



A WEEKLY COMMENTARY

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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: "There is no surer indication of misdirection in the affairs of any country than a continuous rise in the cost of living which includes the involuntary losses of the individual in taxes, rates and extortions, as well as his direct expenditure. The idea that high taxation prevents inflation is ignorance or worse."
– C.H. Douglas, 1946

THE BREAKDOWN OF THE EMPLOYMENT SYSTEM AND INFLATION by Eric D. Butler:

The latest increase in unemployment figures, with Jeff Kennett's economic rationalist Victoria recording one of the biggest increases, is not unrelated to the small decrease in interest rates. Various terms have been used to describe the state of the Australian economy. There was a time, not so long ago, when the financial gurus were expressing fears that the economy was in danger of becoming "overheated" and that policies of "restraint" were required. Early in October the message coming from the Reserve Bank was that there were no interest rate cuts in sight, one of the problems being that the "experts" at the Reserve Bank were concerned about "excessive" wage rises. The only evidence of "excessive" wage and salary increases is to be found by studying the astronomical increases which the directors of the multi-nationals are awarding themselves. As in Britain, the directors of privatised corporations are merely contributing to an international picture of the gap between the rich and the poor growing ever wider. However, it is not the huge salaries, plus perks, which the monopolists everywhere (including the new Russia) are awarding themselves which is the basic cause of the deepening crisis. The basic cause is the attempt to operate a finance-economic system which is basically flawed. It is flawed because the undergirding philosophy is completely false. Over 2,000 years ago it was clearly stated that the Sabbath was made for man, not man for the Sabbath. To the extent that the basic Christian philosophy helped fashion the growth of Western Civilisation, political, constitutional and economic developments reflected the concept of systems serving the individual.

If it is accepted that the true purpose of economic activity, production, is consumption, then every new labour-saving device should be seen as a means of providing required production with the expenditure of less human energy. The policy of "full employment", which turns means into ends, inevitably results of growing financial debt under the financial rules governing the attempt to achieve this objective, along with continuous monetary inflation.

It is now over 70 years since the author of Social Credit, C.H. Douglas, demonstrated that attempts to maintain a system of "full employment" must lead from one disaster to the next. Continuous inflation is mathematically certain under orthodox finance-economic policies. When Paul Keating spoke of "the depression we had to have", he was merely echoing the views of his financial "advisers". Their view was that the economy was becoming "overheated" – remember the alarm about the "building boom"? – and that higher interest rates were the only way to deal with the situation. The result was a slowing of the economy – which

then became "sluggish". Pages of the media financial columns were filled with speculation about when the "experts" judged it would be safe to reduce interest rates in an attempt to stimulate the economy. A new version of *Alice In Wonderland* would be necessary to deal with all the comments and speculation concerning interest rates over the past few months. No where was there more contradictory and hilarious comment than in the U.S.A., where right up until the election Federal Reserve Governor Greenspan insisted in the face of widespread business pressure for an interest rate reduction, on keeping the rate steady. Australia's Treasurer Peter Costello got himself into trouble by revealing prematurely to the whole world what was the thinking of the Governor of the most influential central bank in the world!

But eventually the Australian Reserve Bank, faced with high unemployment, decided that it was "safe" to fractionally reduce interest rates. The Howard Government has immediately started to paint a glowing picture of the future. But Premier Jeff Kennett warned that the Reserve Bank's easing of interest rates was too small to provide the stimulus necessary for sufficient economic growth to affect the high unemployment figures. Senator Vanstone waxed eloquent, stating, *"Coupled with the good news of an interest rate reduction, which will be good news for home buyers and small business, we think the signs are on the horizon for improvement."* While the small reduction in the interest rates will provide a little relief for home owners, and may encourage some increase in investments, it can be predicted with certainty that following the coming Christmas holidays unemployment will still be at a high level.

