



ON TARGET

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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: "Looking at the way English is used in our popular papers, our radio and television programmes, or even in our schools and our theatres... (I and others) wonder what it is about our country, and our society that our language has become so impoverished, so sloppy and so limited that we have arrived at a wasteland of banality, cliché and casual obscenity."

– Prince Charles

THE BARINGS BANK AFFAIR AND BLACK MAGIC by Eric D. Butler:

Amidst the welter of comment concerning the young English Barings Bank employee who allegedly "broke the bank", not one of the journalists has attempted to explain the reality of international banking. No one has dared to suggest that the whole financial system is a manifestation of a type of black magic, with an army of witchdoctors, in essence certified economists, who use their own incantations to attempt to make what is basically simple, so complicated that the ordinary individual is not supposed to be able to understand it. In fact, he doesn't. How many recall Prime Minister Paul Keating's "J Curve" and how it showed that Australia was, under his policies, solving its problems.

Any realistic assessment of the "crisis" which has allegedly threatened the whole world's banking system as a result of over-greedy speculators, it is highly unlikely that Nick Leeson was operating without the approval of others in Barings Brothers, who were happy with his efforts when they paid off, requires a simple answer to a fundamental question: What is money? The answer has been provided by an accepted authority, Professor Walker: "Money is any medium which has reached such a degree of acceptability, that no matter what it is made of, no matter why people want it, none will refuse it in exchange for his products." C.H. Douglas, author of Social Credit, elaborated on this as follows: "Money is buying power, an effective demand for goods and services; conversely, anything that has buying power is money." Money is a sophisticated ticket system and must be created by someone; it does not emerge out of the air. What is generally termed legal tender – notes and coins – is created under the authority of the nation's Central, or Reserve, Bank. But as a quick examination of official government figures will reveal, legal tender is only a small fraction of the total amount of money created; the bulk being created in the form of financial credit by the banking system. But irrespective of how money is created, or described – dollars, pounds, francs, lira, etc. – it has no value unless people believe that in exchange

for it they can obtain goods and services. And any type of money system without production is like issuing railway tickets in a country where there are no railways.

The most astonishing aspect of money creation is that large numbers of politicians, bankers and economists attempt to deny that this creation takes place. This in spite of the fact that a number of official enquiries have demonstrated the reality. Prominent bankers have on occasions admitted the reality. On September 1st, 1994, Bryan Chapple of the New Zealand Reserve Bank wrote in response to a query about money creation: "..... banks do create money and credit". He observed that "Notes and coins ... are only issued by the Reserve Bank. Commercial banks cannot print and issue money".

There was a time when credit money was created by writing figures in bank ledgers, this when loans were granted, either to individuals or governments. This was colloquially described as "pen and ink money". But with the arrival of the electronic age, computers are used. Thousands of bookkeepers are no longer required. Large sums are transferred today via electronic blips. No one has ever seen large supplies of Japanese yen being brought into Australia via boat or plane, when Japanese investments are made. This is all done with electronic blips, as are transfers between countries. Those electronic blips have no reality unless those using them believe that they enable them to obtain goods and services, or to buy properties or other capital assets.

Australians who believe that they cannot use their own natural resources or productive capacity, unless international investment bankers give them a high enough "credit rating" in order that electronic blips can be sent from, say, the U.S.A., are victims of a black magic which international speculators, like the young Barings Bank employee are constantly seeking to exploit to their own personal advantage. If the Japanese financial markets had acted, as he anticipated and hoped, he would have been hailed as a hero by Baring Bros.

The central lesson for Australians to learn from the Barings Bank fiasco is that the more centralised the world's financial system becomes, the more they are at the mercy of developments over which they have no control. It is urgently necessary that the Australian banking system be re-regulated so that financial policy is determined by the elected representatives of the Australian people. The future of Australia cannot be left to international financial speculators whose main motives are limitless greed.

NEW ELECTION DEVELOPMENTS by D. Thompson:

Polling indicates that the Liberal Party is only slightly ahead of the A.L.P. in N.S.W. in the campaign for the March 25th State election. But there are many uncertainties. Independent Mr. John Hatton, the anti-corruption and anti-crime campaigner who held the seat for 20 years has decided not to contest his seat. This leaves the way open for his son, also John Hatton, to stand (against his father's advice) having resigned from the Democrats the day before nominating. This improves the Liberals' slim chances of defeating enough of the Independents who have held the balance of

power in the Legislative Assembly, in order to govern with an Assembly majority. Hatton's view is that the best Fahey can hope for, is another minority government.

It is almost certain that whether the Liberals or the A.L.P. manage to win a majority in the Assembly they will again fail to achieve a majority in the Legislative Council. In many respects this is a blessing, because it provides for a genuine check on any government. Without this, even so-called "conservative" governments can become uncontrollable and unaccountable, as with the Kennett Liberal Government in Victoria.

