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The price of Freedom is eternal vigilance -

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THOUGHT FOR THE WEEK: *"The League of Nations was built on sand, the shifting sand of unreality. It was unreal to suppose that over fifty nations, scattered all over the world, could have any common interests so concrete and positive as to induce them all to make real common sacrifices for the protection of one. It was unreal to give equal voting rights to the smallest republic in Central America with the United States or Great Britain."*

— "The Hungry Sheep" by Sir David Kelly

BEHIND THE KENNETT VERSUS JOHN HOWARD CLASH by Eric D. Butler:

It is no secret that Premier Jeff Kennett of Victoria and Prime Minister John Howard are in spite of both being Liberal Party leaders, not close personal friends. Nor is the Victorian Premier very matey with John Howard's Treasurer, Peter Costello. Basic personality differences are a major, but not the decisive, factor of what is emerging as the leader of the Victorian State Liberals Jeff Kennett confronts the Howard Federal Government. Apart from N.S.W., there is a Liberal-National Party Coalition Government in every State. Not surprisingly, there are rumours of a Victorian led Liberal Party revolt against John Howard, primarily because of a perceived failure to give leadership on a number of issues. There is growing disquiet among a small business community which was promised so much by John Howard, but who are waiting in vain to see some results. With Peter Costello finding deeper "black holes" which he says can only be filled by still greater financial restrictions, small business leaders are making it clear that confidence in the Howard Government is starting to wane.

Given his background it is not surprising that in an attempt to hit back against Kennett, John Howard has seized on an issue which is causing growing disquiet, not only in Victoria but elsewhere: the elevation of gambling into a major source of State revenues. The character and culture of Melbourne has been dramatically changed by the Kennett Government. The architectural monstrosity of the Crown Casino is a reflection of the gross materialism of a Victorian Kennett Government driven by a worship of the Almighty Dollar. When Premier Kennett granted two of his close friends and political associates, one of them the Federal Treasurer of the Liberal Party, a casino licence which was virtually one of the right to print money, he struck a blow which penetrated deep into the heart of a traditionally conservative Melbourne. Worse is threatened with other architectural monstrosities along the Yarra. The proposal to build a major "high tech" sports arena in the Docklands reminds one of the Roman policy of "bread and circuses" to keep the masses passive. The thousands of millions to be poured into a massive re-structuring of the Melbourne road system must be at the expense of a rural Victoria which is dying. In his gung-ho approach to providing increasing entertainment for the people of

Melbourne, Premier Kennett has also said that he wants to compete with Sydney for the gay and lesbian dollar. He sees no reason why Melbourne should not have its own mardi gras.

Buoyed by his victory over John Howard and Peter Costello in June of last year, when he led a Premiers' revolt against the Howard-Costello proposal to impose a \$1.2 billion Sales Tax on the States and Local Government, Kennett has opened fire on the Howard Government as a preliminary to the coming Premiers' Conference, stating that the States would be "somewhat outraged if they (the Howard Government) think we are being invited up there (to Canberra) just to be sledged by another government that hasn't been able to govern". These were strong words. John Howard has responded by a criticism of the "gambling culture" for which he indirectly blames Kennett. Given his background, and that of his Treasurer Peter Costello, it is undoubtedly true that they are genuinely concerned about the rapid expansion of gambling. But the reality is that the use of gambling as a means of raising revenue is primarily the result of the centralised restrictive financial policies being imposed by the Federal Government. There is no basic differences between either the States or Federal Liberal Party Governments. The struggle between Kennett and Howard concerns who should exercise power over the individual Australian. In his taunt that the Howard Government "hasn't been able to govern", the Victorian Premier smugly infers that he has demonstrated that he is capable of strong leadership. The reason for this is that in the absence of any revolt from a cowardly back bench, he has a complete monopoly of power in both the Lower House and the Legislative Council. He operates a personal dictatorship in Victoria.

