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"Ye shall know the truth, and the truth shall make you free" - John 8:31.

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WHEN SORROWS COME

by Jeremy Lee

Christmas again. This year the Christmas trees and decorations in some cities were on display in November. The financial pundits were speculating that this would be a "good Christmas" - which had nothing to do with "goodness" in its customary sense, but simply referred to the level of spending expected. For those who believe "goodness" has something to do with holiness, there's not much to cheer about this Christmas - at least on the surface. The usual borrowed millions will be spent on breakable, plastic, imported toys, office parties and other paraphernalia; and "the day" will quickly be followed by heightened anxiety about how on earth to get strained bank and credit-card accounts back in balance. The chain stores will hope for a bonanza, and the banks will continue to gloat over their balances.

Nor is there, in terms of world events, much to be cheerful about. The evening news is more and more a saga of disaster - from Russia to the Third World, to S.E. Asia to where you will; conflict, violence, starvation, crime, drugs - pouring out of our radios and television sets, heightened by the best sound and camera-shots that technology can provide.

It's tempting to switch off. There often seems little one can do except survive if possible. As Shakespeare had it, *"When sorrows come, they come not single spies, but in battalions..."* Yet there is cause for hope. The permanent supremacy of evil is an illusion. The very avalanche of bad news becomes, eventually, its own undoing. The very essence of the Christmas message is that darkness will finally give way to light; that peace on earth is not merely a hope, but a promise, and that swords will one day become ploughshares. For those who doubt this, Christ Himself warned of a time of sorrows, in which we were not to be dismayed. In fact, the conflict was to be the herald of redemption. The challenge was, and is, not to be dismayed by events. It was well put by James Russell Lowell, in his poem *"The Present Crisis"* written last century:

*"Careless seems the great Avenger;
history's pages but record
One death - grapple in the darkness 'twixt
old systems and the word;
Truth for ever on the scaffold, Wrong forever
on the throne, -
Yet that scaffold sways the future, and behind
the dim unknown,
Standeth God within the shadow, keeping
watch above his own."*

The very events which dismay us now dismay not thousands,

but millions of others. Not reported in the media is the widespread, growing search for answers; for truth. People, as Solzhenitsyn predicted, only a few weeks after his expulsion

OUR POLICY

To promote service to the Christian revelation of God, loyalty to the Australian Constitutional Monarchy, and maximum cooperation between subjects of the Crown Commonwealth of Nations.

To defend the free Society and its institutions - private property, consumer control of production through genuine competitive enterprise, and limited decentralised government.

To promote financial policies, which will reduce taxation, eliminate debt, and make possible material security for all with greater leisure time for cultural activities.

To oppose all forms of monopoly, either described as public or private.

To encourage all electors always to record a responsible vote in all elections.

To support all policies genuinely concerned with conserving and protecting natural resources, including the soil, and an environment reflecting natural (God's) laws, against policies of rape and waste.

To oppose all policies eroding national sovereignty, and to promote a closer relationship between the peoples of the Crown Commonwealth and those of the United States of America, who share a common heritage.

from the old Soviet; are beginning to shun the lie. The liar becomes more desperate and strident, increasingly exposing himself.

The simplicity of the Nativity, with its message for men is, as ever, the reality; shining brighter in the intensity of the darkness surrounding it.

How, then, should we be this Christmas? Let us not be dismayed! Another poem, by Wordsworth, says it all:

*"Who is the happy warrior? Who is he
That every man in arms should wish to be?"*

'Tis finally the man

*Whom neither shape of danger can dismay,
Nor thought of tender happiness betray;
Who, not content that former worth standfast,
Looks forward, persevering to the last,*

*And, while the mortal mist is gathering, draws
His breath in confidence of Heaven's applause.*

A peaceful, holy and confident Christmas to all!

LOOKING BACK ON 'NINETY-EIGHT

So quickly does one sensational event follow another these days that normal comprehension becomes disoriented. The speed of events is bewildering. What happened less than twelve months ago often seems more like years. The natural flow of history, which C.H. Douglas called "crystallised politics", becomes like a river moving from calm to rapids. With this in mind, it is worth reviewing the last year, looking for a common thread, which may provide some guide for 1999 and the approaching millennium.

There is no doubt in anyone's mind that it is going to be tumultuous. The clouds are dark. Only the longer-sighted recognise that clouds lie between us and clearer skies. The *Thought For The Week* in the first *On Target* for 1998 was G.K. Chesterton's challenging statement: *"The plight of the world is the only hope for the world"*. Whatever disasters have transpired in 1998, it is a true and heartening fact that many thousands of people have emerged from apathy and torpor into concerned action.

