



"THE NEW WORLD
ORDER" -
and the destruction of
Australian Industry



Jeremy Lee

**"THE NEW WORLD
ORDER" -**

*and the destruction of
Australian Industry*

Jeremy Lee

*"And the Devil, taking Him up into an high
mountain, shewed Him all the Kingdoms of the
world in a moment of time"*

Copyright © Jeremy Lee 1991.

ISBN 0 646 052462

Published By

Veritas Publishing Company Pty Ltd,
P.O. Box 42,
CRANBROOK, WESTERN AUSTRALIA 6321.

TABLE OF CONTENTS

	<i>Page</i>
Foreword	(i)
 PART I — WORLD LAW	 1.
<i>The haunting echo of 1929</i>	4
<i>The New World Order Programme</i>	12
<i>The proposals</i>	14
<i>A World Central Bank</i>	15
<i>Special Drawing Rights</i>	17
<i>The Club of Rome</i>	18
<i>Steps to a single world currency</i>	19
<i>Irreversible process</i>	21
<i>Provision for sanctions</i>	23
<i>International control of commodities</i>	24
<i>Integrated Programme for commodities</i>	26
<i>A compulsory partnership</i>	27
<i>Finance for the Common Fund</i>	27
<i>The cost of administration</i>	29
 PART II — THE GREAT AUSTRALIAN SELLOUT	 32
<i>Transferring industry resources</i>	36
<i>Giving our money away</i>	38
<i>Unprecedented mandate</i>	39
<i>Monumental Sellout</i>	40
<i>Permanent damage to industry</i>	41
<i>1983 Return of Labor</i>	43
<i>Entry of Foreign Banks</i>	44
<i>No political opposition</i>	44
<i>Farmers' last hope</i>	45
<i>A Fighting Fund</i>	46
<i>Family farm attacked</i>	46
 PART III — "THE ARCHITECTS OF THE NEW WORLD ORDER"	 48
<i>The 1917 Revolution</i>	48
<i>Building the campaign</i>	49
. <i>and expanding</i>	50
<i>World War II</i>	52
<i>Moscow Summit</i>	53
<i>Communist support for New International Economic Order</i>	54
<i>High ranking Soviet defectors</i>	55
<i>Strategic disinformation</i>	57
<i>The Clenched Fist</i>	59
<i>Gorbachev "Man of the Year"</i>	59
<i>The Gulf War</i>	60
<i>Soviet economic reform</i>	60

PART IV — THE WORLD ORDER MOVEMENT IN THE WEST . . . 62

<i>The C.F.R.</i>	63
<i>World Federalists</i>	64
<i>Tax exempt Foundations</i>	66
<i>Trilateral Commission</i>	67
<i>The Club of Rome</i>	68

PART V — THE SOCIALIST INTERNATIONAL BRIDGE 70

<i>Formal links with U.N.</i>	71
<i>Programme Continues</i>	72
<i>Close links</i>	73
<i>Socialist International and Brandt</i>	75
<i>The Brandt Commission</i>	76
<i>Communist Director</i>	77
<i>Building a system</i>	79
<i>"The Call"</i>	80
<i>What's in a name?</i>	81
<i>Financial reform</i>	82
<i>The People's Constitution?</i>	84
<i>Tacit approval or fear?</i>	85

PART VI — SUBVERTING AUSTRALIA'S CONSTITUTION 86

<i>Section 51 (xxix)</i>	86
------------------------------------	----

PART VII — INFORMED ACTION IS THE ONLY WAY 89

<i>Main State Farmer Organisations</i>	91
<i>The Horsham Declaration</i>	92

FOREWORD

In March 1978 the Senate Standing Committee on Foreign Affairs and Defence advertised for submissions on the following matter:

“THE IMPLICATIONS FOR AUSTRALIA’S FOREIGN POLICY AND NATIONAL SECURITY OF PROPOSALS FOR A NEW INTERNATIONAL ECONOMIC ORDER.”

Thirty four submissions were made to the Senate Committee, many from organisations such as *Action For World Development*, the *Australian Conservation Foundation*, the *Australian Council of Churches*, the *Catholic Commission For Justice and Peace*, the *South Australian Action for World Development Tea Group*, the *Women’s International League for Peace and Freedom*, and the *United Nations Association of Australia*.

As the Secretary at that time for the *Institute of Economic Democracy*, I made a submission which concentrated to some extent on the matter of Australia’s sovereignty.

Senator J.P. Sim, Chairman of the Committee, tabled the report *“The New International Economic Order — Implications for Australia”* in the Senate in February 1990.

It was a report which dealt studiously and objectively with the minutiae of the proposals, virtually all of which the Committee endorsed without hesitation or qualification.

The question as to whether the transition of power to international organisations, which had previously been exercised under the terms of reference provided for Parliament by the Australian Constitution was not touched on.

In fact, while the Liberal and National Parties have protested in the mildest way possible at the use of international

treaties to over-ride the Constitution, they have studiously avoided taking a fearless position on the multitude of social, economic, financial and political laws, thrown at us in the form of treaties and conventions, which we are now expected to ratify and legislate into our statute books without question.

Australians should make no mistake — the New World Order is, in the words of the London Times, an “incipient world government.” There is nothing very new about such a grandiose idea; in fact, it is as old as history. The Greek philosopher Plato, long before the time of Christ, dreamed that ‘philosopher-kings’ like himself should run an all-powerful Super State:

“Then I said, let us begin and create in idea a state; and yet the true creator is necessity, who is the mother of invention. . .”

(Plato's *REPUBLIC*, Book II)

To which he added — with, perhaps, uncanny foresight of Australia's leaders in 1991:

“The rulers of the State are the only ones who would have the privilege of lying, either at home or abroad; they may be allowed to lie for the good of the State.”

(Book III)

One imagines that South Africa's Chief Buthelezi, after his dealings with Australia's Foreign Minister, would fervently agree! While the prevarications of Prime Minister Hawke, in accounting for his *tete-a-tete* with Bill Kelty, Sir Peter Abeles and the erstwhile “World's Greatest Treasurer” about the question of succession, could only be, in Plato's words, “for the good of the State.”

It seems extraordinary that there should be such universal loathing of Adolph Hitler's proposals for a United States of Europe under Germany's hegemony, while exactly the same idea when proposed by Edward Heath or Jacques Delors is felt to be the only possible course for all Europeans. A little salad dressing is supposed to blind us to the wilting and decayed reality underneath — the inevitable corruption of concentrated power.

Leon Trotsky, in his book "*The Bolshevik and World Peace*", printed when he was Lenin's Commissar of War in the first Communist government in 1918, declared:

"... the task of the proletariat is to create a far more powerful fatherland, with a greater power of resistance — the republican United States of Europe, as the foundation of the United States of the World"

He argued further that:

"... the only way in which the proletariat can meet the imperialistic perplexity of capitalism is by opposing to it as a practical programme of the day the Socialist organisation of world economy"

Put the same rantings in the sophisticated phraseology of a Zbigniew Brzezinski, a Jimmy Carter, or a Hans Dietrich Genscher, and the international 'establishment' salivates with pavlovian conditioning.

Mussolini, the founder of the Italian corporate State idea known as Fascism had previously been a Communist. Fascism has been aptly described as Bolshevism wintering in the Mediterranean. Hitler's National Socialist movement shared the same genesis as Bolshevism and Fascism. Not surprisingly Hitler, who had his own version of a new order, said he had learned much from the Communists. After Germany's defeat in 1945, many former Nazi officials found little difficulty in transferring their allegiance to the ugly communist regime which emerged in East Germany under Soviet suzerainty.

Throughout history the will-to-power has been the fulcrum on which the fate of the social order has swung. The freedom and happiness of ordinary people in one generation after another has been dashed on the dark rock of ruthless ambition and the lust for power of a few, or even one madman.

Christ confronted and dealt with this awful temptation in the wilderness, when offered "all the kingdoms of the world" His Sermon on the Mount is implicit in its condemnation of sensuality and exploitation. From His teaching, the Christian

West — albeit tentatively at first — evolved the policy of the decentralisation of power — the 'common wealth' idea which is anathema to the classical power-seekers. Such people, no matter the quality of their business suits and penthouses, fear any world they cannot shape or control.

It is seldom, if ever, that those on whom the public gaze is focussed are the real power manipulators. The most ruthless power moves silently, untroubled by the journalist's pen or camera, which it owns. That power is the power of finance, which takes no sides, offers no allegiance, recognises neither right nor wrong save that which increases its stranglehold over nations, leaders and citizens alike.

Today it has the world by the throat. There is no community or locality untroubled by the fingers of debt.

It needs a little more time to quell or crush the growing misgivings which are appearing everywhere. It fears exposure and informed opposition, even at this advanced stage of its programme.

And it has reason to fear. It was always inevitable that it would have to come into the open in the latter stages of its advancement. There are far more people who understand the nature of the battle than it might have anticipated. Individual initiative, whether from a Solzhenitsyn, a Boris Yeltsin, or a Margaret Thatcher, can never be anticipated. World government is not inevitable.

Whatever happens, the damage already caused by this deadly global gambit is likely to get much worse before it gets better.

Australians have a major part to play in coming to grips with issues of monumental importance, with which their parliaments have so far failed to deal. It is in the hope that they will wake before it is too late that this book has been written.

Jeremy Lee,
Toowoomba, Queensland.
July, 1991.

PART I

WORLD LAW

On June 14, 1978, the former Federal Member for Capricornia, Dr. Doug Everingham, wrote a letter to *The Australian* in his capacity as Australian Parliamentary Representative in the "World Association of World Federalists". His letter was a plea for the introduction of World Law. He said:

"... World Law is a feasible alternative ... Several viable world constitutions have been endorsed by widely representative conferences, including recently delegates from several Eastern European nations. They all share the key requirements for law and order, peace and prosperity to replace the arms race:

- (1) Popular elections to at least one chamber, with or without the U.N. Assembly also as a chamber of a world legislature.
- (2) Power to make laws on matters of international concern which lead to international conflict. These laws are to bind everyone and override national sovereignty on specified topics, as Federal nations' constitutions provide for national laws on certain topics to override State sovereignties.
- (3) Expanded world court functions to interpret world law.
- (4) Executive power to disarm all nations at a balanced rate, divert arms spending and set up a world civil force to police the peace and enforce world court decisions ..."

Dr. Everingham, a sincere if misguided Minister in the Whitlam A.L.P. administration, was not a lone voice on the question of world law. The World Association of World Federalists was soon to give way to the more potent *Parliamentarians for World Order*, which linked up six existing parliamentary groups for world law in Japan, Britain, Canada,

India, France and Norway. By the time of its official establishment in 1981, *Parliamentarians for World Order's* membership included 110 British politicians, 130 from Canada, 40 from France, 15 from India, 160 from Japan, 35 from Kenya, 20 from New Zealand, 9 from Norway, plus individual members in the U.S., the Netherlands, Zambia, Zimbabwe, Australia, Denmark, Thailand, Ireland, Nigeria and the European Parliament. Whether or not there were many official Australian members, the organisation's programme was vigorously pursued by the Whitlam government.

Parliamentarians for World Order has since changed its name to *Parliamentarians for Global Action*. The A.L.P. backbencher, John Langmore, is one of its Councillors.

Eleven years later the well-known Australian journalist, the late Maxwell Newton, wrote a feature article in the January 31, 1989, edition of *The Australian*, headed "TOWARDS A GOLDEN WORLD". He said:

"While you are all beginning to stir next Saturday morning, getting ready for the beach or golf, a meeting will be taking place in Washington which could make you richer or poorer. What is more, you don't get to elect any of the men who are going to have so much to do with your material well-being. Some participants at this secret cabal may have names familiar to you, some you may never have heard of. They all have one thing in common — they have a very, very big say in your material well-being. They have names like Alan Greenspan, Robin Leigh-Pemberton, Karl Otto Poehl, Jacques de Larosiere, Satoshi Sumita and John Crowe. They are the leaders of the world's central banks . . .

The central bankers have a dream; they dream of a world where currencies will have stable values in relation to each other. The dream is that with stable currencies, the whole world financial system will gently glide onto a smooth growth path where inflation, stockmarket crises, recessions and high interest rates will disappear. In this sanitised, cool world, we will come upon a new millenium, a millenium called a New Gold Standard.

Currencies, tied to each other by a golden rope, will not fluctuate and will come to bear a constant value in terms of gold. Gold prices will cease to fluctuate because there will be no need for gold any longer to provide the standard of measure that in the long run has kept governments and central banks honest.

Eventually, commodity prices, (such as those for wool, lead,

zinc, copper, oil and coal, on whose prices Australia's destiny ultimately rides) will also glide smoothly down the soft green sward of the Wonderful World of Currency Stability.

It may seem incongruous but one can imagine that within the breast of Alan Greenspan, the slight, stooped chairman of the Federal Reserve, there beats a burning desire to stand up, like Martin Luther King in Washington, to declare:

"I have a dreammmmm."

And the multitudes will cry out unto him:

"Yo, Alan, Yo, Yo, Yo - Give us our freedom, brother."

The dream is of a new world in which all men will be free to carry on their work and their trade, never again fearing that currency or inflation violence will intrude.

Don't underestimate the dreams of bankers or bureaucrats; they may look like straight guys but they have big dreams that often emerge from the world of the imagination to have big, often ugly, results for those of us who are not asked for our opinion. . . .

. . . It is an old dream, one that has been handed down from generation to generation. The dream is that there will be one world of money, with one standard of value, and that will be gold. Gold will keep us free"



"I have a dreammm. . . ."

Maxwell Newton's article brought no response from any Member of Parliament of any party at the time.

However, a former Member and one-time Minister for Aboriginal Affairs in the Fraser government, the Hon. W.C. Wentworth, replied with a letter so significant it is worth republishing in full:

Letters to the editor, *The Australian*, February 7, 1989.
(GPO Box 4162 Sydney, NSW. 2001).

The haunting echo of 1929

SIR — Max Newton (*The Australian* 31/1, Towards A Golden World) reminded us of the importance of the World Central Bankers' meeting about to take place in Florida, and told us of the central bankers' dream.

For me, this raised haunting memories and disturbing doubts. In July, 1929, Montague Norman, then Governor of the Bank of England, told me, in personal conversation, of his dream for the world. It was word for word the same as Max's account of the central bankers' current dream.

Who can forget the crash of October 1929 and the "Thirties Depression which followed, as a consequence of trying to translate this dream into reality?

Let me put on record how this personal conversation came about.

In 1929 I was a member of the Oxford and Cambridge athletic team, visiting America to run against American universities. Late in July we split up to return, and I, together with some other members, boarded a smallish passenger vessel in New York. (There were, of course, no aeroplanes in those days.)

A fellow passenger was "Mr. Skinner" and a member



W.C. Wentworth, "Beware central bankers. . ."

of our team recognised him. He was Montague Norman, returning to London, after a secret visit to the US Central Bank, travelling incognito.

When we told him we knew who he was he asked us not to blow his cover, because if the details of his movement were made public it could have serious financial consequences. Naturally we agreed and on the days fol-

lowing, as we crossed the Atlantic, he talked to us very frankly.

He said, "In the next few months there is going to be a shake-out. But don't worry — it won't last for long."

He then went on to tell us of the dream which he and his US counterparts had for the world. It could be put in the words Max used to describe the current dream of world central bankers.

"In the new world currencies will have a stable value in relation to each other.

"With stable currencies the whole world financial system will gently glide on to a smooth growth path where inflation, stock market crises, recessions and high interest rates will disappear.

"In this sanitised, cool world we will come upon a new millennium called a New Gold Standard."

I can almost hear Montague Norman now, for that is what he said in July, 1929.

We were immensely impressed — do you blame us?

Here was the most important figure in the financial world, talking confidentially to us and we were very young.

The October crash three months later ushered in the world Depression, the ravages of which were only halted by Roosevelt's New Deal.

When Congress spragged

the President, world recovery faltered, to be revived by war preparations and the 1939 War. No sane person would hope for these last remedies today.

Ever since the Depression I have ceased to place unquestioning trust in the wisdom of central bankers and I cannot hope for a revival of my faith even today.

Is the centralised world economy towards which they are working really appropriate to the present world where there are still separate sovereign nations, each pursuing its own national interest and where there are very different political systems and living standards?

Will low-wage countries always have low productivity so that the developed nations need not fear low-priced imports? Do stabilised exchange rates impose intolerable rigidities upon the world economy and preclude the adjustments which would avoid local unemployment? Should a country allow free trade when it means buying goods which cannot be paid for?

These are only a few of the disturbing questions which should arise. Let us hope that this week, when the central bankers of the world meet in Florida, they will keep them in mind.

W.C. WENTWORTH
Sydney.

Both Maxwell Newton and Bill Wentworth had touched on the edges of an unfolding programme which has been slowly but remorselessly edged into place throughout the 20th Century. The fact that such a programme exists was exposed beyond all argument with the publication of the work *"Tragedy and Hope: A History of the World In Our Time"*, authored by a man widely regarded as the United States' most eminent historian, Professor Carroll Quigley.

His book was published by the famous MacMillan Company of New York in 1966. Quigley's *"Tragedy and*



The late Dr. Carroll Quigley, whose monumental "Tragedy and Hope" documented the existence of a money-power conspiracy.

Hope" documented aspects of a programme which many before him had suspected, but were unable to document to any extent. Quigley himself, who was in some sympathy with the objectives of the programme, had been given access to the papers of a world-wide banking and finance organisation which was consciously working towards world government.

Such information might well have been confined to a very small readership had it not been discovered by some populist researchers, who exposed Quigley's work to the scrutiny of a huge grass-roots readership.

The publication of a small paperback, *"None Dare Call It Conspiracy"*, with a print running into the millions, focussed enormous attention on Quigley's work.

Faced with this unsuspected development, Quigley's *"Tragedy and Hope"* became unobtainable. MacMillan announced there were no plans to reprint. Copies vanished from public libraries. The book was changing hands for up to

\$400 a copy. With prices like these, it wasn't long before pirate editions began to appear.

Quigley himself was bewildered by what had happened. He could not understand why he could not get the book reprinted, even though all stocks were exhausted. In a personal letter dated December 9, 1975, he wrote:

"Thank you for your praise of *Tragedy and Hope*, a book which has brought me many headaches as it apparently says something which powerful people do not want known. My publisher stopped selling it in 1968 and told me he would reprint (but in 1971 he told my lawyer that they had destroyed the plates in 1968.) The rare book price went up to \$135 and parts were reprinted in violation of copyright but I could do nothing because I believed the publisher and he would not take action even when a pirate copy of the book appeared. Only when I hired a lawyer in 1974 did I get any answers to my questions to my publisher. . . ."

