



A WEEKLY COMMENTARY

ON TARGET

- PER 320-56
ON 1
- NEWS HIGHLIGHTS
 - BACKGROUND INFORMATION
 - COMMONWEALTH AFFAIRS

The price of Freedom is eternal vigilance -

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THOUGHT FOR THE WEEK: "The emotional epithet of 'racist' is hurled at those who suggest that diversity and separate development between different peoples of different racial and cultural backgrounds is the road to true unity. They support compulsion, which inevitably produces friction, as opposed to inducement."

— Eric D. Butler in *The Essential Christian Heritage*

INFLATION AND MAD HATTER ECONOMICS by Eric D. Butler:

Early in the history of the Social Credit movement, one commentator said that events appeared to be "in the pay": of C.H. Douglas, the author of Social Credit. The Social Creditor is able broadly to predict events because of his understanding of the major defects in the finance-economic system and how those operating that system are attempting to make it work. To the uninformed, an item of news in *The Sunday Age* of April 7th, and other papers, would appear to be most confusing. The news item said that because the U.S.A. economy was "growing strongly", it was unlikely that there would be a fall in interest rates. The news item also said that "Last month, markets crashed world-wide when figures showed that 705,000 new jobs were created in February as investors panicked at the prospect of an overheating economy stoking inflation".

Translated into simple English, the above report means that any increase in economic activity results in a higher inflation rate. The temporary surge in economic activity in the U.S.A., as witnessed by the fall in unemployment rates, had followed a reduction in interest rates by the Federal Reserve Bank. As C.H. Douglas predicted over 70 years ago, it was impossible to sustain the present finance-economic system without increasing the rate of capital growth, whether this growth was necessary or not for the production of consumer goods. This capital growth could only be obtained by an expansion of the money supply, this resulting in an expansion of debt. An expansion of debt meant an expansion in debt charges. The overall result must be inflation, which is mathematically certain under present finance-economic rules. Those same rules require periodic reductions in the rate of money expansion — this the result of financial credit creation by the banking system — with a depression. Higher interest rates are one of the mechanisms used in an attempt to slow down economic growth. Such a slow down increases unemployment at a time when the technological revolution is making it increasingly difficult to maintain "full employment". The social implications of a programme of boom followed by bust are horrendous.

It can be said without fear of contradiction, that no set of politicians in any part of the world can preside over any type of stability unless the following questions are addressed: What is the true purpose of an economic system? How can an economic system and social stability be maintained if the economic system can only be sustained by a continuous expansion of debt? Answers to these questions give rise to further questions. If the true purpose of production is consumption, and true progress results from producing required production in a shorter period of time, how is it possible to maintain a policy of "full employment" without the imposition of totalitarian policies.

A combination of factors have produced a major crisis in the evolution of civilisation. Douglas was emphatic that Western Civilisation was doomed unless realistic answers were found to the above questions. What is required is, for a start, one nation to start reversing present policies. If, for example, Australia has capital works, such as the modernisation of its transport system, and an expansion in its defence structure, then adequate finance should be made available from new credits. The problem of rising prices should be dealt with by the use of new credits to finance the type of consumer price discount system used with such success during the Second World War. A reduction in consumer prices is the most effective way of increasing purchasing power while at the same time preventing inflation.

Adequate credits should be made available to married women who would prefer to stay home and look after their children full time, a type of housekeeper's bonus. The retirement age should be reduced and an adequate pension made available to those prepared to take advantage of this pension. Every effort should be made to shift unemployed young people into constructive production. This policy would have a major effect on present social problems concerning the young.

Unless a programme along the lines suggested is adopted, it can be predicted that crisis will follow crisis as the controllers of financial policy attempt to grapple with an impossible situation.

All that the Howard Government can do is to follow behind what is taking place in the United States. And so Australians can expect to hear more of the type of present Mad Hatter economic theories. Higher taxes will have to be imposed somehow. And all the while the oppressed individual is asked to accept this in order to avoid more inflation, or the "overheating" of the economy. There is an old saying that those whom the gods wish to destroy they first drive mad. There is plenty of madness about at present!

