

## FSI SUBMISSION

### STRUCTURAL CHANGE FOR THE BANKS

Glass Steagall worked for nearly 60 years, it stopped the excesses that the Pecora Commission exposed. Glass Steagall was a major step in bringing the Great Depression to an end. Commercial Banking was prudent and Investment banks went about their business with funds that would be lost when things went wrong. Weaker interpretations by regulators started the downhill slide, by 1987 the Stock Market was in trouble, Alan Greenspan deregulated the law regarding Derivatives, hence the crash of 1987 was not addressed, (just postponed until sometime very soon). Greenspan later admitted to a congressional hearing that he had made a mistake in presuming that financial institutions could regulate themselves.

By 1999 the Bankers had spent millions of dollars on lobby groups to convince the congress that Glass Steagall was no longer functioning, all that was left was the official repeal, more deregulation. The groupings like the Inter Alpha that had formed after the take down of the Bretton Woods went into a frenzy of takeovers, expansions and huge participation in derivatives. Speculation was in, 'money makes money' became the new mantra, markets that we can manipulate are more profitable than lending to productive enterprise.

Now supposedly 'Too Big to Fail', they have become a major problem. These top heavy behemoths loot everything in their relentless pursuit of yield, inevitably these parasites have become so big the host can no longer provide. We now have one banking scandal after another, whether it is LIBOR, HSBC, BoA, Coutts, the list goes on. When are the regulators going to recognise this is out of control?

Bail in is a descent into madness. Bail in has not worked for the people of Cyprus and by extension its economy, nor has it worked anywhere else, it has not addressed TBTF/ 'Too Big to Jail'. Are we to introduce legislation to formalise this madness? Are we to give more quarter to International Financiers, who in turn deploy their minions to demand outright surrender, in order for them to profit a bit longer?

The whole idea that we must conform to these financiers rules in order to attract foreign investment is a known fraud, we do not need them. A return to Sovereign Nation Banking will provide for the nation's economic needs, as demonstrated by Prime Minister John Curtin's use of the original Commonwealth bank, this is a solution that requires regulation, maybe that is why some in this country are trying to deny its potential. Regulation is apparently unfair to the banks, with banker's minions tired offerings like, you can't have monopoly issue of credit, but I am talking about the General Welfare of the people and not private bankers right to profit.

Prime Minister Curtin pointed out that a Government that does not control nations finances can only govern in a secondary degree. Responsible Government regulation is the solution for the too Big to Fail banks. Handing over economic sovereignty to foreign financiers is retrospective, it's a journey back to feudalism, It is theft on a grand scale, more than just their money; it's a theft of hope for the future.

Many nations are looking for a future free of this kind of tyranny, as demonstrated by Argentina's stand against the vultures, the support shown from other countries, the optimism surrounding the BRICS and their development of a new Financial Architecture. This is soon to be a flood as people

around the world understand what can be done when you mobilise a nation's credit. President El Sisi and the new Egyptian government is an example of how a nation can fund large infrastructure, like the new Suez Canal which coupled with new nuclear power stations has the potential to transform Egypt. These are the things that can be done for the interests of the people, instead of trying to save an ancient system that has become so bankrupt and morally corrupt it forfeits its right to survive.