In another letter, Quigley wrote of his publishers:

"They lied to me for six years, telling me that they would reprint when they got 2,000 orders, which could never happen because they told anyone who asked that it was out of print and would not be reprinted. They denied this to me until I sent them Xerox copies of such replies in libraries, at which they told me it was a clerk's error. In other words, they lied to me but prevented me from regaining publication rights. . . ."

Elsewhere in the same letter, he wrote:

". . . I am now quite sure that *Tragedy and Hope* was suppressed although I do not know why or by whom. . . ."

What was it that Quigley had written which prompted such extraordinary efforts to prevent the distribution of his book?

Not only did Professor Quigley confirm there was a long-term plan by an inside international banking group, aimed at centralisation of power on a world scale, but he had been given personal access to some of the private papers of those

concerned. In his own words:

"I know of the operation of this network because I have studied it for 20 years and was permitted for two years in the early 'sixties to examine its papers and secret records I have objected, both in the past and recently, to a few of its policies . . . but in general my chief difference of opinion is that it wishes to remain unknown. . . . The names of some of these other banking families are familiar to all of us and should be more so. They include Baring, Lazard, Erlanger, Warburg, Schroeder, Seligman, Speyers, Mirabaud, Mallet, Fauld and, above all, Rothschild and Morgan. . . ."

It is obviously clear that national governments would not willingly relinquish control of their sovereignty unless under enormous pressure and threat of crisis.

Such a crisis now exists — unprecedented in the annals of human history. The world has been preoccupied with the monumental debt structures of Third World countries since the early seventies.

By the end of 1990 the total debt of the Third World had passed \$US 1.3 trillion, an increase of 30% in just three years. Debtor nations had total arrears of \$26 billion on interest on that debt; in other words, they were failing even to meet interest payments, the arrears simply being added to already unpayable debt.

The Financial Review (October 4, 1990) pointed out that much of the debt was owed to private banks, and that:

" . . . the swelling of arrears has drawn concern from the International Monetary Fund, where some officials complain that banks are successfully pressing the IMF to become their debt-collection agency . . . "

Yet the Third World is only one part of the global debt disaster. Little need be said about the obvious breakdown in the USSR and its former satellites. Huge debt packages of up to \$20 billion at a time are being organised by increasingly reluctant lenders to tide the moribund Soviet empire over from month to month.

The industrial West faces the same debt disease. By mid-

April, 1991, the Federal Government debt in the U.S. had topped \$US 3 trillion — over \$12,000 for every man, woman and child in the country. In the same month the U.S. House of Representatives voted for a budget deficit of a further \$290 billion — a further \$1,200 for every person. The United States, like Australia, has amassed a huge foreign debt, which by the end of 1990 had topped \$670 billion (\$A.850 billion). There is widespread concern at the growth in foreign ownership, overseas investment running at \$400 million in 1990.

Canada's debt crisis is critical. With a population only half as big again as Australia (25 million), Canada's National Debt by mid-1990 had topped \$C.351 billion — over \$14,000 for every man, woman and child. This year it is planning for a budget deficit of \$C.34 billion — over \$1,350 additional debt for every person.

The much-touted Japan, while having a large trade surplus, which it is converting into foreign investment on an unprecedented scale, nevertheless has major internal debt problems. In mid-July 1989 *The Australian* (July 25) reported:

“ . . . Since the early 1970s, Japan has not been Gladstone-pure in any stand against deficit financing. With a large public construction program to finance, it has in some years been issuing deficit-covering bonds like a drunken sailor. As a proportion of gross national product, Japan's outstanding public debt is even bigger than that of the United States (58% versus 55%).

Australia has not lagged behind in the debt-escalation stakes. Currently, the Gross public debt is approximately \$A114 billion — about \$6,500 for every living Australian. Of the public debt approximately one-third is owed to foreigners. High levels of taxation, and the highest interest rates in the world have led to record overseas borrowing by the private sector. The result is a net foreign debt in the region of \$130 billion, escalating at an average of \$1.5 billion every 30 days. Australia has an external debt to GDP ratio of 40%, placing it amongst the highest foreign debtors in the world.

Bad though it is, Australia is better off than New Zealand.

Writing in *The Australian*, April 5, 1991, Gregory Clark described New Zealand thus:

“... The economy is completely flat. Travelling round the country one soon finds out why. The stores are clogged with imports. The companies that used to make goods that competed with those imports have gone out of business. There has been no compensating rise in exports. The economy is being sucked remorselessly into a downward spiral from which there is no obvious exit . . . On my last day in Auckland, someone recommended the Victoria Park Market as a scene of economic activity. In a jumble of tiny stalls, people were trying to sell New Zealand-made processed goods — thick woollens, woodwork and knickknacks — in competition with foreign products. It was hopeless. Leather jackets — an obvious upmarket processed manufacture, were being undercut by Korean and Pakistani products at least 30 percent cheaper. Filipino furniture beat the local product hands down . . .”

The tragedy is that New Zealand's present plight was entirely predictable. On eleven separate tours of New Zealand made by the author over the same number of years between 1970 and 1986, the remorseless destruction of small industries and, latterly, New Zealand family farms, caused by insane taxation and borrowing policies by both National and Labour administrations has been strikingly obvious.

Australia seems bent on the same self-flagellation. John Carroll, writing in *The Australian* on March 6, 1991, made the point that “more than half our manufacturing capacity has been destroyed since 1974”. The result was that in 1990 we imported \$20 billion more than we exported. Many of the items imported we used to produce ourselves.

The decimation of our family farms, from just under 300,000 in the latter part of the '60s to 125,000 in early 1991 has now landed us with a growing food-import bill, currently running at an annual \$1 billion, to add to our foreign debt. In 1990, 2,142 companies and nearly 5,000 individuals went through the bankruptcy courts, an increase of over 26% on the previous year. The figure is expected to escalate dramatically in 1991.

The same tragic situation exists in the United Kingdom.

The Financial Review (April 3, 1991) reported:

"Recession is likely to lead to the collapse of more than 40,000 businesses this year in England and Wales, according to the latest report In the first three months of the year nearly 8,000 businesses failed, up more than 67 percent on the first quarter of last year About 25,000 businesses collapsed last year, an increase of 35 percent on 1989"

While farmers, businessmen, tradesmen, workers, housewives and school-leavers may not have all these figures at their finger-tips, they know well enough that we are in deep trouble. The evidence is all around them. Every rural community in Australia has had its quota of economic casualties. Men who have worked hard and efficiently all their lives — foregoing many of the amenities taken for granted in our cities — have trudged off the land, leaving shattered dreams and, more often than not shattered families behind them. Their bitterness has been compounded by thoughtless and shallow spokesmen in the political arena and economic faculties who have loudly proclaimed that casualties were simply "inefficient" and that rationalisation was simply a "streamlining" procedure which would herald a stable and prosperous tomorrow. A quarter-of-a-century of this sort of nonsense has shattered the credibility of the argument and its advocates. Unlike the farmers, however, the policy-makers have never been asked to bear any responsibility for their mistakes.

Likewise, Australia's manufacturing sector has been decimated — either driven to the wall, or taken over by corporations which are international in character, using borrowed funds to finance a never-ending process of agglomerations, nearly all of it raised in foreign loans. Disillusioned engineers, designers, inventors, builders and manufacturing experts have left the industrial scene, sickened by the impossibly starry-eyed economic planning, with its attendant mass of petty regulations, promoted by theorists who are convinced they can design a perfect world, but who have never actually got their hands dirty with a spanner, a hammer or a welding-machine.

The social effects of such policies have been disastrous. A society which penalises the industrious and the innovators to prop up the increasing number of economic casualties can only destroy the incentives which provide prosperity and result in freedom. The symptoms, too numerous to describe 'in toto' include: an increasingly alienated youth, deprived of vision and challenge, which diverts its energy into sub-cultures — drugs, crime and rebellion; an ever-declining middle class which is faced with the contrived futility of genuine free enterprise on a playing field where the successful are financially 'mugged' while the referee applauds; a situation where the adult wage no longer supports a family, so that two incomes merely prolong an agony in which the chief victims are children; where politicians and industry representatives are — even though it may be half consciously — regarded as 'the enemy', whose indulgent lifestyles, corrupt practices and constant preaching are a rather tasteless joke, now repeated too often to retain its humour.

These symptoms are common to all major western nations — all of which are now the pawns in a grandiose scheme for world government, which is touted as a way to solve the very problems its own programme has largely created.

the New World Order programme

As the world moved out of the 'sixties into the 'seventies, the field of international relations was increasingly dominated by conferences at two levels — firstly, traditional conferences between heads of State aimed at resolving specific disputes; the Camp David meetings between Begin and Carter on the Middle East, or the Strategic Arms Limitation (SALT) talks, for example. And secondly, multi-nation conferences, generally under the auspices of the United Nations or its agencies, such as UNCTAD, UNESCO, UNIDO, the IMF and others. The frequency and scope of the latter has been stepped up to such a degree, and the volume of literature in the form of books, pamphlets, reports and statements has become such an avalanche, the continuing process of



The United Nations building in New York.

“eating, meeting and retreating” has earned its own name — the North-South Dialogue.

The issue which has provoked this ever widening planning process was the issuing, by the United Nations Sixth Special Session in April 1974, of a “Declaration on the Establish-

ment of a New International Economic Order.

To attempt the listing of the conferences held in the 17 years since then, and a summary of the printed material which has spewed forth across the world as a result, would require a book on its own. The dialogue process has created its own industries, Think-tanks and planning bodies. The ostensible reason offered for the necessity of such an Order is the economic and financial 'malaise' of the Third World (the 'South'). That malaise is real enough. The Third World debt at the beginning of the 'seventies was about \$120 billion. By the mid-eighties it had climbed to \$700 billion. By 1990 it was \$1.3 trillion.

Nations such as the Philippines, Venezuela, Brazil, Chile, Mexico, Argentina, Nigeria, Zaire, Tanzania, Vietnam and others are, in real terms, bankrupt. "Debt rescheduling" has become a process where new loans are negotiated simply to service old ones. Increasingly, such rescheduling is conducted under the auspices of the International Monetary Fund (the IMF) which is laying down such draconian conditions for loans that social stability is destroyed. The situation in Central America is due — at least in part — to the appalling terms demanded by the money lenders.

the proposals

The proposals round which the huge dialogue has revolved can be summarised thus:

- (1) The IMF and the World Bank to be reconstituted as a World Central Bank, or global lender of last resort, with power to control monetary and fiscal aggregates, government deficits, exchange rates and the direction of investments universally.
- (2) The establishment, under UNCTAD's "Integrated Programme for Commodities" of international control over the production, pricing and distribution of the world's foodstuffs, fibres and minerals. This has now been ratified by a number of the world's major trading nations — including Australia — and is in process of being established.

- (3) A major transfer — resulting from the Lima Declaration which was made at the United Nations Industrial Development Conference (UNIDO) in Peru in March 1975 — of industrial resources from the western industrial nations to under-developed Third World countries.
- (4) The replacement of the \$US with a new international unit of currency, to be created and controlled by the proposed global monetary authority referred to in (1).
- (5) The introduction of either an international income tax, or a levy on international trade, for the financing of the NIEO programme.

— plus a number of other provisions, such as an International Law of the Sea, for the control of seabed mineral production, and a New World Information Order to control international media reporting (this last being pushed, against increasing western resistance, by UNESCO).

The programme is, in short, aimed at a type of world government, quite obviously involving a large and increasing diminution of national sovereignty amongst member-nations.

The New International Economic Programme (NIEO) was simply the economic part of a larger whole, ultimately aimed at the complete social order on a global basis. The thinking appears in Dr. Everingham's letter, quoted earlier. Such matters as education, the environment, disarmament, ethnic affairs, human rights, sexual, racial and religious equality, immigration and the status of refugees — to name but a few — were all increasingly seen as being within the province of supra-national (i.e. "above nations") policing. This whole made up what is called the NEW WORLD ORDER.

a World Central Bank

To take NIEO first:

The setting up of a World Central Bank, and the issue of a single world currency obviously involves the acquisition of a responsibility which has hitherto belonged exclusively to

national governments. As the famous U.S. President Abraham Lincoln once described it:

"The privilege of creating and issuing credit is not only the supreme prerogative of Government, but it is the Government's greatest opportunity."

The Australian Constitution was quite specific about the matter. Section 51 set out the responsibility:

"The Parliament shall, subject to this Constitution, have power to make laws for the peace, order, and good government of the Commonwealth with respect to:-

- (iv) Borrowing money on the public credit of the Commonwealth.
- (xii) Currency, coinage, and legal tender;
- (xiii) Banking. . . .
- (xvi) Bills of Exchange and promissory notes:

The fascination of the power to issue and control world money has obviously waxed large in the minds of the scheme's designers. In 1967 the Executive Governors of the International Monetary Fund, meeting in Rio de Janeiro, passed 'legislation' for the establishment of a new type of reserve currency called *Special Drawing Rights* (SDR's). Article 1(v) of the IMF's policy stated that their purpose was:



Abraham Lincoln: "Governments should create the nation's money"

- "(v) To give confidence to members by making the Fund's resources temporarily available to them under adequate safeguards, thus providing them with opportunity to correct maladjustments in their balance of payments without resorting to measures destructive of national or international prosperity."

But what are *Special Drawing Rights* (SDR's)?

Special Drawing Rights

Pierre-Paul Schweitzer, at that time Managing Director of the IMF, in the Arthur K. Salomon Lecture that year said:

"These Special Drawing Rights, created, as it were, by a stroke of the pen, will be essentially entries in the books of the Fund. (The IMF). . . ."

Some people like to think of them as money, others as a form of credit. As Dr. Emminger, the former Chairman of the Deputies of the Group of Ten has aptly put them, they are a sort of zebra which can with equal accuracy be described as a white animal with black stripes, or a black animal with white stripes. The material point is not how they are named, but what can be done with them. . . ."

Much of the planning for world monetary control can be found in the papers given at the Per Jacobsson Foundation lectures. Per Jacobsson had been Managing Director of the International Monetary Fund in the '50s, and the Foundation was established on his death in 1963. In 1970 the paper was given by William McChesney Martin Jr., Chairman of the Board of Governors of the Federal Reserve System in the U.S. (1951-1970). His address was called "Toward a World Central Bank?", from which emerged the following remarks:

"Let us begin with the money-creating function of a central bank. We have already taken note of the SDR mechanism and observed that the International Monetary Fund is now in the business of creating international money — official reserves — on a regular and systematic basis. . . ."

On the matter of sovereignty Mr. Martin said.

"One often hears it said that the existence of a world central bank is inconsistent with the maintenance of national sovereignty. So it is, if by sovereignty one means what has been traditionally implied . . . It could even be said that what were once the principal objectives of sovereign powers — the maintenance of economic prosperity and of effective defence — can now only be achieved by the acceptance of international arrangements which, by their very nature, impose limitations on the sovereignty

of all the nations concerned Further evolution along the path toward a world central bank will require nations to accept further limitations on their freedom of independent action. . . .”

Such a statement must be balanced against the fact that the Australian Constitution nowhere contains any provision whereby a Federal Government can transfer the nation's sovereignty and freedom of independent action to any other power, international, supranational or otherwise.

Despite the obvious implications, Australia — guided at the time by Treasurer Leslie Bury — accepted the SDR programme with indecent haste, and began to denominate part of its reserves in the newly created international money.

The Club of Rome

During the same year as McChesney Martin's speech a new organisation, the Club of Rome, appeared. Within seven years it was making strident calls for world government. *The Australian* (May 17, 1977) reported:

“The economic and social future of the world is too serious a problem to be left to politicians, according to Dr. Aurelio Peccei. Dr. Peccei is president of the Club of Rome, a loose gathering of about 100 distinguished academics, businessmen and statesmen, which initiates occasional studies of international problems . . . The Club of Rome is involved in several projects aimed at offering solutions. The projects emerged from the proposals contained in a UN Charter of Economic Rights and Duties of States, and the resolutions adopted by the sixth special session of the UN General Assembly in May 1974. . . .”

The resolution was that which sought a New International Economic Order.

By 1979 the IMF was moving. *The Australian Financial Review* ((Sept 19, 1979) reported:

“Finance ministers of five leading Western nations agreed in principle at their secret talks in Paris last weekend to back a new plan to support the declining US dollar As a result of this agreement Britain, France, Germany, the United States and

Japan will now support a proposal to create a "dollar substitution account" in the IMF Under the proposed scheme, the countries exchanging dollars will receive new bonds denominated in *Special Drawing Rights*, the international currency issued by the IMF and sometimes called "paper gold". Meanwhile, the IMF will "neutralise" the dollars by withdrawing them from circulation on world currency exchanges There are fears that developing countries will boycott the scheme, arguing that the IMF should not relieve the United States of its foreign debts, while refusing to forgive developing countries their debts to European and US banks"

Steps to a single world currency

The idea of a single world currency in some international order gained momentum with a scenario outlined by Richard Cooper in 1984.

Richard N. Cooper, Maurits C. Boas Professor of International Economics at Harvard University, and author of "*The Economics of Interdependence*" set out his blueprint in a significant article which appeared in the Autumn 1984 issue of "Foreign Affairs" — the official journal of the Council on Foreign Relations (CFR) which has long been in the business of working for world government.

Cooper said:

"I suggest the creation of a common monetary policy and a joint Bank of Issue to determine that policy A single currency is possible only if there is in effect a single monetary policy. How can independent states accomplish that? They need to turn over the determination of monetary policy to a supra-national body The currency of the Bank of Issue could be practically anything. Most natural would be an evolution from the present U.S. dollar, making use of the extensive dollar-based world-wide markets. But if that was not politically acceptable, it could be a synthetic unit that the public would have to get used to, just as it had to get used to the metric system when that replaced numerous national systems. The key point is that monetary control — the issuance of currency and of reserve credit — would be in the hands of the new Bank of Issue, not in the hands of any national government, no matter what the

historical origin of the currency happened to be”

Cooper's remarks were simply an extension of the resolution of the Sixth General Assembly of the United Nations in 1974, which called for the introduction of a New International Economic Order. This anticipated that a merger of the World Bank and the International Monetary Fund would constitute the new world Bank of Issue.

