

Australian fund managers attempt to swindle Trump

By Jeremy Beck

US President Donald Trump's US\$1 trillion infrastructure pledge is going nowhere very fast, and an Australian contingent of fund and asset managers unfortunately appears to be a significant factor in misdirecting the Trump Administration into the trap of PPPs (public-private partnerships) and user-pays infrastructure.

Macquarie Bank (now subsumed into the Macquarie Group), IFM Investors, Transurban et al., including Australia's big super funds, are chomping at the bit to get a slice of the pie in Trump's infrastructure spend. In March, Transurban chief executive Scott Charlton was urging the United States to sell off its assets, using the Australian Asset Recycling model, to pay for the US\$1 trillion commitment. Charlton said "quite a few delegations" had been going "back and forth" between the two countries during the previous few months. Former treasurer Joe Hockey initiated the Asset Recycling scheme in 2014. Now Australia's ambassador to the United States, Hockey has had ongoing discussions with US officials about adopting the policy.

On 20 June an Australian delegation met US Vice President Mike Pence and Commerce Secretary Wilbur Ross near Washington DC to discuss infrastructure funding. The delegation included Brett Himbury, CEO of IFM Investors, a fund manager owned by 28 industry superannuation funds and managing \$39 billion in infrastructure; David Whiteley, CEO of lobby group Industry Super Australia; former deputy prime minister Mark Vaile and former NSW treasurer Peter Collins, both directors of industry fund Hostplus. Himbury and former NSW Premier Mike Baird (now a senior National Australia Bank executive) also attended meetings with US state officials in New York in early July to discuss Asset Recycling.

"There is deep interest in this inside the US administration and across all levels", Collins said after discussions with commerce secretary Ross. And certainly Vice President Pence showed interest, who's long championed PPPs and had Himbury dining at his home to discuss the plans. Pence told business leaders in April during his weekend visit to Australia that the Trump Administration was keen to emulate Australia's asset recycling model. As Governor of Indiana, Pence developed a close relationship with IFM Investors when they bought the Indiana Toll Road from Macquarie Group. As reported in AAS of 19 July, this PPP (and every PPP in the USA) has been an utter failure, with the general public being the loser.

Australia's privatisation mafia is seeking to lure the USA into a scheme that Australians despise. The industry super funds that are IFM's shareholders are owned by trade unions, whose union members would not know that their retirement savings are being used by bankers and fat cat former Liberal MPs to impose a financial looting scheme on unsuspecting American workers.

Wall Street of the South

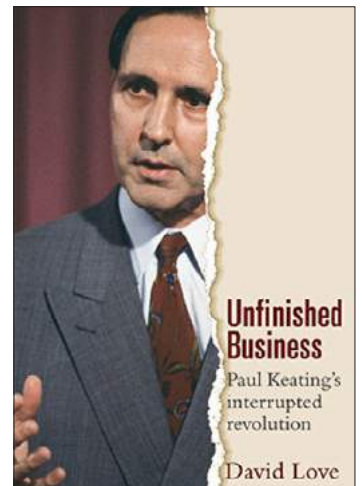
Australia's influence in United States domestic policy would at first seem incredible, given Australia's relatively small economy on the world stage, and with a mere 24 million people vs the 325 million of the USA. This influence derives from Australia's subservience to the British financial oligarchy and in particular, former Prime Minister Paul Keating's efforts to deregulate Australia's banks and establish a massive pool of funds through compulsory superannuation. Keating fantasised he was creating "the Wall Street of the South". Ironically, he began this process when as Treas-

urer in the 1980s he implemented the radical Liberal economic agenda that his predecessor John Howard had been unable to get past Prime Minister Malcolm Fraser. When Keating handed out banking licences to foreign banks in 1985, the London-headquartered Hill Samuel was first in line, and became Macquarie Bank a.k.a. the "millionaire factory". Future Liberal Party leader John Hewson, who worked as a consultant to Hill Samuel, was Macquarie Bank's founding Executive Director.

Today Macquarie Group's MIRA (Macquarie Infrastructure and Real Assets) is the world's largest infrastructure asset manager, with approximately 50 funds and \$136 billion in assets under management. Macquarie's reach into the United States is significant. Of note, David James "DJ" Gribbin, until July 2015 a Managing Director at Macquarie Group, is now advising Donald Trump as Special Assistant to the President for Infrastructure. Before joining Macquarie, Gribbin served under former President George W. Bush as General Counsel for the US Department of Transportation, and as Chief Counsel for the US Federal Highway Administration (FHWA). At Macquarie Gribbin spruiked PPPs, and he has since pushed this fraud in his government role.

Melbourne's Collins Street-headquartered Transurban, which owns toll roads in Australia and the USA, has been named as a top investment pick in a new global report from Goldman Sachs, the 16 July *Australian Financial Review* reported. "We believe that publicly owned toll roads in the US are worth roughly US\$120 billion, and state and local governments could sell these to finance infrastructure investments even on projects that are not suitable for public-private partnerships", Goldman Sachs said in the report, which examines Trump's infrastructure agenda. Goldman Sachs, described by Matt Taibbi of *Rolling Stone* magazine as "a great vampire squid wrapped around the face of humanity, relentlessly jamming its blood funnel into anything that smells like money", is clearly following the Wall Street of the South and picking winners to benefit the few in the financial oligarchy. Trump's top economic adviser, former Goldman Sachs executive Gary Cohn, and transport department boss Elaine Chao, both publicly expressed strong interest in adopting Australia's Asset Recycling model at the President's budget launch in May.

If President Trump is complicit in the mass privatisation of US assets to provide an income stream to the financial parasites, as has been the experience with all PPPs in the United States thus far, he will fail the poor forgotten men and women who voted for him. In any case, the asset sales will never provide sufficient funds to "Make America Great Again", since even US\$1 trillion is well short of what is required to just to replace crumbling infrastructure, let alone build new grand projects for future generations. Only government-directed national credit will achieve this task.



In this book, author David Love reveals Paul Keating set up Australia's compulsory superannuation system to generate a massive slush fund of workers' retirement savings for investment banks like Macquarie to use to buy privatised assets all over the world.