A WEEKLY COMMENTARY

ON TARGET

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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: *"So long ... as we are prepared to agree that the removal of industrial unemployment is the primary object of statesmanship and, ... that the capture of foreign markets is the shortest path to the attainment of this objective, we have the primary economic irritant to military war always with us, and, moreover, we have it in an accelerating rate of growth, because production is expanding through the use of power machinery, and underdeveloped markets are contracting. Any village which has two grocery shops, each competing for an insufficient, and decreasing amount of business, while continually enlarging its premises, is a working demonstration of the economic causes of war – is, in fact, itself at war by economic methods."*

– C.H. Douglas in ***The Monopoly of Credit***

THE GROWING THREAT OF CIVIL WAR by Eric D. Butler:

One of the results of the worst excesses of the industrial revolution was the development of a trade union movement which sought to ensure that those employed in industry received a living wage. Failure to grasp that the present debt system made it impossible for all sections of society to work harmoniously together has led to increasing friction and social disintegration. Basically decent people periodically find themselves in violent conflict with their fellows. Early in the history of the Social Credit movement, during which the author of Social Credit, C.H. Douglas, was optimistic that members of the British Trade Union Movement might lead an attack on the monopoly of financial credit, and the debt system it had spawned, the British Trade Union Movement was captured by the Fabian Socialists and their spiritual bedfellows, the Communists. The aim of the Communists was to seek to exploit the legitimate grievances of the workers, such as the progressive erosion of their puchasing power as a ressult of inflation. The Marxists were consistently opposed to any financial policy which might alleviate friction in society. Many Marxist-promoted strikes were directed towards non-industrial objectives. Not surprisingly, there has been a growing public resentment against trade unions, correctly perceived to have become corrupted with the power which affects all monopolies, irrespective of their label.

Under the general theme that they are attempting to bring "labour reforms" into the coal and waterfront industries, the Howard Government has embarked on a strategy which, while it may break the power of the waterfront and coalmining unions and help with the re-election of the Howard Government, will have dangerous long-term implications for Australian society. Few would dispute that over the years there have been numerous rorts on the Australian waterfronts, and that like all industries, greater genuine efficiency should be sought. But it can be said without fear of contradiction that nothing proposed by the Government or the National Farmers' Federation will have the slightest effect on the disaster course on which Australia has been proceeding under both Labor and non-Labor Governments.

The major "wrecking" which the Australian Farmers' Federation talks of has not been the result of the restrictive policies of the Unions, but of the programme of economic rationalism and globalism. Much of Australia's manufacturing base has been closed down and moved to Asian countries, where labour costs are much lower than those in Australia. Much of the production which floods in to Australia from Asian countries is produced by near-slave labour. Constantly told that they must become more efficient in order to compete internationally, sections of Australian industry lend a willing ear to all suggestions which they believe will reduce their labour costs. Global corporations like Rio Tinto naturally tend to lose sight of the human factor involved in their operations. The bigger and more centralised industry becomes, the more difficult it becomes for the individual worker to negotiate his wage conditions. Evidence indicates that where unions are removed from wage bargaining processes, the real value of wages and salaries is being driven down.

The tragedy is that the present financial rules results in a type of civil war between people. Recently there was the Victorian strike of nurses and medical staff which had its roots in the cost saving policies of the Victorian Kennett Government. Nurses generally felt guilty that they had to neglect their patients. The much maligned waterside workers are also human beings, many of them with families and having the same concerns as the majority of Australians. Contrary to what officials of the National Farmers' Federation claim, there is no evidence that waterside workers have no feelings about the plight of primary producers. It is not so long ago that the waterside workers donated over $63,000 to the drought appeal organised by the "A Current Affair" programme. There is good and bad in all individuals. Crisis conditions sometimes brings out the worst in some individuals, as witnessed by reports that some businesses are attempting to profiteer in the flood-ravaged township of Katherine. But generally speaking Australians do not seek to exploit the problems of their fellows.

All the available evidence indicates that in recent years there have been improvements on the Australian waterfronts. The workforce has been reduced as have the turnaround times for ships. Except in times of a genuine national crisis, Government-sponsored strikebreaking is a dangerous and provocative policy. The training of strikebreakers can only further inflame tensions in Australian society. The National Farmers' Federation can legitimately claim that the exporting of some Australian primary production has been affected by restrictive practices on the waterfront – although there appears to be no evidence that there have been any problems with the bulk shipping of grains and sugar – but the waterside workers are not responsible for the financial policies which have been a major factor in creating a deepening rural crisis. Not only has the NFF failed to attack the basic cause of the devastation of rural Australia but has endorsed the programme of internationalising the Australian economy, which includes the flooding of Australia with rural production from other countries.