On January 12, 1988, for the first time, a leading article in an Australian national daily (*The Australian*) openly canvassed the idea of a single world currency. The article was a re-print from *The Economist* (London).

Headed FROM THE FINANCIAL ASHES, A PHOENIX WORLD DOLLAR, it did not hide the implications. It said:

“ Governments are not ready to subordinate their domestic objectives for international financial stability. Several more exchange-rate upsets, a few more stock market crashes and probably a slump or two will be needed before politicians face up to that choice As time passes, the damage caused by currency instability will gradually mount. The trends that will make it increase are making the utopia of monetary union feasible. . . The “phoenix zone” would impose tight restraints on national governments. There would be no such thing, for instance, as a national monetary policy. The “phoenix” supply would be fixed by a new central bank, descended perhaps from the International Monetary Fund. . . . This would mean a loss of economic sovereignty. . . .”

Reassured, perhaps, by the fact there was no public expression of outrage at such an idea, *The Financial Review* of January 29, 1988, went a step further. In an article by P.P. McGuinness, headed STEPS TO A WORLD CURRENCY, the author reported:

“ It is being realised that the only long-term solution to exchange rate instability is a world currency The modern world is not far from seeing its first international currency, as distinct from a national currency, like the U.S. dollar, used for international transactions and reserve purposes. . . . Some 25 years ago American economist Robert Mundell put forward the idea of “Optimum currency areas”, that is regional or economic

groupings of countries which might develop common international currencies. . . . *The first stage in breaking free of international reserve currencies will be, however, to accept the need for supernational currency authorities.* The most obvious first stage for Australia, therefore, would be to move towards a common central bank and, ultimately, a common currency with New Zealand. This could easily be fitted into the framework of international reserve deposits with the I.M.F. Given the records of the two central banks, the obvious location for the headquarters of the new Reserve Bank of Australasia would have to be Wellington. (emphasis added).

Irreversible process

There is no possible way such central control could work without some disciplinary sanction to be used against nations which failed to toe the line. To believe that the New World Order is a programme from which it would be possible to withdraw after acceptance is wishful thinking. Sovereignty, once ceded, cannot simply be resumed. The proposed arrangements involve not only financial power, but political and military power. As Dr. Everingham pointed out, a world military police force is part of the process.

Four years after Mr. McChesney Martin made his remarks in Basle, Conrad J. Oort, Treasurer-General of the Department of Finance of the Netherlands, Alternate Governor of the IMF for the Netherlands and Chairman of the EEC's Monetary Committee, gave the Per Jacobsson Oration at Tokyo in October 1974 — six months after the U.N. Declaration for a New International Economic Order.

After pointing out the difficulties of stability in the EEC until there was complete political and financial union — to be achieved by 1980 — Mr. Oort said:

“ . . . The main pegs for international action in the Bretton Woods system were the adjustment of par value, which required Fund consent, and the granting of credit by the Fund.

The system has been criticised, among other things for inducing or permitting an excessive rigidity of exchange rates and for implying an asymmetrical treatment of deficit and surplus countries. The proposals of the Committee of Twenty aim at correcting both defects by strengthening the positive role of the

Fund on adjustment. Regular surveillance, assessment triggered by international judgement and by objective indicators, and a new political body to impose sanctions are proposed as improvements for the institutional framework of the future. . . .”

It must be understood that, in agreeing to accept the NIEO, member nations also agree to accept a body with the power to apply sanctions.

Bhaskar P. Menon, Information Officer, Centre for Economic and Social Information, the United Nations, in his publication *Global Dialogue — The New International Economic Order* makes this clear:

“ . . . A second less known function of the Fund is to formulate the rules of the monetary game which governments are asked to follow, and which, once they are accepted, the IMF is called upon to enforce. These rules are embodied in the Fund’s articles of agreement. First adopted at Bretton Woods, these articles have been amended only once, in 1969, to establish Special Drawing Rights (SDRs) a new form of Reserve Asset, also sometimes known as “paper gold”. On March 31st this year (1977) the Executive Directors of the Fund moved to amend the articles once again. They sent a series of proposed amendments to the Governors of the Fund who, after voting for them, submitted them to their governments for ratification. In many cases this requires parliamentary action, and therefore tends to take a year to eighteen months. The process is currently under way, and when 60 percent of the members, with 80 percent of the voting power, have signified that they accept the changes, the Articles will stand amended. . . .”

Among the proposed amendments are included:

The enhancement of SDRs.

“the new reserve asset which, it is hoped, will eventually become one of the principal instruments in the settlement of international payments deficits and in the accumulation of international reserves Governments will be able to use SDRs freely in dealings amongst each other, and no longer need to show the IMF that they have a special need to do so. . . .”

And: “The establishment of a Council of Governors”

The Council, in the words of Dr. Johannes H. Witteveen, Managing Director of the Fund,

“will have the function to supervise the management and adaptation of the international monetary system, including the continuing operation of the adjustment process and developments in the transfer of real resources to developing countries and to consider proposals to amend the Articles of Agreement.”

The Council Members would be Governors of the Fund, ministers of member governments or persons of similar rank.

Under the allocation of votes proposed

“total votes of the developing countries would rise (from 28 percent) to 33 percent, enough to give them at least a theoretical veto power over most operational decisions which require a 70 percent majority.”

Provision for sanctions

It seems to have been recognised for some time that provision for sanctions — and, obviously, an instrumentality to enforce them — was necessary to make a world money system operate. The *Financial Review* (28.9.72) reported, under the heading “US PROPOSES SANCTIONS TO ENFORCE MONETARY ORDER” as follows:

“US Treasury Secretary Shultz has proposed import surcharges “across the board” or other penalties as part of international monetary reforms for use against countries that persistently refuse to revalue their currencies or take other appropriate action when they have chronic balance of payments surpluses. Shultz, addressing the International Monetary Fund meeting in Washington, also advocated what he called more stringent standards of behaviour for countries permitting their currencies to ‘float’ at a time when they are accumulating more monetary reserves”

In the same year *The Herald* (Melbourne 20.6.72) reported:

“Japan is opposed to any plan to apply sanctions against nations which have balance of payments surpluses, Japanese

monetary officials said today. They said experts of the International Monetary Fund were suggesting that clauses for sanctions might be written into the IMF rules when they were revised to set up a new international monetary system. The viewpoint to IMF experts is that the present rules had clear-cut provisions to deal with deficit nations, but the burden should be equally shared by surplus nations . . . ”

An article by Jeremy Campbell, in London's *Evening Standard* (19.1.77) sums up the real nature of the NIEO proposition: it was, he said:

“a carefully controlled plan to reshape the whole world economic system. . . . the men who dream of ushering in this new planetary era are strategically planted at the highest levels of Carter's administration . . . ”

Campbell quoted Richard Cooper, Carter's Under-Secretary for Economic Affairs:

“The International Monetary Fund is the beginning of representative government at the global level in the future Cooper can see the IMF expanding to become a kind of central bank for the world, able to create money, not just borrow it. . . ”

Cooper was behind the times. The IMF had been creating money as McChesney Martin pointed out, for some time. Neither did Carter's men originate the concept. The Keynes Plan, on the Bretton Woods Agenda, outlined the concept of a World Central Bank, an international money system, and even coined the term “Bancor” currently being proposed as the name for the fully-fledged SDR once the NIEO has been effected. But he was right in saying that this was a step towards the elimination of national sovereignties, and the establishment of a World Government. It is this, above all, which should deter Australia's participation.

International control of commodities

It was also Keynes who, two years before Bretton Woods in 1942, outlined the concept for International Commodity Control in a memorandum: “The International Control of

Raw Materials". Although written in the war years — before the UN, the IMF or SDRs even existed — it was not until 1974, the year that the Sixth Special Session of the UN made its Declaration for a New International Economic Order that Keynes's memorandum was published.

The question occurs — how is it that decisions made in an international conference of the United Nations in 1974 — supposedly reached by democratic vote — concur so exactly with a memorandum written 32 years previously, and UNPUBLISHED UNTIL THE SAME YEAR AS THE DECISION? It is either coincidence, or long-term manipulation. Be that as it may, one aspect of the NIEO Declaration was the agenda for reform adopted at the UN Seventh Special Session in September 1975. Dr. Helen O'Neill, in her publication, "A Common Interest in a Common Fund" published by UNCTAD says:



John Maynard Keynes, developed the idea of a world central bank in the early 1940s.

"The Programme emphasises the necessity of effecting structural changes in five key areas of international economic relations if the long-term developmental needs of the poorer parts of the world and a more just and peaceful world order are to be realised.

These are:

Firstly, and most importantly, a new structure is needed to regulate world trade in primary commodities, with the objective of directing greater benefits to the developing countries in terms of prices, earnings, opportunities for processing and marketing, and control over their own natural resources, while at the same time ensuring continuity of supply for consumers at

reasonable prices.

Secondly, the external framework within which the industrialisation of the developing countries takes place needs to be reformed, by improving the mechanisms controlling the transfer of commodities, and by expanding the market opportunities in the developed countries for the exports of manufactured products from the less developed.

Thirdly, the international money system needs reform in order to bring it more into line with the long-term developmental needs of the LDCs.

Fourthly, there is the need to strengthen co-operation (in trade and in industrial and infrastructural planning) between the developing countries themselves so that, through a policy of 'collective self-reliance', the "peripheral" countries can reduce their excessive dependence on the economies of the "centre".

Fifthly, the NIEO calls for a *major expansion of trading and other links between the developing countries and the socialist countries of Eastern Europe.*"

Integrated programme for commodities

To achieve this, UNCTAD is now resolved on the establishment of International Commodity Boards under its "integrated Programme for Commodities" (IPC) which, as Dr. O'Neill points out, is a "crucial" part of the NIEO.

What commodities are under consideration?

Keynes, in his original 1942 memorandum, envisaged eight principal commodities — wheat, maize, sugar, coffee, cotton, wool, rubber and tin.

The UNCTAD IV Conference in Manilla in February 1976 broadened the range to include 10 "core" commodities — coffee, cocoa, tea, copper, tin, rubber, cotton, jute and hard fibres (the last including wool), and 8 "other" commodities — bananas, vegetable oils, meat, tropical timber, iron ore, bauxite, manganese and phosphates.

For each of these it is envisaged that International Commodity Boards be established, with power to control the market by financing buffer stocks, buying in when prices are low, and selling when prices rise. In conjunction, they would have power to put limitations on producing nations, transfer-

ring productive quotas from current producers to L.D.Cs.

When one considers that Australia, with 0.35 percent of the world's population, is first in the world in wool production, second in bauxite, third in iron ore, sixth in tin concentrates, seventh in wheat, seventh in sugar and ninth in copper, one can see the enormous implications for the economy of this country.

The present system of International Commodity Agreements (i.e. The International Wheat Agreement and the Sugar Agreement) are not sufficiently binding for the UNCTAD proposals, which are anticipated to involve both producers and consumers — in other words, that no transactions in the world for the 18 products listed could take place outside the control of the Commodity Boards. Dr. O'Neill puts it thus:

A "compulsory partnership"

"If it is accepted that the implementation of schemes to stabilise international commodity markets is a matter of world wide interest and if, further, international buffer stocks (since they operate through, and thus improve the market) are seen as an effective instrument of stabilisation (and there seems to be general agreement on this point) then the financing of such stocks must be done on a partnership basis, a *compulsory partnership basis*, by calling on consumers as well as producers to finance the stocking schemes. Further . . . an integrated programme for commodities, involving this simultaneous negotiation and implementation of a package of commodity agreements, operating through the markets, and preferably financed from one large fund, appears to offer a more appropriate mechanism than a set of individual and unco-ordinated agreements. This is the type of package which has been produced by UNCTAD in its Integrated Programme for Commodities, which is designed to regulate and stabilise world commodity markets and, thus, implement a crucial element in the New International Economic Order . . ."

Finance for the common fund

To finance this trade regulation, and the buffer stocks, a "Common Fund" is to be established, drawing its finance from two sources. An initial fund of \$6 billion is regarded as

necessary to start — with a debt-equity ratio of 2 : 1. In other words, \$2 billion would be subscribed by producing and consuming nations as paid-in capital; and \$4 billion would be borrowed. Doctor O'Neill says:

"The main sources from which the \$4 billion loan capital could be obtained are governments, international organisations and capital markets. All of these sources would, naturally, require guarantees. However, the main activity of the Fund (stocking) will be operated on sound commercial lines. This, in addition to the obvious collateral of the stocks of the individual commodity organisations, general government pledges and the ear-marking of a certain agreed proportion of the callable capital, should together provide sufficient security for lenders to the Common Fund . . ."

What are the "international organisations and capital markets" which UNCTAD sees as sources for loan capital? The very lending corporations which have engulfed both developed and under-developed nations in debts beyond their capacity to pay! Only this time they will be creating (as explained by Mr. McChesney Martin) and lending to an international body controlling all buying and selling of primary products and raw materials using the collateral of the nations themselves to safeguard their investments! It is the most breath-taking proposition ever put before mankind!

Is the finance thus raised to be used solely to pay for buffer stocks? By no means. UNCTAD proposes two separate accounts — one to finance the international buffer stocks, and the second for "other" functions. Dr. O'Neill goes on:

"These 'other' activities would include in accordance with the proposals for the Integrated Programme projects to promote diversification, increased productivity and infrastructural improvements in the commodity sectors of the developing countries. The impact on these economies would be, therefore, long-run and developmental. Because of this, there could be, so to speak, 'no end to them' and therefore no immediately quantifiable end to the funds needed to finance them . . . they "could be promoted by making available to local and regional groups (for example, agricultural co-operatives) finances from the "second window" (account) at very concessional terms. . . . The Fund

could play an important part in the co-ordination of international diversification schemes and prevent new situations of over-supply from developing. The UNCTAD proposals suggest that each commodity organisation could set up its own "diversification fund" which could borrow from the Common Fund's "second window" and then re-lend to member countries or, alternatively, the Common Fund could lend directly to the member countries, with the international commodity organisation playing a sponsoring and screening role. In both cases, international institutions could be used for project appraisal and supervision . . ."

Where would countries like Australia raise the finance to pay into the Common Fund? Dr. O'Neill has thought of everything!

"In addition to general taxation, or borrowing, other possible devices are the levying of duties on the imports or exports of the commodities covered in the programme. . . ."

Cost of administration

Dr. O'Neill's publication contains this gem —

"Because of the small number of borrowers (the individual commodity organisations) the staff, and thus the administrative costs of the Fund, would also be expected to be small"

Such a forecast flies in the face of every bureaucracy in existence. If the Common Fund became involved in lending directly to member countries, and both appraising and supervising developmental programmes, Dr. O'Neill's prognostication is an irresponsible flight of fancy.

But what would be the administrative costs of eighteen international commodity boards, controlling both production and consumption on a global scale? A cursory glance at the proliferation of national marketing boards and their bulging bureaucracies, is enough to make the mind boggle when contemplating the same thing on a world scale.

The idea of a Common Fund to finance buffer stocks for agricultural and other commodities, to iron out the wild price fluctuations of raw material exports on which the economies of many developing countries rely, emerged from

the fourth UN Conference on Trade and Development (UNCTAD) in Nairobi in May 1976. There was a quick, sharp polarisation between the developed countries, known as Group B, of which Australia is a member, and the developing countries known as the Group of 77.

The developed countries, notably West Germany, Japan and the United States, saw the Common Fund as a cartel that threatened to distort the market in raw materials, forcing prices up. They saw the developing countries' attempt to extend the idea of the Fund to pay for other measures related to commodities — such as disease-control programmes, improvements of storage facilities and marketing methods — as a sign that developing countries, especially poorly governed ones, would turn the Fund into a pork barrel to exploit without regard to cost.

The developing countries, in the face of what they see as the developed countries' refusal to take the fund idea seriously, have made the fund an article of faith, an ideological commitment.

Just after the 1976 Nairobi Conference, *The Financial Review* (30.7.76) reported:

"The heaviest artillery in the existing international economic order is aimed at the world's commodity markets. The have-not nations are shooting for a greater share of control over commodity pricing, more price stability and higher prices for a number of raw materials . . . With foreign aid in eclipse and increasing doubts about how long commercial banks can continue to finance those deficits, the poor nations argue that higher commodity prices will be necessary to fight the imbalance of international payments. . . "

Although the groundwork for the IPC and the Common Fund was laid in the 'seventies and early eighties, with enthusiastic pressure from Prime Minister Fraser during his term in office, the reluctance of the United States to commit itself held the programme back. But that may have changed. *The Financial Review* (March 23, 1991) reported:

"The United States, grappling to adjust to the dissolution of its post-war economic supremacy, is now resurrecting the idea of an all-powerful supranational institution for world trade, a con-

cept it spurned and buried more than 40 years ago.

The idea was originally advocated by John Maynard Keynes at the Bretton Woods conferences during and immediately after World War II. The U.S. rejected it then because it impinged on U.S. sovereignty, but the sheer frustration and narrow focus of present trade negotiations with Japan is reviving support for the old idea among some U.S. policy makers and trade critics.

Articles have appeared in academic journals, including the *Harvard Business Review*, and the ideas have been discussed by some congressional staff members.

"We need more than short-term bilateral talks on trade", said Mr. Walter Russell Mead, an economist and author of a recently published study of the post-war international economic system. "We need a reform of the post-war international economic system so that it recognises how integrated our national economies have become. After World War II, Keynes pushed for creating the World Bank, to stimulate global economic growth, and the International Monetary Fund to make short-term, balance-of-payment loans," Mr. Mead said, "As well as an international trade organisation to solve long-term trade problems, but it 'died in the cradle'.""

THE GREAT AUSTRALIAN SELL-OUT

The latter part of the 'sixties was dominated by an intense drought in Australia's eastern States, which in turn was followed by a collapse of wool prices as we entered the 'seventies.

The Liberal-Country Party Federal Government had held office for over 20 years, since the Menzies-Fadden government had gained the Treasury benches in 1949. Following Menzies' retirement, a series of mediocre leaders — Holt, Gorton, McEwen and McMahon — tried to revitalise a jaded government which had been too long in office. The charismatic Gough Whitlam appeared to be a new type of Labor leader, and loomed large in the political spectrum as the 1972 election approached. The slogan "It's Time!" echoed through Australia.

In May 1971, the shadow Minister for Primary Industry, Dr. Rex Patterson, published "*Labor's Federal Rural Policies*".

