


ON TARGET

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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: "Faith is Power in a very real sense. Though the term is used loosely, Faith is not mere belief or trust, although these can be evidence of Faith. Faith is the 'knowledge' of Reality, acquired by an inner spiritual experience. It is the knowledge of Reality that brings the human mind into communion with the Universal Mind and the One Source of All Power. This Faith is dynamic – a power with limitless potentialities depending upon its quality and conscious realisation."

– L.D. Byrnes in *Faith Power and Action*

BEHIND THE MOUNTING TRADE WAR by Eric D. Butler:

In a prophetic BBC address on "The Causes of War", and published in the 1937 edition of *The Monopoly of Credit*, C.H. Douglas, the founder of the movement known as Social Credit, demonstrated that military war was the end result of trade wars, and that trade wars were the result of modern industrialised nations attempting to solve a domestic shortage of purchasing power by "fighting" for foreign markets. Orthodox finance-economics is based upon the view that domestic prosperity is based upon "capturing" foreign markets, thus obtaining what is called a "favourable balance of trade". Commonsense indicates that it is impossible for every exporting nation to have a "favourable balance of trade"; that there must be nations with an unfavourable balance. This is the current complaint of the U.S.A.: that Japan has been exporting an increasing amount of production to the U.S.A. while failing to import equivalent production from the U.S.A. The imbalance is greatest in the field of motor cars. U.S.A. trade representative Mr. Mickey Kantor has produced a "hit list" of Japanese goods for a proposed punitive import duty. The American policy makers are attempting to force the Japanese into accepting a bigger volume of American production. The Japanese have pointed out that the American policy would result in the bankrupting of a number of Japanese car-producing industries, with a further increase in Japanese unemployment, this adding to growing social tensions. In today's much publicised "internationalised" economy, there is no doubt that a major depression in Japan would have serious international implications.

The last time that the U.S.A. imposed a severe economic boycott on Japan it led to Pearl Harbour and Japan's entry into the Second World War. It is highly probable that in today's world of nuclear weapons, policy makers everywhere want to avoid, if possible, military war which could endanger banking and other power groups, wherever they live. The alternative offered is the creation of Common Markets, Free Trade Blocs. Both Washington and Tokyo have indicated that they are seeking Australian support. Prime Minister Keating has already criticised the American approach, primarily for the threat of unilateral action, arguing that "we ought to be concentrating on more open and freer trade generally". Keating is a prominent advocate of an Asian and Pacific trading bloc. Any short term benefit to Australian primary producers, resulting from the Japanese responding to American import restrictions by switching from American farm products to Australian products, would almost certainly be offset by de-stabilised commodity prices resulting from a major America-Japan trade conflict.

As has been previously pointed out in *On Target*, the whole world is moving towards deepening crisis conditions. It is elementary that if there are 20 major industrialised nations, all suffering from a domestic shortage of purchasing power to buy what has been produced, reducing the 20 down to 10 by forcing them into trading blocs, will not increase the total purchasing power by one dollar. If the much publicised World State with a world economy could be established, this would still not overcome the basic problem. But in the attempt to achieve this objective, millions of small producers, primary and secondary, would be destroyed with horrendous social dislocation. The signs of this dislocation can be seen everywhere.

In his BBC address on "The Causes of War", Douglas said that by putting its own house in order, by modifying financial policy to make it possible for the British to enjoy the benefits of their production system without threatening other nations with an aggressive export policy, they would lead the world away from threatened military action and set an example to the rest of the world. But as a Member of the European Economic Community, Britain has surrendered much of its sovereignty to Brussels – interestingly enough, the capital of a Multicultural Nation now in deep turmoil.

The state of the world provides a clear message to Australia: break with internationalism, correct its own internal problems, thus strengthening the economy and thus encouraging other nations to do likewise.

BOB CARR'S ANSWER TO SYDNEY'S SPRAWL by D. Thompson:

Newly elected A.L.P. Premier Bob Carr of N.S.W., has been to the bush and as we previously noted, reached the conclusion that the immigration programme was not serving us well, since the rural areas were becoming depopulated, and migrants congregated in Sydney. As a result, notes

Carr, the city is choking on its own waste. Carr comments that all cities have their optimum sizes, and that Sydney has long ago passed it. So Carr turned his attention to the immigration problem.

Mr. Carr is asking the Commonwealth to re-direct migrants to other cities and "regional" centres of N.S.W., rather than to Sydney. But we identify a new note in the Carr philosophy: he is not asking for **population decentralisation**, but **regionalisation**.

