

Marmonte Flat  
172 Yalbraith Road  
Taralga 2580 NSW  
30th July 2014

Dear Sir or Madam,

In response to the call by the Financial Systems Inquiry (FSI) for a second round of submissions, I the undersigned submit the following statement:

The purpose of an economy is to serve the common good of all the citizens taking part in it. That common good is a moral imperative, which ranks above the supposed rights of a "free market" to rule at the expense of the increasing impoverishment and unemployment of an ever-growing number of Australians. What is the purpose of a "financial system", if not to serve that common good? is it just, for instance or moral that the speculation in derivatives by Australia banks led by the Big Four and Macquarie, now exceeds \$24 trillion as against a GDP of only \$1.6 trillion? We do not need more of the same deregulation which helped cause the present crisis both in Australia and worldwide, nor the "bail in" of Australian depositors in order to bail out that worthless \$24 trillion.

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 speculative



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 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 of 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 on which any financial system must be constructed.

Yours faithfully  
Lindsay R Cosgrove