



ON TARGET

- NEWS HIGHLIGHTS
- BACKGROUND INFORMATION
- COMMONWEALTH AFFAIRS

The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: *"It is a fallacy that labour produces all wealth, whereas the simple fact is that production is 96 percent a matter of tools and process, which form the cultural inheritance of the community – not as workers – but as a community and as such the community is clearly the proper, though far from being the legal administrator of it."*

– C.H. Douglas in *Economic Democracy*

ANOTHER PHONY DEBATE ON UNEMPLOYMENT by Eric D. Butler:

Last week's revelation that what is generally described as unemployment had further increased under the Howard Government, prompted a torrent of comment from the media, economists, financial "experts" and the politicians concerning what should be done. If the implications of the situation were not so serious, much of the comment could be taken as breathtaking and hilarious. For example, Victoria's Treasurer Stockdale says, in essence, that black is white and that the Victorian Kennett Government is being "successful" in overcoming unemployment. John Howard admits that the figures are "disappointing", but his Treasurer Peter Costello is much more positive and echoes the refrain from the musical *"My Fair Lady"*: *"Just you wait, Henry Higgins, just you wait"*. Just wait until the next set of figures, says Costello. Employment Minister Senator Amanda Vanstone admitted that the figures were "flat and disappointing". But then she said they "were consistent with expectations of jobs growth later in the year". Prime Minister Howard's contribution was to appeal to Australians to be "patient", also stating that there would be no miracle. But he also said that an "improved economic outlook meant that there would be an improvement next year". He was also confident that the Reserve Bank would make the right decision on interest rates.

Members of a desperate Coalition backbench clearly have no confidence in the soothing platitudes coming from John Howard and his Ministers. And the evidence suggests that John Howard and Peter Costello have little confidence in what they are claiming themselves. If they have, then why are they trying to position themselves for an early election? Predictably, Opposition leader Kim Beazley described the unemployment figures as a "national disgrace". Politically ominous for the Howard Government is the latest public opinion polls which show that a majority of electors believe that Beazley is more likely to deal with unemployment than John Howard. And there is another worry for the Government, the Pauline Hanson factor, which shows no sign of going away. Even if this factor does not translate into sufficient votes to win seats in the House of Representatives, preferences could be vital in many marginal electorates.

As one wades through the torrent of comment on the employment situation, one is struck by the fact most of it is quite fatuous, primarily because the wrong questions are being asked. As C.H. Douglas said, *"A problem correctly stated is already half solved."* One headline reads that the new British Labour leader Blair is *"To offer Howard advice on jobs"*. A political editor writes that *"The British Prime Minister is expected to brief Mr. Howard on an initiative to create jobs that was finalised when Mr. Blair met U.S. President Bill Clinton last month. Under the initiative, officials from both nations will identify what reforms have worked, where and what lessons can be drawn from each nation's experience"*. Much has been made of

the fact that Blair and Clinton are relatively young. But there is little point in stressing that a leader is young if there is little or no evidence that he has learned anything from the past. The present deepening crisis in the human drama was foreseen by the founder of the Social Credit movement, C.H. Douglas, at the end of the First World War. Events, which one observer said, appeared to be in the pay of Douglas, have confirmed what Douglas predicted that there was no way in which the orthodox finance-economic system could operate without increasing debt and social dislocation, leading to the collapse of civilisation.

The basic issue is philosophical: What is the true purpose of man and the economic system? The correct answer is that the true purpose of production is consumption and to provide the individual with more free time for self development. The development of civilisation has only been possible because sufficient individuals could be freed from operating the economic system. The famous Greek philosopher Aristotle said that the true purpose of man's economic activities was to provide leisure. Unfortunately the study of the great classics and the eternal wisdom they contain has become out of date. There is the wisdom contained in an essay, *"On The Discovery of Roast Pig"*, by the English essayist Charles Lamb. Lamb relates how in ancient China the son of a pig producer accidentally burnt his father's house down and roasted all the pigs. He was attracted to the new smell of roast pig and in licking his hands relished a previously unknown delight. An angry father beat the son, but in doing so also tasted roast pork. The father told the son they must keep their news to themselves. But the neighbours could not help noticing that every time this man's pigs farrowed, his house got burned down. Eventually the secret got out and soon houses all over the countryside were burning down. Eating pigs was a serious crime. The time came when the practice of eating roast pork was no longer banned. And it was discovered that only a small fire was necessary to produce roast pork. The size of the fires was reduced to serve the result required: roast pork.