Dr. Patterson, a Fullbright scholar, and a farmer, was one of the few "old-school" Labor men. Faced with a major rural crisis which had already produced for the first time in Australia the infamous catch-cry "Get-Big-Or-Get-Out", Patterson tackled directly the major factors in the cost-price squeeze, and the need for emergency help resulting from the drought and the wool collapse.:

"There is ample proof to show that high interest rates are imposing severe burdens on export rural industries, just as they are on other sections of the community such as young home owners. A Labor Government would investigate the overall application of interest rates as they affect primary production and productivity, with the objective of providing low and reasonable interest rates to those soundly based rural industries on



*Former Liberal Prime Minister
John Gorton*

which the economic health of the nation greatly depends Labor believes that th the staggering increase in rural debts has now reached such serious proportions that federal action must be taken to stop the widespread collapse of many rural centres. In the last five years the indebtedness of the rural sector has increased by over 500%. Net rural debts have risen from the relatively low figure of \$120 million five years ago, to over \$1,250 million in 1970. In drought devastated Western Queensland, towns are dying, the drift to the city now includes experienced property owners and their families. The feeling of hopeless despair is spreading with alarming rapidity. . . .

Labor's debt alleviation policies would take the form of making available to potentially viable properties long-term, low-interest loans to pay off immediately the crippling high interest short-term loans, which many producers have been forced to accept from financial institutions and hire purchase companies.

At the same time a Labor Government will allow a holiday period of up to five years for potentially viable farmers as regards the repayment of principal and interest in order to allow farmers to strengthen their financial position"

This was the sort of robust directness which old-time Labor men, such as Curtin, Chifley and Calwell well understood. They were for the small Australian producer, the battling manufacturer and the home owner, as well as the working man.

Dr. Patterson made no bones about how he was going to finance such a project:

"Long term finance at low rates of interest is the backbone of Labor's rural reconstruction and rehabilitation policies. Such financing is fundamental to Labor's policies on housing, education, essential services, and the development of the nation's natural resources for the benefit of the Australian people.

Labor's long-term development policies and reconstruction policies will be financed through the Commonwealth Bank under the best possible terms and conditions which the nation can afford.

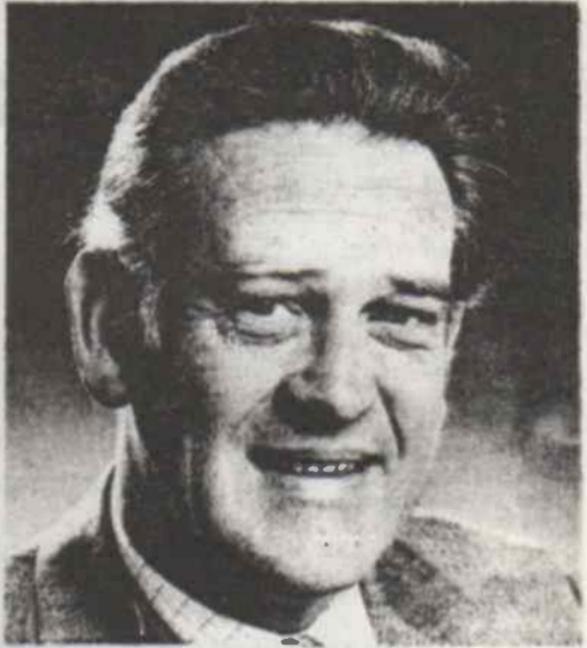
Labor is not tied, nor has it any allegiance to the private banking sector and hire purchase institutions, whose operations are based on the normal business objective of maximising profits and returns to shareholders.

Labor believes that a lowering of the rate of interest for

funds used for the efficient production of commodities, particularly for the earning of export income, will assist increased productivity. This in turn is necessary to counter the forces of inflation associated with full employment and growth. . . .”

The last sentence is particularly significant. Dr. Patterson made the point that *lowering interest* was a means of countering inflation — *exactly the opposite of the policies of the A.L.P. under Hawke and Keating, who claim raising interest rates is a counter-inflationary measure!*

But the Labor Party which swept into power under Whitlam was no longer the traditional Labor Party. Dr. Patterson never made it into the Primary Industry portfolio. His place was taken by Mr. Ken Wreidt.



A.L.P. Primary Industries Minister — Mr. Ken Wreidt.

What had happened to the old A.L.P.? The answer is that the ‘worker’s’ party had become the Fabian’s party — more closely aligned with the Socialist

International than its traditional roots. Ben Chifley’s “Light on the Hill” had been replaced with the vision of an international humanist Utopia.

Whitlam had two tasks: firstly to emasculate the States and concentrate as much power as possible into the hands of the Commonwealth; and secondly, to align Australia with the stream of international conventions now streaming out of the United Nations and its agencies.

Paul Keating, addressing the Victorian Fabian Society on November 11, 1987, said :

"... Whitlam's achievement in the late 1960s was to take the party by the scruff of the neck and drag it towards contemporary reality and the real interests of the workforce. He made Labor relevant again. His interest in the Constitution was drawn upon to frame a system of Commonwealth payments into areas of government activity which until then were the preserve of the States. . "

There was an earlier Labor man whose work Whitlam marked, learned and inwardly digested — Dr. Herbert Vere Evatt. Dr. Evatt had seen that the use of international treaties could well circumvent an Australian Constitution which otherwise acted as a dam-wall against socialism and centralism.



*Former Australian politician
Dr. H.V. Evatt — a passionate ad-
vocate of U.N. Treaty procedure.
Became U.N. President in 1948.*



*Whitlam's Attorney General
Lionel Murphy Q.C.*

Whitlam's appointment as Attorney-General, Lionel Murphy Q.C., was the prelude to a move to bring in a Human Rights Commission, as the first "Trojan Horse" of the full United Nations programme. The Senate, which Whitlam did not control, thwarted that move.

Whitlam, however, was a man in a hurry. In the 36 months his administration was in office, direct and indirect taxation increased from \$8 billion to \$17.5 billion. But his "largesse", extended to a bevy of off-beat groups from femi-

nist collectives to Sydney's Gay Mardigras, never reached farmers and manufacturers, who went to the wall in increasing numbers.

It was during Whitlam's second year of office that the UN General Assembly officially moved for the introduction of a New International Economic Order. This was followed by another United Nations Declaration whose philosophical base has wrought havoc on Australia's farmers and manufacturers — the *Lima Declaration*.

Transferring industrial resources

The basic suggestion was that the drastic plight of the Third World was due to the rapacious activities of advanced industrial nations such as Canada, the United States, Western Europe and Australia. The only way this could be rectified, the argument went, was to coerce the West into transferring industrial resources from its own economies to the Third World, and then to provide markets for Third World exports, buying back products which had once been produced domestically. Any suggestion that the usurious terms of the international banks had plunged the Third World into disaster before they were even self-sufficient were studiously omitted!

The period March 12–26, 1975 featured the Second General Conference of the United Nations Industrial Development Organisation (UNIDO), in Lima, Peru, resulting in the Lima Declaration. It provided the blueprint for what subsequently happened to Australia's productive sectors. Among its recommendations were the following:

- (35) "That special attention should be given to the least developed countries, which should enjoy a net transfer of resources from the developed countries in the form of technical and financial resources as well as capital goods, to enable the least developed countries in conformity with the policies and plans for development, to accelerate their industrialisation;"
- (41) "That the developed countries should adhere strictly to the principle that the Generalised System of Preferences must not be used as an instrument for economic and political pressure to

hamper the activities of those developing countries which produce raw materials;"

- (43) "That developing countries should fully and effectively participate in the international decision-making process on international monetary questions in accordance with the existing and evolving rules of the competent bodies and share equitably in the benefits resulting therefrom;"
- (52) "That the developing countries should devote particular attention to the development of basic industries such as steel, chemicals, petro-chemicals and engineering, thereby consolidating their economic independence while at the same time assuring an effective form of import-substitution and a greater share of world trade;"

In order to achieve the above recommendations, the *Lima Declaration* advocated the following Plan of Action:

- (59) The developed countries should adopt the following measures:
- (a) Progressive elimination of reduction of tariff and non-tariff barriers, and other obstacles of trade, taking into account the special characteristics of the trade of the developing countries, with a view to improving the international framework of the conduct of world trade . . .
 - (b) Adoption of trade measures designed to ensure increased exports of manufactured and semi-manufactured products including processed agricultural products from the developing to the developed countries;
 - (c) Facilitate development of new and strengthen existing policies, taking into account their economic structure, and economic, social and security objectives, which would encourage their industries which are less competitive internationally to move progressively into more viable lines of production or into other sectors of the economy, thus leading to structural adjustments within the developed countries, and redevelopment of the productive capacities of such industries to developing countries and promotion of a higher degree of utilisation of natural resources and people in the latter;
 - (d) Consideration by the developed countries of their policies with respect to processed and semi-processed forms of raw materials, taking full account of the interests of the developing countries in increasing their capacities and industrial potentials for processing raw materials which they export;

- (e) Increased financial contributions to international organisations and to government or credit institutions in the developing countries in order to facilitate the promotion of financing of industrial development. Such contributions must be completely free of any kind of political conditions and should involve no economic conditions other than those normally imposed on borrowers."

To Section (e) was added the following rider:

"Urgent consideration of the question of re-scheduling of debt-servicing of long-outstanding debts, their conversion, if possible, into grants and granting favourable treatment to the industrial and financial requirement of the developing countries most seriously affected by the present economic crisis. . . ."

Giving our money away

Once these demands were in place, pressure was generated through the United Nations for Developmental Assistance from Developed countries to achieve the objectives. It was stressed that Assistance should either be in the form of grants or interest-free loans, linked to preferential import policies for Developing nations. A background paper submitted by the Department of Foreign Affairs to the Senate Standing Committee on Foreign Affairs and Defence, which was investigating "The implications for Australia's Foreign Policy and National Security of proposals for a New International Economic Order", in August 1978, said:

". . . . Some countries, notably Canada, Sweden and the Netherlands, announced that they would be converting previous official loans to the least developed countries (LLDCs) to grants. The U.K. also announced its intention to consider this action, and in August 1978, announced the cancellation of debts owed by seventeen of the world's poorest countries amounting to \$A1.5 billion. Australia grants its ODA (Official Development Assistance) almost completely in grant form. Loans have only been made where it has been clear that the recipient country will be able to accommodate the repayment burden. Six official loans, totalling \$A27.9 million, have been extended to Fiji and Papua

Guinea, and neither country has sought any variation in its liability. As a relatively small creditor, Australia has not contributed significantly to the debt burden of developing countries, and it has played a limited role in discussions on debt relief Australia fully realises that the quality of aid is as important as the quantity and in the Development Assistance Committee and other international forums it has consistently urged upon other donors the need for their terms of aid to be softened as much as possible. Because it extends its aid almost completely in grant form (100 percent in recent years) Australia has had no difficulty in meeting and accepting any increases in terms targets Australia accepted the Lima Declaration and Plan of Action on Industrial Development and Co-operation, but with certain qualifications. While Australia will assist in the acceleration of industrial development in developing countries, Australia believes that the related process of change in the developed countries needs to be gradual, as well as politically and economically manageable. . . ."

(Presumably this means Australia will close down its own industries *gradually*, rather than too quickly! — author.)

Unprecedented mandate

Within less than 36 months the Australia which had so enthusiastically turned to the Whitlam government could not wait to see its back. Never did an incoming administration have a stronger mandate to put the nation back on a sound footing than did that led by Malcolm Fraser in December 1975.

Its failure to do so was deplorable.

Fraser himself merely continued where Whitlam had left off. His coalition established the very Human Rights Commission which it had thwarted Lionel Murphy from establishing. Fraser's Attorney-General Bob Ellicott signed both the World Heritage Act, subsequently used to subvert the Constitution in the Tasmanian Dam case, and the Convention for the Elimination of Discrimination on the basis of Sex, Marital Status, Race or Religion.

Fraser assumed the role of international champion for the Integrated Programme for Commodities and the Common

Fund. At the June 1977 CHOGM in London, he was instrumental in setting up a "Commonwealth Experts" Committee to report on the need for a Common Fund for international control of commodities. The Committee reported on October 21 that year, endorsing all the NIEO proposals for such a programme.

In May 1979 Mr. Fraser spent 5 days at the UNCTAD Conference in Manila. While there, according to Press reports, "Mr. Fraser criticised a number of powerful nations for their refusal to participate fully in the Common Fund of the UN Conference on Trade and Development. He committed Australia to an effective contribution, but did not put a figure on it. . . . Mr. Fraser was firm in denouncing the rise in protectionism and in new protectionist devices. This was despite Tuesday's strong attack on Australia's "protectionist" international civil aviation policy led by Singapore, and the ASEAN countries' critical view of Australian import quotas on textiles, clothing and footwear . . ."

By 1980 the destruction of Australian industry was speeding up. Whitlam had started the ball rolling with the first reduction in protection for the manufacturing sector, and a refusal to blunt the rural crisis. Fraser continued apace. Small manufacturers and farmers continued to go to the wall.

Monumental sell-out

At the end of September, 1981 there were signs that a few industrialists were catching on to the monumental sell-out pursued by Messrs. Fraser and Peacock in their courtship of the Third World. Just before the Melbourne CHOGM conference The Australian Industries Development Association (AIDA) warned that "Australians should keep their eyes open to the real motives and substance behind much of the rhetoric of the North-South Dialogue". (*Sydney Morning Herald*, Sept. 28th, 1981). AIDA pointed out that lower protection for Australian industries would hand our manufacturing base over to China, Taiwan and Korea.

It was pretty mild stuff really, and couched in language so diplomatic that it made little sense to the man in the street. But at least it showed a growing awareness of what was in store for Australian industry under Fraser's grandiose and un-Australian schemes.

Permanent damage to industry

The Chairman of ICI in his annual report, pointed out that preferential treatment to Third World countries would close Australia's manufacturing sector. He was followed almost immediately by Mr. Neil Walford, Chairman of REPCO, who spelt it out even more clearly in mid-February:

"... The Australian Government has long nurtured the hope that by creating an almost open market for the manufactured goods of other nations, we would win their favour and acclaim and secure export gains for our agricultural and mining industries. The realities are, of course, that the small size of our markets for their goods does not give us any significant leverage with those whom we would like to take more of our exports. So the sacrifices have been totally in vain, but we have seen only the beginning of the disaster which the move towards free trade will cause. . . . Under present policies, the basic infrastructure of Australian manufacturing industry will suffer permanent damage . . . There will be no way in which the thousands so caused to be unemployed will ever again get jobs as long as present policies prevail. The dispersal of skills, the financial crippling of corporations, the conviction in the minds of businessmen that never again will they undertake the hazards of manufacture and the long-term dedication which it requires, merely to see their life's work overturned; all this means that the damage will be permanent. . . ."

On January 26th, 1983, *The Adelaide Advertiser* carried an article by the former State Governor, Sir Mark Oliphant, which reinforced other warnings:

"... Now, 37 years after World War II, the get-rich-quick mentality dictates that the advances (*industrial - Ed.*) made during the wars should be thrown away, that development should concentrate upon the mirage of rapid riches from a great minerals boom, instigated with foreign capital and expertise, for the

benefit of foreign countries. In pursuit of export markets for these resources, local industries are being closed down in favour of imported manufactured goods of every kind, mostly surpluses dumped on to the Australian market by the more industrious Japan, Korea, Hong Kong, Taiwan and Singapore. In short, Australia has resorted to colonial status as a supplier of raw materials for more adventurous and harder-working nations. And, with this step backwards to the colonial age, has come a resurgence of interstate differences, each State demanding a larger share of Federal funds with which to sustain the good life of its citizens, without too much effort on its own part . . . ”

“ . . . Economists, and those controlling money, have persuaded people and their governments that development necessarily involves the creation of monetary debt. So most development is carried out with loan money, rather than out of income. The result is a piling up of debts, the interest on which, alone, is crippling many nations, while amortisation becomes a rapidly receding possibility, achievable only by inflationary decrease in the real value of the money borrowed. So great have many international debts become that nations are becoming bankrupt, with inflation rates of 100 percent or more. The barter system of the world, through money, is in danger of complete collapse, rather as happened in Germany after World War I. With governments as with individuals, there is something fundamentally unsound about spending much more than income, for it is impossible to be absolutely sure that a development will generate the expected increase in income.

The monetarist attempt to restrict spending, by large increases in interest rates, has been self-defeating.

When a farmer rebuilds a fence with the sweat of his own brow, in cutting and building posts, digging holes and straining wires, he does not charge himself for this labour or the posts. His reward is the asset he has created, as it should be for a nation. Provided that a development project involves no large component of imported materials, equipment or know-how, a nation such as Australia should be able to complete it with little or no debt accruing.

In return for the efforts of Australian workers, a valuable asset can be created which will continue to contribute to the economy for a long time. If the project is not as successful as expected, coming generations do not face intolerable debts which they cannot meet. In a sane world this would be logic. . . . ”

1983 return of Labor

So the Fraser government, which came in with so many Australian hopes, become as disliked as that of Whitlam. Bob Hawke had succeeded to the A.L.P. leadership and, in the build-up to the March 1983 election, distanced himself as far as possible from the Whitlam image.

The Shadow Treasurer, Paul Keating, campaigned prior to the election on the promise that he would never allow the entry of foreign banks into Australia. Hawke had some attractive bread-and-butter promises — reduction in the price of petrol, more jobs and lower taxes. Few Australians would have put money on the chance that such promises would be delivered, but “hope springs eternal” when it comes to voting — and Fraser was, by voting day, thoroughly disliked.

So March 1983 saw the return of another Labor government — in reality even more Fabian-dominated, and Socialist International-inspired than its predecessor. The 1982 A.L.P. Platform and Rules would have made Curtin and Chifley turn in their graves. It included:

- * Commitment to An Australian republic.
- * Commitment to changing the Australian Flag.
- * Commitment to the international democratic socialist movement as represented by the Socialist International.
- * Commitment to reducing the power of the Senate.
- * Commitment to reducing any independent power of action by the Governor General.
- * Commitment to the introduction of a Bill of Rights, based



Robert Hawke, who became Australia's Prime Minister in 1983 — a prominent Fabian and member of the Socialist International.

on the U.N. model.

- * Commitment to regionalisation in Australia, with the amalgamation of Local Authorities.
- * Commitment to the New International Economic Order.