Their activities have not always been along the lines envisaged by those who have been awake for longer. Which highlights another truth: that we are all in danger of becoming stereotyped by the limits of our own understanding, and therefore dismissive of those with different paradigms. Technology itself, and the vastly different educational system through which today's youth has travelled may well have disqualified those involved from the perceptions of older generations. On the other hand, there may well be new tools, which older people find it difficult to comprehend. The Internet is an obvious example - a mystifying and irritating 'toy' to those more used to paper and pen; yet a mechanism changing the face of political information and action for literally millions of people.

Thus it has always been. Only in the most free and stable of societies is there adequate time for spanning the barriers between generations. In the frenetic conclusion of the 20th century the generation gap is a veritable canyon. Yet principles are constant. Power corrupts those of the modern age just as much - or more - as hundreds of years ago. Government today, as in days of yore, is still a good servant and a fearful master. Usury and greed mutate the human spirit, no matter what period of history in which it is exercised. Concern one for another, and leadership by service, is the only hope for a better world.

The events of 1998 have certainly reinforced these timeless truths.

THE YEAR OPENS

Before the end of January 1998, the media told us three things destined to have an impact as the year progressed. It was openly

conceded that the International Monetary Fund - a private body of largely-unknown corporate figures - was the "centre of world power". It was the "holy of holies" in a global financial temple whose priests demand the most draconian of sacrifices. One of these, an explosion of violence by starving people in Indonesia, featured heavily in the world's headlines.

Back at home, there was trepidation in Queensland by the then State government regarding an election due by mid-year. Across the State the dumbest of party politicians were picking up the fact there was anger and disillusion in the electorate. The Premier at the time, Rob Borbidge, was urged by his federal counterparts to deny Pauline Hanson's One Nation party any preferences.

As January turned to February a new issue emerged on the national landscape - a proposed treaty, the Multilateral Agreement on Investments - which would have bound existing and future national governments from any action in favour of Australian industries, services and consumers.

It was the Internet which provided the information and the cohesion for a successful counter. The first information came from Canada, and was soon picked up by a variety of organisations across the Australian political spectrum. The Coalition government was amused and irritated for a while at the first signs of grass-roots opposition, all of which turned to concern as the exposure and opposition strengthened.

The country's major business magazine, *Business Review Weekly*, revealed at the close of 1997 that *"...Publication of the treaty was forbidden by the OECD, under whose auspices it is being negotiated..."* - a claim that was to be denied later by federal government spokesmen.

It was also during February that a quaint and bizarre gathering, the Constitutional Convention, came together in the Old Parliament House in Canberra. Its purpose, as charged by the Prime Minister, was to determine whether Australia should become a republic and what sort it should be.

Half the delegates were elected, and half appointed. A number had little idea of existing constitutional arrangements - hardly surprising, since any teaching on Australia's system of government had been weeded out of school curricula for about

three generations.

One of the younger of those attending, asked for his views by reporters after it was over, replied that he was so impressed he was thinking of obtaining a copy of the Constitution and reading it!

Not all the reactions were to be expected. The Convention opted to retain the provision in the Preamble in which reliance on the blessing of Almighty God was expressed. The gathering concluded by choosing the least popular of all options, to be put to Australians in a future referendum, in which a President would be chosen by a two-thirds majority of members of the federal parliament. It was assumed by some of the more naive delegates that the Australian people trusted their politicians.

It was also revealed that two men, business partners in the banking world, had contributed between them more than \$1 million to the republican movement. They were Malcolm Turnbull, Australian head of the giant investment banker Goldman Sachs and Co. and former New South Wales Premier Neville Wran. Turnbull himself was, and is, chairman of the Australian Republican Movement.

STRATEGIC PROBLEMS

It was during February, too, that one of the most far-seeing federal members, Graeme Campbell of Kalgoorlie, issued a press statement that few papers published, warning of the long-term implications of social breakdown in Indonesia.

He pointed out that in the great archipelago of 17,000 islands which made up Indonesia, only a few hours to Australia's north, a catastrophe was occurring which had relegated half the population - 100 million people - to the borders of starvation. If this were allowed to continue for any length of time, there would be an exodus of refugees dwarfing anything seen in the past, which would head for Australia. Nothing would be done by the Indonesian administration to deter such an exodus. He had been told this by one of Indonesia's military leaders.

Coinciding with this warning was a statement by the chairman of the World Bank, Australian James Wolfensohn that he had "got it wrong" on the Indonesian economy, and had not anticipated such a social breakdown.

It became apparent as events unfolded that Wolfensohn's incomprehension had been shared by the IMF, which had been responsible for much of the chaos in Asian economies, enforcing inappropriate and totally unnecessary programmes of restriction.

