

# Citizens Electoral Council of Australia



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

Independent Political Party

28<sup>th</sup> of April 2011

## Isherwood:

### Only Glass-Steagall will stop hyperinflation

Australia's worsening cost of living crisis, intensified by another bout of skyrocketing fuel prices, is actually global hyperinflation, which can only be stopped by a global Glass-Steagall banking reorganisation, Citizens Electoral Council leader Craig Isherwood said today.

"Official statistics grossly understate Australia's inflation crisis—but in the real world, hyperinflation is killing us," he said.

"The cost of housing, electricity, fuel and food is spiraling out of control, crushing pensioners and 'working families'.

"We are trapped in the hyperinflation crisis which American physical economist Lyndon LaRouche forecast would happen when the world's central banks started printing money to bail out the bankrupt financial system."

Mr Isherwood observed that since the U.S. Federal Reserve instituted its second round of direct money-printing known as Quantitative Easing II in November 2010:

The "Fed" has bought 85 per cent of all government debt sold by the U.S. Treasury. Its balance sheet has thus risen to an official \$2.7 trillion.

It has sent up the Dow Jones by more than 1,000 points, and encouraged "investors" to go into riskier and riskier areas—witness the comeback in subprime mortgage-backed securities.

It has sent the prices of gold and silver up to near record levels.

It has depressed the value of the U.S. Dollar Index—which is down 9.7 per cent since 30<sup>th</sup> November 2010.

It has dramatically increased prices in basic foodstuffs and fuel, thus reducing living standards of the population even more.

Mr Isherwood pointed out that Australia has not benefited from America's woes.

"Our dollar may have gone up, but that is because we are a target of a carry trade that is pumping money into Australia, to loot us through high interest rates," he said.

"The high Aussie dollar has not saved us from the hike in petrol prices, which are not being driven up by a shortage of oil, but by a splurge of derivatives gambling by financial speculators in the City of London who are desperately looting the real economy to prop themselves up."

He continued, "The only answer is to stop bailing out the bankrupt financial system, and reorganise it, through Glass-Steagall—shut down the gambling banks, write off the gambling debt, and protect the real economy.

"Australia must support the Glass-Steagall bill that was introduced into the U.S. House of Representatives two weeks ago, and we must implement our own domestic reorganisation under the Glass-Steagall principle, using the CEC's Homeowners and Bank Protection Bill 2008.

"We must then establish a national bank to launch an economic recovery, by directing credit into water, power and transportation infrastructure projects, and we must end free trade to stop the imports that cost us dearly in jobs and industries," he said.

Mr Isherwood appealed to Australians, "Don't just complain about the system, join the CEC's fight to change it."

To compare the CEC's record to that of the growing chorus of leaders, including PM Julia Gillard, who claim that nobody could have seen this crisis coming.

## ORDER DVD

For a copy of our feature 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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**Isherwood:**

## End free trade now, stop economic looting

Citizens Electoral Council leader Craig Isherwood declared today that the British free trade policies wiping out Australian manufacturing and looting our resources must end, *now*.

Australia has lost 100,000 manufacturing jobs in the past three years, and it is set to get worse. Ford Australia has announced it will lay off 240 workers in July, and Shell will chop more than 300 workers when it closes its Clyde oil refinery later in the year.

Contrary to what Australians have been told, the much-touted mining “boom” is not making up for the losses in manufacturing; in fact, it is making the crisis worse. In GDP terms, mining has expanded to a larger share of the economy than manufacturing, which has collapsed by more than half since the 1970s, but total employment in Australian mining is less than one-fifth of the number of people left employed in manufacturing.

The extent to which mining is actually looting Australia is a scandal. Free trade was imposed on Australia to boost mining exports, but those exports of overwhelmingly raw materials are robbing Australia of the far greater income that comes from manufactured exports; in the case of aluminium, manufactured products earn 120 times the raw material.

Furthermore, free trade is blocking even minimal flow-on benefits from mining activity. The metals fabricators of Western Australia are screaming—rightly—that local manufacturers are excluded from building the plant for local mines. According to the Australian Manufacturing Workers’ Union (AMWU) secretary Dave Oliver, 15 years ago, 85 per cent of mine inputs were manufactured in Australia, but today that has plummeted to barely more than 5 per cent. “Go down the Kwinana strip south of Perth where these metal fabricators are located and not much is happening,” he told the 16<sup>th</sup>-17<sup>th</sup> April *Weekend Australian*.

For example, local manufacturers missed out on the contract to build the plant for the \$43 billion Gorgon liquefied natural gas project in

WA—the biggest in Australia—which was awarded to Hyundai in South Korea, which, instead of the usual practice of making the giant plant on-site, which would create local jobs, are putting it together in South Korea, for loading onto giant ships. James England, a director of the Australian Steel Institute, which represents metal fabricators, told the *Weekend Australian*, “We’ve all had a gutful of the free-trade nonsense. There’s nothing free about it. We’ve got our hands tied behind our backs against countries that have a vastly different outlook on what is fair. We’d rather see fair trade than free trade.”

Mr Isherwood blasted the myths surrounding mining and free trade: “Everything about the mining boom is a fraud,” he said. “It isn’t earning us money; it is robbing us, because we are only exporting raw materials. The high wages are a ruse, which don’t make up for the exorbitant cost of living in mining areas, the anti-family fly-in fly-out practice, and the exploitative 12-hour shifts.

“Australia is not surviving free trade,” he said. “It is time to dump this British con—the mining ‘majors’ which are stealing us blind are either majority-owned by the British Crown itself (like Rio Tinto) or otherwise through the City of London—and we must return to tariff protection, which is how we developed an industrial economy in the first place, and the only way we’ll keep our industries.”

Mr Isherwood reiterated the CEC’s long-standing policy to nationalise the mining industry:

“Australia and the world need our resources, so it is imperative that we take control of those resources away from the British Crown’s mining cartel, and put them under national control. We need to realise the vision of the patriots of ‘old Labor’, last seen in the fight of the Whitlam government’s ministers Rex Connor and Jim Cairns to ‘buy back the farm’, which posed such a threat to the British Crown that the Queen sacked their government.”

He challenged, “If the AMWU, the AWU, the ASI and everyone else who say they are sick of the free trade destruction are serious, they’ll fight with the CEC.”