HAYDEN'S GLIMPSE OF CULTURAL AND RACIAL REALITY by David Thompson:

The published extracts of Bill Hayden's autobiography continue to provide the odd incendiary to horrify Labor's "true believers", and those who toe the politically correct "line" when it pays to do so. Bill Hayden may be another case of a retired politician/governor-general/judge/etc., who provides better service **after** his full-time "career" than he did at the time. Hayden has some peculiar views, such as his championing of euthanasia, but the fact that he is prepared to assert them more or less fearlessly, can only be constructive if it leads to more honest debate. His comments concerning Sir John Kerr (see previous *On Target*) appear to have gone a long way towards "de-demonising" Kerr among those who were exhorted to "maintain the rage".

In promoting his book, Hayden addressed a literary luncheon sponsored by *The Sydney Morning Herald* on April 3rd, at which he proceeded to undermine former Prime Minister Keating's dream of an Asian Australia. Hayden accused the Prime Minister of Malaysia, Dr. Mahathir, of hypocrisy, and expressed the view that Malaysia itself was a "racist" country. His comments concerning Asia are all the more significant against Hayden's background of Minister for Foreign Affairs in the Hawke Government.

At the literary luncheon, Hayden had declared that some Australian politicians who had been accused of racism in the recent election campaign had been maligned. Voters had not voted for such politicians for reasons of racism, because **compared with Aisa, Australia was not a "racist" country.** (It is also significant that Hayden's seat in Parliament was **Oxley**, now occupied by Pauline Hanson. Is this some type of back-handed endorsement of Hanson?)

"Prime Minister Mahathir, for instance, evokes memories of the old White Australia policy when it suits him, but in fact Asian racism is rampant and very discriminatory, especially in his country,"

said Mr. Hayden. He pointed out that Malaysian laws deliberately discriminated against the Chinese, and that Indians in Malaysia are very poor as a result of government neglect. The former A.L.P. leader and Governor-General also described the Chinese as "racial supremacists" and the Japanese as "racial exclusivists".

HIGHLY SELECTIVE INDIGNATION: As is to be expected, Hayden was condemned for his comments by the press, and those with an axe to grind. *The Australian's* foreign editor, Mr. Greg Sheridan, projected as an expert on Asia, cried foul, since the case of Malaysia, a very substantial affirmative action policy in favour of the indigenous Malays, operates to the disadvantage of the more wealthy Chinese and Indians. But this is not racism, says Sheridan. But what is it when Colonel Rambuka of Fiji, following a military coup, re-wrote the Fijian constitution to favour the indigenous Fijians at the expense of the more wealthy Indians? **In Fiji it was sheer "racism"**. Sheridan is most selective in his indignation. "Affirmative action" in Malaysia is excused on the grounds that the beneficiaries are poor. Similar policies, based on the same motives in Fiji, are simply racist.

It is notable that neither Sheridan nor anyone else attempts to refute Hayden's description of the Chinese as "racial supremacists". And neither is there any protest that the Japanese are not really "racial exclusivists". Hayden has simply described the social realities of Asia. The Japanese position is best demonstrated by their "exclusivist" immigration policy. Hayden refers to the "old White Australia policy", but he may just as well have referred to the Japanese immigration policy as the "current yellow Japan policy".

Few criticise the Japanese for being racially exclusive, but if there is any suggestion that Australia should follow the Japanese lead, and apply a little racial exclusiveness to the immigration policy, this is just "racism". Is this because Australia is a wealthy nation, and is not in need of the "affirmative action" immigration policies of poverty-stricken Japan?

WHY IT IS ESSENTIAL TO CENSOR THE INTERNET:

N.S.W. Attorney-General, Mr. Jeff Shaw, proposes draconian new legislation to police pornography and other obscene material on the Internet. Penalties include prison terms and fines of up to \$25,000, and the horror of paedophilia uncovered by the Wood Royal Commission in Sydney has produced a reaction of revulsion that calls for any measures that can offer protection to children. Any measures, no matter how Orwellian, to prevent such brutal exploitation of children by sick minds are regarded not so much as censorship, but garbage disposal.

