

# Citizens Electoral Council of Australia



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Federally Registered Political Party

16<sup>th</sup> of June 2009

New DVD:

## Homeowners and Bank Protection Bill: The Only Solution

**W**ould you think it a wise decision, to trust a doctor who failed to diagnose your disease, to then treat you for it? Or, to put it more aptly, would you trust a doctor who *gave you* the disease, to then treat you for it?

What, then, should we think of the behaviour of those economic illiterates, walking the halls of our Federal Parliament, or of those occupying the high seats of Australia's banking establishment, who are supposed to be providing a solution to this Nation's current economic sickness?

Following the outbreak of the global financial disintegration in July of 2007—a disintegration that only U.S. economist Lyndon LaRouche, and the CEC, had forecast and warned about—Australia's economic illiterates have continually insisted that “no one could have foreseen this crisis”, and that “this is just a cyclical downturn and the markets will bounce back.”

These statements are lies. This current economic system has as much chance of “bouncing back” as a banker does after jumping out of a building and hitting the pavement. The question to ask is: if these illiterates could not identify the causes of the economic disease, what possible chance is there that their policies will successfully return the real economy to good health?

These rhetorical questions are not trivial; they concern the very life or death of nations around the world, and of the health and wellbeing of Australia as a nation, and of you, its citizens.

As has been repeatedly outlined by LaRouche, since he pronounced the current economic system dead, on 25<sup>th</sup> July 2007, the only way to protect nations from falling apart in a chain reaction collapse, and to stave off the collapse of civilization into a New Dark Age like that of the 14<sup>th</sup> Century, is to build a new global economic framework, based on a new global Credit System, which overturns the economic foolery of the last fifty years. Together with this essential shift, LaRouche proposed the *Homeowners and Bank Protection Bill* in August of 2007—emergency legislation to place a freeze on all home repossessions and mortgages, while bringing all legitimate banks under federal bankruptcy protection. These measures are the only solution to this crisis that can possibly work.

Since January of 2008, the CEC, together with the LaRouche Youth Movement (LYM) in Australia, began mobilising around the country for the *Homeowners and Bank Protection Bill*. That policy, more urgent today than it was then, must be adopted and implemented nationally to provide protection for Australians from economic and social chaos, and to prevent an imminent collapse of Australia's bankrupt banking system.

Today, the CEC and LYM have launched a new phase in that national mobilisation for the *HBPB*. In order to counter the widespread lies about the current economic crisis, and to explain the actual causes of this crisis, while providing an insight into the unique method of Lyndon LaRouche as an economic forecaster, the CEC and LYM have today released its first feature policy documentary video, titled *Homeowners and Bank Protection Bill: The Only Solution*.

This documentary, produced by the Australian LaRouche Youth Movement, is an organising weapon, intended to catalyse the necessary economic and intellectual revolution which will replace the current failed economic system of globalisation, and bring the many criminals responsible for causing the current economic disintegration to justice.

The release of this feature video, is a weapon for you to organise and mobilise for the *HBPB* and a new economic system globally. Don't swallow the garbage of the economic illiterates—it is not medicine. Order copies of *Homeowners and Bank Protection Bill: The Only Solution* and mobilise in your community, and burn the tails of your political representatives.

# 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 includes the following provisions:

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 mortgagebacked securities, derivatives, and other forms of Ponzi Schemes that have brought the banking system to the point of bankruptcy.

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.

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.

## ORDER DVD

For a copy of our latest DVD *Homeowners and Bank Protection Bill: The Only Solution*, one-hour documentary, call toll-free **1800 636 432** or send this coupon to: CEC, PO Box 376, Coburg, Victoria, 3058 and leave ALL your details. Price: \$10.00 + P&H \$2.50



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