smith, District Council of Barunga West, Councillor, SA  
 Cr. Tony Schkabaryn, District Council of Barunga West, Councillor, SA  
 Cr. Richard Harkness, Coorong District Council, Councillor, SA  
 Cr. Tommy Tonkin, District Council of the Copper Coast, Councillor, SA  
 Mr. Alastair Ross, District Council of Kapunda, Fmr Councillor, SA  
 Cr. Dianne McDonald, District Council of Kimba, Councillor, SA  
 Cr. Anne Picard, District Council of Mallala, Councillor, SA  
 Cr. Stephen Jones, District Council of Mallala, Councillor, SA  
 Cr. Tom Summerton, District Council of Mallala, Councillor, SA  
 Cr. Peppino (Joe) Daniele, District Council of Mallala, Councillor, SA  
 Cr. Rudi Fabrici, District Council of Mallala, Councillor, SA  
 Cr. Gordon D Hancock, Southern Mallee District Council, Councillor, SA

Cr. Joan Zanker, District Council of Mount Barker, Councillor, SA  
 Cr. Clem Schubert, The Rural City of Murray Bridge, Councillor, SA  
 Cr. Alan Oakes, City of Onkaparinga, Councillor, SA  
 Cr. Jim Papazoglov, City of Port Lincoln, Councillor, SA  
 Cr. Donna Abela, City of Salisbury, Councillor, SA

*Legend*

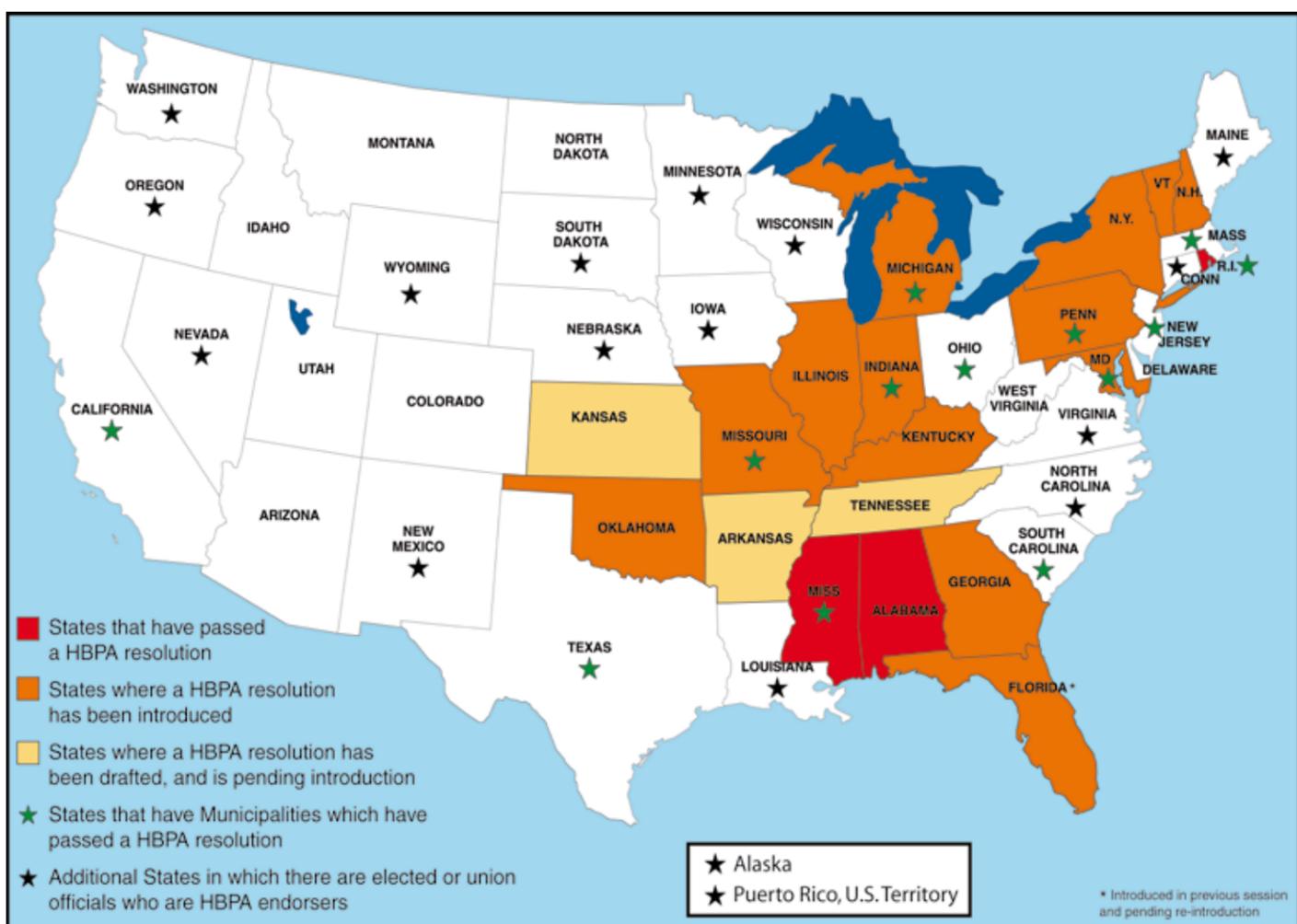
- Local Government Area boundary
- HBPB Individual Endorsers**
- ★ Current Councillor
- ★ Former Councillor
- Yellow: LYM/CEC have addressed council
- Green: Council passed some form of HBPB Resolution
- Blue: HBPB Resolution raised at Council
- Brown: Council Rejects HBPB

