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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: *"Free market economic theory has been converted into an economic ideology which: Creates record profits for multinationals with increasing poverty in the community of operation. Transfers of national assets, including those owned and operated by governments, into the hands of Global Big Business and Finance."*

– Economic Rationalism: A Disaster For Australia – Graham Strachan

ARE THOSE ASIAN TIGERS TOOTHLESS by Eric D. Butler:

Following upon Australia being requested (or ordered?) to help one of the major "Asian Tigers", Thailand, out with its finance-economic problems, there has been a growing spate of reports concerning the Asian economies. Australia's most prestigious historian, Professor Geoffrey Blainey, has added his voice to the warnings of those who stress that it is an extremely shortsighted Australian policy to concentrate upon Asian markets to the exclusion of Australia's historic cultural and other links with Europe, particularly the U.K. Independent Federal politician and leader of the Australia First Party, Graeme Campbell, has for some time been stressing the old adage of not "having all your eggs in one basket". If a disaster happens to the basket, all the eggs are at risk. A headline in the Business Section of *The Age* of September 13th summarises the harsh reality which Australians should ponder: "ASIA CRISIS LEAVES AUSTRALIA EXPOSED". Writer of *The Age* article, Malcolm Maiden, raises some most disturbing questions: The nightmare scenario now is that the 10 week old currency crisis will seriously affect the real economy. The reality is that every Asian nation has got growing problems.

In an article in *The Weekend Australian* of September 13th-14th, Christopher Lingle raises the question of whether the much-publicised "Asian Tigers" are now "toothless". Lingle says that "The easy part of Asia's economic miracle is over". Massive credits have been poured in by International Finance to transfer Western technology into areas where there was an abundance of relatively cheap manpower. Lingle points out that the strategy of "growth" has produced the inevitable inflation problems, observing that by following the pattern set by the first "Asian Tiger", Japan, it

was certain that eventually other Asian nations would experience the same type of problems which have afflicted Japan. Anyone who wants to understand what has been happening can read how at a time when Japan was held up as the "economic miracle" which other nations should emulate, the League of Rights was warning that, unless there were basic changes to financial policy, the Japanese "miracle" was going to result in increasing problems for Japan. As Japan desperately strives to sustain its domestic economy by exporting, there has been continuing friction with the U.S.A., which, driven by the same finance-economic policies dominating Japan, insists that the Japanese must open up their markets to American exports.

In sheer desperation, the Japanese are now starting to challenge the underlying philosophy of globalism. A headline in *The Australian* of August 18th reads "JAPAN FOOD PLAN THREAT TO FREE TRADE TIMETABLE". David McKenzie reports that "Australia is about to take on Japan over its food self-sufficiency which is seen as a substantial threat to the free trade agenda and political stability in north-east Asia. Senior trade officials are alarmed at Japan's efforts to whip up support for self-sufficiency policies in Asia which, they believe, is a plan to torpedo further liberalisation of world agriculture or dismantling Japan's highly protective farm trade barriers. They say Japan and South Korea, the two most ardent Asian opponents of farm trade liberalisation, have been trying to win over others with a huge world-wide lobbying effort over the past year." *The Australian* report also claims that Japan is also striving to encourage China to embrace the self-sufficiency strategy.

The international planners and plotters are finding it increasingly difficult to forward the programme of globalism in the face of such developments in Asia. The Chinese situation is now going to deepen the internal crises in that vast country, with the dramatic announcement that China is about to turn its back on the "pure Communism" which many old Marxists still hold up as a model for the world. China is about to embrace the type of economic policies which the Soviet tried to implement following the collapse of the Soviet system. It is inevitable that China will have the same problems which have afflicted the Russians. Large numbers of Communist bureaucrats will, of course, become "social democrats". Centralised power over the individual will be increasingly imposed by the policies of "economic rationalism". It is admitted that in China, as in Russia, there will be a dramatic increase in unemployment along with the attendant social problems. What is emerging globally is a demonstration of how political ideologues are being forced to bow to a superior power – that of Money. The deeper students of Communism always stressed that it was linked to, and dependent upon, Money Power.

Whatever happens in China, it can be predicted with complete certainty that there will be growing internal friction as the new god of economic rationalism is embraced. There will be the natural tendency towards expansionism. Already notice has been served on Taiwan, also experiencing growing finance-economic problems. Once regarded as the major "power house" of growth throughout Asia, Japan has had to admit that there are no signs of any recovery of the Japanese

economy. American officials are quoted as having told the Japanese that they should pay more attention to stimulating their domestic economy instead of trying to further increase their exports.