March came in like a lion, as a former Chief Justice of Australia's High Court, Sir Anthony Mason, charged that the Multilateral Agreement on Investments - the proposed treaty referred to - was "not an open process". He was quoted in the *Sydney Morning Herald* as saying:

"The negotiations so far as Australia is concerned is in the hands of Treasury. The negotiation is not an open process. At the end of the day it is possible that the terms will be set in concrete leaving Australia with very limited choices to make, the effective choices having been made by Treasury and Federal Cabinet during the course of the unpublished negotiations..."

This was followed by another unexpected event, in the form of a 'walkout' by State leaders at the Premiers' Conference. John Howard and Treasurer Costello obviously imagined it would be the usual gathering, in which the Commonwealth's 'whip-hand' over finance would cow Premiers into surly acquiescence.

Prime Minister Howard had previously relied successfully on the same assumption in forcing the States to comply with uniform gun-laws. This time he was in for a shock, as the Premiers walked out in unison over a funding shortfall in their respective health systems. It could equally have been a dozen other areas where massive debts and crippling financial shortages were producing breakdown.

APRIL SHOWERS

As a result of discussions between Rupert Murdoch's *Australian* and the Global Foundation, a project called the Australia Unlimited Round Table was launched. In *The Australian's* words: *"the idea was simple: prominent Australian and international thinkers would join a two-day discussion on "ideas for Australia's future" that would help to nudge the nation towards its centenary of federation. When it opens in Melbourne today Australia Unlimited will feature some of the world's sharpest ideas people, headed by International Monetary Fund managing director Michel Camdessus..."*

Among those offering their views on Australia's future, in a series of articles published in sequence by *The Australian* towards the end of April was one, which might well have been an obituary for a sovereign, independent, constitutional Australia. It was written by a former federal departmental head, Michael Costello, under the heading, WHAT PRICE NATIONHOOD? As a description of the new command structure of the Global Order, and as a rebuttal of those who are loyal to Australia as a free nation, it was chilling:

"Globalisation is here to stay... It is true that large global corporations now have at their disposal the command control, communications, and intelligence capability previously the preserve of the military, enabling them to direct and control from the centre in real time.... It is true that the very existence of the modern nation-state will be challenged by globalisation as never before. After all, a global corporation's patriotism is for company, not country.... What price national sovereignty?..."

Among the speakers at the two-day Round Table conference, presided over by former Governor-General Sir Zelman Cowan, was Prime Minister John Howard. We have not seen his speech. It is safe to say, however, that our elected leader did not record a scornful condemnation of the suggestion that the nation-state of Australia had been compromised, its Constitution discarded and its decision-making process removed from the people. Such a speech, had it been made, would have made the headlines scream and doubled the Liberal vote at the subsequent federal election.

There was only one man in the federal Parliament who had spoken and written in such terms; and he had been expelled from the A.L.P. for his outspokenness. Graeme Campbell, the independent member for Kalgoorlie, and the leader of a fledgling party, Australia First, which was to enter the lists for the first time in the Queensland State election, had articulated accurately and courageously the nature of the threat to Australia's independence. His analysis was profound, and it was obvious that he was capable of putting before Australians an alternative programme, which his parliamentary colleague Pauline Hanson, for all her courage and intuition, could not match.

In retrospect, it seems clear that it was at this stage, somewhere, a decision was made to facilitate One Nation's activities under Pauline Hanson and her cohorts at the expense of Campbell's Australia First. The latter was erased from the nation's media, censorship by omission, while a barrage of publicity was given to Hanson on a day-by-day basis. The real issue facing Australia - the preservation of its sovereign independence in the face of an international, globalised 'takeover' - was to be clouded in a welter of slurs and misrepresentations over social issues. Every conflict between One Nation and Australia First, both of who should have been working together, had to be fostered.

THE DARLING BUDS OF MAY

May took the issue of the MAI to pantomime proportions. Australia's Foreign Minister, Alexander Downer, claimed in Parliament that suggestions the MAI was in any way 'secret' was a 'furphy' fostered by such people as "the League of Rights and the Member for Oxley (Pauline Hanson)". After all, he claimed, it was on the Internet for anyone to see! He forgot to mention that it certainly was not Treasury or the Government that had put it there, but opponents of the treaty trying to expose what it entailed. Nor did he mention that both *Business Review Weekly* and former Chief Justice Sir Anthony Mason had also referred to the secrecy surrounding the nature and genesis of the Treaty.

But it did reveal how much beset politicians rely on the turning of the League of Rights into a 'bogeyman', which they can use to cover their tracks and belabour any opposition when all other answers have failed them.