Entry of foreign banks

No sooner was the A.L.P. in office than Paul Keating reversed his promise to prevent the entry of foreign banks into Australia. In fact, he welcomed them with open arms, claiming that greater competition would benefit Australian borrowers. Nobody believed him, but he was shortly after voted "International Treasurer of the Year" by *Euromoney* magazine.

He explained the reasoning in his address to the Victorian Fabian Society on November 11, 1987:

"... Within my portfolio eventual party support for financial deregulation, the float of the dollar and foreign bank entry stand out as relevant examples. These were measures undertaken not to make some foreign exchange dealer a big salary or to fatten the balances of entrepreneurs. They were taken to integrate the Australian economy with the rest of the world..." (emphasis added)

No political opposition

In reality, only one thing allowed the Hawke government to go on to three successive electoral victories — the complete lack of any political opposition. Both the Liberals and the National Party (which had changed its name from the Country Party, in the belief that a lick of paint on the cupboard door might somehow hide the bare shelves inside) had become so painfully devoid of any ideology as to be idiotic. The National Party, especially, should have hung its head in shame at the destruction of its rural base. The old Country Party — with men of the calibre of Artie Fadden McEwen, and Dave Drummond of New England — had long since gone, to be replaced with a bevy of brash and politically illiterate hacks, whose only desire was to stay in office at any price.

Both Hawke and Keating were critically aware how fortunate they were that the Opposition parties were so impotent, and said so to their Fabian colleagues. In his now-famous speech to the Fabian Centenary Dinner on May 18, 1984, Hawke said:

“ . . . One of the great paradoxes of Australian politics is that the parties and forces of conservatism and reaction — for all their self-proclaimed loyalty to tradition — have no real continuity and no true sense of continuity. And without a sense of continuity — in the case of individuals or parties or movements or nations — there can be no true sense of identity.

I believe it is precisely because our adversaries lack that sense of their own continuity, and in a deep sense, their own identity, they are obliged to seek it outside themselves — in other institutions, and even other nations. And that I believe explains, at least in part, much of their current conduct — their lurches, not only in search of a policy, but in search of an identity. . . ”

In his November 1987 address to the Fabian Society, Paul Keating said:

“ . . . We should savour the opportunity of our recent third victory to reflect upon our success and why we hold the political ascendancy. The answer is that in the last five years we have shown greater rationality, intellectual consistency and more courage than our conservative opponents. Their failure to match us is why they are today still scrambling to find an identity and a policy framework . . . ”

On this point, both Hawke and Keating were discerning and right.

Farmers' last hope

Only one man — and at that stage he was not a politician — looked like providing some genuine leadership for Australia's producers and manufacturers. In 1985 Mr. Ian McLachlan, from an old pastoral family in South Australia, and a former State cricketer who had hovered on the edge of Test selection, had become President of the recently-founded National Farmers' Federation. Many producers, disgusted with the National Party's ineptitude, were flocking to his

leadership.

Invited by a desperate National Party Federal Council to address it in October 1985, McLachlan minced no words. Telling them bluntly they had a credibility problem, he added:

“It is no longer good enough to berate Labor socialists. You must provide an alternative . . . And the timetable for its implementation. . .”

A fighting fund

Cashing in on the drastic rural crisis throughout Australia during the following year — a crisis which produced huge protest rallies in Melbourne and Canberra — the National Farmers' Federation, under McLachlan's leadership, appealed for a fighting fund which delivered somewhere round \$13 million. This was a sum which outmatched all the political parties put together. Had McLachlan launched a campaign on some basics which affected everyone — lower interest rates, tax simplification and reduction, a drop in fuel prices, emergency relief for enterprises which would have been viable had it not been for outrageous and usurious increases in loan and mortgage charges etc. — he would have had not just the farmers, but the nation behind him.

But McLachlan was also on the board of a company which had multinational status, and had set its sights on the agribusiness arena — regarded by many as inimical to the concept of Australian-owned family farms.

Family farm attacked

The National Farmers' Federation invested most of the fighting fund, and confined its attention to an attack on union power which, while no doubt justifiable, did not really tackle the issue.

By 1987, under the heading “RURAL LEADER

ATTACKS FAMILY FARM CONCEPT", *The Age* of November 25 reported Ian McLachlan as saying Australia could not afford the luxury of preserving the family farm as a sacred institution.

Soon after, he left the National Farmers' Federation for the Liberal Party, being elected to the Federal parliament.

The National Farmers' Federation is currently regarded in the same way as the National Party in many areas of Australia.

Thus the Hawke government, deeply committed to the programme of the Socialist International and the New World Order, has continued on its way unscathed by the Opposition, which has yet to declare its hand on the question of Australian sovereignty and the future of the Constitution; or to offer a genuine policy which can restore the viability of our industries and Australian ownership.

But, as we approach the half-way mark in 1991, the same Hawke government is deeply resented by an electorate which can see the destruction of the social order, and the standard of living all around it.



McLachlan and the Fighting Fund map: money for the battle

PART III

"THE ARCHITECTS OF THE NEW WORLD ORDER"

Little understood by many, the unfolding programme for a single, centralised World Order has been remorselessly edged into place, piece by piece, both in the Western world and in the Communist bloc. It is only since the research work of Dr. Anthony Sutton, of the Hoover Institution for War, Revolution and Peace at Stanford University, California, has gained attention that the close financial and trade links between East and West since 1917 has been revealed, offering a more truthful picture than the one usually accepted.

Some background to key developments in the world government movement both in the West and behind what was once the Iron Curtain is important.

The 1917 Revolution

From the October 1917 revolution in Russia onwards, the USSR devoted enormous energy and resources to suborning the West's colonial structure in the heavily populated areas of Asia, Africa, the Middle East and Latin America (The Third World). The First International, in March 1919, drew attention to the colonial question in "The Platform of the Communist International", drafted by Bukharin. By the Second Congress of the Comintern, in July 1920, Lenin had himself drafted the "Theses on the National and Colonial Questions", which included these words: ". . . The Communist International has the duty of supporting the revolutionary movement in the colonies and backward countries only with the object of rallying the constituent elements of

the future proletarian parties — which will be truly communist. . .” This was summed up by Stalin, in a speech at Sverdlov University in April 1924, thus:

“Leninism . . . recognised the existence of revolutionary capacities in the national liberation movement of the oppressed countries, and the possibility of using these for overthrowing the common enemy, for overthrowing imperialism . . .”



Nikolai Lenin, who first advocated a plan for global direction in a New World Order, as confirmed by Soviet economist Ernest Obminsky in 1978.

Building the campaign

The First and Second Internationals, following so soon after the Revolution, were followed by the BAKU Conference in 1920, also entitled “The First Congress of the Peoples of the East”, and was in turn a forerunner of the Soviet-sponsored Afro-Asian Solidarity Conferences. A university was also established at Baku in 1921 for the indoctrination of student revolutionaries from the East.

The Third Comintern Congress, in May 1921, established

an "Eastern Commission" to formulate policy on the Negro Question. David Jones, founder of the Communist Party of South Africa (CPSA), focussed the Comintern's attention on the role South African Communists could play for the strategic penetration of sub-Saharan Africa. Specific instructions were given to the French Communist Party (CPF) to approach black troops in the French forces, rallying them "to the struggle against the colonial regime, and through them getting into touch with the people of the French colonies. . ." (*The Communist International 1919—1943*, J. Degras, Oxford University Press).

The Fourth Comintern Congress (Nov-Dec 1922) took the matter even further:

"Every Communist Party of the countries possessing colonies must take over the task of organising systematic moral and material assistance for the proletarian and revolutionary movement in the colonies. . . ." It placed special emphasis on Africa. . . "The Fourth Congress declares it the special duty of Communists to apply the "Theses on the Colonial Question" to the Negro problem also and to support "every form of the Negro movement which undermines or weakens capitalism, or hampers its further penetration. . . ."

The establishment of a "Peasant International" (Ho Chih Minh was a member of the Secretariat) was discussed. Three Special Committees — a National, Eastern and Colonial — were formed, and a "Negro Propaganda Commission", which had representatives from the Communist Parties of France, Belgium, Great Britain and the Executive Committee of the Communist International, received ten million gold francs from the Kremlin to support revolution in Africa (*Russia and Black Africa Before World War II*, Edward T. Wilson, Holmes and Meier, N.Y. 1974).

And expanding . . .

The Fifth Plenum of the Executive Committee of the Communist International (ECCI) in March-April 1925, the Sixth Plenum in March 1926, the formation of "The League Against Colonial Oppression" by Willy Munzenberg, head of

the German Communist Party in 1926, all led to a "World Anti-Colonial Conference" in Brussels in February 1927. Those attending included Pundit Nehru, Madame Sun Yat Sen, Ho Chih Minh and Lamine Senghor. Out of this in turn "The League Against Imperialism and For Colonial Independence", with headquarters in Berlin, and branches in Latin America, India and North Africa was established.

The Sixth Comintern Congress (July-Sept. 1928) showed the link between the anti-colonial campaign and moves to establish a world economic system. One section of its programme, under the heading "The Struggle for the World Proletarian Dictatorship and Colonial Revolutions" stated:

"Colonial revolutions and national liberation movements play an extremely important part in the struggle against imperialism and the conquest of power by the working class. In the transition period colonies and semi-colonies are also important because they represent the village on a world scale vis-a-vis the industrial countries, which represent the town in the context of the world economy. Hence the problem of organising a socialist world economy. . ."

This led to the "Hamburg Conference of Negro Workers" in July 1930, with representatives from America, the West Indies and British and French colonial Africa, which set up the International Trade Union Committee of Negro Workers, whose Secretary, George Padmore, was given an office in the Kremlin.

One year later, on September 24, 1931, the Communist Party of Australia's newspaper, *The Workers' Weekly*, published an article headed "Communist Party's Fight for Aborigines: Draft Programme of Struggle Against Slavery". It listed 14 points for revolutionary action, concluding with the 14th:

". . . The handing over to the Aborigines of large tracts of watered and fertile country, with towns, seaports, railways, roads etc., to become one or more independent Aboriginal states or republics. The handing back to the Aborigines of all Central, Northern and North-West Australia . . . These Aboriginal republics to be independent of Australian or other foreign powers. To have the right to make treaties with foreign powers, including

Australia, establish their own army, governments, industries and in every way to be independent of imperialism. . .”

(For further essential reading on this aspect, Geoff McDonald's highly important books *Red Over Black* and *The Evidence*, Veritas Publishing Co., Western Australia are recommended.)

Thus before the war enormous spadework had been done by the Comintern to meet Lenin's demands. The Lenin School of Political Warfare had been established in Moscow in 1926.

World War II

The Second World War did not reduce Communist revolutionary activity. The Comintern itself was dissolved by Stalin on May 15, 1943 to help the cultivation of his "Uncle Joe" image. But its functions were simply transferred to the Foreign Affairs Department of the CPSU. The Communist Information Bureau was established in 1947, with Bureaus for Africa and Asia. This in turn was dissolved in 1956, and replaced by three separate agencies run by the CPSU Central Committee, while a core "International Department" was run by a former Comintern Executive, Boris Ponomarev.

As the war ended, the Communists made strenuous efforts to establish sympathetic movements in the West, to strengthen their strategy on the Third World and Colonial questions. The result was a number of organisations such as The Movement for Colonial Freedom, first sponsored by a former Communist at the London School of Economics, Professor Harold Laski, in 1946; the Southern African Freedom group, formed in 1962, whose sponsors included Fenner Brockway, John Stonehouse, Jeremy Thorpe and Anthony Wedgewood Benn, who was also a founder-member of the Movement for Colonial Freedom, and the Anti-Apartheid Movement, formed in 1960.

As the era of the fifties opened, Communism was ready to shift its attention to a programme for some type of international order, built on socialism. The scramble out of Africa by the colonial powers was in its infancy. The first "national liberation" wars were in progress. Both the Malay-

an campaign against Communist guerilla leader Chin Peng, and the Kenyan Mau-Mau Emergency were in motion, to be followed in the next fifteen years by the Congo, Biafra, Ethiopia, Zanzibar, Cuba, Chile and Vietnam, as well as a growing struggle in the Middle East, to become the most dangerous of them all.

Moscow summit

The "international order" concept was first developed at a special Moscow Economic Conference, April 3-11, 1952. Lenin himself had foreshadowed this development to follow the anti-colonial programme in these words:



Pierre Elliott Trudeau, former Canadian P.M. -- led a Communist delegation to the Moscow Economic Conference in 1952.

"The more backward the country. . . the more difficult it is for her to pass from the old capitalist relations to socialist relations. To the tasks of destruction are added new, incredibly difficult tasks, viz. organisation tasks . . . the organisation of accounting, of the control of large enterprises, the transformation of the whole of the state economic mechanism, into a single huge machine, into an economic organisation that will work in such a way as to enable hundreds of millions of people to be guided by a single plan. . ."

(N.Lenin, *Selected Works*, vol. 7 pp.285-287.)

In 1936 the Comintern formally presented a three

stage plan for achieving world government:

- (1) Socialise the economies of all nations.
- (2) Bring about regional unions of various groupings of these socialised nations.
- (3) Amalgamate all of these regional groupings into a final world-wide union of socialist states.

It was described in these words, taken directly from the official 1936 Comintern programme:

“Dictatorship can be established only by a victory of socialism in different countries or groups of countries, after which the proletariat republics would unite on federal lines with those already in existence, and this system of federal unions would expand . . . at length forming the World Union of Socialist Soviet Republics . . .”

As a result of this Conference the Soviet delegate to the UN Social and Economic Council on July 15, 1953 declared that the USSR would assist developing countries by despatching technicians and contributing funds to UN development agencies. It was also the start of Krushchev's tactical “peaceful co-existence”. At the 20th Party Congress of the CPSU (1956) Krushchev emphasised the fact that, under “peaceful co-existence” the ideological struggle continued and it was understood as encompassing international class warfare, propaganda and subversion and “wars of national liberation”. This was, in turn, confirmed 12 years later at the huge “Tricontinental Conference” in Havana, Cuba, where the Soviet's national liberation programme was stepped up, with the ready compliance of China, in S.E. Asia, Africa and Latin America. The changing of the term “peaceful co-existence” to “detente” by Henry Kissinger in the 'seventies altered nothing.

Communist support for NIEO

But the USSR was also devoting more attention to the New International Economic Order, and, amongst a host of Soviet booklets, two in particular — Soviet economist Prof. Ernest Obminsky's *Co-Operation* and M.M. Maksimova's *USSR and International Co-operation*, printed in Moscow by Novosti in 1978 and '79 respectively, confirmed that NIEO was the materialisation of Lenin's concept. Indeed Obminsky, one of hundreds of Soviet officials working in the UN spelt it out clearly:

“. . . The approach to the question of the NIEO should be a strictly historical one . . . It is necessary to take into account

every aspect of the dialectical interconnection between the underlying tendencies of world development and individual links . . . The upsurge of demands for the elimination of the "old" economic order came on the crest of the steady change in the correlation of forces in the world in favour of socialism . . . The very nature of the present confrontation, when it all too frequently develops into a struggle against relations of exploitation, against the capitalist order, attests to its qualitatively different content. . . . the New International Economic Order cannot be anything but a mechanism possessing the ways and means of curbing the negative consequences of the capitalist method of production which is still continuing to function on part of our planet Equally obvious is the transitional nature of such a mechanism which can, nonetheless, in Lenin's words, make up an "entire epoch" in the period of transition from capitalism to socialism. Even during the preparations for the Genoa Conference in 1922, Lenin insisted on the maximum democratisation of the international economic order so as to achieve the maximum possible in conditions of the peaceful co-existence of the two world systems . . . the question of restructuring international economic relations on a just and equitable basis was originally put on the agenda of international affairs by the first socialist state in the world"(*Co-operation*, Ernest Obminski, Novosti Publishing House, Moscow, 1978).

Giving a paper at a Political Economy Conference on August 13, 1977, the Australian Communist leader Laurie Carmichael gave four "cornerstones" as part of a transitional programme to Socialism. In his own words:

"The fourth foundation stone is the concept of a new world economic order. Based on 'independence' and 'non-alignment' . . . demanding relations between countries based on equality and so on. This is also an inseparable part of the concept. . . ."

High-ranking Soviet defectors

On April 6, 1978, Arkady Shevchenko, a senior Soviet official working for the United Nations, sprinted across 64th Street in New York jumped into a CIA car, and became yet one more defector fleeing from Communism.

Shevchenko held one of the most powerful positions in

the U.N., that of Under Secretary-General for Political and Security Council Affairs, a position which has been staffed, through agreement, by a Soviet citizen ever since the founding of that organisation.

The office Shevchenko held was responsible for three main areas of activity. They are:

- * Control of all military and police functions of the U.N. peace-keeping forces.
- * Supervision of all disarmament moves on the part of member nations.
- * Control of all atomic energy ultimately entrusted to the United Nations for peaceful and "other" purposes.



Arkady Shevchenko - Defector from top U.N. post . . .

Arkady Shevchenko's subsequent evidence was sensational. He pointed out that at the New York headquarters of the U.N. about 700 Soviet officials were employed, 200 of whom were members of either the K.G.B. or the G.R.U. which was concerned with military intelligence. In the Paris division of the United Nations, which houses UNESCO, there were 21 Soviets as permanent officials, and a further 69 who worked for UNESCO as international civil servants, 30 percent of whom were agents. In Vienna, where the International Atomic Energy Agency and the International Development Organisation are based, there were 110 Russians, of whom about 40 were either full members of the K.G.B. or officials co-opted to help the spies. Shevchenko was adamant that the United Nations was Communism's highest spy-tower in the world.

Even more profound information came from a man who had defected earlier than Shevchenko — Anatoly Golitsyn, a major in the K.G.B. who had escaped to the West in 1961. While in the K.G.B., Golitsyn was an expert in counter-

intelligence, working primarily against the United States and NATO. From 1955-1959 he was assigned to a Soviet think-tank, the K.G.B. Institute, where he was privy to the inner workings of the K.G.B. and intelligence operations related to overall Soviet strategy. From 1959 to 1960 he was senior analyst in the NATO section of the K.G.B's Information Department.