As the "Asian Tigers" try to overcome their problems, they are defying the wisdom of the famous Chinese sage Confucius, who warned that it is no use running harder if you are on the wrong road. Instead of trying to tie their economies to those of an Asia heading for increasing problems, Australia should carefully note that in attempting to become self sufficient in food, the Japanese are providing one lead which should be taken up in Australia. A philosophy of self sufficiency, one which puts nationalism ahead of destructive internationalism, is the only one which offers any hope of a secured future.

BRIEF COMMENTS:

Public opinion polls should always be treated with caution. Nevertheless, there is impressive evidence that support for Pauline Hanson's One Nation Party has slipped from the high figure of 13.5 percent recorded in May when the Party was launched. Support is now recorded at 8 percent. Not surprisingly, support for Pauline Hanson remains strongest in her home State of Queensland. We predict that should the major political parties reach agreement to put Hanson last on their how-to-vote cards, support for Hanson will climb, one reason being that it will confirm the growing view of many Australians that there is no basic difference between the major parties. Those advocating that the major parties unite against Hanson overlook one fact which will not be overlooked by Labor and Coalition Members in borderline electorates: that any group which can obtain even 8 percent of the primary vote will through the allocation of their preferences decide the fate of a number of Labor and Coalition candidates. There is another factor which haunts all the major political parties: that resentment against the major political parties is such that no Federal Government will be able to dominate the Senate after the next election.

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It was Franklin Roosevelt, U.S.A. President, who said it was the duty of the politician "to yield to pressure". John Howard has demonstrated that he is a very good politician by ignoring the hardnosed economic rationalists in his Cabinet, those who are in the Peter Costello mould. John Howard's support for the retention, until early next century, of the present level of protection for the textile industry, was a political decision based on a realisation that the Howard Government is steadily losing electoral support. Under the type of financial policies being imposed by Treasurer Costello, there is little likelihood of an upsurge of consumer spending, which means that even the textile industries will continue to experience job losses. But what has been demonstrated is that politicians can on occasions be forced to yield to pressure.

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National Party Members in particular are no doubt hoping that they will regain a little of lost support by the decision which permits elderly farmers to pass their properties over to their sons without losing old age or other pension entitlements. Many have been in the position where they were unable to obtain pensions because of assets.

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Irrespective of how the figures are manipulated, the reality remains that there is a high unemployment in all industrialised nations, including Germany and France. Unemployment in Germany, France and Italy is at least 12 percent. In their zeal to make industrial reform a major election issue in Australia, the Howard Government constantly refers to the U.S.A. Generally overlooked is the low level of wages in the U.S.A. compared with Australia. And there are massive social problems. A recent study pointed out that U.S.A. unemployment statistics were suspect. For example, they ignored that 1.5 million Americans are in prison and six million on parole. Those in prison and those on parole represent 10 percent of the male workforce. Following the latest unemployment figures, showing a further increase in unemployment, Prime Minister John Howard once again assured the Australian people, given time, his Government would solve the problem. Under present policies John Howard will be shown to be a con man.

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Older readers of *The Age*, Melbourne, will recall the well crafted articles by conservative columnist Michael Barnard. We were sorry when Barnard left, or was forced to leave *The Age*. After disappearing from journalism, Michael Barnard re-appeared, with a column every fortnight in the Melbourne *Herald Sun*. Michael Barnard has demonstrated over the years that he is not afraid of being politically incorrect on many issues. In his column of September 14th, he writes under the heading, GLOBAL WARNING, OR JUST HOT AIR? He points out that it is not true that there is unanimity among scientists concerning global warming. He quotes a number of eminent scientists who point out that much of the so-called evidence is either factually erroneous or at least two years out of date. In today's world much of true science is blacked out by media publicity. We trust that Michael Barnard continues to offer an alternative view on what generally is claimed to be "gospel truth".

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Even in the earliest days of its "economic miracle", the capital Bangkok was starting to choke in its own fumes. Genuine environmentalists have expressed their alarm at what is happening throughout Asia as the "Tigers" maul and pollute. Such is the price of what is termed "growth and progress". A recent report from Jakarta states, "From the air the great rain forests of Borneo have disappeared under clouds of smoke from hundreds of forest fires raging out of control, forcing planes to abandon plans to land." In a world where economic systems are primarily for the purpose of producing what is genuinely required by people, the on-going destruction of the natural environment would be completely unnecessary. But try asking a politician or an economic expert what is the true purpose of production and the answer will almost certainly be, "To provide full employment". Which reminds us of the story concerning the Africans who were taught by the Europeans how to treat their soil in such a way that they could increase production enormously. But after this achievement it was noticed that the following year the African peasants had grown nothing. When asked why, their reply was simple: You have showed us how to produce an abundance. We would now like to enjoy that abundance by not working so hard. We now have more time for fishing."

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