May also saw the commencement of open warfare on Australia's waterfront, between the Maritime Workers' Union and Patrick Stevedores, which paralysed shipping for a number of weeks. Both sides had much to answer for. There is no doubt that the 'wharfies' had held Australia's shipping to ransom for many a long year. But the Government, too, was forcing through legislation, which could only result in loss of jobs and reduction of wages, as part of an industrial programme, which did nothing to address the real issue of inevitable unemployment across the nation in the face of ever-evolving technology.

Suddenly, the Government announced that the AMI had been put on the "back-burner" for six months. This was obviously a reaction to the widening and increasingly well-informed campaign against the treaty, now coming from many quarters of the political spectrum.

The month closed with increasing focus on the Queensland State election, in which even the media had picked up a major electoral revolt against the major parties, stemming mainly from Australia's stricken rural areas. The attempt to quell this revolt was not helped by the stiff-necked former Prime Minister Malcolm Fraser, who was wrong on most things, but adamantly convinced of his own wisdom and discernment. Among other ridiculous claims he made against Hanson's One Nation was the usual one that "the League of Rights was behind it all".

THE MOON IN JUNE

Australia's attention was focused on Queensland as June opened, where a State election was due on the 13th of the

month. Some of the reactions were quite bizarre. Victoria's Premier, Jeff Kennett - not exactly a pin-up boy in his own State - personally visited Queensland to inform those voting that Pauline Hanson's views were "a risk to our democracy and harmony". The Prime Minister, who had hitherto been more moderate than many of his colleagues, claimed that Pauline Hanson was "bordering on the deranged". The media was even more frenzied. The ABC's *Lateline* host, Maxine McKew, normally rational and reasonably polite, abandoned every standard in a hectoring interview with Hanson, showing a level of hostility and bias from which even the ABC would normally recoil.

Malcolm Fraser again intervened, begging Queenslanders to put One Nation last on its preferences.

All of which had little effect on Queensland voters, who were, contrary to the assumptions of Kennett, Fraser and the ABC, quite capable of coming to their own conclusions. June 13 saw a massive shift in Queensland, with both Nationals and Liberals being savaged. A new, inexperienced party, led by a naive but courageous novice, gained well over 20 percent of the vote, and got eleven new members into the Parliament. Queensland, unlike the Federal voting system, has 'voluntary preferential voting.' This means that people are not forced to give their preferences to other parties or candidates of whom they disapprove.

In the end, Labor limped over the line, relying on an independent to gain the Treasury benches.

Most telling was the first (unguarded?) reaction of Prime Minister John Howard, asked to comment on the Queensland result. In a major interview with *The Australian's* Dennis Shanahan came the following:

"... Howard admitted to the difficulty of being in government in a globalised economy where there is a loss of sovereignty and weariness with change, and (where) simplistic answers win the hearts of the hard pressed ... There is always a discontent with the prevailing political establishment and somebody new has some superficial attraction. We are going through globalisation; there is a lot of economic change. There are a lot of people knocked round by it and who feel threatened by it and I understand that..."

In that statement lay the nub of the concerns felt by many Australians. There was and is no evidence to say that Australia must diminish or abandon its own sovereignty, which means its own Constitution, in favour of global decision-making. Section 128 of the Constitution is there to ensure that Australians must be consulted directly about their own political and economic future. The present transition from national decision-making to international decision-making is a theology foreign to the thinking of Australians, and only maintained by a mixture of stealth and misrepresentation.

This can be seen in the imminent referendum concerning a republic. Some of those leading the republican push are presenting their case as though it furthered national sovereignty and independence. Yet their commercial activities belie this propaganda by a constant and never-ending extension of globalism, which, in John Howard's words, leads to "a loss of sovereignty".

The major matter concerning Australia's future is whether it can retain its own birthright, which is the right to shape and

determine its own future, rather than ceding the right to such bodies as the IMF, the World Bank, the World Trade Organisation and the coalition of immense banks and their underling transnationals now striving for world hegemony.

One suspects that John Howard's sympathy probably lies with a constitutionally and economically independent Australia. But he was ever the pragmatist, and goes with the strength.

His failure to go as far as Fraser and Kennett in condemning the growing revolt led immediately to pressure. Howard was whipped into line.

BLOWTORCH APPLIED

Five days after the Queensland election (June 17) *The Australian Financial Review* gave details on the pressure being applied to the Prime Minister;

"The Prime Minister, Mr. John Howard, is under growing pressure from within his own party and from key business backers in the Jewish community to persuade the Liberal Party put One Nation last on its how-to-vote cards.

