No cashing out of this bubble!

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.

---

31 July 2019
Vol. 21. No 31

The system is finished, but they won’t let you cash out before it goes down. There are already prohibitive restrictions on cash, but it’s about to get a whole lot worse. New draft legislation released by the Morrison government on the afternoon of Friday 26 July will ban cash transactions over $10,000 unless we stop it. See our media release, “Morrison is banning cash so Australians can’t escape bail-in, negative interest rates” (p. 3) for details and marching orders. We have twelve days to send an unequivocal message to Treasury via its consultation process, that Australians will not stand for this undemocratic act.

Putting limits on the cash economy forces money to stay in the bubble so that when it bursts it can be confiscated through bail-in laws. The banks have already started implementing changes to their Terms & Conditions so that they can designate deposits as bail-inable capital under the deliberately vague bail-in laws that passed in February 2018 (*AAS* 10 July).

It is also designed to force more money into the collapsing system as rates head further into the negative domain. When interest rates on German ten-year bonds first dipped into negative territory in mid-2016, big banks began hoarding cash in their vaults rather than pay to lend it to the European Central Bank. At the time this was described as “a world turning upside down”. The rate was -0.035 per cent, but this month it reached a record low of -0.407 per cent, with 85 per cent of the German bond market now in the negative. There are over US$13 trillion worth of bonds worldwide now trading in the negative domain, which has doubled since December 2018 and comprises around 25 per cent of global debt. Bloomberg described it as a “multi-trillion dollar black hole growing at the heart of the world’s financial markets”. Such a phenomenon would normally be considered a point of no return for a devastating recession, but today our politicians and economists claim all is well. And the experts are talking of moving into the domain of “deep” negative rates, perhaps -4 or -5 per cent. Under these conditions authorities need to prohibit people, and banks, from withdrawing and hoarding cash, or the bubble will blow.

In an *In The Interest of the People* post with Digital Finance Analytics principal Martin North on 30 July, economist John Adams pointed to an April IMF working paper which proposed that deep negative interest rates could maintain the power of monetary policy into the future. It suggests that “the complete abolition of paper currency would indeed clear the way” for deep negative rates, but that such proposals would be difficult to implement! This is the same institution which in February demanded in its Financial Stability Assessment of Australia that we implement a stronger, statutory bail-in law to allow open confiscation of all deposits, and that parliament must not interfere with the regulators when they do it!

The ban on large cash transactions forces participation in the bubble, leaving citizens and institutions exposed, and can only be enforced by increasingly fascist laws. Whether ushered in under the guise of national security or to prevent money laundering, those laws are now being visibly used against Australians who would expose this government/bank agenda. They even allow for terrorism charges against those warning the population about risks to the financial system.

Thinking that such an extreme monetarist approach—enforced by fascism—would work is as much an illusion as the post-2008 crisis measures working. They did not address the underlying cause of the crisis, and so made the situation worse. The Morrison government’s move is one of sheer desperation, dictated by institutions that know the system is about to come down. There is no pathway that will work other than the historically proven implementation of Glass-Steagall banking separation, a Franklin Roosevelt-style debt reorganisation, and national credit to revive the real economy.

In this issue:

- Morrison is banning cash so Australians can’t escape bail-in, negative interest rates
- Red alert: ScoMo declares war on the Australian people
- The Black Economy Taskforce: Dracula in charge of the blood bank, forcing everyone to give blood!
- Wild divergence in energy policy leaves uncertain future
- Warmongers fear Russia-China economic alliance
- Pacific vision: military bastion or trade hub?
- UK appoints criminal banks to economic crime watchdog
- British, US allies baulk at Persian Gulf ‘maritime security’ proposals
- New York fire commissioners demand 9/11 investigation
- For whom did Epstein pimp?
- CEC base fires up for next phase of fight against bail-in
- In Memoriam – Gordon Guley
- The unacceptable human cost of regime-change wars
- ALMANAC: Economic development is at the heart of China’s Lunar Program

Click here for the archive of previous issues of the Australian Alert Service

---