



ON TARGET

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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: "Journalism is a false picture of the world, thrown upon a lighted screen in a darkened room so that the real world is not seen and the unreal world is seen ... We live under secret government, conducted by a secret process called Publicity."

– G.K. Chesterton in *G.K.'s Weekly*, November 3rd, 1932.

WHO IS CONTROLLING AUSTRALIA? by Eric D. Butler:

Members of a Federal Labor Party still reeling from the crushing Canberra by-election result, a major cause of the defeat being rising interest rates, were dealt a further blow last week when Mr. Bernie Fraser of the Reserve Bank bluntly stated that even a "good" Budget in May might not prevent more increases. The best that Prime Minister Keating could offer was that because the rate of growth in the economy had slowed to five percent in the last three months of 1994 had made further interest rate increase "Much, much less likely". With the warm approval of Bernie Fraser, the increases in interest rates were applied because, according to the mumbo-jumbo of the economic witchdoctors, the economy was dangerously "overheating", in fact "boiling". One of the major causes of the "overheating" was the building industry. Commonsense Australians who have managed to escape the brainwashing of the various types of "economic experts" can only ask in some astonishment, "Was there any physical problem with building an increasing number of houses to meet the requirements of the Australian people?" No one suggested that there was a shortage of building materials, blocks of land on which to build, or a shortage of skilled tradesmen. But as one read through the welter of comment, it was clear that Mr. Bernie Fraser and other "experts" were haunted by the fear of something called inflation.

In spite of all rhetoric concerning the "controlling" of inflation, the truth is that it is mathematically impossible to eliminate inflation. All that can be achieved is a slowing of the **rate** of inflation by the type of restrictive financial policies, which Treasurer Paul Keating introduced as a prelude to "the depression we had to have". It will be recalled that the Keating policy has the approval of the Reserve Bank and the economic "experts". The only criticism was that he should have applied

the "medicine" earlier. Although it takes a strong stomach to read through what "experts" and the politicians of all shades have been saying, one can only conclude that the Opposition worships the same god of finance-economic orthodoxy as does Paul Keating. Last year Shadow Minister for Finance, Mr. Peter Costello, was advocating the same increase in interest rates as that imposed by Paul Keating. But no one should be surprised about all this, as it was Paul Keating who in the first Hawke Government tried vigorously to persuade the Labor Party to adopt the same type of consumption tax later advocated by John Hewson.

As the author of Social Credit, C.H. Douglas, first demonstrated 75 years ago, there is no way that the present finance-economic system, based on a continuous debt expansion, can operate without inflation. Inflation can only be temporarily slowed down by depressing the economy. But as a group of Victorian farmers have recently stressed, their biggest problem is not even drought but a continuous rise in their financial costs. When John Howard was Federal Treasurer in the Fraser Government, he did exactly what Keating is now attempting to curb inflation: he raised taxes and interest rates repeatedly. So-called conservative governments in Victoria, New Zealand, the United Kingdom and Germany have done exactly the same. They all bow down before the same god of orthodoxy. Treasurer Willis, representing the viewpoint of the Reserve Bank and the Treasury, argues that he can cut the deficit and achieve a surplus by 1996-97. But in order to achieve this he will have to sell off more public assets, including airports. Anti-Labor Jeff Kennett is attempting a similar strategy in Victoria. Irrespective of their labels, the Party politicians are all working for the same debt masters.

And how is Bernie Fraser in the position where he has more power and influence than the elected representatives of the people? Does he keep his ears tuned to the "advice" coming from the International Monetary Fund? And what say, if any, have members of the Reserve Bank Board? In particular, could the Australian wage earner hear from Australian Council of Trade Unions representative Kelty? They will not, of course, hear from Mr. Kelty who has never once raised his voice against the demands of debt-finance. The first essential step for the survival of free Australia is that the banking system be re-regulated with the elected representatives of the Australian people making it clear to the Reserve Bank that it exists primarily to implement government policies. As pointed out in the famous 1939 Royal Commission report on banking, the Reserve Bank can make financial credit available free of interest and free of debt. Such credits could be made available to ease the financial burden on Australian primary producers, and to finance their various organisations such as the wheat board. And, as so clearly outlined by N.S.W. Councillor Bevan O'Regan in his videotape, *Councils at the Cross Roads*, the Reserve Bank could be instructed to make interest-free credits to Local Government. Cr. O'Regan quotes several economists who have managed to free themselves from the mesmerism of financial orthodoxy.