The powerful Australia-Israel and Jewish Affairs Council - whose directors include leading businessmen Mr. Frank Lowy, Mr. Solomon Lew and Dr Gary Weiss - has written to Mr. Howard asking him to do everything he can to ensure Ms Pauline Hanson's One Nation party is given last preference by the Coalition at the coming election.... The AIJAC letter was signed by its national policy chairman, Dr Colin Rubenstein, and its national chairman, Mr. Mark Liebler

The lessons of Queensland were learned, and the closing of the ranks enforced. A major element was to ensure that the voluntary preferential system in Queensland was eliminated in the federal election. It had previously been shown by the socialist renegade Albert Langer that voters could nullify the flow of preferences in a federal election by voting 1..2..2..2, thereby preventing a single beneficiary from a flow-on of preferences. Legislative moves were made to eliminate this loophole, forcing potential minor-party electors to pass their preferences to unwanted alternatives whether they liked it or not. Under such a system, any minor party candidate or independent would have to gain over 50 percent of primary votes - practically impossible. Thus were over a million voters at the subsequent federal election, for all practical purposes, completely disenfranchised.

THE HEAT CONTINUED

A brief statement by a One Nation spokesman that a bank to provide low interest finance for farmers and small businesses would be financed by "printing money" resulted in hysteria. Howard warned it would lead to hyperinflation. Treasurer Peter Costello, his customary smugness replaced by a face of the most portentous gravity, appeared on television to warn that the suggestion came straight from the League of Rights. He rustled unseen documents from the League's supposed dark past to reinforce his warning. Australia, no doubt, was supposed to freeze into an appalled silence.

The absurdity - and the sheer dishonesty - of Costello's reaction would only be apparent to those who had bothered to look at Australia's Reserve Bank Bulletin, which revealed that, during the previous year, 1997, under the Government's

financial policy, the money supply had increased by \$31 billion, of which \$1 billion was in the form of notes and coin. The amount of money 'printed' under Howard and Costello was about 200 times greater than that suggested by One Nation. In fact, a number of international bankers and monetary experts - Federal Reserve Chief Alan Greenspan is one - have been pushing "money-printing" as the way to stave off a global debt collapse.

One Australian journalist/economist, Kenneth Davidson in Melbourne's *The Age*, parried the Howard/Costello propaganda nicely:

"Ridicule was heaped on the One Nation director David Ettridge who had the temerity to advocate the setting up of a 'peoples' bank' with \$150 million of printed money to finance low interest loans for small business ... The ALP forgets about the history of the Commonwealth Bank ... On the 7.30 Report last week Costello left the impression that printing money was anti-Semitic as well as economically unsound. 'No country in the world does that. If a government started printing notes and passing them into circulation inflation would take off in this country and destroy peoples' savings'.

This sent me scrambling for the latest Reserve Bank monthly statistics which show that in the year to April, the Reserve Bank under the direction of the Treasury printed or coined some \$1.5 billion in new currency.... Because One Nation is racist does not invalidate all its policies, which should be examined on their merits. One Nation is a cry for help as much as the standard-bearer of hatred and exclusion. If One Nation succeeds it will be because the major parties have failed to address the national interest, not because Ms Hanson has triumphed...."

The truth about 'money-printing' was never allowed to interfere with the party agenda in Canberra, which was consumed with destroying the electoral revolt at all costs. The National Party leader in the Senate, Ron Boswell, revamped his customary attack on the League of Rights, claiming, without an atom of proof, that One Nation was a 'front' for the League. Malcolm Fraser outdid himself again, suggesting a national coalition between Liberal, National and Labor, as a united front to defeat the revolt.

Something of the hysteria being whipped up was evident on July 19, when a public meeting organised by One Nation at the Hawthorn Town Hall in Melbourne was beset with a howling and violent mob, which physically attacked some of those attending the meeting. In an amazing scene, Victorian police, instead of enforcing law and order, took up the role of negotiators on behalf of the violent protesters, thus succeeding in preventing the appearance of Pauline Hanson at a lawful gathering.

July ended with a forced back down by the Howard government, in the face of mounting public opinion, from the sale of the remaining one-third of Telstra. The view that enough of Australia was being sold was beginning to break through.

SNOOPS AND SPIES

August heralded the formation of a new type of organisation, 'Racewatch', a partnership between the Jewish lobby group B'nai Brith and Community Aid Abroad. The idea was that

members of the public be invited to report anyone expressing a view considered racist to the organisation, the accused being put on a data base and screened, and possibly reported to a tribunal of three - former Race Discrimination Commissioner Irene Moss; Marcus Einfeld, President of the Federal Court; and former Tax Commissioner Trevor Boucher. The organisation obviously assumed its own infallible right to censure Australians on their views about race, to decide what was legitimate and what was not, and to take action if necessary. It was another form of the old "thought-police" mentality, and an obvious reaction to a seething and unpredictable electorate.

August was not a happy month, with the citizens of Sydney forced for an extended period to boil their drinking water due to contamination in the filtration plant.

