

# Citizens Electoral Council of Australia

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Independent Political Party

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## The plot thickens: international deposit-stealers at FSB install key guy as Rudd's chief of staff

Just as the Bank for International Settlements' secretive Financial Stability Board (FSB) is ordering governments around the world to impose the "Cyprus template" of confiscating customer deposits to prop up failing banks, it has moved one of its Australian members—senior Treasury official Jim Murphy—into the key position of PM Kevin Rudd's chief of staff.

As the CEC has exposed, the FSB stated in a 15 April report—which it probably expected would be only read by bankers and bureaucrats—that "legislation is in train" in Australia to authorise bank regulators to steal our deposits to keep Australia's "big four" banks afloat.

(The same FSB had earlier quietly noted that the government guarantee on Australian bank deposits up to \$250,000 is worthless in the case of the big four banks.)

Braying Canberra insider Christian Kerr noted in *The Australian* of 10 July that FSB member Murphy's appointment to run Rudd's office is a sign of impending financial trouble:

"But the third consideration behind Murphy's appointment may be the most significant. Murphy stood by Rudd's side as the storm of the global financial crisis raged. With the waters still choppy in its wake—and signs that Australia's days of smooth sailing could be numbered—he will be vital in navigating the way forward." [Emphasis added]

Kerr is alluding to the period in October 2008, when Australia's major banks—the big four and Macquarie Bank—were goners, completely caught out by the global financial crisis, and only emergency taxpayer guarantees kept them, as they warned Rudd at the time, from going "insolvent sooner rather than later". All the while, the public was kept in the dark, falsely reassured that Australia's banks were "sound".

In his 26 June 2013 acceptance speech after deposing Gillard, an exultant Rudd let slip that this crisis

time in Australian banking was again on his mind: "Let me say this to Australian business: I want to work closely with you. I have worked with you closely in the past, particularly during the GFC and there were some white-knuckle moments there as the heads of the major banks will remember. But we came through because we worked together." [Emphasis added.]

### Don't abide Murphy's law

The CEC has identified that the legislation to authorise "bail-in"—confiscating deposits to prop up banks—is in the drafting stage. Murphy's timely appointment puts him in the driver's seat to direct its passage through Parliament, so that when the next financial crisis erupts, which experts around the world warn will be within weeks, Australia will be in lockstep with the other countries which have agreed to bankrupt and impoverish their citizens in order to maintain "financial stability" in the \$1.4 quadrillion (\$1,400 trillion) global derivatives bubble, of which Australia's banks hold \$21.5 trillion.

Join the fight to smash this plot, before we find ourselves in the same position as the people of Cyprus!

- Take this release and confront your federal MP, and the candidates for your electorate in the upcoming election, and demand that they commit to opposing this law. This legislation will only be passed if it can be sneaked through, as it was in the United States. If the public puts heat on their MPs, it can be stopped.
- Call 1800 636 432 to order extra copies of this and other CEC releases, and the CEC's *New Citizen* newspaper, "Do You Intend to Die for the Banks?", and share them with everyone you can think of, so that they act too.
- Join the CEC by subscribing to the weekly publications, *Executive Intelligence Review* and the *Australian Alert Service*.

**\* Call APRA on 1 300 558 849 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.