## US Legislatures and City Councils, Support LaRouche's Homeowners and Bank Protection Bill

Resolutions calling for the U.S. Congress to implement the *Homeowners and Bank Protection Act (HBPA)*, drafted by American economist and statesman Lyndon LaRouche in August 2007, have been passed by more than 75 city councils and three state houses. It has been introduced, or drafted for introduction, into nearly 20 state legislatures. In fact, the Federal Reserve's huge – and illegal – bailout of Bear Stearns on March 17<sup>th</sup> purposely forestalled the Congress having to adopt the HBPA, as the only actual solution on the table.

The LaRouche Youth Movement have spearheaded an aggressive campaign to make the HBPA the major issue in the current Presidential election campaigns, reviving the Roosevelt tradition within the Democratic Party of fighting for the "forgotten man and woman". Democratic Party candidate Senator Hillary Clinton's call for a moratorium on home foreclosures reflects this campaign, while the HBPA is drawing increasing support from leading elements in the Republican Party as well.

The LYM has also been exposing the British financial oligarchy's plot to bring an outright fascist and British agent into the Presidency, such as British royal family intimate Al Gore or New York City Mayor and multibillionaire Michael Bloomberg, by using Senator Barack Obama to eliminate Clinton, before Obama himself is eliminated by scandals.



- ★ States that have passed a HBPA resolution
  - ★ States where a HBPA resolution has been introduced
  - ★ States where a HBPA resolution has been drafted, and is pending introduction
  - ★ States that have Municipalities which have passed a HBPA resolution
  - ★ Additional States in which there are elected or union officials who are HBPA endorsers
- ★ Alaska  
 ★ Puerto Rico, U.S. Territory
- \* Introduced in previous session and pending re-introduction

# The *Real* Story Behind Council Amalgamations

Under the aegis of National Competition Policy, which was concocted by the City of London/British Crown think tank known as the Mont Pelerin Society, the British have carried out a savage onslaught against local government in Australia since the early 1990s, with two interconnected goals: 1) to loot the councils, i.e. you, the rate-payers, out of tens of billions of dollars in physical assets and annual cash flow, and, in so doing, 2) to slash the number of local elected councils (and councillors) so as to consolidate top down fascist control in this country. Look at Australia for a moment as if it were a "Third World" country in Africa or Asia, and you see how the British are looting us under the banner of "amalgamations". Unlike in the old days of gunboats, today they just get their colonial subjects to endorse, grudgingly or not, such outrageous scams as "free trade", "privatisation", "corporatisation", "user pays", "outsourcing", and the rest of the Mont Pelerin witches' brew.