Australians were being subjected to an almost non-stop barrage of propaganda on a Goods-and-Services tax, the centrepiece of the Coalition's election platform in a federal election to be held in early in October. To add insult to injury, the barrage was partly funded by millions of dollars appropriated from Consolidated Revenue.

As September commenced and Australians wearily steeled themselves for the claims and counter-claims and the non-stop advertising assault which constitute modern elections, four former Prime Ministers - Whitlam, Fraser, Hawke and Keating - joined forces in another attempt to 'save the nation from itself. They issued a statement saying in part:

"Racism is an unmitigated evil, it is immoral ... at this election everyone has the opportunity to demonstrate that there is no room for racist politics in Australia. We therefore urge you to put any candidate supporting any element of racism last in the election both in the Senate and the House of Representatives."

The happiness of Victorians was not improved by an explosion at the Longford gas plant, immobilising tens of thousands of industries and homes that depended on gas for warmth or production. It was another example of the folly of centralising essential services into massive monopolies.

By the time the election on October 3rd arrived, the vast majority of voters were sick to death of the never-ending barrage about taxation. Most voting was negative - an attempt to choose the lesser of two evils. The election was turned into a type of referendum on the Goods-and-Services Tax, which certainly did not deliver the Coalition the "mandate" it later claimed. In terms of aggregate votes, Howard received slightly less than Beazley, and limped over the line. The protest vote to minor parties was the biggest in Australia in half a century, with over 1 million voters opting for One Nation, which, due to compulsory preferential voting, did not translate into seats.

So preoccupied were Australia's politicians with securing their own seats that issues of great moment on the international scene were almost totally ignored. Absurd statements by Treasurer Costello, that the Australian economy was 'fireproofed' against economic crisis, and National leader Tim Fischer that Australia was a 'safe harbour' for investors, were dropped as soon as the elections were over. Suddenly the greatest crisis since the Great Depression, lapping round Australia, was 'discovered'. It was only by the genius of the Howard government that Australia's 'fundamentals' were in such good shape - or so we were told.

The truth was somewhat different. Australia has already succumbed to many of the threats that Asian nations are struggling to avoid. Ninety percent of its corporate sector is foreign owned; its overseas debt is greater than any other economy in the Asian region, and is still growing; unemployment is endemic, reaching crisis proportions among young people; somehow, in an economy so abundant in natural resources it has been cited by the World Bank as the world's richest economy, one-third of the population lives on or below the poverty line. Australia in population terms is one of the most centralised nations on earth, with 80 percent of its people living in metropolitan areas. Rural Australia is being denuded of people. Crime and violence are rising rapidly. There is no popularly accepted vision among ordinary people for the Australia of the 21st century.

The outlook, to say the least, is discouraging. Yet it is precisely at such periods that changes come. *"The plight of the world is the hope of the world"*. Despite the threats, pleas and protests of our leaders, we are on a false path. If there is any bright spot in the gloom, it is that there is an exponential growth in the number of Australians beginning to see what is happening. There is an awakening, and a search for alternatives. The 'raison d'etre' of the *New Times* has been, and is, to make available those alternatives to fellow Australians now looking for them.

Rational evidence suggests there is little hope of averting worldwide disaster. But such thinking discounts the human spirit. Britain's Dunkirk was a disaster from which there was no seeming hope of recovery. The idea that central planners could have organised the Dunkirk relief convoy is absurd. It was a spontaneous, instinctive, unanticipated reaction. More than once such responses have changed history when all seemed lost. A certain intensity of concern, a certain yearning for truth and reality, a certain sense of loss for spiritual as well as temporal values - these are the things that finally move peoples and nations. The breeding ground for such a reaction has never been more tangible. The future is not yet over.

BASIC FUND LAGGING

As we go to press the League's Basic Fund for 1998-99 has reached \$33,312.99, provided by a minority of supporters.

Contrary to the claims of the Treasurer and the Government, there is plenty of financial hardship in many areas. There is no promise of improvement in the New Year.

The League's information and activities are going to be more crucial than ever in the period ahead. We cannot therefore, ask any less of our supporters than a continuation of the magnificent support given through the years to meet the heavy responsibilities ahead.

A flood of contributions before Christmas would be the best Christmas present the League could receive.

All contributions to G.P.O. Box 1052 J Melbourne 3001.

THE TRADE EXCHANGE IDEA

As the debt crisis deepens, bank branches close, and local communities seek alternative forms of banking; it is inevitable that the function of Trade Exchanges gains wider attention. These allow the exchange of goods and services almost entirely independently of trading banks.

