

Citizens Electoral Council of Australia



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Independent Political Party

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Only Glass-Steagall can head off planned bankers' coup, genocide!

A faction of the British Crown-led, City of London-centred "Money Power" has announced its immediate intention to pull the plug on the unpayable global debt bubble by ending "Quantitative Easing" and to instead seize depositors' bank accounts en masse ("bail-in" vs. "bail out"), while ramming through genocidal austerity measures against the great masses of the population in Europe, the United States and Australia/New Zealand, in particular. This Crown-centred grouping intends to create a new, smaller and more exclusive financial system, designed for the benefit of an elite few while the great mass of people are left to suffer and die.

The LaRouche Political Action Committee (LPAC), headed by U.S. statesman and economist Lyndon H. LaRouche, Jr., has just issued a mass flyer describing the most recent developments in this plot. (Please go online to read this flyer: <http://larouhepac.com/node/27108>)

Most notable are:

The 24 June Bank of International Settlements (BIS) annual report (<http://www.bis.org/publ/arpdf/ar2013e.htm>), which calls for an end to the Bernanke-led Quantitative Easing policy, and instead demands a regime of Hitlerian levels of vicious austerity teamed with the new Cyprus-trialed "bail-in" policy, siphoning off the people's bank accounts to keep selected banks afloat.

A research paper issued by J.P. Morgan on 28 May, "The Euro Area Adjustment: About Halfway There" (<http://culturaliberta.files.wordpress.com/2013/06/jpm-the-euro-area-adjustment-about-halfway-there.pdf>), which warns that measures enacted in the wake of the fall of the European fascist regimes of the 1930s and 1940s are making it difficult to implement the extent of fiscal austerity which will be required "in the Euro area for a very extended period". Constitutional requirements in nations such as Italy and Germany, Portugal, Spain, and Greece—including "protection of labor rights" and "the right to protest if unwelcome changes are made to the political status quo"—are getting in the way of integrating Europe under the umbrella of a bankers' dictatorship, warns the J.P. Morgan paper.

An article in the 23 June *Financial Times* of London by Wolfgang Münchau provides an analysis of the massive and unsustainable indebtedness of European banks, which lies behind this push for bail-in and dictatorship. If the European Stability Mechanism's (ESM) fund falls short in saving the big international banks in London and Europe—which it inevitably will—banks must be recapitalised, demands the *FT*, "from national governments, or through bail-ins of investors and depositors".

"The intent of pulling the plug now is to be able to control the process of determining who are the winners and who are the losers. This is a drive toward outright fascism", states the LPAC flyer. It is being mounted in direct opposition to the increasing momentum for a worldwide Glass-Steagall separation of commercial banks from the bloated speculative investment banks which caused the present crisis in the first place, especially after the repeal of Glass-Steagall in the U.S. in 1999.

The two contending policies—Glass-Steagall and economic recovery vs. "bail-in" and fascism—were highlighted at a 20 June hearing on a pro-Glass-Steagall resolution in the legislature of the U.S. state of Delaware. Representatives of JPMorgan Chase unexpectedly appeared at the hearing to warn that "It would be *very inadvisable* for Delaware, of all states, to pass this resolution, at this time."

The small state of Delaware is well-known internationally for the huge number of major corporations headquartered there to take advantage of its favourable tax laws.

Meanwhile resolutions for Glass-Steagall have been introduced into 22 U.S. state legislatures, and passed by four of them, while 67 U.S. Representatives have now signed on to House Resolution 129 to restore Glass-Steagall, and a similar measure has now been introduced into the U.S. Senate. In addition, Britain's currently longest-serving member of the House of Commons, Tory MP Sir Peter Tapsell during this week's questioning of Chancellor of the Exchequer George Osborne has also just called for reinstating full banking separation:

"After a lifetime as a stock broker and fund manager ... My dismay is, you have not yet committed yourself to the total separation of investment and commercial banks, which I have been urging on you ever since you became Chancellor. I am absolutely convinced if we do not go back to something approaching Glass-Steagall, it will be an absolute disaster when the next banking crisis hits us", Tapsell warned.

During his weekly Friday night webcast on June 21 Lyndon LaRouche provided the background for the BIS and J.P. Morgan calls for Hitler-style austerity and bail-ins: They know very well, said LaRouche, that "The entire transatlantic system of monetarism is hopelessly bankrupt. We're talking about *quadrillions* of dollars, of these banks. They are absolutely worthless. They will *never* repay. They never *could*. They never intended to. What they intend is obviously a dictatorship. ..."

LaRouche followed that up on 25 June by demanding that the U.S. must counterattack against this Crown-led policy of mass genocide: "The United States must immediately call in all of the unpayable debt on the part of the big London and continental European banks, and put the onus of the bankruptcy on the heads of the very people who were planning this drive for fascism."

Given this global situation, CEC leader Craig Isherwood warned that Australians will see what former Treasurer Wayne Swan calls "European-style austerity policies" under *any* new government which refuses to implement Glass-Steagall. "Legislation for a Cyprus-style 'bail-in' of depositors is already 'in-train' in Australia, meaning that it has been drafted and could be rammed through at a moment's notice", warned Isherwood.

Join the CEC in the fight for Glass-Steagall today and demand from your MP that he or she introduce Glass-Steagall legislation into the Australian Parliament.

*** Call APRA on 1300 558 849 to demand an end to this looting plan!**

Citizens Electoral Council Petition to Federal Parliament
Tabled 3 June 2013

Australia Urgently Needs a *Glass-Steagall* Separation of Banks

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE HOUSE OF REPRESENTATIVES

This petition of the Citizens Electoral Council of Australia draws to the attention of the House the threat facing Australia's banking system from the deepening global financial crisis, which puts at serious risk the bank deposits of the Australian people, and essential banking services for the real economy.

Australia is now vulnerable because our banking system is concentrated in just four banks, which between them hold the overwhelming majority of deposits and provide the majority of banking services, but which have dangerously exposed themselves to shocks in the global financial system, including through nearly \$20 trillion in derivatives speculation.

We therefore ask the House to take immediate action to protect deposits and essential commercial banking services, by enacting strict banking separation as did U.S. President Franklin Roosevelt's *Glass-Steagall Act 1933*. *Glass-Steagall* split deposit-taking, standard commercial banks from Wall Street's speculative investment banks, creating entirely separate entities under different roofs, thus successfully protecting the U.S. banking system until *Glass-Steagall's* repeal in 1999. We ask the House to apply the *Glass-Steagall* principle to Australia through legislation to divide each of the four major banks into two parts: 1) normal commercial banks as per *Glass-Steagall* standards, and 2) institutions involved in investment banking and other forms of speculation. Banks that speculate will then do so with their own money and at their own peril, with no government protection whatsoever.