To the London-centred financial oligarchy and their local stooges in Federal or State governments, or in Lehman Brothers and similar looters, local government is one big cash cow: The 600 or so local government councils nationwide control an estimated \$200 billion in physical assets, have an annual revenue of \$23 billion (of which they spend about \$20 billion, over 2% of GDP), and have liquid cash or investments of 11-\$12 billion. They employ some 165,000 people, and are responsible for maintaining 80% of all roads in the country, among much other infrastructure.

"In the U.K., which was to become the intellectual aspiration for amalgamation movements in Australia and New Zealand, over 1300 local authorities were reduced to about 400 in the mid-1970s", observed academics Andrew Worthington and Brian Dolery in their 2002 study of local government reforms. Indeed, any literate individual knows that the birthplace of privatisation and "microeconomic reforms" in general, was Britain. Such "reforms", i.e. wholesale looting of the public sector, were perfected there, particularly

under PM Margaret "Mad Nanny" Thatcher (1979-90) and then shipped out to the colonies. The anglophile Kiwis were the first test tube, as this newspaper documented in a Jan/Feb/March 1997 feature, "Nazi 'reforms' rip New Zealand—Australia next". There, most national assets were sold off and local government units were slashed almost overnight from 741 local government units to only 87 from 1988 through the early 1990s.

The financial oligarchy's stooge Bob Hawke initiated "competition policy" here beginning 1991. The following year Paul Keating set up the three-person "Hilmer Review", dominated by two employees of the British firm, Rio Tinto: Fred Hilmer himself, a consultant to Rio Tinto in the 1980s and 1990s on union busting, and longtime Rio Tinto executive Mark Rayner. That review led to the *Competition Policy Reform Act 1995*, which formally established competition policy, and set up two institutions to implement it: the National Competition Council (NCC) and the Australian Competition and Consumer Commission (ACCC). Graeme Samuel joined the NCC at the outset, became its president in 1997, and then headed the ACCC from 2003 until today. Samuel was well qualified to oversee this British-directed orgy of looting: he had been an executive of Hill Samuel Bank's Australian subsidiary and stayed on as Executive Director in charge of its Victorian operations when it was renamed Macquarie Bank.

The Competition Principles Agreement 1995 between the Federal and State governments outrageously proclaimed that "The principles set out in this Agreement will apply to local government, *even though local governments are not Parties to this Agreement.*" (emphasis added) Meanwhile, Victoria under Jeff Kennett was a virtual colony of the Mont Pelerin Society's local think tanks, and Kennett led the charge in council amalgamations, as in other things. (See May 1996, *New Citizen*, "Secretive British cult plots mass job cuts, union-busting, drugs".) He slashed local government from 205 councils in 1993 to 78 only two years later, while ramming

through legislation in 1994 modeled on that begun in Britain, for "compulsory competitive tendering" (CCT) and related reforms, to open up almost any and all formerly local government activities to "competitive bidding"; councils also had to corporatise any activities totaling \$10 million or more, preparatory to being flogged off.

These microeconomic reforms have decimated local governments over the past two decades, and, as in Victoria, many local councils have been just plain erased. In South Australia they dropped from 119 to 69 between 1993 and 1997; Tasmania from 46 to 29 (though its Local Government Advisory Board had demanded only 11); Queensland from 157 down to 73, as of the March 15 elections; and the Northern Territory from 62 to only 16 as of 1 July, 2008. The process has not been as dramatic recently in NSW, which underwent an earlier phase of council amalgamations, but the handwriting is on the wall there, too. For instance, business community spokesperson and Sydney Chamber of Commerce executive director Patricia Forsythe has proclaimed that most of Sydney's 43 councils are "financially unsustainable"—the buzzword which invariably precedes amalgamations. The Western Australia's Local Government Advisory Board (LGAB), which, like all such state boards, was set up in the first place to push amalgamations, has been blowing that trum-



The CEC "wrote the book" on "competition policy", "microeconomic reforms", and privatisation in this historic 1997 issue of the *New Citizen*.