But the first essential is a nation-wide campaign uniting electors to demand that their present politicians assert the nation's sovereignty over financial policy – or, failing this, to face a vote of no confidence in them at the next Federal Elections.

CURBING THE FLOOD OF IMPORTS: The proposal by ex-Liberal Federal Minister W.C. Wentworth that Australia should take direct action via a surcharge on all imports, to start to correct its balance-of-payments problems, has not been warmly received by the internationalists and their minions. Controlling imports by taxing imports will not, of course, solve Australia's basic finance-economic problems, but would be an improvement on what is happening now under the "level playing field" philosophy, which in practise has seen a drastic reduction of economic activities in Australia. Much of what was once produced in Australia is now imported from overseas countries with a much lower wage structure. In spite of all the brave talk about Australia exporting its way out of its problems, during the first eight months of 1994-95, the current account deficit was running a massive 66 percent up on the same period last year. Imports were 14 percent up but exports had slowed to just over two percent. But Prime Minister Keating insists that the nation's trade debt did not matter "because it revealed confidence in Australia's economic prospects". The reality is that Australia cannot claim to be a sovereign nation while it cannot pay for imports with sufficient exports. It became increasingly vulnerable to international factors over which it has no control. It could reach the "banana republic" status which Mr. Keating once mentioned himself. At that stage the International Monetary Fund moves in to impose the type of policies which have helped to destroy the former Yugoslavia and which are now reducing the former Soviet Union to chaos and social disintegration.

The Wentworth proposal would curb the flood of imports and provide sufficient tax revenue to make it possible to reduce the level of direct taxation inside Australia. Before the economic rationalists started dictating Australia's economic policies, in order to fit Australia into the "New World Order", Federal Governments did on occasions take direct measures to prevent a drastic imbalance between imports and exports.

BRIEF COMMENTS:

We claim no expertise in the field of medicine, but in view of the League's long term opposition to the totalitarian policy of mass medication via fluoridation of public water supplies, we are interested in the current controversy concerning the possible relationship between Alzheimer's disease and aluminium. The late Sir Stanton Hicks, one of Australia's most eminent medical scientists, opposed fluoridation primarily on the grounds that it was both unscientific and totalitarian to treat

people as a mass; that they must be treated as individuals, pointing out that, for example, some people are allergic even to beneficial drugs like penicillin. The use of fluoridated water for kidney dialysis had to be halted following many disasters. Now only pure water is used. Freedom of choice, linked to personal responsibility, is essential in a genuinely free society.

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When the real history of Nelson Mandela is written (if it ever is) he will be seen as a creature of forces greater than himself. In the international campaign to present him as a saintly figure, no reference is made to his first wife and three children, whom he deserted. Zionist Jews are playing an increasingly important role in the Mandela Government. Violence continues with many first hand observers predicting greater violence as the majority of the African people find that they have been hoodwinked with lavish pre-election promises.

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The changing nature of modern governments is demonstrated by the Victorian Kennett Government: a third of the Kennett Government are lawyers. An increasing number of modern Australian politicians in both the Liberal and Labor Parties are lawyers. With business becoming increasingly corporatised, lawyers and tax experts are seen as being essential. Zionist Jewish leader Mark Leibler has been invited to join the board of Coles-Myer, by company chairman Mr. Solomon Lew. The press describes Mark Leibler as "leading communal lawyer and tax expert". Mark Leibler was an adviser to the Commonwealth on taxation.

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Arguments about whether bank charges are excessive, an argument in which some of the Christian Churches have become involved tend to mask the fact that the banks have been granted a charter to create the bulk of the nation's money supply in the form of financial credit. Only the nation's real credit, its productive capacity, makes the financial credit of any value. The major factor in modern production is one of the cultural heritage, "know-how" applied to natural resources. This cultural heritage belongs to the people and the correct role of the banks is to provide the people with a service which will enable them to make full use of it. It has been conservatively estimated that the banks could provide this service at a reasonable profit, of less than the equivalent of two percent. The financial profits of the banks, disclosed by their balance sheets, mask the fact that their real profits are the enormous increase in their assets. There was a time when a few courageous Christian leaders spoke out against the iniquity of a financial system which placed both individuals and their governments at the mercy of those with the power to develop a Credit Monopoly. Those Church leaders concerned about bank charges should be encouraged to direct their attention to the deeper issues involved.

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