Citizens Electoral Council of Australia

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Independent Political Party

27th of June 2012

Geithner and Bernanke demand new mega-bailout of Europe before Thursday/Friday crunch-time

Washington D.C. sources have confirmed to this news service that U.S. Treasury Secretary Timothy Geithner and Federal Reserve Board Chairman Ben Bernanke are demanding that Congress prepare emergency legislation for yet another hyperinflationary bailout of the hopelessly bankrupt trans-Atlantic financial system—by the weekend. For the past week, the two men have been meeting secretly with leading Congressional Democrats and Republicans, demanding that they draft new legislation to bailout the banks on an even larger scale than after the 2008 collapse.

According to several Congressional sources, Geithner and Bernanke have pledged that they will do everything in their power to flood European banks with bailout funds through the Federal Reserve, but they candidly admit that it may be impossible, and that Congressional action may be required. If the crisis hits, they warn, there must be legislation already prepared, because the speed and magnitude of the crisis may require extraordinary intervention to "save the system."

Lyndon LaRouche today denounced the Bernanke-Geithner efforts as "tantamount to treason." "The current trans-Atlantic system cannot be saved" LaRouche warned. "The only option is the immediate reinstatement of the original FDR Glass Steagall Act. It must happen now!" LaRouche warned that, as of Thursday or Friday of this week, the entire European financial system will probably explode.* "Either Germany will hold firm and refuse to surrender the last vestiges of national sovereignty, or Europe will go into a hyperinflationary breakdown. It all hangs on Germany." German Chancellor Angela Merkel is under pressure from a swarm of British and Wall Street agents—from Geithner and Bernanke to George Soros—to agree to a German bailout of the entire euro system. "The reality is that the gambling debts of the European and Wall Street banks can never be paid. The only option is an orderly cancellation of all those trillions of dollars of gambling debts by reinstating Glass Steagall."

Rep. Marcy Kaptur has introduced H.R. 1489 to reinstate Glass Steagall. Her bill now has 69 co-sponsors from both parties. Last week, LPAC exposed the fact that former Federal Reserve Chairman Paul Volcker has been mobilised, on behalf of Geithner and Bernanke, to sabotage the passage of Glass Steagall. Now, Geithner and Bernanke are pushing for another even bigger taxpayers bailout of Wall Street and London's gambling debts. According to Capitol Hill sources, even Rep. Barney Frank rejected the Bernanke and Geithner demands.

Lyndon LaRouche reiterated that the only option is Glass Steagall. "Anyone who is not fighting for Glass Steagall now is going to be judged a traitor to humanity. The only way to save the viable commercial banks is to end the bailouts and go back to Glass Steagall. If Glass Steagall is not passed into law now, we face the danger of total chaos, when the system comes crashing down. It could happen as early as the end of this week, as the European crisis reaches a break point."

* On June 28, an EU leaders summit will attempt to drum up the necessary bailout. On June 29 the German parliament will vote on laws for the Fiscal Pact and the ESM. (Already this week 28 Spanish banks were downgraded by Moody's, and the government of Cyprus sought an immediate bailout to keep Cyprus Popular Bank afloat.)

Leading German weekly ***Der Speigel*** sees Euro collapse as almost a given

June 25 (EIRNS)—Germany's *Der Spiegel* this week runs a cover story headlined, "When the Euro Breaks Apart—A Scenario," which reports that Deutsche Bank analysts and many others are already preparing for the collapse of the euro system and the expected return of several members states to their former national currencies. In its lead story, "Imagining the Unthinkable: The Disastrous Consequences of a Euro Crash," *Spiegel* writes that companies are checking their contracts with business partners in Greece and other Southern European states, as to whether it is clearly defined there that if something is owed in euros today to those firms, it can be ruled out that they would be paid the same sum in (less valuable) drachmas, in the future.

"The Patient Is Getting Worse," a subhead in the *Spiegel* story says, continuing: "The discussion has been going in circles for months, which is why the continent's debtor countries continue to squander confidence, among both the international financial markets and their citizens. No matter what medicine European politicians prescribe, the patient isn't getting any better. In fact, he's only getting worse."

Since the donor countries of the European north are not really willing to make sacrifices to help their debtors in the south, *Spiegel* writes citing "many," but unnamed, experts: "As a result, the world is imagining the unthinkable: the withdrawal of several Southern European countries from the monetary union, or possibly even the general collapse of the Eurozone. It isn't easy to predict how such a tornado would affect the global economy, but it's clear that the damage would be immense."

"Analysts with the major Swiss bank Credit Suisse have calculated in a study," *Spiegel* writes, that "if Ireland, Portugal, Spain and Italy joined Greece in leaving the euro, 29 large European banks would see a total capital shortfall of about EU410 billion. 'If the peripheral countries withdraw from the Eurozone, a few of the large, publicly traded banks would come to a standstill,' reads the analysts' sobering conclusion. …"

"The worst can still be prevented, and Europeans still have the ability to save their common currency without overtaxing the solidarity of the donor countries," *Spiegel* propagandises. "But it is a massive task. Europe's politicians must surrender power to Brussels to supplement their common currency with the political union that's been missing until now."

Der Spiegel's full text is available in English online:
http://www.spiegel.de/international/europe/fears-grow-of%20-consequences-of-potential-euro-collapse-a-840634.html

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RESOLUTION

The Future of Australia: Develop or Die

Whereas:

The presently ruling policies of globalisation, privatisation, deregulation and free trade, together with the enforcement of "environmentalist" policies so radical that they are best described as "green fascism", are plunging the vast majority of Australians—along with most of the rest of the world—into poverty and misery; destroying our once-great nation; and eliminating any meaningful future for our children,

Be it therefore resolved:

1) That the entire body of "globalist" economic reforms introduced by the Hawke-Keating régimes beginning 1983 and relentlessly extended since then, be scrapped, together with all the equally-murderous, radical environmentalist legislation enacted since that time;

2) That this nation return to the traditional protectionist, well-regulated form of agro-industrial economy under which we once flourished, typified by the agreement in outlook between "old Labor" as exemplified by ALP prime ministers John Curtin and Ben Chifley, on the one hand, and Country Party leader and longtime Trade and Industries Minister John "Black Jack" McEwen, on the other;

3) That we must re-regulate our national financial system upon two essential pillars:

a) the immediate separation of sound commercial banking which benefits the average Australian, from the speculative merchant banking activities which have grown like a cancer under financial deregulation, both in this country and worldwide and which have largely caused the present, ever-deepening global financial crisis; the well-known precedent for such a separation is the 1933 U.S. Glass-Steagall Act, which President Franklin Delano Roosevelt used to bring his nation and the world out of the Great Depression, and whose adoption is presently being debated in numerous countries around the world;

b) the immediate re-establishment of a new, government-owned national bank to provide credit for urgently needed great infrastructure projects as the engine to drive a great new renaissance in our agro-industrial, *physical* economy; we must have a sovereign Australian national *credit system*, not a London/Wall Street-controlled *monetarist system*, to enable us to secure the well-being of *all* Australians instead of just the privileged few, as under the present, monetarist system.

4) That we, the undersigned, will exert our utmost efforts to bring these reforms into reality, NOW!

Name	Position / Organisation	Postcode	Phone
1.			
2.			
3.			
4.			
5.			

Please send signed resolution to: CEC Australia, PO Box 376, Coburg, Victoria 3058