Senator Bolkus has already proposed that skilled migrants be given preference if they agree to go to work in the new 'trans-border' economic regions. So far, 19 Regional Economic Development Organisations have been established, with Commonwealth finance, and more are planned. It appears that the A.L.P. has now found a way to bend the immigration programme to the service of "regionalism" with the co-operation of the States. But does Mr. Carr understand Mr. Keating's "big picture"?

If Mr. Carr was prepared to deal with the problem, instead of tinkering with the symptoms, he might use his relationship with the Commonwealth to demand a **halt to immigration** – even if only temporarily. He could also insist on a change in financial policy, enabling those Australians forced out of rural areas to return. He could begin by insisting on a banking policy that would keep farmers on their properties, and small businesses in rural areas.

THE ARROGANT EVANS ON FOREIGN TREATIES:

As we expected, the High Court's decision on the "Teoh case", handed down last month, is beginning to produce uncomfortable political consequences. In this case, a Malaysian facing deportation, following conviction on serious drug charges, claims a "legitimate expectation" that the Government first consider the effects of his deportation on his children: Why? Because in 1990 the Commonwealth ratified the United Nations Convention on the Rights of the Child.

Although the treaty was ratified by the Government, **Parliament was never consulted**, and no legislation was ever passed to give effect to the 'treaty'. But the High Court found that although no laws had been made to enforce the treaty, **the Government could not ignore its obligations** under the terms of the treaty. As Sir Anthony Mason said in an extraordinary ABC Four Corners interview early in April, the High Court is obliged to act on issues where it was clear that the Government would not, so the Court found in Teoh's favour! This unexpected result has certainly turned up the heat in the treaty issue.

However, Senator Gareth Evans, speaking at a Constitutional Centenary Foundation Conference in Canberra a few weeks ago, still says there is no need for new treaties to be submitted to Parliament before they are signed. Evans said he was very reluctant to submit the treaty approval process to "the vagaries of the parliamentary system". This means that the Parliament should not be consulted **because the Senate might block new treaties**, instead of merely rubber-stamping them as Evans required!

Mr. Alexander Downer, addressing the same Conference, noted that one day in November last year, the Government **tabled** 36 treaties already ratified, and gave notice of another 50 being negotiated. There was only half an hour's debate about the 86 treaties, and each speaker limited to five minutes.

The incredibly arrogant Evans said that instead of consulting Parliament on new treaties, the Government's **informal consultations** were enough to ensure that the treaty-making power was used responsibly. For a man with a good working knowledge of constitutional law, Evans certainly understands the doctrine of the separation of powers under the Westminster system. In particular, he understands that the role of the Senate is **as a House of review** is vital to the separation of powers. But Evans shares the Fabian view that to be "efficient", powers should be centralised.

This issue, now becoming widely understood, and generating widespread concern, is a potential election-winner for the Opposition. But will Howard grasp the nettle, and find a way to not only scrutinise all treaties properly, but review those already adopted? Nothing less will do.

THE SHAKY BUDGET STRATEGY:

In order to produce a budget which "projects" a surplus income over expenditure of \$1 billion, Mr. Willis had to pawn the family silver in the form of the Commonwealth Bank, Qantas, etc. But his optimistic surplus is also conditional on a number of other factors, mainly outside the Government's control.

These factors include the interest rates, the value of the dollar, and the cost of servicing the growing national debt. Such things are now dominated by the multi-trillion-dollar financial "markets", in which millions of dollars are traded every minute, from one currency to another. So a few pimply youths in charge of computer terminals in London, Tokyo or New York could completely sink the Keating/Willis budget strategy **on any single day** between now and the next election.

Last week "the market" dropped "24 points" on one day in New York, and shaved a cent off the value of the Australian dollar. Already speculation about interest rates rising again is in full flow. Has the 1995/96 Budget been thrown out of whack already? No-one knows, and the Prime Minister and his minders are gambling on no-one finding out until the tell-tale figures begin to clarify the fiscal sleight-of-hand – probably next year, and almost certainly **after the election**.

The truth is that for all the huffing and puffing about the budget, it is no more a "budget" than a matter of wishful thinking about what conditions Mr. Keating **would like** to produce in order to win an election. As any farmer knows, an annual "budget" is required to keep bank managers off their backs, but it is really only a statement of general intentions, and as such hardly worth the computer paper on which it is printed.