In today's world, instead of treating the economy as a means to an end, and the building of capital works sufficient only to produce required consumer goods, mankind is resorting to the equivalent of burning the whole house down to obtain this result. Built-in obsolescence is a deliberate policy of economic and cultural sabotage. The famous British Prime Minister Disraeli said that "Increased means and increased leisure are the two civilisers of man". If "full employment" is the end of man, then the quickest way to achieve this end is to scrap all technology, going back to picks and shovels to make roads. Military conflicts, the bigger and longer the better, also provide a means of wasting enormous resources. George Orwell foresaw a time when the economic system could only be sustained by three groupings of nations engaging in perpetual military conflict.

There is an enormous amount of constructive economic activity which should be undertaken in Australia. A few thinkers are beginning to point out that the financing of such activities present no real problems. B.A. Santamaria is one of those, although much more than he advocates is required. But under the pressure of events, there is a shift in thinking. Australia's Trade Union leaders might consider looking at the significance of what the well known British Trade Union leader Sir Walter Reuther has said: *"There are really two basic questions. Number one: We've got to learn to distribute the abundance we know how to make. Number two: We've got to find a more rational means of choosing between gadgets and leisure. We have to find a way to satisfy man's need for creative expression during his leisure hours. And just having two more television sets in the house to sit and look at does not meet this need."*

There is no evidence to suggest that John Howard and his Ministers are likely to consider basic questions like this. All they can think about is how to tinker with a flawed system; whether a further reduction in interest rates might "stimulate" the economy. And there are Mickey-Mouse suggestions like making the young unemployed work for the dole. Then, of course, there is the ever-haunting problem of how to "stimulate" the economy without "overheating" it, this then requiring more policies of "restraint". And so on, from one disaster to the next.

To summarise: There is no way out of the present crisis confronting John Howard without a basic shift of his thinking and that of his Government. While one should always continue to believe in miracles, there is also such a thing as invincible stupidity. Only events can eventually overcome this type of human allocation.

IS MR. HOWARD A MONARCHIST? by David Thompson:

It still appears to be fashionable for the press to describe the Prime Minister as "an ardent monarchist". There is no doubt that in the past Mr. Howard expressed views that were those of an "ardent monarchist", but talk is cheap in most fields of endeavour, but perhaps **cheapest of all in politics**. Judgements concerning Mr. Howard's views can only usefully be made on **what he does**.

Former Liberal Party leader Dr. John Hewson, addressing a private Liberal Party function last week, flayed Mr. Howard for what Hewson described as "a clear lack of leadership". Hewson was, of course, referring to issues that divert him, economics and racial issues, saying that he was ashamed that "our side of politics" had avoided condemning Hanson's *One Nation*. Such an attack ranks as one of the most devastating from a former leader.

Although clearly not a monarchist himself, Hewson's charge of weak leadership on economic and racial issues clearly applies to the more fundamental constitutional questions. Howard's handling of the question of a constitutional convention will, in hindsight, be seen to be appalling. The argument for a convention in the first place is abysmal. Following the well-deserved disappearance of Mr. Paul Keating, the republican issue almost completely died. It is largely due to Howard and his colleagues that the issue has been revived, on the pretext of the Coalition's promise to hold the convention during the election campaign. Many other campaign promises, some not particularly practical, have been dropped, because they were not "core promises".

Having either decided or been driven by the republicans inside the Coalition ranks to press on with the convention, possibly a plebiscite, and eventually a referendum, Howard has permitted the initiate **and the agenda** to have been hijacked by the republicans. The appointment of the "father of the House of Representatives", Mr. Ian Sinclair, to chair the convention only had merit of any kind if he did at least assume the cloak of impartiality. But Sinclair now overtly displays his republican sympathies, giving the clear impression that the convention itself is merely a formality, following which we can all go on to vote for the "inevitable" republic.

As Mr. Sinclair has no doubt discovered, the grassroots of his own National Party are not enamoured with this approach. The fact that Sinclair's deputy chairman, Barry Jones, has only to decide what sort of "maximalist" republican he is, makes the convention top-heavy with overt republicans, and merely serves to further intimidate or demoralise the monarchists. The convention, in retrospect, will be regarded as a set-up republican operation, generating a backlash against the alleged "monarchist" under whose undermined authority it was established.