Prime Minister John Howard admits that unemployment was still "too high" but, like a good party man, then blamed the Labor Government for having been responsible. Clearly he is relying upon his new Employment Committee, which includes the Government's senior economics minister to provide some relief. He is wasting his time while rigidly adhering to the same basic finance-economic policies followed by the Labor Government. There are no signs of the debt burden being reduced. There is talk of "reforming" the taxation system. When analysed this talk is generally directed towards softening up the Australian people to accept the "inevitability" of some form of G.S.T. The G.S.T. is the International Monetary Fund's ideal type of taxation; it ensures that no one can escape the taxation net. Comments by John Howard and his senior Ministers indicate that there are signs of some uneasiness about the future. The central theme is that if the much publicised industrial reforms are set in place, this will result in substantial cost savings, these in turn leading to greater economic expansion and consequently a reduction in unemployment. Obviously John Howard and his friends have not studied what has happened in the U.S.A., where wage costs have been pushed down without any of the results John Howard and his colleagues envisage.

All the policies being attempted can only benefit, temporarily, one section of the community at the expense of others. Any reduction in interest rates has a detrimental effect on those who have invested their savings. Financial "experts" are coming forward to offer their services to those affected. Real estate agents are making the best of the situation while it lasts. But, overall, Australia continues on the same disaster road it was following under the Keating and Hawke Governments. The seeds of social unrest continue to grow. Pauline Hanson's statement that Australia could finish with a civil war have been dismissed as manifestations of paranoia. But one of the authors of the whole deregulation campaign, Mr. Fred Argy, is now warning about the shape of things to come. He also warns of major social dislocations. he says it is time "to stop and rethink" before going any further down a disaster road.

"NOT OF GOOD CHARACTER" by David Thompson:

The semantic contortions of Prime Minister John Howard and Immigration Minister Ruddock employ in attempting to justify their continued visa ban on David Irving would be comical if not so pathetic. Every effort is being made to justify excluding Irving as a "principled" decision which has nothing to do with freedom of speech, but everything to do with not meeting immigration law requirements that visas only be granted to those "of good character".

It is true that a conviction against Irving is on record in Germany. Irving's "crime" is that of "defaming the memory of the dead", unknown as a crime, felony, or even misdemeanour of any sort in any other country of the free world. It is true that Irving was expelled from Canada, under circumstances of the strangest sort. The full story of how this event was arranged by Irving's enemies has not yet been told.

The truth is that Irving has been hounded out of a number of countries not because of his "character", or because he is a thief, a murderer, a terrorist, takes drugs, or indulges in sexual immorality. Irving has been hounded because **some people dislike his views**. Since his critics have no answer to those views, they have mounted an international campaign to destroy the man. In Australia, those who dislike Irving's views most intensely – the Jewish lobby – have identified themselves, and long ago claimed the "credit" for lobbying former Immigration Ministers to keep Irving out. If he cannot be denied a visa **because of what he thinks**, then other excuses have been found.

THE HYPOCRISY OF JOHN HOWARD: It is true that those who know Irving well, as I do, would agree that he has character flaws. But any honest person would be forced to admit that we all have character flaws. Much as we love them, so do our parents, or our children suffer from flaws of character. It may be pride, vanity, hypocrisy, laziness, insensitivity, rudeness, drunkenness, etc. Perhaps Irving suffers from some of these, but **so do those who have excluded him**. The Prime Minister, himself, now struggles to defend himself against charges of hypocrisy, having declared that the "pall of censorship has now been lifted", only to descend again very quickly when David Irving appears.

Mr. Howard is on record as claiming that the Irving decision does not repudiate his "free speech" commitment. *"This has nothing to do with free speech. He's got a criminal record. Anybody with a criminal record is routinely rejected."* Is this true? The comparison with the fanfare with which Nelson Mandela was welcomed to Australia is instructive. Here is a man with a serious criminal record. The leader of a terrorist organisation, caught in the act of plotting sabotage, Mandela was imprisoned for 28 years. He has never renounced violence, and has never expressed a single regret of which we are aware for his conduct. But Nelson Mandela was welcomed with open arms.

Is Mr. Howard seriously asking us to believe that the steady stream of rock stars and actors who parade through Australia from time to time have never had a conviction for drug abuse? Is "defaming the memory of the dead" more serious than indicating to our children by example that taking drugs, abusing alcohol and smashing up hotel rooms is acceptable? Alongside such behaviour, Irving is a paragon of virtue.

