

# Citizens Electoral Council of Australia



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## CEC spoils 'kill-off-the-people' parade

The Citizens Electoral Council has disrupted Dick Smith's and ALP MP "Kill-them" Thomson's macabre depopulation circus, which is currently travelling the country preaching to Australians that there are too many of us.

On Sunday, CEC activists stood up for the people against the genocide lobby, in a public forum in western Sydney which is one of the many forums of this kind being held around Australia. A DVD recording of a presentation by Dick Smith was screened, but billed keynote speaker Kelvin Thomson was a no-show. Go to [www.cecaust.com.au](http://www.cecaust.com.au) to see video coverage of the CEC intervention.

The CEC is fighting back against the well-publicised and well-funded campaign fronted by "Kill-them" Thomson, Dick Smith and Bob Carr, to lay the blame for the visible crisis in Australia's economy—symptoms of which include deliberately run-down infrastructure that causes traffic jams on roads, overcrowded hospitals, water shortages etc.—on the number of people in Australia, rather than where the blame really lies, which is their globalisation policies. The same nefarious campaign also seeks to impose "solutions" to the manufactured crisis, such as health care rationing, shutting down the Murray-Darling Basin, blocking development of Australia's northern region, etc., *calculated* to kill people.

Take note of Dick Smith's outburst on Channel 7's *Sunrise* program on Tuesday, that Australia is "overstocked"—not with cheap Chinese electronics, but *people*; or depressed poet and ecological fraudster Mark O'Connor's response to an audience question at the west Sydney event that, "Yes, if we had more water we could grow more food, but again, *why would you want to do it?*" [emphasis added]

CEC leader Craig Isherwood blasted the "depopulators" as snake oil salesmen, driving an agenda to shut down the economic development of Australia that enables natural population growth:

"Dick Smith's characterisation of Australia as 'overstocked' shows he shares Prince Philip's view, that humans are just animals, and should be culled if they overpopulate," he said.

"Whether you directly cull people like cattle by killing them en masse, or indirectly by denying economic development, infrastructure and industry, it's all genocide.

"The CEC is the only political party in Australia fighting this evil, because we know Australia's potential is unlimited, but only if we dump the globalist policies which have destroyed our once-great industrial economy, and return to the patriotic, optimistic national development policies of the 'old' Labor Party and heroes like Dr J.J.C. Bradfield."

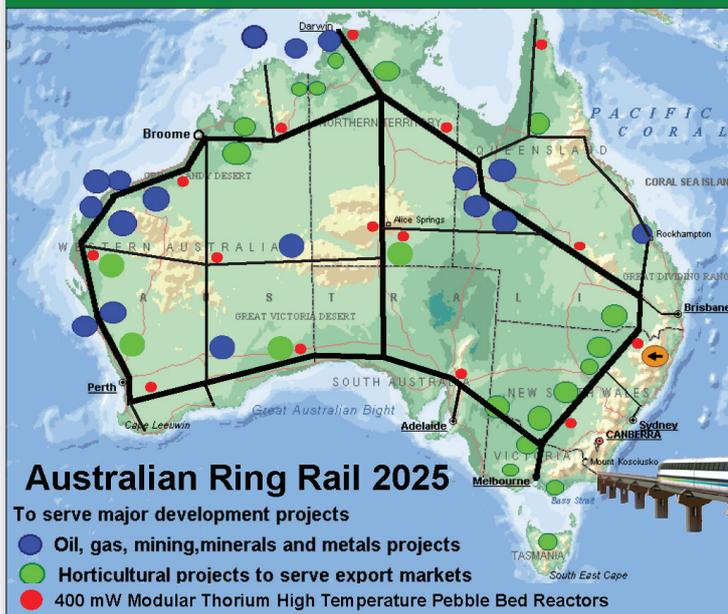
Mr Isherwood concluded, "Remember what King O'Malley [American-Australian ALP MP and founder of the Commonwealth Bank] said:

"The Australian is such a lovable fellow, the salt of the earth. So vigorous physically, but dulled mentally for want of sharpening up with knowledge. How he could expand! What a God-given heritage there is here! But Australians sleep on. If only the people here would realise what they own; what is theirs by the grace of God! Trouble is it came to them without a fight ... But they'll wake up good and proper some day. Then let the rest of the world look this way—there'll be something to see! That I'll promise you."

"Kill-them Thomson and Dick Smith hope Australians are still dulled mentally, so they fall for their overpopulation fraud. "If you aren't, join the CEC."

**To find out where "Kill-them" Thomson and his ilk come from, request a free copy of the latest New Citizen and DVD on the Fabian Society, call 1800 636 432.**

## Find out how to build out of an economic depression!



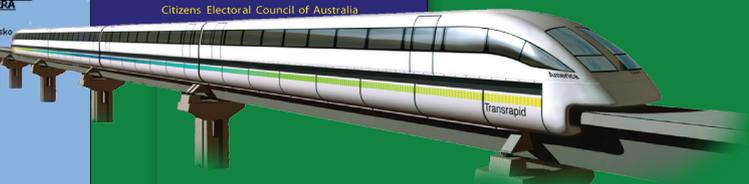
WHAT AUSTRALIA MUST DO  
to Survive the Depression



Citizens Electoral Council of Australia

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**"What Australia Must Do to Survive the Depression"**  
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New Citizen, which includes  
information on 18 proposed  
water projects.



# The Spanish banking system is a goner; London is next

If you value your life, don't get caught standing next to a Spanish bank in the early part of this week. London-based Fitch Ratings downgraded Spain's sovereign debt on Friday 28<sup>th</sup> May, after markets had already closed; but they were simply taking note of a fact which Lyndon LaRouche has been warning about for months: That the entire Spanish banking system is a goner, and as it implodes, it will bring down the entire British banking system with it.

