

## Glass-Steagall introduced—now let's get it passed!



The *Australian Alert Service* is the weekly publication of the Citizens Electoral Council of Australia.

It will keep you updated of strategic events both in Australia, and worldwide, as well as the organising activities of the CEC.

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Bob Katter addresses a press conference in Canberra on his Australian Glass-Steagall bill. Photo: Screenshot

**In this week's *Australian Alert Service* , 27 June 2018:**

## Glass-Steagall introduced—now let's get it passed!

Bob Katter's introduction of the CEC's Australian GlassSteagall legislation into Parliament on 25 June, seconded by Andrew Wilkie, is a landmark event in Australia's ongoing fight against what the old Labor Party called the "Money Power". What they meant by the Money Power is the private financial cartel whose power is greater than that of elected governments. The neoliberal policies of financial deregulation that Labor's Bob Hawke and Paul Keating implemented in Australia in the 1980s, in collusion with John Howard's Liberals, parallel to Thatcherism in the UK, Rogernomics in New Zealand, and Reaganomics in the USA, were intended to subjugate the nation to the Money Power. Their policies restricted governments, but deregulated banks, allowing them to rush headlong into wilder and wilder speculation, such as derivatives, with other people's money. The Banking System Reform (Separation of Banks) Bill 2018 will go a long way to reversing that disastrous process, and ensure the financial system serves the needs of the nation.

The significance of getting Glass-Steagall introduced can be likened to King O'Malley succeeding in getting his national bank policy included in the Labor Party's Fighting Platform in 1908. Like Glass-Steagall, national banking was an American policy, modelled on Alexander Hamilton's First Bank of the United States—"I am the Alexander Hamilton of Australia", the American-born O'Malley declared. Also like the CEC's fight for Glass-Steagall, O'Malley had worked tirelessly for more than a decade to educate Australians about the importance of national banking, to ensure the economy of the new nation functioned in the interests of all. "The movement of the money volume is the vital monetary problem—the master key to the financial situation", O'Malley explained in a fivehour speech in Parliament in 1909. "Through the control of this movement prices may be made to rise or fall or remain substantially steady. This means control of justice or injustice, prosperity or panic, wealth diffusion or wealth congestion. ... Such power [to control money volume] is an attribute of sovereignty ... and ought to belong to none but the sovereign people exercised through ... Parliament and Government in the interests of the whole people. At present the vicissitudes of mining speculations, management of private banking corporations and the blind chance of monopoly determine the movements of money." (Emphasis added.)

After getting national banking included in the Labor Party's platform, O'Malley had to strategise and organise to get it legislated. He formed what he called a Torpedo Brigade of like-minded MPs, among them future prime minister John Curtin's mentor Frank Anstey, to push the policy through the federal

Labor Caucus. A year after Labor won office in 1910, they won the support of a majority of Caucus, and the legislation to establish the Commonwealth Bank passed through Parliament in 1911. (It is no coincidence that Torpedo Brigade member Frank Anstey went on to be the strongest ally of then-ALP Treasurer Ted Theodore in 1932, when he fought the Money Power to be able to use the Commonwealth Bank to invest in infrastructure and agriculture during the Great Depression; nor that Bob Katter's political hero is Ted Theodore.)

The CEC is the Torpedo Brigade for Glass-Steagall, and that includes the thousands of CEC supporters and acquaintances around Australia who have participated in the campaign. We achieved this seemingly impossible task of getting a bill introduced, now we must get it debated and passed. We don't need to worry about what Turnbull or Shorten or other politicians might do, because we have the capacity to define what they must do. On our side is the reality of a financial system spiralling towards economic Armageddon, which can change political opinions in the blink of an eye. The key is to keep engaging MPs on such issues as the derivatives danger (see Almanac) and getting the message out as widely as possible.

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- Katter introduces Glass-Steagall solution in Parliament
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- Australia needs space program for peace, not geopolitics
- Fact check on Clark's climate claims
- Call for Glass-Steagall to end 'regulatory alchemy'
- Jim Rickards: Repeal of Glass-Steagall caused the GFC
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