But John Howard contends with a Senate which he does not completely control. And if the former Labor Senator Colston is forced to resign because of his alleged roting of the system of travelling and other expenses then John Howard will have increased problems with the Senate.

The Labor Party's campaign against Colston has nothing whatever to do with any principle. The alleged roting took place while the Labor Party was in office. The Senator Woods affair merely confirms the roting activities are a manifestation of a disease which deeply afflicts Canberra. The only restriction on the Kennett Government is an Auditor-General who to date has tried to be objective and independent. Jeff Kennett's response to this restriction is to threaten to "privatise" the Auditor-General's Department.

Any Liberal Party revolt which replaced John Howard with "strong man" Jeff Kennett would not resolve the basic problems confronting the nation. Kennett is an enthusiastic supporter of every policy of disaster currently afflicting Australia. He strongly supports multiculturalism, believes in selling off all Victorian public assets as quickly as possible, advocates increased immigration, while his concept of a "reformed" tax system is the introduction of a General Services Tax, the preferred tax system of the International Monetary Fund. Kennett is the man who used his monopoly of power to ruthlessly destroy Victoria's traditional system of Local Government. While the growing controversy between Howard and Kennett provides plenty of scope for the political commentators to fill their columns with meaningless chatter, it offers no prospect of relief for hardpressed Australians. The reaction of all concerned Australians would be "a plague on both your houses". The controversy does, however, highlight the urgent necessity for Australians to work towards sweeping away the general sickness and hypocrisy now poisoning Australian politics.

GOLDSMITH: WILD CARD IN U.K. ELECTIONS by David Thompson:

Sir James Goldsmith's Referendum Party may not win a single seat in the coming British elections, due by May this year. The fact that Goldsmith has sunk over \$40 million of his own money into floating the Party, together with this likely electoral annihilation, is gleefully being depicted as a massive failure by Goldsmith's enemies and the major British political parties.

But Goldsmith seems completely unperturbed. Not only can he well afford to lose his \$40 million, but his campaign can only be regarded as a failure if he is trying to win seats in the House of Commons, which **he is not**. Goldsmith's objectives are to force the main British parties to address the question of European Union (particularly monetary union) and to consult with the British people before a commitment to Europe is irrevocable.

In the pursuit of his objectives, Goldsmith and his Referendum Party colleagues have largely already succeeded. Not only has the issue gone almost right to the top of the polling as being a concern of voters, but Goldsmith's Party has given voters a means of expressing their concern in an environment where the major parties were largely adopting a "bi-partisan" approach of commitment to Europe without asking Britons.

Goldsmith told an Australian journalist, Ean Higgins (*Weekend Australian* 8/3/97): *"We don't seek power. So when they say we are trying to buy power, we are; not for us, for the people to be able to vote. The first thing is that we wanted to avoid this massive issue – should this nation remain a nation or should it become a province – going by default. All the political parties were grouped together trying to stifle debate."*

It is possible that the Referendum Party has also achieved its other main objective – a referendum on monetary union – even before the election. There is still the chance that Prime Minister Major may try to harvest the obvious electoral advantage of announcing a referendum together with the coming election. The Conservative Party sorely needs whatever electoral gains it can scrounge, with the polling showing a massive lead opened up by Labor.

But even if John Major does not announce a referendum, many Members of the House of Commons have already publicly supported an eventual referendum bill in the Commons. Goldsmith said, *"Our second objective was to act as catalysts, to form a cross-party alliance of those who want a referendum, so as to enact a referendum bill in due course."*

Even some of those in favour of European union concede that it should only proceed with the support of the British people. If the referendum is eventually held, then Goldsmith's deep pockets could ensure that a massive anti-Europe campaign could result in a heavy defeat for European Union. However a referendum is achieved, the Goldsmith strategy is likely to ultimately outmanoeuvre the professional politicians and their globalist patrons.