Britain's Lord Harris bragged in a 1996 interview that his Mont Pelerin Society (MPS) had authored all of Australia and New Zealand's economic rationalist "reforms", and that Bob Hawke and Paul Keating were two of his prize pupils, "even though they're labour men."

pet as well: they commissioned a "Systemic Sustainability Study" in 2006 which found that 58% of all WA Councils were now "unsustainable given their current source revenue", and so are now demanding a huge consolidation of local government in WA, while claiming that it would mostly be "voluntary". And a Queensland Treasury Corporation study paved the way for the amalgamations there by stating that 40% of all Qld. councils were "financially weak".

It is not hard to see why councils might indeed be "financially weak". Free trade and National Competition Policy-driven economic rationalism have devastated our national economy and collapsed the local tax base. The rural sector has been particularly savaged: not only have almost no major water projects been built for 20 years or so, but what water is there is now being privatised, with prices going through the roof and large volumes just plain stolen from farmers, for "environmental flows". Meanwhile, the Federal and State governments have systematically cut back their grants in recent years, a significant source of local government revenue, excepting generous allocations for amalgamations. Now, to top it off, Lehman Brothers and other London/Wall St. looters aka "investment advisors" have wiped out a minimum of hundreds of millions of council money, providing still more "financial unsustainability". (See accompanying article.)

## Lehman Brothers: Stealing Your Rates, Wrecking Your Life

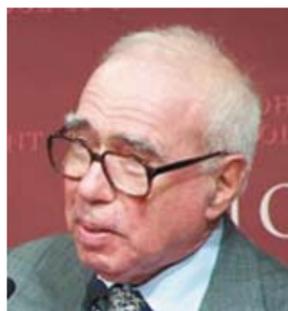
Over the last year, Australian local government councils have lost hundreds of millions, and more likely billions of the 11 billion dollars or so they have invested in exotic instruments such as collateralised debt obligations (CDOs). Some of these plunged to 15 cents on the dollar by December 2007, handing councils heavy losses.

Leading this slaughter has been Lehman Brothers Australia, formerly Grange Securities. Grange/Lehman invested over \$1 billion for 145 councils, amidst its total of \$4.825 billion nationwide.

Given that the estimated deficit in local infrastructure for which councils are responsible is \$14.5 billion, they never would have had some \$11 billion invested in the first place, had it not been for the "microeconomic reforms" beginning in the 1990s under which councils were almost forced to operate on a "pay as you go" basis. Formerly, they would borrow money to fund major water, sewer, road or other projects, and pay off the loan over time. But, as one New South Wales councillor explained, "Now there's no government mechanism for them to

do these kinds of major developments. So they've all basically been told to sit on their hands, that 'No, you can't have any additional funds', so they have to build up a big nest egg before they can pay for anything. So they were more or less forced to invest this money, and now they're losing it." State governments are already forecasting that councils will have to raise rates and cut back on services, to make up for the losses.

Lehman Brothers sits in the center of the London/Wall St. financier oligarchy. Its senior figure is Felix Rohatyn, one of the most influential and evil financiers of the last forty years, and a bitter enemy of physical economist Lyndon H. LaRouche, Jr, and LaRouche's insistence that the U.S. and other countries must adopt the kind of economic recovery policies which President Franklin Delano Roosevelt used to get the U.S. out of the Depression. A champion of Public Private Partnerships (PPPs), Rohatyn advocates privatising *all* government services, including replacing national militaries with mercenary forces as in the Middle Ages. Longtime senior Lehman official George Ball



City of London agent and Lehman Bros. official Felix Rohatyn (l.), a bitter enemy of LaRouche's proposals for a U.S. President Franklin Delano Roosevelt-style economic recovery.

expressed the company's corporatist/fascist outlook when he proclaimed at an April 1968 meeting of the Bilderberg Society in Canada, that "the archaic political structure of the nation state" should be replaced by a "modern" corporate structure, or interlocking series of "world companies".

Besides Australia, Lehman achieved notoriety recently when it sold toxic subprime-related securities to the state of Florida's Investment Pool during July and August 2007, just as the subprime crisis was exploding. Florida's



chief financial officer has accused Lehman and its accomplice JP MorganChase of fraud, for selling securities which they knew were already plunging in value. Lehman had just previously hired former Florida Governor Jeb Bush, President George Bush's brother, as a consultant, and the head of its asset management was the Bush brothers' first cousin, George Herbert Walker.