A number exist in Australia in different forms. Some are big. Queensland-based BarterCard, for instance, is operating interstate and establishing itself in overseas countries. It records transactions worth over \$15 million a month. A number of others - the Queensland Trade Exchange and Ibox, for example, - are similar in scope. They offer their own trade catalogues, and record transactions either through electronic cards or letters of credit-transfer, which to all intents and purposes are cheques.

There is no reason why local communities cannot either operate their own Trade Exchanges, or enter into arrangements with existing Trade Exchanges.

The function of such associations has been examined by the Australian Tax Office, which has offered no objection provided commercial transactions and profits are recorded in tax returns. The ruling on this issue is IT2668. For purposes of evaluation the ATO regards a 'trade-dollar' to have a par value with the \$A.

One of the earliest to start operating in Australia was the LETS system, first started in Canada. It can be found in many areas of Australia - sometimes on a sophisticated level, and sometimes at what could be called a grass-roots 'alternative' level. Much depends on local administration and enthusiasm.

The following article is reproduced by permission from *The Crows Nest Advertiser* (Qld) November 30, 1998:

LETS - AN ALTERNATIVE TO MONEY

What is money? I guess we all think we know the answer - it's something you must have to survive.

Wrong. Money is a unit of measure, just like an inch or a kilogram.

Would you believe your builder if he told you that he had to stop work because he'd run out of millimetres? Ridiculous, eh? Well, money is a measure of energy. Your energy.

So what went wrong? Without going into heavy philosophy, money has become an end instead of a means, and this has gathered impetus until we see the crazy roller coaster that we are all aboard today, staring down the barrel of a global financial melt-down which will leave money as meaningless as centimetres with nothing to measure.

Scary, eh? But there is an alternative, which puts "money" back in its place - as a token of energy expended. In fact there are a number of systems but the one which has been up and running in Crows Nest for over ten years is one of the LETS systems, which originated in Canada. The idea behind a LETS system is that energy expended locally should STAY local. It is not a barter system as such, because a straight barter system is too limited; it is a system of local currency with a centrally computerised base and a "yellow pages" - of members advertising services available in exchange for local currency - which in the Crows Nest area is "Egs" - an acronym for "Economic Growth System" which fits in well with nests!

How does it work? Let's trace a theoretical trade or five. Suzie makes pottery and has a wood-fired kiln. John doesn't

need pottery, but he cuts wood for her and gets paid in Egs. He takes his car to Fred's garage, where Fred works for 10% Egs. Fred also pays his mechanic, Jack, in part-Egs, and since Jack has a sore back, he takes his Egs and gets a massage from Jane. Jane is re-building her kitchen and buys some second-hand cupboards from Alf for Egs. Alf uses the Egs at the local grocery store, where they trade Egs-only for local (in LETS) produce, and part-Egs for other produce. In each case, the persons have notified the LETS 'base' of the trade, and the exchanges have been applied to their accounts. (Note that local currency does not earn interest, nor attract it in the event of a debit. Like all energy, it is only of value when it is in use!)

Six trades in that example, and all of them local. The Local Energy Trading System keeps the "money" - the Energy - within the community.

LET Systems have been running since 1983. Letsnest originated over ten years ago, but has been limited because of a lack of input from the wider community; available services currently range from teaching French, through massage, car servicing, gardening, housework, honey, cooking, paintings, accommodation, to a dolls house for sale. The same system can and does accommodate trades, shops, rent, hire, - indeed, anything at all which can be exchanged for money. At first, people tend to think it may be a "tax rort". Wrong - the ATO is fully aware of LETSsystems, and has regulations covering the use of local currencies.

What is an "Eg" worth? For convenience, new members are told to assume an Eg = a dollar.

But really, the value of an Eg is whatever the two people decide it is. There is no exchange rate.

Dollars are still needed. Egs do not replace them.

BUT - Egs act locally, independent of, but parallel with, hard currency. They keep energy (work) local, and have been known to save small towns in Canada and West Australia (where the State government actually encourages the formation of LETSsystems) from total ghost-town status.

Can LETSystem help Crows Nest? Well, it has been for the past ten years. It is up, running and working in over 1,000 communities worldwide. The biggest LETSystem in the world is Australian - Blue Mountain LETS, with the equivalent of over \$300,000 in trades each year. There are currently seven other LETSsystems, which trade with Letsnest, from Hervey Bay to Lismore. (Why not go to the Sunshine Coast for a holiday and rent part-Egs?) Why be at the mercy of the global money markets any more than we have to be? Why not think and act locally? A Credit Union is probably essential - but equally important will be to have a system which is purely locally based. Then when Murdoch and Bill Gates are paying a million dollars for one potato, we'll still be paying a couple of Egs for a bag of spuds.