It would be premature to write off the chances of the Referendum Party in the election. The Party structure may be somewhat rickety, but Goldsmith's \$40 million is probably the equal of the Conservative war-chest, and perhaps twice that of the Labor Party. As yet, the Goldsmith advertising campaign has not yet started to "bite". Running on the theme *"Let the People Decide"*, the Party has mass-produced a video to be used as a nationwide campaign tool, and proposes to drop an anti-Europe newspaper into every British home. The cinema advertising just beginning, charges that the E.U. has taken over British economic decision-making: *"The terrible truth is, without asking us, the politicians have given Brussels the right to make the laws of this land."*

With the use of intelligent grassroots campaigning, Goldsmith and the Referendum Party could not only have an impact on the result of the election, their long-term strategy could result in the defeat of the dream of European sovereignty. The Goldsmith strategy holds an important lesson for Australia. It is a lesson that only Graeme Campbell's *Australia First* has so far appeared to have learned. It is that it is **not essential to gain power to get results**. Goldsmith does not want to **gain power**. He wants to destroy the dream of the European super-state. He has a long-term strategy to achieve it. Campbell has a strategy to achieve Australian economic and political nationalism. So long as the goals are not confused with **gaining power**, they can be achieved, either in Britain or Australia.

BRIEF COMMENTS:

Senator Colston's political woes have been engineered by a vengeful Labor Party, determined to have him ejected from the Senate and replaced with another A.L.P. nominee. But the hypocrisy of such as Senator Rae seems to be boundless. While pursuing Colston, the A.L.P. studiously ignore the fact that, for the most part, Colston was running up massive bills with his snout in the public trough as an A.L.P. Senator **during the A.L.P. administration**. Colston's suggestion that all M.P.'s. should be investigated sent a shiver of panic through the ranks of **all** parties. The truth is that all M.P.'s. are subject to temptation in the face of lax scrutiny of public largesse, as Liberal Senator Woods' case seems to demonstrate.

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Green Senator Bob Brown is calling for a referendum on euthanasia, because he expects the Senate to pass the Andrews Bill which would strike down the Northern Territory euthanasia legislation. Brown, who is strongly in favour of euthanasia, is scathing about the Andrews Bill. But Brown, a homosexual, might recall that during the Keating administration he welcomed the use of Commonwealth legislation to strike down the Tasmanian State criminal laws on homosexual activity. If a referendum on euthanasia can help to solve the issue, then why not a referendum on other issues, like immigration, abortion on demand, etc.? And why should Australians have to depend upon the Parliament to initiate referendums? Perhaps Senator Brown might like to address himself to a mechanism for the electorate to initiate referendums?

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If it is fashionable for some Australians to regard themselves as "a part of Asia". It is instructive to hear what Asians think of us. Malaysian Prime Minister Mahathir, for example, does not share that fashionable conviction. Last week he responded to a question on the United States including Australia in an "Asian Group" meeting of senior finance and central bank officials: *"If the United States considers Australia an Asian economy, then that is their right. They can also consider us as European. They can invite us when they have meetings with European nations."*

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While Prime Minister Howard seems to think that gambling in Australia has reached "saturation point", he has clearly not seen the potential in electronic gambling via pay television, or even the Internet. This could be an even greater social cancer than the casino, because it might be much more widely accessible, and horror of horrors for Premiers like Mr. Kennett. It will be much harder to trace, **let alone tax!**

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The Australian foreign debt rose above \$200 billion for the first time ever last week. Economists and politicians seem completely at ease at the massive debt figures, congratulating themselves that the debt servicing as a proportion of export earnings fell to only 11 percent. Treasurer Costello, however, is keenly aware that one of the heaviest burdens generated by foreign debt, is interest payments overseas. Australia's chronic balance of payments deficit is now largely being driven by foreign debt servicing, which will take "years and years" to overcome. Mr. Costello offers no insights about just how this will be overcome at all by conventional debt financing. Perhaps he expects a gradual increase in industrial exports at the same time that his colleagues are busy eliminating the Australian industrial base by reducing industrial incentives and protection?