



ON TARGET

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The price of Freedom is eternal vigilance -

Print Post Publication Number 381667 00258

Vol.32, No.10

March 22nd, 1996

THOUGHT FOR THE WEEK: "As the mark of permissible evil envelops us more and more, there is awakened in the soul of Western man a compulsive passion for the Truth. The stage is reached when dispelling the murk becomes more exciting, more deeply satisfying than all the economic and personal rewards that go with submission and compliance."

— Ivor Benson

FINANCIAL MYTHOLOGY CONCERNING BUDGET DEFICITS by Eric D. Butler:

The babble of comment concerning the discovery by the incoming Howard Government that the Federal budget is headed for a deficit of \$4.9 billion instead of the \$3.4 billion predicted by the Labor Treasurer Ralph Willis, last May, demonstrates the appalling ignorance of so-called experts on finance-economics. It is complete hypocrisy for the Howard Government to express shocked amazement and then proceed to signal that cuts of \$8 billion over the next two years are essential. Everyone who has taken the trouble to understand how the modern finance-economic system works knows that that system can only be sustained without a complete collapse by progressively trying to stimulate that economy by (a) a concentration on the production of capital, (b) an expansion of various forms of consumer debt, (c) attempt to "fight" for foreign markets, (d) encouraging foreign investment, and (e) budgeting for deficits. All of these steps are designed to try to overcome the basic flaw in the finance-economic system, namely that modern industry is creating financial costs at a faster **rate** than it is distributing incomes to liquidate those costs. One of the major results of the steps outlined is a progressively expansion in the debt structure, both domestically and externally. It is now over 70 years since the author of the movement known as Social Credit, C.H. Douglas, first provided incontrovertible evidence that there was no way in which the finance-economic system could be operated under financial orthodoxy without afflicting mankind with growing disasters. It is impossible to understand politics, domestic or international, without grasping the fundamental truth as revealed by Douglas.

Overlooked by most commentators, and, of course, by John Howard, is that when the Hawke Government was elected in 1983, it also put on a show of great shock upon discovering that the Treasurer in the Fraser Government, John Howard himself, had allegedly badly misled the Australian people in the election campaign by claiming that the budget deficit projected at \$3 billion had

exploded to \$9 billion. But then previously, in 1975, the Coalition Government headed by Malcolm Fraser claimed that the deficit under the Whitlam Government had actually been 10 times greater than the public had been led to believe. The major political parties have in recent times all been engaging in fostering a type of financial mythology for their own benefit. The Australian people have been again the consistent losers.

Now the Australian people are to be subjected to more financial mythology. During the recent elections the Coalition Parties, primarily attempted to gain the votes of conservationists, many of these genuine, but others being a type of econo-fascists whose many absurdities have given genuine conservation a bad name. From what has been publicised about the Coalition's environmental programme, there is no part of it which could not be undertaken, including massive tree planting, if the rest of the world sank beneath the sea tomorrow. There are adequate Australian resources available. But the Howard Government insists that it can only finance its conservation programme by starting to privatise Australia's major telecommunication system, Telstra. The purpose of this proposed sale is to obtain internationally finance which it is claimed is not available domestically. In their stated opposition to the proposed sale, the Australian Democrats claim that they will use their balance of power in the Senate in an attempt to prevent the proposed sale. All the public opinion and other surveys indicate clearly that the majority of Australian people are opposed to the proposed sale of more Australian assets.

But the Democrats will be in alliance with a Labor Party which has also endorsed the policy of privatising Australian public assets in an attempt to finance its projects. During his second television debate with John Howard, Paul Keating said that he saw no need to be concerned about the number of Australian industries coming under foreign ownership. This was all part of the desirable objective of internationalising the world's economies. John Howard also subscribes to the internationalist philosophy, which means, unless challenged, the phoney battle between Tweedledum and Tweedledee will continue in the coming Commonwealth Parliament.

THE BATTLE AGAINST "CULTURAL FASCISM" by David Thompson:

The incoming Minister for Immigration, Mr. Philip Ruddock, appears to be running the Government "line" when he dismisses the election fall-out over matters of "racism" with the solid support shown for Pauline Hanson, Bob Katter and Graeme Campbell. He rejects the suggestion that these results point to a strengthening backlash against the policy of institutionalised multiculturalism. Mr. Ruddock explained the support for "racist" independents as being caused by "uncertainty and insecurity", which could be solved by "promoting a better understanding of the issues involved". These issues include immigration and multiculturalism, of which the electorates are presumably ignorant.

Appearing in a Channel Seven "Face to Face" programme, Mr. Ruddock summarised his views concerning the apparent vote for "racists": "I think what is common about them is that the electorates are in rural and remote parts of Australia." This is a most telling comment, because the fact of the matter, which the League has discovered from operating over a long period in such areas, is that rural and remote areas are **yet to experience the full impact of immigration and multicultural policy.**

As we remarked in last week's *On Target*, no-one has yet successfully explained why large numbers of Aborigines voted for Graeme Campbell, or, presumably, for Bob Katter. And if Mr. Ruddock is really trying to make the case that there is little discomfort about immigration and multiculturalism in the cities, he is on a very sticky wicket. For example, how does he explain the fact that the Australians Against Further Immigration Party polled best in **city electorates**. In Sydney, where the immigration 'problem' is the most obviously apparent, the A.A.F.I. will retain their deposits (and qualify for Electoral Commission funding) in at least four seats.