But will Mr. Shaw's proposed censorship measures protect children? John Perry Barlow, who founded the Electronic Frontiers Foundation which is an Internet civil rights groups, is quoted as saying, *"Our leaders feel the impulse to regulate the unknown . . . We have government by the clueless, over a place they've never been, using means they don't possess."* Whether Barlow is right in the case of the N.S.W. Carr Government is yet to be seen, but it is quite clear that only the most draconian measures can control the Internet, a system of millions of private computers connected together by communications service providers on the telephone system in nearly every country in the world.

The Internet was not "invented" by government, nor by a private individual, nor by big business. If it was "invented" at all, it was by the U.S. military, seeking a communications system that could **survive a nuclear war**. It began as a relatively small "system", but has grown like a mutating mushroom so that, today, no-one in the world can even say how large the network is. How does the N.S.W. Government propose to police its new censorship legislation?

Since the Internet is based upon the international telephone system, Mr. Jeff Shaw would need to be able

to monitor every telephone conversation in N.S.W. in order to be able to catch those transmitting pornography, because the "sinews" that hold the Internet together, is the telephone system. Such a massive surveillance system would be enormously expensive, incredibly intrusive, and completely incompatible with the free society.

It seems clear that Mr. Shaw has an incomplete understanding of how the Internet works. It is not exactly easy for children, or anyone else, to "stumble" on pornographic material. When the N.S.W. Office of Film and Literature Classification spent 27 hours hunting for pornography, it concluded that *"restricted and refused classification material was difficult to find, at times difficult to download"*, and only to be found in files dedicated to pornography that would need to be deliberately accessed. Like any library. And most pornographic material has simply been reproduced from magazines or books in any case. Children cannot accidentally stumble across obscene material. They have to do so deliberately, and new software can now provide "bars" preventing access to such material.

There is some doubt that the N.S.W. legislation is designed simply to censor pornography. It has also been suggested that explicit directions on how to make explosive devices should be censored. But, as the *Sydney Morning Herald* asks, why not information on how to make designer drugs, perhaps in your own kitchen? *"And if the methods of creating designer drugs are to be banned, why not literature justifying the drug culture?"* What is deemed to be obscene? For example, it has often been suggested that any questioning of "the Holocaust" is in itself an obscenity. Should this be censored?

The truth is that the Internet is an almost uncontrollable communication system. So far as the communication of ideas is concerned, it will soon become the great leveller. And it is the last and only communications system **not controlled by either billionaires or a government**. It is the only communications network where the flow of ideas is **completely free**. As such it is a threat to any monopoly interests that depend upon deception or secrecy to maintain control of political, economic, academic, social, etc., agendas.

If the question of pornography is important, the only answer lies with the individual. Self discipline is the most successful form of control. Those who are too young to exercise it are under the authority of parents, who may delegate this authority to teachers or others. The responsibility lies with parents, and so far as the State seeks to undermine such authority, freedom is diminished and totalitarianism extended.

POLITICIANS JOCKEYING FOR POSITION IN NEW ZEALAND:

We note with interest that the New Zealand First Party has been joined by two more sitting politicians in the New Zealand Parliament, bringing the Party's Parliamentary representation to five. The Party, which has doubled its support at the opinion polls in the last month, is led by a Maori New Zealander, Winston Peters, campaigning on drastic reductions in immigration. The two defectors come from the governing National Party and the Opposition Labor Party, leaving the National Party's Prime Minister Bolger with a minority government, which is due to go to the polls by November.

These developments are further evidence that New Zealand politicians are beginning to panic about having mis-read the grassroots feeling on issues like immigration. As with the governing elites in Australia, "informed consensus" in New Zealand was that "racism" exists only on the periphery of society by "extreme" elements mainly confined to rednecks and perhaps skinheads and other adolescent gangs. This is a most superficial view, and it appears that New Zealand politicians are about to discover, as did their Australian counterparts, that issues of culture and race are keenly and deeply felt.

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