



ON TARGET

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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: *"Money is certainly one of the most emotionally, highly-charged of stock subjects which anyone could possibly choose to talk about. The general attitude towards the subject has all the characteristics of a neurosis. Apathy, facetiousness, abusiveness, and what would appear to be downright intellectual dishonesty and deliberate misunderstanding are typical features of these responses."*

– Dr. Patrick de Mare, consulting psychiatrist at a London hospital

DICTATORSHIP BY TAXATION by Eric D. Butler:

One of the early British Chancellors of the Exchequer was quoted as saying that while heavy direct taxation could result in a revolt, there was a form of taxation by which the individual could be stripped of the last rag from his back and the last bite from his mouth with little complaint: that was with the use of indirect taxation. In one of his addresses, "Dictatorship by Taxation", C.H. Douglas, the author of Social Credit, quoted a leading banker, Sir Josiah Stamp, as having said that as a result of psychological conditioning the British people were accepting a level of taxation which previously would have been thought impossible. As Douglas pointed out in his address, there was a time when there was an economic reason for some taxation, pointing out that the Christian concept of tithing as based upon an acceptance of the fact that with human labour being the major factor in production, support for the local priest required that he be provided with sufficient to sustain him while he served his parishioners. But the necessity for this type of taxation passed with the arrival and expansion of the Industrial Revolution. Physical plenty was now readily available with less human labour.

But the myth is maintained that heavy taxation is necessary to finance government and semi-government activities. A striking manifestation of the perpetuation of this myth was provided during the Second World War. Even after the war had started, business leaders were stressing that there was an enormous amount of unused productive capacity. Unemployment remained at a high level. What was obviously necessary for a major war effort was an expansion of new financial credit to enable unemployed resources to be used. The records reveal how this eventually took place. However, the myth was sustained that unless there was heavy taxation and people invested in war loans, the war could not be financed. It was a senior member of the Curtin Government, the doctrinaire J.F. Dedman, who frankly admitted that heavy taxation was used primarily for psychological reasons. Dedman was also the man who expressed the view that unless heavy taxation was imposed, a nation of "little capitalists", with most people owning their own homes, could emerge after the war.

The unused pre-war production capacity of the United States was so enormous that even with the

nation fully geared for war, the standard of living in the U.S.A actually increased by an estimated 40 percent.

The major problem confronting those who are determined to maintain and extend centralised controls over people has been how to offset the realities of the modern production system. The Great Depression of the thirties, with clear evidence that there was poverty being imposed by credit restrictions, produced a massive revolt against the Credit Monopolists. The Second World War temporarily solved the problem by getting rid of the plenty. But the problem has returned in a more acute form than ever. It has been impossible to halt the dynamism of a production system which pours out an increasing volume of production with less human labour required.

In a short article such as this, it is impossible to deal with all the details of a global strategy which seeks to ensure that the individual does not gain access not only to the vast production potential available, but also to the enormous potential for the expansion of security and freedom. But the broad features of the attempted strategy are clear: The creation of a "global economy" with a vast network of bureaucratic controls, with indirect taxation a major control mechanism. It is essential to never forget that the concept of the G.S.T., a goods and services tax, was the brainchild of the International Monetary Fund. Typical of the use of psychological warfare to advance the imposition of the G.S.T., is a media item headed, G.S.T. INEVITABLE, SAYS FORMER KEATING MAN. The story, by Tony Parkinson, starts by quoting former Special Minister for State in the Keating Government, Gary Johns: *"The Labor Party would have been forced to introduce a 'virtual' goods and services tax had it won the last election."* The essence of what Johns says is that the Labor defeat saved it from having to make the "hard policy choices of how to repair the budget and reduce national debt". He is frankly admitting that both Labor and the Coalition are following the same agenda.

Having won the last Federal Elections, primarily as a result of the electorate revolting against the Keating programme, John Howard is now positioning himself to adopt basically the same programme. Ignoring the fact that the application of a G.S.T. has not solved the basic problems of any of the nations which have adopted it, its Australian advocates are claiming that the present system of taxation is acting as a type of "drag" on the Australian economy. The introduction of the G/S.T. will remove the "drag", this resulting in a stimulus to the economy and a reduction in the present high level of unemployment. But, as usual, the "experts" overlook certain realities, one being that one of the major causes of unemployment is the never-ending striving to replace human labour by technology. John Howard's tax reform programme is doomed before it is adopted. The issue will certainly be the central feature of the next Federal Elections, with the people asked to decide, in essence, of whether they want to be boiled in oil, or shot at dawn.

No worthwhile tax reform is possible while the Australian Government, irrespective of its label, continues with the programme of "globalisation" and the debt system of financing. And there are those unrehearsed events of history. Anyone who believes that the "wise men" of the international scene have any solutions for mankind, might consider the statements made at the recent conference of the G-7 nations. The main feature of the discussions was that there is wide disagreement on what should be done. Bringing Russia into the group will merely compound the problems. Japan is still being criticised because it insists on driving its economy to produce trade surpluses. And there is the mounting problem of Communist China.

What is required in Australia is that sufficient electors insist upon an ironclad undertaking from the G.S.T. devotees that, if they win the next Federal Elections, the level of present total taxation will be no higher than it is now. Let's try to draw the line: Is there a limit to total taxation or not?

WHY NOT A VOLUNTARY CONVENTION? by David Thompson:

The author of *Social Credit*, C.H. Douglas, once suggested that if good government depended upon personal responsibility, then this should be extended to the process of voting. He raised the suggestion that not only should voting be voluntary, but voters should be expected to pay the taxes necessary to fulfil the political programmes promised by those for whom they successfully voted. The vote of every constituent should be recorded publicly, so that they could be held personally responsible for the results of their actions.