Strategic disinformation

In 1984 — long before 'glasnost' and 'perestroika' were ever heard of — Golitsyn published his book *"New Lies for Old"*. He made the incredible prediction that the following steps would be taken by Brezhnev's successor, who ultimately turned out to be Gorbachev:

1. The condemnation of the invasion of Afghanistan and Brezhnev's harsh treatment of dissidents.
2. Economic reforms to bring Soviet practice more into line with Yugoslav or even, seemingly, with Western socialist models.
3. Decentralization of economic control.
4. Creation of individual self-managing firms.
5. Increase of material incentives.
6. Apparent diminishment of the party's control over the economy.
7. Spectacular and impressive "liberalization" and "democratisation", including formal pronouncements about a reduction in the Communist party's role; an ostensible separation of powers between the legislative, executive and judiciary; separation of the posts of president of the Soviet Union and first secretary of the party; "reform" of the K.G.B.
8. Amnesty of dissidents.
9. Inclusion of Andrei Sakharov in the government in some capacity.
10. More independence given to writers, artists and scientists.
11. Alternative political parties formed by leading dissidents.

12. Relaxation of censorship, publication of controversial books.
13. Greater freedom of travel given to Soviet citizens.

Golitsyn went on to say that "liberalisation" in Eastern Europe would probably involve the return to power in Czechoslovakia of Dubcek and his associates. If it should be extended to East Germany, demolition of the Berlin Wall might even be contemplated.



"Perestroika" and "Glasnost" wins Gorbachev the Nobel Peace Prize

Anatoly Golitsyn warned that this "liberalisation" had been planned for tactical reasons, and would represent one of the most comprehensive disinformation programmes possible to conceive. The concept had been regularly discussed just prior to his defection. The chief purpose was to lull the West into a false sense of security. He wrote in his 1984 publi-

cation:

“... Certainly, the next five years will be a period of intensive struggle. It will be marked by a major coordinated communist offensive intended to exploit the success of the strategic disinformation program over the past 20 years and to take advantage of the crisis and mistakes it has engendered in Western policies toward the communist bloc. The overall aim will be to bring about a major and irreversible shift in the balance of world power in favour of the bloc as a preliminary to the final ideological objective of establishing a world-wide federation of communist states. . . .”

“New Lies for Old”, New York, Dodd, Meade & Co. 1984, p.337.

. . . the clenched fist

Such dialectical deceit, if it is true, would not be new to communist thinking. One of Lenin's colleagues, Dmitri Manuilsky, lecturing at the Lenin School of Political Warfare in 1931, said:

“War to the hilt between Communism and capitalism is inevitable. Today, of course, we are not strong enough to attack. Our time will come in 20 or 30 years. To win we shall need the element of surprise. The bourgeoisie will have to be put to sleep, so we shall begin by launching the most spectacular peace movement on record. There will be electrifying overtures and unheeded concessions. The capitalist countries, stupid and decadent, will rejoice in their own destruction. They will leap at another chance to be friends. As soon as their guard is down, we shall smash them with our clenched fist. . . .”

Much of what Golitsyn predicted has occurred. It is vitally important to compare Golitsyn's predictions with the material quoted earlier in the booklet “Co-Operation” by Obminsky, concerning the Soviet position on the New International Economic Order.

Gorbachev “man of the year”

Almost as soon as he arrived on the scene, Gorbachev became the centre of enormous publicity. After his visit to

America during Reagan's last year of office, opinion polls showed he was more popular than the President. *TIME* magazine dubbed him "man of the year", and he was awarded the Nobel Peace Prize.

On October 6, 1989, *The Financial Review* reported:

"The Soviet Union has outlined a set of proposals that are intended to give the United Nations a greater role in preventing greater conflicts, including the creation of a chain of "war-risk-reduction-centres" around the world.. The Soviet proposals were sent to the UN Secretary-General, Mr. Javier Perez de Cuellar, and presented at a news conference by the Deputy Foreign Minister, Mr. Vladimír F. Petrovsky . . . Mr. Petrovsky, making his proposals as the debate in the General Assembly continued for the eighth day, said the proposals were based on the ideas for strengthening the UN put forward last year by the Soviet President, Mr. Gorbachev . . . He also called for a revival of the long-dormant Military Staff Committee, which was set up to command the peace-enforcing army provided for by the U.N. Charter. The army was never created."

The Gulf war

Eight months later Iraq invaded Kuwait, resulting in the Middle East war. The Allied war effort was conducted under the UN flag. Despite its call, the Soviet Union — the world's biggest military power — did not provide one soldier. Nor did it contribute financially to the war effort.

This is somewhat strange when one considers that, since Gorbachev came to power in 1985, Soviet military spending has increased by an average 7 percent every year. By contrast, U.S. defence spending has fallen by approximately 12 percent over the same period.

Despite the reported economic breakdown in the USSR, the huge military machine remains intact. Troop withdrawals from the NATO arena has not meant troop reductions, but simply re-deployment.

Soviet economic reform

Gorbachev has made it clear, time after time, that he is

still a committed marxist-leninist. It seems clear that the apparent relaxation of the cold war and the Iron Curtain were necessary steps towards integrating the USSR into the New World Order.

It is probably true that the breakdown in the USSR, and the resulting demand by the satellites for autonomy has gone further than Gorbachev intended. The demand for financial independence, and the news that one satellite was creating its own money has obviously thrown a scare into the World Order Movement.

The Financial Review, November 1, 1990, reported:

"The International Monetary Fund is considering a plan to reorganise Soviet financial controls which, if approved in Washington, is likely to provoke hostile reaction inside the Soviet Government. The IMF proposals aim to dismantle the fiscal controls exercised by the State Planning Committee (GOSPLAN) and re-establish them in the hands of an expanded, all-powerful Ministry of Finance. If implemented in its present form, the plan would block attempts by leaders of the republics and economic advisers to the President, Mr. Gorbachev, to decentralise economic decision-making. An IMF taskforce has been analysing the Soviet economy since mid-Summer, following the Houston summit at which U.S., Japanese and European leaders ordered the study as a condition of aid to Moscow. Many Soviet officials have been reluctant to agree to an I.M.F. role in economic reform. But the importance that Mr. Gorbachev and his economic advisers Mr. Stanislas Shatalin and Mr. Nikolai Petrakov place on securing the aid has brought them into line . . ."

A later report said that the World Bank was hot on the heels of the International Monetary Fund in dealing with Moscow.

PART IV

"THE WORLD ORDER MOVEMENT IN THE WEST"

Some may well wonder why the West has become so heavily involved and committed to a programme with such dubious origins. The answer is that a twin programme has been developed over almost the same time span — sometimes in conjunction with its communist counterpart, sometimes on its own, but always moving in the same direction — towards world government. It was operating long before it officially appeared at the sixth Special Session of the UN General Assembly endorsing a "New International Economic Order" in 1974. John Maynard Keynes' plan for the international control of commodities, after all, had been written in 1942 — 32 years earlier.

In the same year, the Federal Council of Churches in the US set up a "Commission to Study the Basis for a Just and Durable Peace". The chairman was a distinguished American, John Foster Dulles. *TIME* magazine (March 16, 1942) reported the Commission's conclusions:

" Individual nations, it declared, must give up their armed forces 'except for preservation of domestic order' and allow the world to be policed by an international army and navy. . . . The ultimate goal: 'a duly-constituted world court with adequate jurisdiction, international administrative bodies with necessary powers, and adequate international police forces and provision for enforcing its worldwide economic authority.'"

The same issue of *TIME* added that the Commission recommended a universal system of money, a world-wide freedom of immigration, progressive elimination of all tariff and quota restrictions on world trade and a demo-

cratically-controlled world bank.

The CFR

John Foster Dulles was also a founding member of the Council on Foreign Relations, established 20 years earlier, in 1921. The CFR never really flowered until about 1927, when it became the recipient of large sums of money from the Rockefeller family, through its various trusts and foundations. Something of its influence can be seen in this description from Smoot's book *The Invisible Government* (Western Islands 1965):

"Since 1944, all candidates for President, both Republican and Democrat, have been CFR members . . . Every Secretary of State since Cordell Hull (except James Byrnes) has been a CFR member. Over 40 CFR members comprised the American delegation to the UN organising Conference in San Francisco, including Alger Hiss, Nelson Rockefeller, Adlai Stevenson, Ralphe Bunche, John Foster Dulles, and the Secretary of State Edward Stettinius. CFR affiliates have controlled an unusual number of cabinet posts and top Presidential advisory positions . . ."

Smoot, in the foreword to his well-documented book, says:

"I am convinced that the Council on Foreign Relations, together with a great number of other associated tax-exempt organisations, constitutes the invisible government which sets the major policies of the federal government; exercises controlling influence on government officials who implement the policies; and through massive and skilful propaganda, influences Congress and the public to support the policies. I am convinced that the objective of this invisible government is to convert America into a socialist State and then make it a unit in a one-world socialist system . . ." (See also Alan Stang's *The Actor*, Western Islands, 1968).

This view would seem to be confirmed by the CFR's own objective, published in its *Study No. 7* on November 25, 1959, advocating the "building of a new international order (which) must be responsive to world aspirations of peace, for social and economic change. . . . an international

order including states labelling themselves as 'socialist'" (*None Dare Call it Conspiracy*, Gary Allen, Concord Press, 1972).

World Federalists

In February 1947, an organisation known as United World Federalists was formed at Ashville, North Carolina, by two CFR members, Norman Cousins and James P. Warburg of the Warburg banking firm. The organisation's "Beliefs, Purposes and Policies" were quite specific:

"To create a world federal government with authority to enact, interpret and enforce world law adequate to maintain peace."

The world federal government, it added, would be "based upon the following principles and include the following powers . . . Membership open to all nations without the right of secession World law should be enforceable directly upon individuals . . . The world government should have direct taxing power independent of national taxation . . ."

The United World Federalists' 'modus operandi' was also explained:

"By making use of the amendment process of the United Nations to transform it into such a world federal government; by participating in world constituent assemblies, whether of private individuals, parliamentary or other groups seeking to produce draft constitutions for consideration and possible adoption by the United Nations or by national governments . . ."

Similar bodies, such as the Institute for International Order, formed in 1948 — again with heavy CFR involvement — and more recently, Parliamentarians for World Order, (PWO) have the same basic objectives.

The Bilderbergers and banking

In 1954 a semi-secret organisation known as the Bilderbergers was established. The Hotel de Bilderberg in the small Dutch town of Oosterbeek on the last three days of May of

that year gave the organisation its name. Over 80 high-powered international figures attended, from such a varied spectrum as George Ball and David Rockefeller of the US to High Gaitskell and Denis Healey of the UK and finally Prince Bernhard of the Netherlands, who was the first chairman. Over 80 attended that first conference, which decided, according to its strictly confidential minutes that "insufficient attention has so far been paid to long-term planning, and to evolving an international order which would look beyond the present day crisis. When the time is ripe our present concepts of world affairs should be extended to the whole world . . ."

Congressman John Rarick of Louisiana, speaking in the US House of Representatives on September 15, 1971, included these comments on the regular Bilderberger get-together:

" . . . The best represented industry at Bilderberg is banking.

The presidents of the Chase Manhattan Bank, David Rockefeller



David Rockefeller, indefatigable internationalist and financial supporter of world government movements.

and the Manufacturers Hanover Trust Company, Gabriel Hauge are both Steering Committee Members. Walter B. Writson, President of the First National City Bank (James Rockefeller is chairman) has been a Bilderberg participant; three directors of the Morgan Guarantee Trust Co. have been participants at Bilderberg and one of them, Robert D. Murphy, chairman of Corning Glass International, is on the Steering Committee. Although a traditional rival of the Rockefeller banks, the Du Pont-Roosevelt founded Chemical Bank, New York Trust Co. has had one of its Directors participate in the four Bilderberg meetings . . . the present Secretary of the Treasury and former chairman of the Board of the Continental Illinois Bank and Trust Company in Chicago, David

Kennedy, appeared at a recent meeting. A disproportionate share of the participants at the Bilderberg Meeting in Mont Tremblant, Canada, were international bankers. The list included: Wilfred S.

Baumgartner, honorary governor, Banque de France; Louis Camu, President, Banque de Bruxelles; C. Douglas Dillon, President of Dillon Read and Co. and former Secretary of the Treasury; Allan T. Lambert, chairman and President, The Toronto Dominion Bank; Robert MacNamara, President of the World Bank; Louis Rasminsky, governor, Bank of Canada, Baron Edmund de Rothschild of the House of Rothschild; and Marcus Wallenberg, vice-chairman, Stockholme Enskilda Bank and a member of the Bilderberg Steering Committee . . .”

Tax-exempt Foundations

On December 16, 1954, a Special Committee to Investigate Tax-Exempt Foundations (The Reece Committee, appointed by Congress) tabled its report in the House of Reps in the US. It had been appointed, under great controversy, following an earlier Committee's findings (the Cox Committee—, which said:

“There can be no reasonable doubt concerning the efforts of the Communist Party both to infiltrate the foundations and to make use, so far as it was possible, of foundation grants to finance Communist causes and Communist sympathisers. The committee is satisfied that as long as 20 years ago Moscow decided upon a program of infiltrating cultural and educational groups and organisations in this country, including foundations. The American Communist Party, following the program laid down in Moscow, went so far as to create a subcommission of the Agitprop (Agitation Propaganda) or Cultural Commission which gave specific attention to foundations. The aims were to capture the foundations where possible, and where this proved impossible, to infiltrate them for the purposes (1) of diverting their funds directly into Communist hands, and (2) procuring financial assistance for projects and individuals favourable to communism while diverting assistance from projects and individuals unfavorable to communism . . .”

The Reece Committee closely examined such huge foundations as the Rockefeller Foundations, the Ford Foundation, the John Simon Guggenheim Memorial Foundation, the Carnegie Foundation and the Rosenwald Fund. Its report not only found that such foundations were actively promoting anti-American material in the field of education, but went

"in the international field, foundations, and an interlock among some of them and certain intermediary organisations, have exercised a strong effect upon our foreign policy and upon public education in things international. This has been accomplished by vast propaganda, by supplying executives and advisers to government and by controlling much research in this area through the power of the purse. The net result of these combined efforts has been to promote "internationalism" in a particular sense — a form directed towards world government and a derogation of American nationalism. Foundations have supported a conscious distortion of history, propagandized blindly for the United Nations as the hope of the world, supported that organisation's agencies to an extent beyond general public acceptance, and leaned towards a generally 'leftist' approach to international problems . . ." (See *Foundations — Their Power and Influence*, Rene A. Wormser, Devin Adair, N.Y. 1958).

Trilateral Commission

On July 23 and 24, 1972, the first official meeting of another world government body was held at Pocantico Hills, New York. Formed at the instigation of David Rockefeller, it was to be called the Trilateral Commission. The concept for a Trilateral Commission was born in the mind of Zbigniew Brzezinski, whose studies were financed by the Brookings Institution. The term "Trilateral" referred to a planning troika consisting of Japan, the US and Western Europe. In a speech given in Kyoto, Japan, on May 31, 1975, entitled "Trilateral Relations in a Global Context", Brzezinski outlined



Zbigniew Brzezinski — first Director of the Trilateral Commission.

the concept of a New World Order, and added:

"... In this connection, let me say a word or two about the role of the communist states in this process. I think it is essential that they be engaged. We have to seek co-operation with the communist states, pointing eventually to a political and ultimately even philosophical accommodation with them..." (emphasis added).

The Trilateral Commission's first Financial Statement (June 30, 1974) showed a total income of \$US785,625.

Donations also came from General Motors Corp; Sears, Roebuck and Co; Coca Cola; Time Inc; Caterpillar Tractor Co; Deere & Co; Wells Fargo Bank; Exxon Corp; Columbia Broadcasting Inc; and Texas Instruments Inc.



Giovanni Agnelli, president of FIAT and prominent Trilateralist. Set up the USSR car industry.

The organisation received an enormous boost with the election to the United States Presidency of Jimmy Carter, himself a member of the Trilateral Commission. 27 of the key posts in his administration were filled by Trilateralists, including his chief foreign affairs adviser, 'Ziggy' Brzezinski. The same 27 were

also members of the Council on Foreign Relations!

The Club of Rome

In mid-1974, exploratory discussions were held between Italian industrialist and banker Aurelio Peccei and Alexander King, which led to the establishment of the Club of Rome — ostensibly an international body of scientists, industrialists

and academics concerned at the plight of the world. Its first report, directed by Dennis Meadows, "*The Limits To Growth*" attracted world-wide attention, and was obviously correct in drawing attention to the enormous waste and squandering of natural resources. But its analysis of the causes was dubious, to say the least. The second report, published in March 1975, called "*Mankind at the Turning Point*", advocated the establishment of the world into ten regions, which would ultimately be absorbed into a world federation — almost exactly along the lines advocated in the period following World War I by Lenin, Stalin and the Comintern.

The Third Report, "*Reshaping the International Order*" (RIO) came out fairly and squarely for world government:

"Many in the RIO group believe that this equitable social order could best be described as *humanistic socialism* since it would aim at equalising opportunities within and among nations and be founded on universal values . . ." (p.63), and ". . . This implies a voluntary surrender of national sovereignty as conceived today . . ." (p.82).

Only shortly after, the report "*Goals for Mankind*" directed by Ervin Laszlo, a Senior Fellow of the United Nations Project on the Future at UNITAR (UN Institute for Training and Research) was submitted to, and published by the Club of Rome. It envisaged a "pooling" of goals for all areas, peoples and even religions under central planning.

PART V

"THE SOCIALIST INTERNATIONAL BRIDGE"

While it is clear that twin programmes — each seeking the establishment of a world government — have been built up in both East and West, many still find it hard to believe that there has been an inter-connection — in fact, close co-operation — in meeting its provisions. The ingrained belief that "East is East and West is West, and never the twain shall meet" is, in political terms at any rate, a conditioned response which now flies in the face of reality.

The "connecting bridge" between East and West is, and has been, the Socialist International.

Historically, the Socialist International had its origins in the work of Karl Marx, being formally established in 1864. It can best be described as an international umbrella for socialist political parties and organisations round the world, existing to co-ordinate socialist policies on the international scene, and to stimulate socialism within national borders.

Rose Martin's heavily documented *Fabian Freeway* (Western Islands, Belmont, Mas. 1966) says (p.378):

"Under the impact of World War II the Second International, whose bureau was in Zurich, once more fell apart. During the war years . . . the Fabian International Bureau served as a host in London to a number of the Socialist International's exiled leaders. In 1946 the old International was formally dissolved at a conference of delegates from nineteen countries held at Clacton-on-Sea and Bournemouth, England, and an International Socialist Bureau was set up in London. At a congress held in Zurich on June 7, 1947, a resolution was passed stating the time was ripe to consider re-establishing the Socialist International.