City people may still be intimidated by a form of 'political correctness' which prevents them speaking out about a form of cultural fascism by which the immigration and multicultural policies have been imposed, but perhaps rural people are a little less intimidated. Perhaps the first serious backlash is coming from the bush, where reality is a little closer to the surface for most people. Students of history know full well that the Second World War was decided, not by bombing Berlin, but by beginning to roll up the Nazi machine from its fringes, in North Africa. Perhaps the battle for the cultural integrity of Australia will be won in a similar way. Not by attacking the multiculturalists in their city strongholds, but by beginning where cultural instincts are generally sounder – in the bush.

UNIVERSAL POPULATION CONCERNS: The 1996 election "changing of the guard" inspires little confidence in many voters, who see Mr. Howard's policies as little more than a paler, slower imitation of A.L.P. policies. But one opinion poll taken before the election does inspire some confidence for the future. Researchers from the Royal Melbourne Institute of Technology, on behalf of the Federal Government's Schools Council, interviewed hundreds of high school students about their attitudes about the future. One of the most "alarming" findings was that this age group has a fear of overcrowding, **and blame the immigration policy** for this.

The researchers described such results as "sinister" and "racist" because Asian immigration was often singled out as a concern. The report of these results noted that **even students whose own families** included recent immigrants were concerned about immigration levels. Other, apparently associated concerns, were pollution, violent crime, and unemployment.

ACADEMIC CALLS FOR POPULATION POLICY: A senior C.S.I.R.O. research scientist, Dr. Doug Cocks, claims that Australia can and should stabilise its population within a generation. In a new book, *"People Policy"*, he warns that present rates of growth require the building of the equivalent of two new Sydneys and two new Melbournes by the middle of the next century. Except that most of the newcomers will be crammed into existing cities, producing the kind of environment that today's high school students apparently fear: increasing air, water and beach pollution, impenetrable traffic, and our remaining "wild places" beset by hordes of visitors, desperately trying to recapture an identity with nature.

The answer, according to Dr. Cocks, an upper limit on immigration of 50,000 per year, which could result in a stable population of 19-23 million people. With Australia rated by the World Bank as the wealthiest nation in the world in terms of resources per head of population, it is not likely that a naturally-increasing Australian population will exhaust its natural capital. But Dr. Cocks argues that the most important reason for a population **policy** is to prevent the continual degradation of Australian quality of life.

THE REWARDS OF BEING "PART OF ASIA": Even as the "spin doctors" of Australian social and economic policy continue to insist that Australia's future depends upon being a part of Asia, the gloss of the Asian ideal is beginning to tarnish. Mr. Howard's special envoy, Richard Wollcott, despatched on a "secret mission" to convince Malaysia's Dr. Mahathir to visit Australia on his way to New Zealand is designed to underline the Coalition's commitment to "Asia". But what kind of conditions prevail in Asia?

The recent Chinese claims to the Spratley Islands demonstrate an increasingly militant Communist China. The recent "war games" (with live ammunition) in the vicinity of Taiwan further escalate the chances of war in the 'Asian' zone. Mr. Shen Guofang, of the Chinese Foreign Ministry, recently reaffirmed China's "right" to use force if necessary to bring what the Communist Chinese regard as a renegade province (Taiwan) back under its control. "China has never promised to give up the use of force", he is quoted as saying (*The Australian*, 18/3/96).

Should the Taiwanese be concerned about such sabre rattling? With the most powerful nation in the free world as an ally prepared to take part in negotiations with the Chinese, why should Taiwan worry? Because **the Taiwanese remember Tibet!** In general, the West has either forgotten or ignored the Chinese "annexation" of the ancient nation of Tibet – apparently regarded by the Communist Chinese as another "renegade province". China certainly did not resile from "the use of force" with Tibet.

THE IMPACT ON AUSTRALIA: The condition of China alone, never mind the rest of "Asia", could have a huge impact on Australia. The closer we tie ourselves to Asia, the bigger the potential impact. For example, the Chinese "war games" are producing a new wave of extreme nervousness in Hong Kong. The British colony of Hong Kong has been presented with a benign China, which really does believe in some of the virtues of 'democracy', in order to allay fear of a Chinese takeover of Hong Kong when the British lease on the island runs out in 1997. Presented with a demonstration of China's "right" to the use of force, Hong Kong could produce a panicky tidal wave of illegal migrants, many of whom could end up in Australia or New Zealand.

"The potential for people beating at the gates to leave (Hong Kong) if panic hits is very, very high," according to Dr. Michael DeGoyler, head of the Transition Project at Hong Kong's Baptist University.

Apart from the question of China, recent events on the sub-continent also might give Australians cause to reconsider the benefits of citizenship in Asia. The Australians were ridiculed because they declined to play their first World Cup cricket match in Sri Lanka, amid revolutionary terrorism. In the match in which India played Sri Lanka, the match had to be abandoned because of crowd violence when it became evident that India would lose. And when India beat Pakistan, the Pakistani grief over the defeat was so strong that some threatened their players, and one Pakistani even committed suicide. Over a cricket match? But this is apparently Asia.