The Wingecarribee Council in NSW is presently suing Lehman in Federal Court, while other councils are planning to, or are discussing a class action suit.

## PETITION

### Government Must Enact Homeowners and Bank Protection Bill 2008, Now!

#### Statement of Purpose

The world is presently in a far worse global financial crisis than that of the 1930s Great Depression. In this dire emergency, therefore, Governments must act to defend the Common Good, as did U.S. President Franklin D. Roosevelt, and our Federal and state governments to a lesser extent, in the 1930s.

For example, President Roosevelt in April 1933 introduced legislation to stop home and farm foreclosures, declaring that it was "national policy ... that the broad interests of the Nation require that special safeguards should be thrown around home ownership as a guarantee of social and economic stability..." One month earlier, his Bank Holiday reorganised the nation's failing banks under Federal protection.

In the emergency caused by World War I, the Australian Federal Government passed the *War Precautions Act 1916* and its *Commonwealth Moratorium Regulations* to stop foreclosures until 1920. In part modeled upon that precedent, every state in Australia enacted legislation during the Depression to stop home and farm foreclosures, including Queensland's *Home Purchasers Protection Act*; Victoria's *Unemployed Occupiers and Farmers Act*, and *Financial Emergency Act 1932*; and, the most effective of them all, Jack Lang's New South Wales *Moratorium Act of 19th December 1930*, which, as amended, ultimately stopped all foreclosures until 1937. Additionally, the Federal Government passed the *Farmers' Relief Act*, which provided £12,000,000 to the states for the relief of farmers.

The intent of all of this legislation was to protect the Common Good, as summed up in the paper, "Moratorium Legislation", read into Hansard on November 15, 1935:

"It was not expedient in the national interest that the welfare and comfort of the community should be unnecessarily imperilled by allowing debtors to be crushed out of existence..."

All parties agreed, conservative as well as Labor.

The principles of the *Homeowners and Bank Protection Bill of 2008*, proposed by economist Lyndon H. LaRouche, Jr., are urgently required to meet this present crisis, both for the U.S., and for Australia. It requires emergency action that only the United States Congress, or our Federal Parliament, has the capability to enact. This bill must include the following provisions:

1. Parliament must establish a Federal agency to place Australian licensed retail Banks, Credit Unions and Building Societies under protection, freezing all existing home and family farm mortgages for a period of however many months or years are required to adjust the values to fair prices, and restructure existing mortgages at appropriate interest rates. Further, this action would also write off all of the speculative debt obligations of mortgage-backed securities, derivatives, and other forms of Ponzi Schemes that have brought the banking system to the point of bankruptcy.
2. During the transitional period, all foreclosures shall be frozen, allowing Australian families to retain their homes and farms. Monthly payments, the equivalent of rental payments, shall be made to designated banks, which can use the funds as collateral for normal lending practices, thus recapitalising the banking systems. These affordable monthly payments will be factored into new mortgages, reflecting the deflating of the housing bubble, and the establishment of appropriate property valuations, and reduced fixed mortgage interest rates. This shakeout will take several years to achieve. In the interim period no homeowner or family farmer shall be evicted from his or her property, and the Australian licensed retail Banks, Credit Unions and Building Societies shall be protected, so they can resume their traditional functions, serving local communities, and facilitating credit for investment in productive industries, agriculture, infrastructure, etc.
3. State premiers shall assume the administrative responsibilities for implementing the program, including the "rental" assessments to designated banks, with the Federal government providing the necessary credits and guarantees to assure the successful transition.

# What is Fascism, Really?

*"The liberty of a democracy is not safe if the people tolerate the growth of a private power to a point where it becomes stronger than their democratic state itself. That, in its essence, is Fascism—ownership of government by an individual, by a group or by any controlling private power."*

—Franklin Delano Roosevelt to the Congress, April 29<sup>th</sup>, 1938.