The suggestion that Mr. Sinclair would resign from the Parliament at the conclusion of the convention's deliberations, to take up the highly sought-after post of Australian High Commissioner in London, adds a further dimension of disbelief to the whole business. If Mr. Howard felt the necessity to re-assert his authority, he would struggle to find a better beginning than sacking Mr. Sinclair, abandoning the republican convention, and dropping the republic issue from the political agenda until unemployment dropped below, say, 5%, and the balance of trade was in equilibrium. If the republicans inside the Coalition were genuine, it would give them a marvellous incentive to get on with what the public regard as the "real issues".

WHO ARE THE REAL BIGOTS? Former Liberal leader-turned-merchant-banker Dr. John Hewson is one of the latest to have condemned Pauline Hanson as being prejudiced and bigoted. Hewson also charged that the Government's political programme consisted of "prejudice, populism and pragmatism". It is interesting to speculate about the kind of Prime Minister Hewson would have made, in the light of such arrogance. Howard did at least concede Hanson's right to express her views, as a legitimately elected Member of the Australian Parliament, with a constituency to represent.

Hewson, however, has the luxury of being able to ignore the large groundswell of have identified with what Hanson says. Howard does not. Essentially, Howard mu deeply divided on issues like immigration and the republic.

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Perhaps history will be kinder to Hanson than her detractors, like Hewson. After all, who are the rear bigots here? The demonstrators who hurl abuse at anyone attending a **One Nation** meeting addressed by Hanson are an interesting mob. The faces contorted by hatred and bitterness of these obviously rent-a-crowd mobs display far more bigotry than Hanson ever has. Our close examination of the public record has yet to show a single case of hatred or bigotry by Hanson. Who organises such potentially violent mobs? Who pays for their buses, as they are transported, for example, from Sydney to confront those attending Hanson's Newcastle meeting?

The hatred of the rent-a-crowd mobs is one thing, but the institutionalised "discrimination" directed towards Hanson from other elected government agencies is extraordinary. The Newcastle City Council placed every possible obstacle in the way of the Newcastle meeting to the extent that it cost organisers **\$16,500** to mount the meeting! Clearly the (Labor-dominated) Council dearly wanted the meeting cancelled.

When Hanson was to launch **One Nation** in Adelaide last week, the greatest difficulty was to find a venue for the meeting. Most suitable venues were mysteriously unavailable. When a venue was finally found, and then attempted to cancel the **One Nation** launch, it took court action to force those responsible for the venue to meet their contracted obligations. The most recent case of institutionalised prejudice is that of Ashfield City Council in Sydney, which has taken a formal decision not to consider an application for the use of any of its buildings from **One Nation**.

If prejudice and bigotry result from Hanson's determination to deal with basic issues, it comes more from her opponents than from her. The issues she has raised have been, without exception, legitimate issues of public concern. Other politicians may refuse to consider the racial component of our immigration intake, but it is a matter for legitimate discussion. The public interest in policy concerning Aborigines demonstrates that it is an issue demanding discussion, however much some politicians wish to hide from it. To condemn Pauline Hanson for bigotry or prejudice is a clear case of the pot calling the kettle black.

MULTICULTURALISM IN ISRAEL: The Israeli Parliament, the Knesset, has passed the first reading of a Bill that proposes to outlaw missionary activity, which includes "inducing religious conversion". The Bill proposes to imprison preachers breaking the new law for a year. It is clear that the Jewish State is prepared to attempt to prevent Christian conversions among Jews, which has become a political "problem".

In the last 20 years, in excess of 800,000 Soviet Jews have migrated to Israel, most of whom are poorly educated in the detail of Jewish religious observance. Many are secular Jews only, determined to escape communism at the time. It appears that these are most susceptible to conversion to Christianity. Some who oppose the law, which seeks to prevent the "distribution" of offending material, insist that this could mean the selling, carrying, or even possession of such things as the New Testament.

Because it is constantly portrayed as a "Jewish State", many westerners either forget, or are ignorant of the fact that Israel is a country with a significant Christian population. Not all the "Arabs" or Palestinians are Islamic at all. Many are Christians with one of the most ancient Christian heritages in the world. Jerusalem is holy to Christianity and Islam as well as Judaism. But it is clear that while many Jews and Jewish organisations promote multiculturalism heavily in their adopted countries, there is **no such thing as multiculturalism** in Israel. The very reverse is the case.