Spain's banks are *muy* bankrupt—both its commercial banking segment, with about \$1.8 trillion in assets, and its savings bank sector (or “cajas”), which is about the same size. Between them, they have over \$540 billion in exposure to the Construction and Property Development sector—i.e., real estate speculation—where the speculative binge over the last two decades barreled ahead at about twice the rate of Britain's, and *three* times that of the United States.

Today, about 37 per cent of that \$540 billion in bank real estate exposure has gone sour, according to official statistics just published by the central bank, the Bank of Spain. The worst of it has either been written off outright (one per cent of the total) or foreclosed on (13 per cent). But there is an additional 10 per cent which is classified as “doubtful,” which means that nothing has been paid on it for more than 90 days. The banks have not yet foreclosed on these loans, only because they don't want to carry more trash on their books—much as is happening in the U.S. And on top of all that, there is still another 13 per cent considered “substandard loans,” meaning they are rapidly heading towards 90 days, too.

Spain's banks are engaging in cheap accounting sleight-of-hand to try to keep the reality of their bankruptcy at bay. Not only are they not calling in non-performing debt, in order to be able to still show it as assets on their books; they have also deferred losses where foreclosures *have* occurred, by taking direct control of the physical houses and property instead—on a massive scale. The largest Spanish banks, such as Santander and BBVA, have set up specialist real estate units to manage “NPA's” (non-performing assets) and try to sell houses directly to consumers.

How extensive is this? Well, a Barclays Capital report published

in February says that NPAs as a percentage of loans to the real estate sector, officially stand at 17 per cent for BBVA, and 8 per cent for Santander. But when you adjust the NPA ratio to include acquired real estate physical assets, BBVA's ratio rises to 23 per cent, and Santander's jumps to a staggering 29 per cent!

So when all this blows, the shock front will spread far and wide—emphatically including London. About 42 per cent of all Spanish debt is held by foreigners: The public debt component is 38 per cent held abroad, and the financial sector's debt is 80 per cent foreign owned. Of those foreign holdings, nearly 15 per cent are in London banks; only German and French banks are more exposed.

But that's only part of the story. The “Spanish” banking system itself is, in large measure, a financial and political subsidiary of the City of London. The two largest commercial banks in Spain, Santander and BBVA, control 29 per cent and 27 per cent respectively of the entire banking system's assets. Santander is run top-down by the Royal Family's Royal Bank of Scotland, and BBVA also has historical ties into British finance.

As the fuse on the bomb burns down quickly, what would London have the Spanish government do about this mess? *Further* destroy the physical economy, and lay off millions of more workers in a country that already has the highest official unemployment rate in Europe, at 20 per cent. And that will make the country ungovernable, to put it mildly.

## Australian banks have Spanish flu

Note: Australia's “Big Five” banks have similar dangerous levels of exposure to the property bubble as their counterparts in Spain. After 18 months of what *The Age* of 9<sup>th</sup> April called “gorging” on the mortgage market, fueled by Rudd's First Home Owner Grant scheme, the Commonwealth Bank has a concentrated exposure to mortgages amounting to 65 per cent of its lending book, Westpac and St. George 62 per cent, ANZ and NAB more than 50 per cent. To finance their mortgage lending splurge, the banks have borrowed heavily from overseas, currently carrying foreign debt of over \$860 billion, of which \$440 billion is on 90-day terms.

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## Isherwood: Ban derivatives, to defend the nation

Citizens Electoral Council leader Craig Isherwood today called on the Australian government to take Germany's lead on banning naked short-selling, but outlaw all financial derivatives trading.

“German Chancellor Angela Merkel's ban on naked short-selling is a move to defend her nation from the global financial meltdown, overriding opposition from the City of London—exactly the kind of action that is necessary to survive the crisis,” Mr Isherwood said.

“It is time the Australian government took similar moves to defend the people of Australia against international speculators, but I'm calling for Rudd to go all the way and ban all financial derivatives.”

The CEC National Secretary pointed out that when Rudd did temporarily ban short-selling following the September 2008 financial crash, it was only on financial stocks, and only to save bankrupt investment banks like Macquarie Bank, who were allowed to keep shorting other non-financial companies while the government stopped anyone shorting their stock.

By contrast, on Tuesday, the German government moved to extend their short-selling ban on all stocks.

Austria and Belgium, and perhaps even the Netherlands, may follow the German example, and legislation to split up banking activities between savings and investment banks (i.e. akin to Glass-Steagall) has already been proposed in the Belgian senate.

Last week, the European Parliament's Economic and Monetary Affairs Committee passed a resolution, calling for a total ban on naked short selling. The resolution is to be decided on by the EU Council of Ministers next week.

Mr Isherwood also pointed out that Australia's banks carried some of the highest derivatives exposure in the world—total obligations amounting to around \$13.4 trillion.

“Our whole financial system is actually bankrupt, only existing as part of the global derivatives bubble of over a quadrillion—thousand trillion—dollars, which is unpayable,” he declared.

“Last week's 10 per cent plunge of the dollar drove up our foreign debt and foreign off-balance-sheet (derivatives) obligations by the same percentage—our \$1.232 trillion gross foreign debt soared by \$120 billion—which shows what speculators can do to a national economy in a short time.

“Financial derivatives speculation is worse than useless,” he said. “It is a parasite feeding off the productive physical economy which produces the goods and infrastructure that provides our living standard, and we'll only have a future if national governments move to defend their people and destroy this speculative trading.”

Mr Isherwood said the growing recognition among U.S. congressmen that America must return to Glass-Steagall regulations—which was only stopped from becoming law last week because President Obama stopped it coming to a vote—is also motivated by a desire to defend their nation-state.