

THE CREDIT CRUNCH

The 'Credit crunch' is a direct result of banks over-speculating and as such they should, morally, **suffer** the consequences.

The Government has however given or underwritten bankers to the tune of **billions of pounds** to allow them to continue trading.

The reason is that if the banks had been allowed to fail, not only would there be a loss of banking jobs and maybe savings, the whole of industry would suffer. This is because our financial systems have become so **entwined** within the 'banking system' that the reduction in the circulation of credit would lead to recession i.e. a fall in trading and ultimately jobs. **If the banks went down we do too.**

However the situation does give us the country a **unique opportunity** to create a new, more stable and fairer financial system, which restricts future private credit creation and greedy speculation.

NATIONAL BANK

The Government presently hold all or part of the assets of failed banks and financial institutions. The National Liberal Party (NLP) says that rather than sell them off to other private banks as proposed (and then only the good bits leaving the taxpayers with the debts!), a new **National (State) Bank** should be created. This would be controlled by and for the taxpayer and be *not-for-profit* i.e. NO directors pocketing millions on bonuses, NO shareholders making a mint, NO speculators creaming something off the top.

The Bank would offer loans at **low cost** and **competitive interest rates** (remember they are *not-for-profit*). After attracting a significant amount of depositors it would be in a position to control our money supply and credit rather than leaving it to the greedy private speculators.

Unfortunately many of the most powerful politicians are in hock to the bankers so we need a **change of politicians** before we can change the system!

National Liberal Policy Statement No 1/09

If you would like to join or find out more about the NLP (a new party of commonsense) visit our website **www.nationalliberal.org**, write to us below or contact our National Secretary David Durant on 07761 976219

Name.....Address.....
.....p/c.....e-mail.....

Send to: NLP PO Box 4217, Hornchurch, Essex RM12 4PJ
natliberal@aol.com & www.nationalliberal.org & 0776 1976219

National Liberal Party

*“ Liberalism
as it should be! ”*