FDR knew what fascism was, because he faced it not only abroad but at home. In fact, fascism was the same in each instance: those same Wall St. and City of London bankers who put Hitler and Mussolini into power, also desperately tried to stop the immensely popular Roosevelt from becoming President of the United States in 1932; tried to assassinate him after he was elected; and, failing that, then tried to stage a military coup.

Another name for fascism—its very essence, as the fascists themselves proclaim—is *corporatism*. Mussolini and his co-author Giovanni Gentile (whom Mussolini dubbed "the philosopher of fascism"), described it this way in their 1932 manifesto, "The Doctrine of Fascism": "Fascism should more appropriately be called corporatism because it is a merger of state and corporate power." Mussolini's controller, the British agent and Venetian nobleman Count Giuseppe Volpi di Misurata, oversaw precisely such a public/private "merger", first as Finance Minister and later as President of the Fascist Confederation of Industrialists. Under his direction, Mussolini pioneered the concept of Public Private Partnerships (PPP's), through which all of Italy's national

highways were built during his 1922-1945 régime.

Following World War II, the City of London/British Crown think tank, the Mont Pelerin Society (MPS), championed the cause of PPPs and other forms of "privatisation" worldwide. The *British* bank Macquarie was set up in Australia in 1969, as part of that British imperial looting drive. Originally known as Hill Samuel Australia, it was a subsidiary of a lynchpin of British imperialism, London's Hill Samuel Bank, whose chairman, Sir Kenneth Keith, ran British intelligence after World War II. Along with other major corporations and banks, Macquarie poured funds into MPS subsidiaries in Australia such as the Institute for Public Affairs, the Tasman Institute, and the Centre for Independent Studies, which then designed the entire privatisation crusade in Australia. They guided the rabid privatisation drive in Victoria under Jeff Kennett in the 1990s, and the National Competition Council and Australian Competition and Consumer Commission which have been virtually the sole arbiters of everything which happens in this country, since they were established in 1995. No one is more central to this process than Macquarie Bank. It is the single largest orchestrator of PPPs

in the world, and has looted its home base of Australia more than any other place. In classic corporatist style, Macquarie funds the think tanks to design privatisation policies, and uses its assets in State and Federal government to ram them through. Then it hires those same officials, once they retire, (or their relatives) at gigantic salaries, and deploys them as influence-peddlers on their mates who are still in office. The following are only a few current or former members of the Macquarie team, which is so typical of the fascist *modus operandi*:

**Fred Hilmer**, architect of National Competition Policy (NCP);

**Graeme Samuel**, enforcer of NCP, first through the National Competition Council, then as chairman of the Australian Competition and Consumer Commission;

**Alan Stockdale**, awarded hundreds of millions in fees to Macquarie as Treasurer of Victoria under Kennett;

**Max Moore-Wilton**, Secretary of the Department of Prime Minister and Cabinet under John Howard, then Executive Chair of Macquarie's Sydney Airports Corporation;

**Paul McClintock**, Secretary to the Cabinet under Howard;

**Stan Howard**, John Howard's older brother and chairman of



Sydney's M2 toll road;

**Ann Keating**, Paul Keating's younger sister.;

**Bob Carr**, a fanatic privatisation advocate as NSW Premier, now on \$500,000 per year from Macquarie as a "consultant".

Under the Carr régime, Macquarie became the major player in many "public/private" scams, including Eastern Distributor (concession ends 2048), M2 Motorway (concession ends 2042), M4 Motorway (concession ends 2042), M5 South West Motorway (concession ends 2023), and Westlink M7 (concession ends 2023).

Today, Carr's long-time subordinate, faction mate and

successor as NSW Premier, Morris Lemma, continues the Macquarie privatisation/PPP crusade. He has recently demanded the privatisation of the NSW state electricity sector for \$15 billion, in order to finance yet another corporatist rip-off, Sydney's proposed M4 East extension. Other PPP gems in Sydney include the infamous *Cross City Tunnel*, whose own chief executive calls "the most controversial infrastructure project in the world"; the *Lane Cove Tunnel*, which he calls the world's "probably second most controversial"; and the *M2* (Hills Motorway), all of which were projected, in a recent official study, to go bankrupt unless many billions of *additional*

taxpayer funds are invested. The pattern replicates what happened in Mussolini's Italy, where most of the highways built by private corporations, but with mostly *public* funding, later went bankrupt and had to be bought back by the Italian state, looting the public yet again!