The voting for the Council will encompass some 35 parties and political groups, and the preferences of the small, special-interest groups or parties could decide the composition of the Council. Mrs. Elaine Nile, of the Call to Australia Party, appears to be struggling to hold her seat, and the impact of the Shooters' Party, with John Tingle as a candidate, the No Aircraft Noise Party, Australians Against Further Immigration, and a number of others will be critical.

GETTING RESULTS, OR GETTING ELECTED: Although there are a record number of small parties standing, all of whom will expend enormous amounts of energy, money and time, many of their supporters will be disappointed by their ability to achieve results, even if they do win the coveted Legislative Council seat. Getting elected is simply not synonymous with getting results.

Perhaps the No Aircraft Noise Party is an example. The abominable noise is a genuine problem in Sydney, with potentially huge political consequences. An enormous protest movement had to meet in sporting stadiums, and initial demonstrations were highly effective. However, when the decision was made to form a political party, the entire character of the aircraft noise campaign changed. The primary focus of many involved in the campaign changed from stopping the noise, to getting elected to parliament. Immediately many of those who supported other political parties began to drift away. What could have been a hugely effective non-party grassroots campaign could easily end in party power struggles, while the aircraft noise continues to drive sufferers to distraction.

Formal campaigning started in earnest with deep divisions about whether special legislation should be used to keep convicted rapist Fred Many in prison. Many, having served only eight of a 20 year sentence, is believed to be a repeat offender, and the A.L.P. pressed Premier Fahey to recall Parliament to deal with him. A tailor-made issue for press hysteria, the issue became potentially damaging to the Liberals, eventually forced to respond by searching for other charges upon which to detain Many.

Under strong pressure from legal observers the Liberals eventually made the case that the division of constitutional powers between Parliament and the courts prevented politicians from stepping in to interfere, thus narrowly avoiding the danger of adopting the attitude that Many (or anyone else) could not only be imprisoned without having committed a crime, but was also guilty unless

he could prove his innocence! Under some of the new "human rights" legislation, such departures from common law principles are now becoming increasingly likely. Many, freed last Friday, is under constant surveillance.

GLOBAL WARMING PROPAGANDA:

The news that a 2,610 square kilometre iceberg, about a third of the size of Sydney metropolitan area, has broken off the Antarctic ice shelf has been attributed to warmer summer temperatures at the Pole. Press reports claim that every ice sheet on the South Pole's coast is shrinking, and speculate on sea levels rising as a result. The possibility of "worrying trends" such as further icebergs "calving" without warning, and the swamping of island states such as the Maldives, as a result of warmer summer temperatures on the Antarctic peninsula now receive press attention.

However, some aspects of the press reporting is inaccurate, and more inspired by a desire to be politically correct than scientifically correct. W.S. Hughes, research fellow at the Tasman Institute in Melbourne, points out that the British Antarctic Survey media releases announced discovering a trend toward warmer summers, linked to melting icecaps and global warming, but the original source paper contained no mention of "global warming".

Hughes writes: *"In an environment the size of Antarctica there are sure to be regional fluctuations of climate, and the warmer summers so vigorously publicised by the B.A.S. are most likely a regional feature, much like Melbourne summers have cooled during the last 30 years. Recent Australian research finds that snow levels (and glacier thickness) are bulking up in Antarctica....."*

Hughes' most significant comment, however, comes in the final paragraph of this letter to *The Australian* (3/3/95):

"I am not surprised to find media items promoting the notion of global warming in the run up to the Berlin Conference late this month, where governments will be pressured to approve cuts to carbon dioxide emissions."

WILL HOWARD STAND FIRM?

Reports that Mr. John Howard will continue to oppose the Government's "racial hatred" laws indicate that the Coalition still intends to introduce their own legislation. It is clear that as the bill returns to the Senate this week, Prime Minister Keating and Attorney-General Lavarch are determined to try to placate the ethnic industry by pushing the bill through if they can. But having capitulated on the Aboriginal land fund bill in order to deny the Prime Minister a trigger for a double dissolution of the Parliament, will the Opposition stand firm on the racial vilification legislation? The Government, under strong pressure over this abominable bill, seeks to justify it by referring to attacks on Sydney synagogues and "gangs terrorising Asian migrants". Little evidence is offered for such justifications, and the fact that any such evidence can be dealt with now by existing laws is ignored. In fact, what evidence there is for gangs terrorising Asians, indicates that such terror tactics are employed by predominantly Asian gangs. It may be significant that the nation's highest crime-rate is no longer in King's Cross, but Cabramatta, an Asian suburb of western Sydney.

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