

Citizens Electoral Council of Australia



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Independent Political Party

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Goose-stepping, fist-pumping Joe Hockey proclaims: austerity over democracy!

Treasurer Joe Hockey in an April 2012 speech in London¹ demanded democracy must not obstruct deep cuts to government spending on health, education, and other essential services, revealing himself to be in lock-step with those who are orchestrating a revival of 1930s-style fascism to manage the present global financial crisis.

Hockey's address to London's Institute of Economic Affairs pre-empted Wall Street giant JPMorgan-Chase's May 2013 complaint² that the explicitly anti-fascist measures in the post-WWII constitutions of many of the nations of Southern Europe, intended to ensure there would be no return to fascist dictatorships, are now the major obstacle to closer European monetary integration.

In his speech titled *The End of the Age of Entitlement*, Australia's future Treasurer defined entitlements as government spending on "education, health, housing, subsidised transport, social safety nets and retirement benefits".

He then made it clear he shares JPMorgan's resentment of "democracy", for getting in the way of their definition of sound economic management: "As we have already witnessed, it is not popular to take entitlements away from millions of voters in countries with frequent elections."

Ah, but, Hockey continued, it is absolutely necessary, because: "Entitlement is a concept that corrodes the very heart of the free enterprise that drives our economies."

(Somehow, Joe failed to mention the corrosive effects of the \$1.4 quadrillion global derivatives bubble, from which his wife Melissa Babbage made millions trading for Deutsche Bank³, and which imploded the global financial system in 2008.)

Hockey's solution is a strong government that can resist democratic pressures: "A weak government tends to give its citizens everything they wish for," he said. "A strong government has the will to say NO!"

Except it's not the government that's strong, it's the multinational bankers whose lending to governments Hockey believes entitles them to dictate government policy:

"In today's global financial system it is the financial markets, both domestic and international, which impose fiscal discipline on countries," Hockey said. "Lenders have a more active role to play in *policing public policy* and ensuring that countries do not exceed their capacity to service and repay debt. This is playing out most dramatically in Europe where the European Commission and the European Central Bank are either directly or indirectly heavily influencing public policy in Greece, Italy, Spain and Portugal to name a few." [Emphasis added.]

Finally, Hockey made it clear to his audience of Margaret Thatcher fans that he knows his demands will cause poverty and social unrest (which he didn't repeat during the recent election): "It is likely to result in a lowering of the standard of living for whole societies as they learn to live within their means. ...Already in the UK and parts of Europe we have seen the social unrest that can result when fiscal austerity bites. But the alternative is unthinkable. *Adam Smith's free hand is perfectly capable of forming a fist to punish nations who ignore the fundamental rules,*" Hockey menaced. [Emphasis added.]

Citizens Electoral Council leader Craig Isherwood today charged, "Joe Hockey is a thug for the global financial interests who are ruthlessly consolidating their power over national governments by dictating austerity and policies such as 'bail-in'."

"He isn't genuine about financial management. If he was, he'd ban derivatives⁴, he'd impose a Glass-Steagall separation⁵ of essential banking from the financial speculation in derivatives that has bankrupted the global economy, and he'd establish a national bank⁶, like the original Commonwealth Bank, so the government would have no need to borrow from private banks."

Isherwood concluded, "Hockey expects to achieve his agenda, including Cyprus-style bail-in legislation so deposits can be confiscated to prop up banks⁷, because the ALP are sell-outs to the same banks that own the Liberals.

"The CEC is the real opposition. Australians who want to fight must join us."

Footnotes

1) <http://www.joehockey.com/media-files/speeches/ContentPieces/100/download.pdf>

2) <http://larouchepac.com/node/26996>

3) <http://www.dailytelegraph.com.au/news/shadow-treasurer-joe-hockey-and-wife-melissa-babbage-are-a-true-power-couple/story-fni0cx4q-1226646152478>

4) http://cecaust.com.au/main.asp?sub=articles&id=background_financial_crash.html#ausbankderivatives

5) <http://cecaust.com.au/Glass-Steagall/>

6) http://cecaust.com.au/releases/2013_10_23_Joe_Hockey.html

7) http://cecaust.com.au/releases/2013_11_01_Carney.html

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Independent Political Party

14th of November 2013

'Bail-in' denials exposed as lies! Media, ratings agencies confirm CEC's warning that deposit-stealing is planned for Australia

If your federal MP has assured you that the CEC is wrong, and that there is no "bail-in" law—to prop up failing banks with seized deposits, Cyprus-style—planned for Australia, read the report in *The Australian* by Michael Bennet today: "S&P warns of 'bail-in' dangers for lenders".

Bennet writes, "The credit ratings of the big four banks and Macquarie Bank could come under pressure if creditors were at risk of taking losses after being 'bailed in' following banking collapses, Standard & Poor's has warned.

"The global ratings agency yesterday said giving the Australian Prudential Regulation Authority greater resolution powers could moderate the government support factored into the big four's AA- ratings. The warning comes after the Treasury last year released a consultation paper seeking views on strengthening APRA's crisis management powers."

Bennet's report confirms that bail-in is precisely the seizure of deposits that occurred in Cyprus in March, which has devastated the people of that country:

"In Cyprus, uninsured depositors were this year 'bailed in' as part of a recapitalisation of the nation's biggest banks.

"S&P credit analyst Peter Sikora said a more comprehensive resolution regime in Australia that conferred bail-in powers to the regulator could weaken S&P's assessment of government support of private-sector banks. 'The government support factored into S&P's bank ratings in Australia would likely be negatively affected if S&P believed the Australian government or APRA were likely to establish powers within a resolution process that could see the repayment of creditor principal or interest delayed, or if creditors were likely to take a financial loss

as part of the execution of bail-in resolution powers,' the agency said."

Today's report in *The Australian* concludes, "The ratings agencies have already taken action on the risks posed by bail-ins after Cyprus's hard line. In September, Moody's downgraded billions of dollars in subordinated debt issued by Australian banks due to bail-in risks."

Citizens Electoral Council leader Craig Isherwood responded to today's coverage in *The Australian*:

"Joe Hockey has for months issued repeated denials to his fellow Coalition MPs that bail-in is planned for Australia. Those MPs have passed on those denials to their concerned constituents. Those denials are lies.

"This bail-in policy must be stopped before it becomes law in Australia, otherwise the deposits of every Australian will be earmarked for confiscation to prop up the banks when their reckless derivatives gambling and property speculation sends them bankrupt.

"The CEC is leading this fight. The CEC has distributed a million copies of our *New Citizen* newspaper around Australia to warn the population that bail-in is being drafted into legislation by the Financial Systems division of the Treasury. The CEC is presently calling every elected official and community leader in the country to enlist their support to stop this policy."

Isherwood concluded, "If you don't want bail-in to become law in Australia, join the CEC's fight."

- Call your state and federal MPs.
- Join CEC as a member.
- Donate to the campaign.
- Endorse the anti-bail-in statement.

Free Info Package

Act now and order a free copy of the CEC's 2004 *New Citizen Special Report*, "Defeat the Synarchy, Fight for National Bank", which documents how bankers associated with the Bank for International Settlements orchestrated the global rise of fascism in the 1930s, including in Australia, in the form of secret, para-military armies, whose personnel overlapped the political forces which later formed the Liberal Party.

To order call toll-free **1800 636 432** or send this coupon to: CEC, PO Box 376, Coburg, Victoria, 3058 and leave ALL your details.



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* Offer not available to existing members or people who have received previous free offers.

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