Recently, this fascist looting agenda has reached new heights with Kevin Rudd's appointment of Sir Rod Eddington, the former Ansett boss who bailed out of that airline just before it crashed (and a director of Murdoch's News Corp, Rio Tinto and JP Morgan), to chair the federal government's new initiative called "Infrastructure Australia"—a \$200 billion fund for PPPs!

## Fascist lemma Calls to Ban CEC, LYM

NSW PM Iemma laid bare his corporatist/fascist proclivities with his recent call to ban all private donations to political parties in Australia. The clear intent of the financiers who control him is to eliminate any political force in this country except for the ones they own, whom they promote and whose fortunes they largely determine through their own *privately-controlled* mass media such as the Murdoch empire. The latter determine who is "newsworthy" or "credible",

and thus largely shape the outcome of elections, which in turn determines who gets public funding. The real target of those who own Iemma is the Citizens Electoral Council and the LaRouche Youth Movement, which are entirely funded by private donations. If these corporatists had their way, you would not be reading this newspaper right now, nor would there be a chance to implement the HBPB and thereby save this country from utter collapse and naked fascist rule.

## Macquarie Bank a Gone Bunny, Iemma Next?

If you want to see Macquarie's future, take a look at the photo of its role model in Public Private Partnerships (PPPs), Benito Mussolini (at right) shown there along with his mistress in 1945 after Italian partisans were through with them.

Two recent reports show how the vultures are circling. A March 25 George Lekakis column in *The Herald Sun* summarised the case: "Data collected by Bloomberg News shows that the default risk of Australian banks has never been higher, with Macquarie Bank emerging as one of the riskiest banking players in Asia. ... Macquarie is the closest link in Australia to the problems

that are afflicting Bear Stearns and other US investment banks," said David McDonald, of Shaw Stockbroking."

Then, the April 4 *Sydney Morning Herald* featured a recent study of Macquarie by the New York financial think tank, RiskMetrics, which demonstrates the bank to be one of the biggest Ponzi schemes in history, and one destined to blow out in the near term. Wrote the *SMH*, "The RiskMetrics research, the most thorough yet done on the [Macquarie] model, is likely to send shockwaves through the sector, and give both state and federal governments cause for concern, as governments have mostly privatised public assets through

this [Macquarie Group PPP] model".

"The infrastructure model raises," RiskMetrics says, "investment-related concerns: overpaying for [infrastructure] assets; widely overestimating toll and other revenue flows; high debt levels, high fees, paying distributions out of capital rather than cash-flow ... booking profits from mere revaluations", and so forth.

Couldn't happen to a more deserving bunch. But Macquarie is not a "bank" in the normal sense, nor are its British masters counting on its longevity, observed *Executive Intelligence Review* Economics Chief John Hoefle, who has made a study of Macquarie and similar British imperial fronts. Hoefle likened Macquarie to the infamous U.S.-based Enron "energy company", whose purpose was to loot and destroy large sections of the U.S. energy grid, before going down in flames itself.

"Any Australian who expected Macquarie to survive the British game is being played for a sucker. Macquarie is the Australian version of Enron, both sent on kamikaze missions by the British to act as battering rams to further their imperial control. Like Enron, Macquarie will not survive the process, but its masters will be able to pick up the pieces at pennies on the dollar. Macquarie is just a tool to push privatisation, using money from the financial bubble to



Fascist dictator Benito Mussolini and his mistress, 1945, strung up in contempt by Italian partisans.

buy control of physical assets, control which will pass to Macquarie's controllers once Macquarie collapses. It is already dead, whether it realises it or not", said Hoefle.

Reflecting on the savage looting of Australia by both Macquarie, and by the Wall Street/City of London entity Lehman Brothers which has looted Australian councils of tens or probably hundreds of millions of taxpayers money, Hoefle concluded, "My advice to the Australian people is to remember that just because the British invite you to lunch, doesn't mean you're going to be a guest. Sometimes, you are the lunch".

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