



# ON TARGET

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*The price of Freedom is eternal vigilance -*

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Thought for the Week: "Majorities cannot create moral values, and injustice remains injustice however great the plebiscite in its favour. To take away men's property for no other reason than that you have the strength to take it away is a much lesser injustice than to take away a man's life for the same reason, that you have the strength and think it will be for your advantage or convenience if he ceases to exist....It is the essence of a healthy society that men can work and plan not for themselves but for their children, and can accumulate in the knowledge that they can store value for years ahead. "

- The Tablet, England, April 6th., 1946.

AN ELECTORS'S VETO NEEDED: Only limited publicity has been given to a study, Initiative In Referendum - The People's Law, by Professor Geoffrey Walker, head of the Department of Law at the University of Queensland. The study has been published by the Centre for Independent Studies in Sydney. Professor Walker correctly says that people generally were disgusted with the way politics are going. The people are saying, "We want our country back." There has been a growing frustration among electors, who have become increasingly cynical about party politics. This is a potentially dangerous development, which could prepare the way for the emergence of some "strong leader" promising that given sufficient power he will solve all the nation's problems. But as the great Lord Acton said, "All power tends to corrupt, and absolute power corrupts absolutely." The natural law concerning all governments is that they tend to seek to increase their own powers. Even Sir Joh Bjelke-Petersen, like his predecessors, has never moved to re-establish a Queensland Upper House, abolished by a Labor government. The situation of the Australian people would have been much worse if it had not been for the wisdom of the Founding Fathers, who ensured that with the Senate the Australian people had perhaps the most effective Upper House in the world.

Voting is an important aspect of the democratic system of government

but it is generally overlooked that the foundations of Western Christian Civilisation were established long before the modern political system was created. The British contribution to the evolution of government was essentially Christian, stressing that the individual was entitled to inviolable rights which no government could take away; that there had to be constitutional curbs on government; that it must be decentralised and close to the people; that Members of Parliament should be genuinely representative of their electors; and that Upper Houses and the Crown were essential for maintaining a balance of powers.

The framers of the Federal Constitution made specific provisions for the Crown's representative, the Governor-General, to be petitioned concerning unpopular legislation, requesting that it be vetoed. But coinciding with the development of the modern, dictatorial party system, the concept of the Crown's representative vetoing legislation has been weakened to the stage where it is extremely unlikely to be used. If it were used, there would be a highly organised outcry about the "violation of democracy"! With the proposed introduction of four-year Federal parliaments, the necessity for some new type of electors' veto is an urgent necessity. The Swiss principle, first originated in Switzerland late last century, of the electors having the right to veto any legislation, is supported by Professor Walker. It is an encouraging development that the Constitutional Commission has received a large number of submissions in favour of the Swiss principle being introduced by referendum into the Federal Constitution.

The Swiss principle was discussed in the early days of Federation, and was actually included in the Australian Labor Party policy until 1963. It was removed mainly on the initiative of former South Australian Premier, Mr. Don Dunstan. The Fabian Socialists have always believed in "strong governments". The electors' veto principle operates in 24 American States and there are variations of it in Denmark and Italy. If the provision for an Electors' Veto were incorporated into the Federal Constitution, all future Australian governments, irrespective of label, would find it difficult to increase taxation, to violate the nation's traditional immigration policy, to place Australia under UN conventions, or to introduce any type of controversial legislation without running the risk of the electors using their constitutional rights to demand a referendum on the legislation.

We predict that the issue of the Electors' Veto is going to become a major issue in Australian politics between now and the next Federal Elections. The debate on this issue will demonstrate just how genuine are all those who are talking about the necessity for

less government, particularly at Canberra. If Sir Joh wants to leave a permanent mark on Australian history, he should put himself at the head of a national movement whose major objective is to ensure that in future the Australian people have an effective sanction over their paid representatives.

JAPAN AND THE EXPORT MYTH: Could we now hear from all those who have claimed that Australia could solve its economic problems by following the lead of Japan? Prominent "conservative" leaders continue to tell Australians that they will find the answer to their economic problems by becoming "more competitive" in a drive for bigger export markets. The argument that Australia can only solve its domestic problems externally is based upon a major fallacy and a failure to understand the true purpose of an economic system. The true purpose of production is to provide the goods and services required by consumers, as indicated by their "money vote". As pointed out by C.H. Douglas, there was nothing basically wrong with the laissez faire system under which competing producers sought to provide the requirements of their customers in the most efficient manner. The only problem was a faulty financial system which made it increasingly difficult to operate the economic system without incurring growing financial debt. This debt is created by the banking system. As candidly admitted even by spokesmen for the banking system, practically all money comes into existence as a debt owing to the banking system. Control of the banking system means control of the economic system.

Just as the true purpose of production is consumption, so the true purpose of exporting is to pay for required imports. If two small marble-playing boys are "swapping" marbles, and one boy notes that he has finished with six marbles while his friend has ten, he is likely to become most upset and to charge his friend with having "diddled" him. He has suffered a loss of four marbles. But when he grows up and studies the Black Magic of financial orthodoxy, he could become convinced that if Australia "swapped" ten marbles of production for only six marbles of production, it has made a profit. Such are the fruits of "higher education". Carried to its logical conclusion, a nation which reached the ultimate in striving for a "favourable balance of trade", exporting 100 per cent. of its production and importing nothing, should reach the millenium! Consider the plight of Japan, now being bluntly told by the U.S.A. that it must curb its exports to the U.S.A., which are having a damaging effect on sections of the American economy. A trade war, with far-reaching implications, is starting to intensify.

As today's producers in all developed nations struggle to sell their flood of production at a profitable price, they could

learn something by turning back the pages of history to consider the findings of prominent scientists, engineers and business organisations during the Great Depression of the 'thirties. Obviously there was much more commonsense about during that crisis and practical men had little respect for the financial witch-doctors of the day. Only the outbreak of the Second World War cut short the growing demand for a correction to the debt system, this being a reflection of the fact that there was a growing disparity between total prices and purchasing power distributed over any given period of time. This disparity was one of the major reasons for every industrialised nation striving to solve its internal problems by exporting. This inevitably led to growing international friction.

One of the most authoritative examinations and findings was that of the Southampton Chamber of Commerce, one of the oldest and biggest chambers in the world, representing some of Britain's most prominent businessmen. The famous 1933 Report by the Chamber not only diagnosed the basic flaw in the orthodox finance-economic system, and put forward corrective measures, but made predictions which are of chilling relevance as the world moves into an even more dangerous crisis than that of the 'thirties.

The Japanese situation highlights the nature of the basic problem. The Japanese have desperately sought to overcome their internal shortage of purchasing power by massive exports. Japan has an enormous internal debt. American demands on the Japanese are having serious political repercussions inside Japan as the government seeks to increase taxes. The message to the Japanese is that they must accept a lower standard of living. Australian exports will be affected. Any further losses of Australian export earnings will be used as an excuse to brainwash Australians into believing that they must accept a lower standard of living.

If Australians are so mesmerised by financial Black Magic that they cannot grasp that they must, and can, solve their own internal economic problems independent of the export myth, then there is no doubt that there is much worse to come. Australians who are really determined to save an independent and sovereign Australia could make a start by examining how, during Two World Wars, with its export markets dislocated, Australia provided most of its own financial credit without running up astronomical external debts. Such an examination would also need to look at the system of consumer price discounts which from 1943 onwards kept the price level stable for the next five years. The Japanese situation has confirmed the warning by Confucius: It is no use running hader if you are on the wrong road.

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