

Glass-Steagall for the Common Good!

I am writing as an Australian citizen to voice my opposition to the present proposal by David Murray's Financial System Inquiry, released 15 July, pushing the case for supposedly solving the problem of too-big-to-fail (TBTF) by implementing "bail-in"—the system which includes confiscating customer deposits to prop up failing banks, Cyprus-style.

I work hard to sustain a workable bank balance to provide funds for my living expenses. I am not in a position to gamble with my money and with no permanent work or secure prospects in the future I have no guarantees for a comfortable retirement and minimal superannuation which is subject to financial instability like our present banking speculations. The innocent Australian citizen should be protected from the irresponsible investment banking practices of the mega banking institutions.

Therefore, as an Australian citizen I demand the following:

- 1) That there be no bail-in of depositors in order to "save the banks".
- 2) That Australia must separate legitimate commercial banking functions from the speculative activities of "investment banks", as did the Glass-Steagall law in the United States so successfully from 1933 until its repeal in 1999. Such commercial banks serving the interests of the average Australian should be backed by the government, but the speculative banks should be left on their own to sink or swim.
- 3) That to anchor such a system of private commercial banks, Australia must also establish a national bank typified by our old Commonwealth Bank, where our government directs credit into the real physical economy of agriculture, manufacturing, and infrastructure projects which provide for the common good, including employment opportunities for all.

In making this submission, I take note of the recent call by Pope Francis for a sweeping reform of the global financial system based upon the "primacy of the human person" rather than the "dictatorship of an impersonal economy lacking a truly human purpose", and that "it is the responsibility of the state to safeguard and promote the common good of society".

Whether one holds a professed religious outlook of any persuasion, or is simply a person of good will, those universal principles which emphasise the dignity, worth, and physical well-being of every single human being—in this case every single Australian—must be the basis upon which any financial system must be constructed.

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