

Submission to the Financial System Inquiry

Jeremy Beck, BEng Hons (Mech)

Coburg Victoria

I write this submission with an advantage of a broad education. I have studied economics, history and politics and have an engineering and scientific formal education after graduating at Monash University in 1996. Though many may not realise it, engineers and scientists actually understand more about the economy than accountants and economics graduates.

We are currently facing an economic crisis that has the potential to end human civilisation as we know it. The derivatives bubble in Australia's banks is now at \$24 trillion and combined with our real estate bubble and global volatility, the Australian banking system could collapse at any moment.

The following five points must be understood for us to avoid a disaster.

1. No to bail-in and economic slavery: The so-called Too Big To Fail problem will never be solved with bail-in. Bail-in is *theft* and anyone supporting such a crime should be tried before a court, found guilty and jailed. Bail-in is much worse than simple theft as it is designed to destroy nations and their people. It is actually mass-murder as is evidenced in Europe where death rates are already increasing in collapsed economies. It is clear the City of London/Wall Street financial oligarchy intends to kill billions of people and use financial manipulation such as bail-in in an attempt to obtain global domination. This oligarchy is already threatening Russia and China with war—implicitly thermonuclear war. I'm pointing out the emperor has no clothes and the FSI panel needs to be informed of the hard, cold facts.
We have been told lies for too long: Operation Northwoods, Weapons of Mass Destruction, Saddam's human shredding machines and 9/11—a provable false flag operation. Thousands of qualified architects, scientists and engineers have shown the official U.S. government 9/11 fairy tale breaks the laws of physics. The twin towers and Building 7 came down by controlled demolition, pure and simple. Bush and Cheney have blood on their hands and Obama continues to cover up the crime as does the Australian Government. This FSI terms of reference considers "emerging opportunities and challenges" so it would be amiss of me to ignore the above challenges facing the post 9/11 world, as we now enter the final economic meltdown and potentially WWII. Former Assistant Secretary of the Treasury Dr Paul Craig Roberts writes of these exact realities. Several other notable world leaders also buck the trend of sophistry in our culture and they can't be ignored with respect to the FSI—that is, if you're not a sociopath.
2. Glass-Steagall-style banking separation must be implemented in Australia. Former U.S. Presidential candidate Lyndon LaRouche is leading an international campaign on this and has successfully got 82 cosponsors in the U.S. Congress supporting H.R. 129—Return to Prudent Banking Act of 2013. Investment banking and commercial banking must not be conducted within the same bank with the same board of directors. Full separation is necessary to protect necessary commercial banking from highly leveraged and risky investment banking. Glass-Steagall solves "Too Big To Fail" as the government protects essential commercial

banking and investment banking can “sink or swim”. Any collapse of investment banking will free our economy from Ponzi schemes.

3. National banking: A national government-owned bank is necessary for Australia’s sovereignty. There should be no need for Australia to be reliant on foreign finance when we can issue our own money. Treasurer Ted Theodore understood this principle in the Great Depression when his Fiduciary Notes Bill of 1931 had the potential to save Australia. Tragically the Senate blocked it and Australians suffered in poverty. Inflation was the excuse and some fools still believe this today. Quantitative Easing and Central Banking pumping up financial and asset bubbles, anyone? A growing physical economy requires increased money supply. It costs the government nothing to issue more money, but the human and social costs of not doing so should be obvious. Relying on the parasitical private banking system strangles the majority while the sycophant myopic leaders continue to praise the “free market” despite its proven abject failure.
4. Infrastructure: The first point in the terms of reference for this FSI inquiry is “how Australia funds its growth”. National banking as referenced above is essential for funding infrastructure. However, finance must be directed wisely and the key measures to consider are *energy flux density* and *relative potential population density*. This is a scientific way to measure the economy and recognises that money is a useful tool in a dirigist economy, but has no intrinsic value in and of itself. Finance must be directed into areas of the economy to increase the energy flux density measured in Watts per square metre. Therefore, nuclear power must receive cheap national banking finance while wind and solar power should only be allowed finance in limited applications such as in remote locations. Wind power and hydroelectricity are a good pair to explain energy flux density. They both extract kinetic energy from a moving fluid. However, water has a density of 1,000 kilograms per cubic metre and air’s density is only around 1.2 kilograms per cubic metre. It should be clear the power extracted per unit of turbine cross section for hydroelectricity is several orders of magnitude greater than for wind power and yet current government policy continues to finance wind power. What folly! Relative potential population density is really a measure of how many people our economy can support at increasing overall living standards. Funding infrastructure in energy, transport, water & sewage, health and education etc. helps support more people with improving living standards. Cheap government finance should be directed to these areas.
5. The Common Good: Finance should be directed for the Common Good and user-pay systems should be avoided where possible. This frees up the economy by diverting resources into useful economic infrastructure rather than payment systems such as parking metres and inspectors and e-TAG systems. Railway crossing and road grade separation is a case in point. Individuals waste time in grid-locked traffic and accordingly fuel consumption increases. Lives have been lost in accidents. Grade separation infrastructure will avoid this collective cost and benefit the Common Good.

If the above points are fulfilled, our future is promising. The ball is now in your court.

Jeremy Beck