"Meanwhile, affairs of the International were handled by the Committee of the International Socialist Conference, known as

COMISCO, which held its first session in London during March 1948. Under the chairmanship of the veteran British Fabian Socialist Morgan Phillips, Comisco took an active hand in setting up the labour arm of the Socialist International, the Confederation of Free Trade Unions. COMISCO likewise undertook to revitalise the more overt affiliates of the Socialist International, among others the International Organisation of Socialist Youth. (Other integrated affiliates of the Socialist International are: the Asian Socialist Conference; the International Council of Social Democratic Women; the Socialist Union of Central-Eastern Europe; and the International Union of Social Democratic Teachers)”

Formal links with UN

Mrs. Martin's *Fabian Freeway* went on:

“Through socialists of many nationalities accredited to the United Nations, COMISCO aided the International Organisation of Socialist Youth in obtaining consultative status on various inter-governmental bodies. These included UNESCO and the United Nations Economic Commission for Europe, represented by Gunnar Myrdal and Walt Whitman Rostow. (Other inter-governmental organisations in which the International Organisation of Socialist Youth enjoys consultative status are: The UN Economic and Social Council; the UN Economic Commission for Asia and the Far East; the UN Economic Commission for Latin America; the UN Food and Agricultural Organisation, the World Health Organisation; High Commissioner for Refugees; the Council of Europe; Conference of Consultative Non-Governmental Organisations; the World Federation of United Nations Associations; the International Student Movement for the United Nations; co-ordinating Secretariat of the National Unions of Students; European Youth Council. Documentation — *Yearbook of the International Socialist Labour Movement, 1956—57* (p.100). Young socialists, who were not always in their first youth, were pledged to work for a new world order “to replace capitalism by a system in which the public interest takes precedence over the precedence of private profit”

Formal rebirth of the Socialist International occurred at the Frankfurt Congress of 1951, after which a permanent headquarters was established in London. At a second Congress that same year, Oct.17—21 in Milan, the Socialist

International issued "A Socialist Policy for the Under-developed Territories — A Declaration issued by the Second Congress of the Socialist International". Its tenets have since been woven into many UN projects. The Declaration said, *inter alia*:

"It is the primary task of Socialists to create a public opinion favourable to active participation in a programme of assistance to underdeveloped countries, even if this effort should entail sacrifices from the peoples of the more advanced countries. . ."
(i.e. closing their industries down?)

Programme continues

From its modest beginning in 1951, the Socialist International gained strength in leaps and bounds. Writing in *Socialist International Information* on August 24, 1963, Britain's Labour leader Hugh Gaitskell said:

"The British Labour Movement, dedicated to equality and the ending of divisions between the haves and the have-nots in these islands, recognises a socialism which stops at our own shores is a hypocrisy; that the co-existence of the privileged and the under-privileged is as indefensible between nations as it is within nations. . ."

Unfortunately, many who might have agreed with helping under-privileged nations were unaware of the price to be paid. The Socialist International at its 1962 Oslo conference was quite specific:

"The ultimate objective of the parties of the Socialist International is nothing less than world government. . . Membership of the United Nations must be made universal, so that all nations, including China, may be represented by their governments in power. . ."

By 1964 the British Labour Party, which had become the government under Harold Wilson, carried the same objective. *The New Britain. The Labour Party's Manifesto for the 1964 General Election* stated clearly;

"... For us World Government is the final objective. . ."

In each English-speaking country the socialist vision was expanded. The National Democratic Party in Canada, at its

1969 Winnipeg Conference, saw the introduction of the *Waffle Manifesto* — a hard-line Marxist document envisaging total State control of the whole of Canada, and a re-alignment of its international position. The Waffle wing of the NDP — dominated mainly by Trotskyists — enlarged this further at the Ottawa Conference in 1971, with a blueprint for an independent socialist Canada. It was stressed that militancy outside parliament was more important than the parliamentary process itself.

The Australian Labor Party was preparing for its own succession to power in 1972, and a host of Fabian essays, collected in the book *Towards a New Australia* made it clear that socialist concepts developed on the international scene would be imposed on Australia through treaty obligations and the dismantling of traditional constitutional safeguards. The Whitlam Government faced a major barrier in that the Constitution could only be changed with the considered consent by referendum of the Australian people. The ALP was not successful in circumventing this barrier during its three years in office; but much groundwork was undertaken, and much damage done before Australia, in an act of revolution, ejected the short-lived Whitlam Government with one of the biggest swings in the nation's history. It was to discover that a change of government does not necessarily mean a change of policy.

Close links

It was clear that there was close co-operation between the Socialist International and its Communist counterpart. The bridge between these two strangely compatible bodies was, and is, the so-called 'non-aligned' Yugoslavia. From 1960 onwards the Communist Government in Yugoslavia published the *Review of International Affairs* for world-wide distribution in English. Its December 1980 issue made it abundantly clear that the Club of Rome material was embodied into the New International Economic Order:

“ . . . The appearance of *The Limits to Growth*, the first report of the Club of Rome, sent a shock through the prevailing

concepts of development . . . *Mankind at the Turning Point*, the second report of the Club of Rome, launches the concept of the world economy's "organic growth". It calls for redefining the notion of growth, redirecting economic and technical progress, global balance, and narrowing the gap between man and nature, and between North and South. These different approaches . . . have all found their expression in the concept of the NIEO. All later efforts to fix the direction, contents and strategy of international development have been based on this concept, in an attempt to interpret, develop or revise it as best as possible . . . The third "RIO" report of the Club of Rome appeals for universal



The late President Tito of Yugoslavia. His country was the link between the Socialist International and the Communist movement'

prosperity, equality, freedom, democracy, participation, cultural diversity, protection of the environment, a fairer international economic and international social order, more rational use of resources, and optimal international division of labour. *The unpublished IV preliminary version of the report envisages the future world order as "global order of humanistic socialism. . ."* (emphasis added).

The article, which was authored by Jelica Minic, of the Institute for International Politics and Economics, went on to point out that such international conferences and declarations as the 1975 Third World Forum in Mexico, the UNIDO Conference in Peru which produced the "Lima Declaration", the Tripartite Conference of the ILO in Geneva in 1976, and several non-aligned conferences since that date, all based their findings and intentions on the Club of Rome material. The article continued :

" . . . It should be noted that this Report (i.e. RIO by the Club of Rome — Ed) for the first time gives detailed consideration to the concept of humanity's common heritage, to the "world state" (decentralised planetary sovereignty with the network of powerful international institutions of world money, as the specific elements and organisational basis of the new international order) . . ."

Socialist International and Brandt

In 1978 the Socialist International met in Vancouver, Canada. Once again, the Yugoslav publication *Review of International Affairs* (June 20, 1980) in an article by Borut Zupan, explained the outcome:

“ . . . At the XIII Congress of the Socialist International in Geneva, 1976, it was perceptible for the first time that it was moving away from Euro-centrism and that, under the leadership of Willy Brandt, as the architect of the political offensive in the



Willy Brandt, former Communist and later Chancellor of West Germany, who became Chairman of the Socialist International and convenor of the Brandt Commission.

developing countries, it seeks to assert itself as a global alternative path to the New International Economic Order. . . . Recently, and especially since the XIV Congress in Vancouver in 1978, the Socialist International has been stepping up its activity in international and political affairs . . . Adherence to the conception of new world economic order was affirmed at the Vancouver Congress. Many of the Socialist International experts have made distinguished theoretical and practical contributions in this domain. . . . Amongst the theoretical works and deliberations on

the problem of transcending existing international economic relations, the work by the Dutch social-democrat, Tinbergen, *Re-Shaping the International Order*, published by the Club of Rome in 1976, has come to occupy an outstanding place. As a reflection of the Socialist International's heightened concern for global international economic negotiations, an Independent Committee for International Development Issues (ICIDI, or the Brandt Committee) has been formed, which apart from Western politicians and economists of a social democratic and reformist bent (O. Palme, E. Heath etc.) is mainly composed of specialists for development problems in the developing countries. . . . The delegates to the Vancouver Congress espoused liberalisation of commodity trading The documents of the XIII Congress of the Socialist International expressed a willingness to broach the question of technology and to raise the volume of assistance to the developing countries to 0.7% of the gross national product of the developed countries. . . . The Vancouver Congress showed that the Socialist International and the International Confederation of Free Trade Unions (ICFTU) are co-operating closely on propagating the influence of the reformist doctrine in the developing countries. . . the ICFTU has regional organisations in Asia, Africa and Latin America. The deliberations and conclusions on the New International Economic Order at last year's XII Congress of the ICFTU in Madrid had emphases similar to those in the Vancouver documents. The ICFTU's developmental charter "Towards a New Economic and Social Order" is the Confederation's basic political document on the trade union aspects of building a New International Economic Order, which has now been extended further by the Brandt Commission Report. . . ."

The Brandt Commission

Who, then, is Willy Brandt, the chairman of the Socialist International and head of the Commission which holds his name? Born Karl Herbert Frahm in Lubeck, he joined the Socialist Youth Movement in 1929, the Social Democratic Party (SDP) a year later, and finally the Communists in 1931. He fled Germany in 1933, and began a long period in Scandinavia, returning to Germany in 1945. By 1969 he was leader of the SCP and Chancellor in West Germany. His departure from national politics was an ignominious one. Gunter Guillaume, a colonel in communist East Germany's

army, was a 'mole' who worked his way onto Brandt's personal staff in the early 'seventies. At Guillaume's trial in 1975 testimony was given that Brandt trusted him so completely that he was allowed to carry top de-coded NATO security documents to and from Norway, where the Chancellor spent his holidays. Even when "tipped off" as to Guillaume's real identity, Brandt refused to take action until it was impossible to hush up the facts any longer. He was forced to resign in 1974.

None of which, it seems, hindered his subsequent appointment, as a result of the Socialist International Vancouver Congress, to chairmanship of an international commission which bears his name.

The Fabian Society, the Council on Foreign Relations, the Bilderbergers, the Trilateral Commission and the Club of Rome, as well as the Socialist International all contributed heavily to the make-up and operations of the Brandt Commission. The idea, obviously, was to cultivate an image with such impeccable credentials that it would seem to stand above parties, governments and 'isms'. But such an image cannot bear investigation. Apart from Brandt himself, a member of the Bilderbergers, the Treasurer was Mr. Jan P. Pronk. Pronk, a former Netherlands MP was research assistant to Jan Tinbergen, who produced the Club of Rome RIO report already referred to. Pronk also financed the report. He is currently deputy secretary-general of UNCTAD.

Communist Director

The Director of the Brandt Commission Secretariat was a Communist official from Belgrade, Mr. Dragoslav Avramovic, who had previously been attached to the World Bank. His was a key position. His Secretariat, which commenced work in January 1978, was to draft proposals, and prepare the documentation to be considered by the Commission.

Including the three ex-officio members — Mr. Pronk the Treasurer, Mr. Ohlon the Secretary and Mr. Avramovic the Director of the Secretariat — the Brandt Commission numbered 20 people, 9 of whom had associations with banking.

Other members included Katherine Graham, publisher of the *Washington Post* and a member of the CFR; Peter G. Petersen, Chairman of Lehmann Bros, Kuhn Loeb and a member of the Trilateral Commission; former UK Prime Minister Edward Heath, Director of the Bankers Brown, Shipley and Co. and a Bilderberger; and former Swedish Prime Minister Olaf Palme, a Bilderberger and noted socialist.

Once the Commission was established, and a Secretariat formed, a list of "Eminent Persons" was drawn up to present evidence. This list of 25 people included the following: Guido Carli, Italian Banker and a Trilateralist; Harland Cleveland, member of both the CFR and a Trilateralist; Mahbub al Haq, a member of the Club of Rome RIO group; Henry Kissinger, former US Secretary of State, member of both CFR and Bilderbergers; Donald McDonald, former Canadian Minister of Finance, Bilderberger and Trilateralist; Maurice Strong, former chairman of Petro-Canada and a Trilateralist; Inga Thorssen, from the Club of Rome RIO group; Jan Tinbergen, referred to earlier (RIO); Barbara Ward (Lady Jackson, a veteran of the Fabian Society (since deceased); and Takeshi Wantanabe, Japanese chairman of the Trilateralists.

With such a formation and background, it is hardly surprising that the Brandt Report is mere repetition, with only minor variations, of the long and consistent world government 'line' pushed by the Socialist International, the CFR, the Bilderbergers, the Club of Rome and the Comintern.

The Report advocates a World Central Bank; international control of a new international reserve currency, built out of SDR's; world control of the production and distribution of foodstuffs, fibres and minerals through the IPC; a transfer of industrial resources to the Third World as set out in the Lima Declaration (which, in essence, means closing down large sectors of Western industry and "transferring" them to under-developed nations); and the introduction of international income tax as an aid mechanism — all making up the "humanistic socialism" described more plainly by the Club of Rome.

The Brandt Report succeeded brilliantly in 'disarming' the conservative side of politics, which had lost its way long

before the Report appeared, and was easy prey for the Socialist International. Men like Malcolm Fraser, Andrew Peacock, Edward Heath and Pierre Trudeau 'out-Heroded Herod', and became glib spokesmen on many an international platform for ideas which, in G.B. Shaw's oft-quoted words "would never have entered their heads had we not put them there."

The Socialist International had been scheduled to hold its world congress in Australia in 1983. As it coincided with the election in which Bob Hawke was seeking to lead the A.L.P. back into government, it was transferred to Portugal. In March 1991 the Socialist International finally convened in Sydney. The veteran Willy Brandt was still in the chair, and took the opportunity once more to call for increased powers for the United Nations.

Building a system

The organisation "*Parliamentarians for World Order*", referred to in the beginning of this book, was formed one year after the Brandt Commission Report was published, in 1981. Its introductory brochure claimed:

"PWO is a newly-formed network of 550 legislators in 18 countries, working in national parliaments and at the United Nations to help build a more just and secure international system". It went on: "The purpose of PWO, as stated in its Constitution is 'to promote the cause of world institutions and enforceable world law for the peoples of the world as a single community, through parliamentary action'. Believing that a UN Parliamentary body could play an important role in strengthening world institutions, PWO is organising a UN Parliamentary Forum to meet at each General Assembly During 1980 PWO linked up six existing parliamentary groups for world law in Japan, Britain, Canada, India, France and Norway, and quickly expanded its membership to other countries in Africa, Asia, Europe and the Pacific. In September 1980 a meeting of legislators from 15 countries was organised at the UN General Assembly to introduce the proposal for a UN Parliamentary Forum. In December 1980, the PWO Council announced its support for the recommendations of the Brandt Report In March 1981 a PWO office

was opened at the United Nations. . . ”

In May, 1982 a PWO delegation flew to Moscow to make an appeal, in its own words, “For urgent action to ensure the survival of the human race. . . ” Over three days (May 3 to 6) the delegation had formal meetings with Vasili Kuznetsov, Vice President of the USSR, and member of the Politburo; Aleksei Shitikov, Chairman of the Council of the Union of the Supreme Soviet; Vladimir Petrovskii, head of the Dept. of International Organisations in the Soviet Foreign Ministry; Anatolii Chernyayev, Deputy Chief of the International Dept. of the Communist Party Central Committee; Oleg Bykov, Deputy Director of the Institute for the World Economy and International Relations; Georgi Zhukov, member of the Supreme Soviet and Chairman of the Soviet Peace Committee; Vitali Zhurkin, Deputy Director of the Institute of US and Canada Studies; and Zinaida Kruglova, member of the Supreme Soviet and of the Party Central Committee. (See PWO pamphlet *Politicians for Peace* July 1982).

The delegation flew from Moscow straight to Washington where they met a powerful State Department group, headed by Frank Carlucci, Deputy Secretary of Defence, where they presented the same paper.

“The Call”

While these meetings were taking place, *Parliamentarians for World Order* had drawn up and circulated to parliamentarians throughout the world a “Call for Global Survival”. Among its demands were “negotiations on comprehensive disarmament under enforceable world law . . . ”

The organisation hit on a novel, if totally inaccurate argument. In its own words:

“The Call was drawn up to be signed by members of parliament on behalf of their constituents, on the grounds that an individual legislator has a mandate of any national government. . . ”

Considering the fact that none of these parliamentarians had ever sought a mandate by placing the issue of “world

law" before their respective constituencies at any election, such a claim was autocratic, to put it mildly!

PWO's brochure went on:

"When participants arrived for the PWO Forum on disarmament at the United Nations in early June 1982, nearly 500 signatures had been collected. The Japanese delegation alone brought copies of *The Call* signed by 93 parliamentarians. Sean McBride, the former Foreign Minister of Ireland, told the forum that at least 50 signatures were on their way from the Irish Parliament. (Note by author: Sean McBride was a recipient of the Order of Lenin). In the space of 24 hours, it had been signed by 121 members of the European Parliament, including former Chancellor of West Germany, Willy Brandt.

. . . The signatories represented more than 50 million constituents from all regions of the globe. By the end of the UN Special Session on Disarmament, the number of signatories stood at 610, and PWO had received a special grant to send *The Call* to every one of the world's 31,000 members of Parliament. . . "

What's in a name?

When, and why, did *Parliamentarians for World Order* change its name to *Parliamentarians Global Action*?

In 1983, information on PWO attracted the attention of considerable numbers of the Canadian people. Mr. Doug Roche, Member for Edmonton, found it difficult to explain to his constituents how, having been elected to serve in the Canadian Parliament, he could belong to a body where objectives were to supercede Canada's sovereignty.

The same criticism faced a New Zealand MP, Mr. Richard Prebble, Member for Auckland Central. When challenged in the media, he refused to reveal who the other 29 New Zealand members of PWO were. Subsequently it was revealed that Cabinet Minister Mike Moore, and Helen Clarke were also members.

Whether it was these embarrassments which caused the name-change seems likely, but is not certain. Be that as it may, such phrases as "enforceable world law" were watered down, although the purpose or 'modus operandi' of the organisation has remained demonstrably the same.

In its early period, *Parliamentarians for World Order* (now *Parliamentarians Global Action*) had only a small Australian participation. Latterly, however, the Australian Parliamentary Disarmament Group, with a membership of between 40 and 50, has formally affiliated with PGA. All its members are Federal MPs, as membership of PGA is limited to Members of National Parliaments.