Mr. Howard and his Minister, Ruddock, might also like to consider the case of the conference in Malaysia, at which the plight of the East Timorese was to be discussed, and the anniversary of the Dili massacre at the hands of Indonesian troops observed. Many foreign delegates attending were arrested, and deported, including nine Australians. Would an arrest and consequent expulsion of one of those delegates be sufficient to brand them forever as being "not of good character" by the Australian Government? Why were they arrested and deported? Because they insisted upon **freedom of association and freedom of speech!** As has David Irving.

IS THIS THE END OF IRVING? The truth is that many of those who pontificate about David Irving would also fail similar tests of "good character". For example, is Senator Bob Brown, an admitted homosexual, "of good character"? Over the years, various Parliaments at State and Federal level have included homosexual members. Mr. Paul O'Grady, M.L.C. in N.S.W., died of AIDS only a few years ago. The morals and the standards of many of those working in the media would not bear close scrutiny, and yet they are quick to condemn Irving, and place him in the same category as Sinn Fein leader, Gerry Adams, leader of the Provisional Wing of the murderous I.R.A. It is a form of hypocrisy and humbug that cannot be permanently sustained.

In the end, no amount of mealy-mouthed obfuscation by Mr. Howard, Ruddock, etc., can disguise the fact that if a choice must be made between appeasing the Jewish lobby or appeasing David Irving, the Jewish lobby will prevail. Does Irving donate to Liberal Party campaign funds? No, he does not. Mr. Howard knows upon which side his political bread is buttered, and true to his own personal record over the last five years, John Howard will trade a principle for political advantage any time. As for Irving, he is almost certain to resort to the courts yet again. He may even bring an action against Mr. Howard for libel, which would create tremendous interest. Either way, David Irving is not going away, and nor are his books. And John Howard will find that Irving is almost as much of a menace firing faxes from London as he would be appearing in Sydney.

DOES HANSON FRIGHTEN THE TOURISTS?

Rather than deal with the issues raised by Pauline Hanson, particularly that thorniest of all issues – the Asianisation of Australia – her critics are attempting to silence her on other grounds. Much is made of the suggestion that unless Hanson shuts up, tourists will stop coming from Asia. The head of the Tourism Taskforce, Mr. John Brown, claims that there has already been "massive" cancellations by Asian tour groups. It has been suggested that the Commonwealth Government inject \$25 million into boosting Australia as a friendly destination for Asians to counter the problem.

However, the managing director of the Inbound Tourist Organisation of Australia (I.T.O.A.), Mr. Len Taylor, said John Brown had no figures to support his claim. *"My information is that there have been no major cancellations,"* said Mr. Taylor. *"Up until Wednesday afternoon, there were no major cancellations and they're just as busy as they would expect for this time of year."*

If the Asian tourist tide is beginning to ebb, it may well have nothing to do with Pauline Hanson, or the Australian attitude to Asians. It may have more to do with the Australian crime rate. Last weekend an Indonesian student was alleged to have fired a handgun at British tourists in Sydney, injuring one. The head of Tourism Council of Australia, Mr. Bruce Baird, warns that such attacks do jeopardise our tourist "image" abroad. There is increasing evidence that much of the street violence in Sydney is generated by warfare between ethnic gangs, whether Vietnamese, Indonesian, Laotian, or others.

Many other recent attacks on tourists are having an affect on Australia's "image" as a trouble-free destination. The well-known attacks, like that of Martin Bryant at Port Arthur, and Ivan Milat burying tourists in a forest in N.S.W., tend to mask the many other murders and disappearances of foreign tourists. Most recently, English tourist Suzanne Toel lost three teeth and had 15 stitches after a broken beer glass was pushed into her face at King's Cross. There were four murders and three stabbings in the same 24 hours.

What is impossible to assess, is how deeply the development of multiculturalism has impacted on the crime rates. As a matter of policy, the press is now reluctant to report the racial or ethnic backgrounds of those involved in crime. For example, it was only a question to the Prime Minister by Pauline Hanson in Parliament that highlighted the suggestion that those responsible for attacking the Singaporean troops in Queensland **may have been Aborigines**. In other cases, street crime in Sydney is often the result of conflict between Asian gangs. It could well be that it is **the policy of multiculturalism itself** which contributes to the violence that may inhibit tourism.