The selection of delegates for the Constitutional Convention should follow such constructive suggestions. If the republicans are as serious as they proclaim about the integrity of a mature and "independent" Australia, then let them place their money where their mouths are. Mr. Howard has the ideal opportunity to offer republicans and monarchists alike the chance to demonstrate personal responsibility to future generations of Australians. The Senate has amended parts of his Bill to mount a Constitutional Convention, rejecting the voluntary vote to elect delegates.

When Mr. Howard sends the Convention Bill back to the Senate, he should provide for those who do decide to accept the responsibility to vote for delegates with the chance to pay the costs of the election of delegates **as well as the Convention itself**. The name and address of each voter for Convention delegates could be recorded, and at the conclusion of the Convention, each voluntary voter for delegates could receive an account in the mail for their proportion of the Convention's costs, according to how many successful candidates the voters selected.

This not only removes the financial burden of the Constitutional debate from those who are not interested, but offers an indication of the relative strength of the commitment of those who favour a republic compared with those who favour retaining the Crown. If the republican merchant banker Mr. Malcolm Turnbull is sure that a big majority are now committed to a republic, he would quickly support such a suggestion. Otherwise, let him and his colleagues desist from purloining taxpayers' funds for their pet constitutional projects, and just go away.

COMPENSATION AND APOLOGIES ALL ROUND: The demands for an official apology, as well as financial compensation for the "stolen generation", is testing the national commitment to Aboriginal reconciliation, but if Aboriginal lawyer Noel Pearson is to be taken seriously, the demands have barely started yet. Last week, Pearson, who seems to treat the chances of reconciliation ever more recklessly, declared that he expected the matter of compensation for the extinguishment of Native Title as a result of the High Court's Wik decision to be raised.

Pearson is quoted as saying that the compensation bill will run into hundreds of billions of dollars. The compensation bill for the Aborigines in Cape York Peninsular alone would run to around \$2 billion, "and that's only one corner of one State", he said. It is axiomatic that the money would be paid to "Aborigines", presumably those who live at, or could trace their background to, Cape York. If this is the case, Pearson could shortly find that he has a great many long-lost relatives, many of them with a very slim smattering of Aboriginal blood.

Just how Australians are expected to pay the compensation bill is not raised by Pearson. No doubt he expects them to smile warmly as they pay up. Would it be a one-off payment, for which the tax bill for a year could be doubled, or trebled? Perhaps, like the firearms buy-back scheme, it could be tacked onto the Medicare levy next year? Or perhaps we can pay by instalments over the next century? With interest?

But what if anthropologists later discover that today's Aborigines, as evidence suggests, were **not the original inhabitants**? Would we get our money back, and transfer the guilt for "invasion" to the Aborigines themselves?

And why should compensation for past injustices be limited to Aborigines? Perhaps all the white children who were taken from their unmarried mothers for generations could be compensated? What about the descendants of the convicts, who were brutally treated as the dregs of Britain, and transported to Australia in chains?

This sounds frivolous, and infantile, but it may not be completely out of the question. Legislation pending in the U.S. Congress would, if passed, force the U.S. Government to apologise to African-Americans for the ills of slavery, abolished about 130 years ago. If this isn't sufficiently crazy, a group of tenured academics in the U.S. are seriously circulating the proposal that "white America" owes the African-American descendants of the slaves financial compensation for the lack of economic opportunity they have suffered as a result of their descent.

There are problems with this, however, because the academics cannot agree on whether the white descendants of migrants who have arrived since the abolition of slavery should share equal guilt, partial guilt, or no guilt, according to how long their ancestors lived in the U.S., and whether they came from another "guilty" country, like Britain.

If Australia's social stability depends upon the successful "reconciliation" of all aggrieved groups, then it merely descends into the comic opera. Where can a line be reasonably drawn? Should we be compensating the Vietnamese for our part in losing the Vietnam war, and handing the country over to Communism? Should those of predominantly Saxon heritage be able to sue those of predominantly Norman heritage for the "invasion" of England? Perhaps the Celts, Picts and Saxons should form a united front, and sue the Italians for the Roman occupation? Or would an apology suffice?

BLAINEY GETS THE BLAME: In a classic case of shooting the messenger, Professor Geoffrey Blainey, Australia's foremost historian, is now being blamed by the A.L.P. for inspiring the "race debate", and giving intellectual comfort to Pauline Hanson. In a vicious speech to the Parliament last week, A.L.P. foreign affairs spokesman Laurie Brereton accused Blainey of giving "intellectual respectability and support to some of the most poisonous and sinister elements of our community. Over 13 years he has consistently fanned the flames and stoked the fires. He has been the intellectual point-man for the forces of darkness. His influence on public affairs has been profoundly negative and divisive."

The dishonest and cowardly Brereton conveniently ignores the truth of the matter. The truth is that Blainey has demonstrated tremendous courage in chronicling the results of political betrayals by the likes of Brereton and his predecessors on both sides of the parliament.

It was not Blainey who pandered to what he once described as the "vocal, richly-subsidised multicultural lobby", by institutionalising "multiculturalism". He merely observed the results. It was not Blainey who permitted the nation to be turned into a virtual dumping-ground for Asian migrants. He merely warned that the mainstream of Australia was uncomfortable about this, and that there would be repercussions. It was not Blainey who produced the High Court Mabo decision in 1992; he merely observed that it was based on racially discriminatory grounds, and that it would lead to two peoples and two nations, "or, worst of all, two half-nations".