Financial reform

Of Australian members, Mr. John Langmore is most prominent, being both a Councillor of PGA, and chairman of the PGA's "*Financial Debt and Financial Reform*" Steering Committee. Other members are Ms. Herta Daubler-Gmelin, MdB (Federal Republic of Germany); Deputado Fernando Gasparian (Brazil); Mr. George Foulkes (Britain); Senadora Silvia Hernandez (Mexico); Hon. Saihou Sabally, MP (the Gambia) and Diputado Marcelo Stubrin (Argentina). Mrs. Eveline Herfkens, MP (Netherlands) is convenor. The project began in 1988. In November the PGA Forum at the UN spent time on the issue. A PGA statement said:

"A group of scholars, bankers and senior politicians with particular expertise in the subject are being invited to join an Advisory Board . . . At the grass roots level . . . many experts, churches, non-government development organisations, business groups, unions, academic institutions and others are working on these issues and would be more than willing to assist a network of parliamentarians that can provide a political outlet for their work . . . Global Action has already initiated contact with many of these organisations . . . The media plays an important role in politics - and politicians have excellent access to the media. Global Action has already arranged television and print coverage using legislators as spokespeople on these issues . . . The campaign will involve legislators, prominent personalities and experts, who will hold press conferences and regular meetings to brief the media. . . ."

In September, 1988 the annual general meeting of the International Monetary Fund and the World Bank was held in Berlin. For the first time that conference was met by

angry demonstrations, principally from the environmental lobby, which attracted headlines throughout the world.

The Financial Review, (October 4) reported:

“ . . . For the first time, IMF and World Bank officials emphasised the importance of the environment, and what effect this might have on their distribution of funds . . . This did not assuage the demands of the Counter-Congress being held simultaneously at the free university in West Berlin.

There, the Permanent Peoples' Tribunal found the IMF guilty of failing to keep its responsibilities to its constituents and funding projects which are both harmful to the environment and peoples' freedom.

Australia was represented on the tribunal by Canberra MP, Mr. John Langmore. The Counter Congress supporters supposedly made up the majority of the demonstrators in West Berlin who chanted “IMF murderers”, closely watched by short-tempered riot-police in full combat gear.”

The existence and activities of an organisation committed to the elimination of national law (in Australia's case under the Constitution) in favour of world law, is momentous. That these objectives are being pursued by men and women who were elected to serve in national parliaments is more momentous still.

Consider for a moment: Section 42 of the Australian Constitution reads as follows:

(42) “Every Senator and every member of the House of



*A.L.P. Member John Langmore -
Australian Councillor, Parliamentarians
Global Action.*

Representatives shall before taking his seat make and subscribe before the Governor-General, or some person authorised by him, an oath or affirmation of allegiance in the form set forth in the schedule to this Constitution."

OATH: I, A.B., do swear that I will be faithful and bear true allegiance to Her Majesty Queen Victoria, Her heirs and successors according to law. **SO HELP ME GOD!**

AFFIRMATION: I, A.B., do solemnly and sincerely affirm and declare that I will be faithful and bear true allegiance to Her Majesty Queen Victoria, Her heirs and successors according to law.

(NOTE — The name of the King or Queen of the United Kingdom of Great Britain and Ireland for the time being is to be substituted from time to time.)

The People's Constitution?

How can a Parliamentarian, who has taken either the Oath or Affirmation, seek to transfer law from the Crown's jurisdiction to some world body without betraying that promise, and, in consequence, the people of Australia? The Australian people have decisively demonstrated, in the referendum on September 3 last, that they do not wish the authority of the Constitution tampered with.

Could Australia see emulation of a Bill introduced into the Canadian House of Commons on November 9, 1975, by Dr. Mark MacGuigan, later Canada's Minister for Justice? The Bill read, in part:

"That, in the opinion of this House, a new constitution of Canada should specifically commit Canada to . . . transferring agreed national powers to world authorities when this would facilitate world peace."

Dr. MacGuigan later became Chairman of *Parliamentarians for World Order*. His motion was supported by Doug Roche, also a future chairman of PWO, and the Member for Vancouver Kingsway, Ian Wadell (also PWO) who said, in speaking for the Bill:

"The Hon. Member (Mr. Roche) talked about the future

spirit of world government, and that is really what this resolution is about. I share that spirit and hope there will be a world government. This has always been a platform of our Party, and perhaps other parties as well . . . I believe that we will see world government . . . when it arrives I think it will come, as the Hon. Member for Edmonton South stated, through the back-door in a functional way, with the social agencies having gradually intertwined themselves through the nations of the world . . . ”

Tacit approval or fear?

With such views, is it any wonder that one PWO pamphlet quoted Britain's Labour member and former Cabinet Minister Lord Beveridge (who produced the infamous post-war “Beveridge Plan” in Britain) as follows:

“World peace requires world order. World order requires world law. World law requires world government.”

It seems obvious that *Parliamentarians Global Action* is an organisation of enormous significance, playing a role as catalyst in moves to supersede the authority of national parliaments, and in Australia's case, the Constitution. Yet no television network or national paper that we are aware of has placed before the Australian people all that is involved.

No Opposition Member for Parliament has either exposed or refuted the direction and the policies urged by this body.

Why?

It is hardly likely that they are unaware of its existence. Parliamentarians throughout the world have been circularised with its material.

Do they, then, “go along” with its programme, even while conveying the impression that they favour the Constitution and Australia's sovereignty?

Or are they simply afraid to speak out boldly?

Whatever the explanation, they are betraying the Australian people for, in Abraham Lincoln's words:

“Silence, when we should protest, makes cowards of us all.”

PART VI

SUBVERTING AUSTRALIA'S CONSTITUTION

Dr. Herbert Evatt, the A.L.P's wartime Attorney-General, was a Fabian with an intense preoccupation for the centralisation of power in Australia. He was the author and instigator of the famous "Fourteen-Powers" referendum, held in 1944, which would have demolished the States and the Federal system had Australians not rejected it.

Dr. Evatt perceived that the centralisation of power could not be achieved by asking the people for their assent in a referendum. He therefore sought earnestly some means to circumvent the Constitution without going through the referendum process.

He was the first to toy with the idea that the Commonwealth's "external affairs" power (Section 51) could be interpreted by a friendly High Court as a means of imposing international treaties over the domestic provisions of the Constitution.

This, in fact, was what happened in two Court cases, held in 1982 and 1983.

In the first, the Koowarta case, Justice Gibbs — who subsequently became Chief Justice — issued an ominous warning about such a mis-use of the "external affairs" power. He said in his judgement:

Section 51(xxix)

"... If Section 51 (xxix) empowers the Parliament to legislate to give effect to every international agreement which the executive may choose to make, the Commonwealth would

acquire unlimited legislative power. The distribution of powers made by the Constitution could in time be completely obliterated, there would be no field of power which the Commonwealth could not invade, and the federal balance achieved by the Constitution could be entirely destroyed . . . ”

One of his colleagues on the High Court Bench, Judge Wilson, in the same case, gave a hint that he understood the international ramifications:

“ . . . It is no exaggeration to say that what is emerging is a sophisticated network of international arrangements directed to the personal, economic, social and cultural development of all human beings. The effect of investing the Parliament with power through Section 51 (xxix) in all these areas would be the transfer to the Commonwealth of virtually unlimited power in almost every conceivable aspect of life in Australia, including health and hospitals, the work place, law and order, education and recreational and cultural activity to mention but a few general heads. . . . ”

To which ‘Doc’ Evatt might well have replied, “Exactly, my learned friends, exactly!” And he might have smiled at the thought of one of his proteges, Justice Lionel Murphy, sitting on the same Bench and bringing down a judgement which would ultimately subvert the Constitution and prevent the Australian people having any say about the World Legislation being foisted on them.

Only the establishment of some mechanism which re-opens up for Australians the right to express their opinions through a referendum on the matters they feel important to the nation’s future can prevent the sell-out continuing on to disaster.

The Gulf War in the Middle East was heralded by both President Bush and Prime Minister Hawke as a step towards the New World Order. Hawke was faced with a major revolt which threatened to split the Labor Party. The split was averted by stressing that the New World Order was the objective.

The Weekend Australian (Dec 9,1990) carried a report, under the heading “WHY LABOR WOULD GO TO WAR FOR THE NEW WORLD ORDER”. It said:

“ . . . This question is close to Australia's interests, and Hawke keeps making this point. The test is whether the UN, having been crippled by the Cold War, can now revive and perform post 1990 the role its founders, including Dr. Evatt, always envisaged During the Left-wing's soul-searching last Monday, the best speech came from Victorian backbencher Andrew Theophanous, who was the only Left M.P. to speak in the debate in the House. His remarks to Parliament reveal the magnitude of the rethink underway on the Left:

“A new world order is emerging as is shown by the unprecedented resolution 678 of the United Nations Security Council. When a situation arises in which the UN has gained a tremendous boost in its power, in its prestige, in its authority, and it is able to carry resolutions, then people who describe themselves as leftist or socialist should not be concerned about it but should welcome such developments because the increase in the powers of the UN is a very significant development. It is something which the A.L.P. has been committed to for many, many years — ever since the time of Dr. Evatt . . . ”

One crucially important question remains to be answered. On it will hang our future and that of the Australians of tomorrow —

“SHOULD NOT THE AUSTRALIAN PEOPLE BE ASKED?”

PART VII

INFORMED ACTION IS THE ONLY WAY

Put bluntly, what is happening to Australia's farmers and manufacturers is economic rape. *Newton's Global Economic Report* (May 30, 1991) reported:

"The new prime minister of France, Edith Cresson, might best be described as a rabid protectionist . . . By the sound of things, she intends to assume the leadership role. The OECD reckons the extent of agricultural subsidies worldwide at \$US300 billion a year. Of this, \$US135 billion is the European Community and \$US75 billion the US. In Europe the farmers grow 13.5 tons of wheat per hectare at a direct cost of \$US120 per ton. Much of this is then dumped onto the world market at way under production cost. The EC has a chronic cash crisis, but the political power of European farmers is too much for any politician. The current Uruguay round of GATT talks has been in progress for five years without any substantive progress. . ."

A special five-page feature article in *Business Review Weekly*, March 29, 1991, dealing with the now-huge importation of food into Australia, said:

"When farmers from the fertile Lockyer Valley in Queensland eat takeaways, they are consuming Canadian French fries. When the local Coles supermarket had New Zealand and North American produce on special, local beans and peas were ploughed back into the paddocks as Australian processors had to cut their intake. The irony is repeated throughout Australia.

Australia is not only self-sufficient but is among the world's most efficient producers of most categories of vegetables, cereals, meats, dairy foods and fruit.

Yet Australian farmers are being savaged by the gross oversupply of heavily subsidised produce worldwide that needs buyers; by Australian supermarkets seeking higher margins; and

by consumers looking for rock-bottom prices in tough times.

These three factors coincide with dramatic developments in transport — cheaper air freight and quicker handling of frozen and chilled shipping containers to facilitate the flood.

There is a steady growth in imports of North American and European frozen peas, beans, potatoes, canned pineapples, canned tomatoes, frozen sweet corn, orange juice, fresh citrus, berries and stonefruit.

In addition, the Australian food processing industry has been ravaged by the financial problems of the large processors, vicious union attacks and a lack of flexibility in the marketplace.

EC beef, the highest priced for the lowest quality in the OECD, is being sold in Australia at half the price of local beef.

Even the humble and relatively low-priced onion has been imported by the container load from places as diverse as Holland, Denmark, California and Florida, as well as cheap juice from Brazil, have moved desperate Murray Valley citrus farmers to march on Parliament in Canberra, Melbourne and Adelaide. . . ”

What a disgrace!

In the face of this wholesale destruction of Australia's farming industries, we have had the humiliating spectacle of Australia's Minister for Trade, Dr. Neil Blewett — whose government has induced this tragedy by wilfully removing all safeguards from our own industries — strutting like a turkey-cock in the chancelleries of Europe and the United States, making dire threats of retaliation because our competitors will not emulate our own insane policies!

Dr. Blewett's counterpart in the Opposition, Mr. Ian McLachlan, once seen as the “great white hope” of the farming community when heading the National Farmers' Federation, is just as enthusiastic about the removal of all protection for Australian industries.

The most bewildering aspect of this unfolding tragedy is the marked pacifism of Australia's various farm organisations. With budgets that are the envy of the political parties, their labour does not even produce the proverbial mouse!

In addition to the National Farmers' Fighting Fund — largely invested, providing a healthy annual return on which the organisation's bureaucrats have been surviving — the annual membership fees exacted by the various primary producer bodies is staggering. *The Financial Review* (May 29,

1991) in a full-page feature article, provided the following table showing the income of Australia's farming bodies:

Main State Farmer Organisations				
	Members	Average m'ship fee	Budget	Contrib to NFF
VFF	20,000	\$158	\$6.0m	\$300,000
NSWFA	16,000	\$130	\$4.5m	\$792,000
UFSSA	9500	\$250 (flat)	\$3.0m	\$510,000
WAFF	9000	\$350	\$2.5m	\$350,000
PGA	1400	\$700	\$1m	\$150,000
UGA	3000	\$500-600	\$1m	\$250,000
CU	3800	\$210	\$1m	\$165,000
OGGA	4200	\$200	\$1.2m	\$232,000
TFGA	n/a	n/a	n/a	n/a
TOTAL	66900		\$20.2m	\$2.7m

An intelligent and resolute use of a fraction of the sum available to these farm bodies could produce a complete turn around in Australia.

How should they proceed?

Firstly, they should face the fact that rural Australia no longer has the numbers to exercise political power on its own. Therefore, leadership must be intelligent enough to seek a joint front with other affected sectors — transport, small business, manufacturing and even grass-roots union members. All are getting hurt, and there are common policies on which all could agree and act.

Secondly, they should make a firm distinction between those Australians who support our traditional independence and our Constitution, and those now committed to international globalism. This would rule out sections of what is called "big business" in the corporate and financial world.

Thirdly, they should not waste their time on the Labor Party, which is now sinking in the smelly pool of its own corruption and betrayal. Instead, it must concentrate on

forcing some commitment from the Opposition, which is sitting smugly on the sidelines, believing it can get into office without making any promises. All members and candidates must be faced, listed, and threatened with a denial of votes until they take a stand.

It would not be hard to find a simple policy statement which all Australians could support. In fact, the *Horsham Declaration*, carried unanimously by a big and representative rally at Horsham in Victoria on April 2, 1991, offers a realistic set of proposals. The resolution carried at that rally is as follows:

THE HORSHAM DECLARATION

The longest journey must start with the first step.

Confucius.

THE FOLLOWING RESOLUTION WAS CARRIED UNANIMOUSLY BY A WIDELY REPRESENTED MEETING IN HORSHAM ON APRIL 2, 1991:

THAT this Rally of Australian citizens, held in the Horsham Town Hall on Tuesday, April 2, 1991, expresses its faith in the ability of the Australian economic system, based on the principles of private ownership of property and free enterprise, making use of Australia's vast resources, to provide an adequate standard of living with security for every Australian family;

AND THAT as Australians have inherited a political and constitutional system through which they can implement reforms in an orderly manner without violence;

IT IS THEREFORE RESOLVED that as the present national crisis is the result of financial and associated policies implemented by a series of governments over a long period of time, which cannot be corrected immediately, that the following short term programme be implemented immediately to provide the maximum of relief to all sections of the nation and to sustain national morale while longer-term reforms are evolved:

1. A re-regulated banking system to be directed by Parliament to reduce all bank interest charges to no more than 10 per cent, this to be further reduced if and when the inflation rate falls.
2. A 12 months moratorium on bank debt and mortgage sales.
3. The Reserve Bank to finance at cost of administration all Statutory Bodies like the Wheat Board and Wool Corporation.
4. The Federal Government to establish an appropriate body to finance, at the cost of administration, the purchase, at a just price, of the present wool stock, this to be regarded as a national asset, and progressively sold later in keeping with prevailing market conditions.
5. Wheatgrowers to be financed in the same way, with a guaranteed price to cover at least the cost of production, for the coming season.
6. All foreign borrowing to be halted immediately, and a programme drawn up for the progressive liquidation of the present foreign debt.
7. The trade deficit to be corrected by appropriate controls to govern the importing of goods and services, particularly food, which can be readily produced in Australia.
8. The world parity energy pricing policy to be abolished and the present excise on petrol to be reduced by at least 50 per cent, with all revenues from excise applied to roads and not absorbed into consolidated revenue.
9. Sales tax on all consumer goods to be abolished to lower the inflation rate and to increase the purchasing power of the people.
10. All immigration to be halted for a period of at least two years and then to be reassessed following a referendum of the Australian people.

AND FINALLY, it is resolved that this resolution be forwarded to both the Federal and State politicians, to all Municipal Governments, and to all organisations representing both primary and secondary, as well as service organisations, urging to adopt this emergency programme as a first step towards an on-going national survival programme.

INDIVIDUAL ACTION: Circulate as widely as possible copies of this resolution. Write letters to your local and other papers. Send it to your Federal and State Members of Parliament, urging them to act on it. Urge your organisation to support the resolution. Set up special Action Committees to further this National Survival Campaign.

For further information contact Mr. Keith Oldfield, 2 Kennedy Street, Nhill, Victoria. (053) 911590, and Mr. Alan Kroker, Horsham, (053) 822270.

Fourthly, an advertising programme of small spot-ads should be run over a three-month period in city and suburban press, under the heading "TURNING AUSTRALIA ROUND", or "DO YOU CARE?". Listing small details on vital issues — taxation, interest rates, food imports, etc., seeking a response from housewives, workers, small businessmen, truckies:

**"WE'RE ALL IN THIS TOGETHER"
"JOINING FORCES FOR A BETTER AUSTRALIA"
"COUNTRY AND CITY — WE NEED EACH OTHER"**

A follow-up with cassette tapes, videos, pamphlets, newsletters etc. could be used to weld a new community co-operation.

Fifthly, a concerted programme should be directed at Local Councils — the natural leaders at local level. Isn't it about time they spoke out about the disintegration and hardship, the rising crime, unemployment and bankruptcies in their local communities? Why not local recovery candidates, standing against party hacks at future elections, on a simple "VOTE LOCAL FOR A BETTER DEAL" slogan?

The response from Opposition parties to such a campaign would be electrifying. Shocked with the possibility that their future is not as assured as they think, we'd all be surprised at how they would smarten up.

And, finally, we need to introduce into this swelling force a campaign for Citizens' Initiated Referendums.

The farm leadership which set this ball rolling would have justified its existence, and would deserve the thanks of rural and urban Australia alike.