CANADA'S DEBT CRISIS

Australia's public sector debt has dropped slightly over the past few years, hovering just above the \$200 billion mark. This has been achieved by a massive sell-off of public assets, much into foreign hands. The Howard Government anticipated that the complete sale of Telstra, plus a few other assets, would place it in a debt-free position by just after the turn of the century. The strong public reaction to the complete sale has, for the moment, stymied that intention. The choice between debt and/or foreign ownership seems "Hobson's choice" to most Australians.

Canada has not sold off its public assets quite so vigorously as Australia. Consequently, its public debt is massive.

The following excerpts are from a letter by Professor Jacques Larochelle, which appeared in Quebec's *Le Soldi*, (July 7, 1998). It was reprinted by the "*Michael*" Journal (Sept-Oct 1998):

"In the hands of politicians in high offices, the national debt has become an extraordinary instrument of power. Thanks to it, dishonourable acts, like cutting in health care, education, and in the income of the have-nots, have become heroic gestures that are proudly summarised in the slogan: "One must reach zero deficits." The people accept all of this with resignation, because they have been convinced that they are responsible for the existence of the debt, by giving to themselves public services that were beyond their means. Brainwashing millions of people being not easy, an effort over a period of fifteen years was required, to which all politicians and ex-politicians from all federal and provincial parties collaborated, in a very suspicious unanimity.

The trick was to convince the people of two falsities: first, that the national economy is too complicated for the common run of the people to understand anything about it; second, that there is nothing governments can do, because the control of the economy is beyond their powers. What is most strange is that everybody fell into the trap. Even union leaders and intellectuals have put aside their critical minds, and no public debate has taken place on the legitimacy of the huge cutbacks made in the name of the debt.

The crucial truth about our national debt is that it consists of interest charges, and it is not due to spending for social programmes. According to a study of the Dominion Bond Rating Service, which was made public in 1995, 93% of the national debt is due to compound interest, and only 7% to Government spending in all of its programs, including national defence. The exponential growth of the debt over the last ten years is essentially due to these two decisions of the Federal Government.

First, to borrow less and less from the Bank of Canada - of which the profits return to the coffers of the Federal Government - and to borrow more and more from chartered banks - of which the profits go into the pockets of the bankers and their shareholders.

Second, (by far the biggest mistake), to leave the creation of money to the chartered banks. Since that time, the Bank of Canada creates practically no money, while the eleven Canadian chartered banks create an average of \$80 million every day on loans. The Canadian Parliament even modified in 1991 the Bank Act (Section 457, Paragraph 4) to allow these institutions to create money without spending one penny, or to be backed up by any reserve in cash or gold (the dollar is not based on gold since 1976). Even American and German banks do not enjoy such special treatment.

Just imagine for one moment that the Government gives you, absolutely free, permission to create millions of dollars every

day, and then offers to borrow from you these millions at high rates of interest. You don't need to be a financial genius to become rich under these conditions! It is not difficult either to understand that such gifts help banks to declare record profits year after year! No wonder the bankers then feel the need to spend tens of millions of dollars in a smoke-screen publicity campaign! You don't need to hold a diploma in economics to figure out how the Federal Government, with such principles, managed to build up a debt of which 93% consists of interest charges!

And what about the rest of the debt? Well, 7% of the \$590 billion (the present debt of the Canadian Government) is about \$42 billion (*Editor's note: This is less than what is paid in one year by our Federal Government in interest charges on the national debt. So one can say that, in one year, the actual debt has already been paid off!*)

All of this may seem incredible, and yet it is the honest truth! However, what is perhaps the most surprising fact is that all of these facts and figures mentioned above are well known by our political leaders. If they don't mention them, it is because they have learned, at the school of big political parties, to protect the goose that lays the golden eggs (the hand that feeds them).

These figures allow us to clearly contradict those who claim that it is the welfare recipients who put our country in financial trouble. On the contrary, these figures show that the Canadian deficit is not, first of all, an economic problem, but a moral problem. They remove all legitimacy to the cutbacks made in social programs on behalf of the debt. Contrary to what one often hears, the welfare State has been more profitable to the bankers than to the have-nots."

Jacques Larochelle

CHRISTMAS GREETINGS

In our last issue for 1998 we take the opportunity of wishing our readers, wherever they may be, a Happy and Holy Christmas.

This has been a year of trials and tribulations, illness included. But the overall purpose and impetus of the *New Times* has in no way been dimmed.

We thank all those readers who have continued to provide loyal support to the *New Times* and the cause for which it stands. We predict 1998 will go down as a momentous, defining year in Australian history. The League of Rights, serving the cause of Practical Christianity, continued to provide service to all those concerned about preserving and expanding freedom. There is no doubt that 1999 will witness an intensification of the explosive events of 1998.