What is emerging in Australia is a strategy, backed by Big Business, particularly that which has been internationalised, to break the waterside and coal industry unions as a preliminary to expanding a programme of forcing all workers and salary earners into a position where they must try to negotiate individual contracts with employers. Obsessed with maintaining and using power themselves, Trade Union leaders have failed to see that they have been manipulated into a situation where they are pawns in a much bigger game than they understand. The only political movement in Australia which appears to have any understanding of what is required to start easing the tensions in Australia, is Australia First led by Graeme Campbell. It is his Labor background which probably enables him to take a non-partisan view of the situation. One aspect of the present industrial crisis should be thoroughly investigated: Where is the NFF obtaining the big sums of money to finance its clandestine operations? The NFF says it is not using the NFF fighting fund. And why is it attempting to set up business on a Melbourne waterfront which does not handle primary produce? Is the NFF receiving funds from one, or more, of the big multinationals?

SECRET NEGOTIATION OF A DEADLY TREATY by David Thompson.

Few observers have drawn attention to the significance of one provision in Indonesia's IMF "rescue package" which effectively ***lifts all restrictions on foreign ownership.*** Australian Foreign Minister Downer gleefully urges Australian companies to take advantage of the opportunity to invest in Indonesia.

What Downer carefully avoids is the $1.5 billion that Australian banks already have at risk in Indonesia. Our banks are hoping that the IMF agreement, and the Indonesian announcement that it will fully guarantee all deposits and debts, will protect their loans. Since the collapse of the rupiah, which has lost more than 80% of its value since July, Indonesian importers have been unable to pay their foreign debts. As a result, about 92% of Indonesian companies on the Jakarta stock exchange are technically bankrupt.

It is clear that the IMF is attempting to pave the way for the 'Asian tigers' to be locked into a new international treaty which is being promoted under a cloak of secrecy - the Multilateral Agreement on Investment (MAI). In the last few weeks, the Australian business and financial press seem to have "discovered" the MAI, and are asking why the Government has nothing to say on the matter. The answer is provided by David James in an article in ***Buisiness Review Weekly*** (26/1/98):

"This (secrecy) is not entirely accidental. Most recent trade negotiations in Australia have been conducted in relative secrecy by Canberra bureaucrats. . ."

According to New Zealand journalist, Colin James, (***Buisiness Review Weekly*** 15/12/97), ***"Publication of the treaty was forbidden by the OECD, under whose auspices it is being negotiated."*** (Organisation for Economic Co-operation and Development).

Why the secrecy? Because if we accept the MAI, it means the end of national sovereignty. Is this just another League of Rights beat-up, to try to get attention? Not according to Jim Anderton, the leader of the left-wing Alliance Party in New Zealand: *"We sign away our sovereignty when we sign the MAI"*

Apart from League supporters (we published extensive material on the MAI last year) hardly any Australians know about the new treaty. David James reports further: "Transnational corporations, especially those based in the US, have been able to establish a global web of influence, and the MAI is intended to give it legal and institutional force. The implications for national sovereignty and democracy are profound. . .

"The intention of the agreement is to put local and foreign investors on a "level playing field". If Australia agrees to the MAI, the Foreign Investment Review Board will become a thing of the past. The Wik legislation may also prove to be unsustainable (indigenous rights being by definition only available to the locals). The nightmare scenario is that the MAI would allow an international body controlled by the OECD to over-ride any form of local legislation that penalises foreign corporations."

From our research, once signed, no government can refuse foreign investment, except in specified "reserved" areas, which will be gradually reduced by the OECD. Alan Griffiths is a senior researcher for the Stop MAI in the USA. He is quoted by ***Business Review Weekly*** (26/1/98):

"Its amazing how little Australian politicians know about this. It has slipped past the Australian Parliament without their noticing. Once the MAI is implemented, it will be virtually impossible for Australian governments to make general recommendations. . ."

In New Zealand, the National-New Zealand First coalition government has refused parliamentary debate on the treaty. But such has been the resistance from the grassroots of both the Labor Party and other groups, that New Zealand has published the draft of the treaty. As a result Colin James writes: "Spectres have been raised of Government assets having to be sold to foreigners, of floods of foreign workers being brought in by foreign companies, and of environmental and labor standards being undermined . . ."

While the political parties in New Zealand are supporting the MAI (even New Zealand first, which campaigned against foreign investment) resistance at the grassroots is growing quickly. The Maoris are solidly opposed to the treaty, as they understand that it may undermine their land and resources settlements.

Such is the scope of the MAI that Geoffrey Barker, writing in ***The Financial Review*** (19/1/98) quotes Marjorie Cohen, Professor of Political Science at Simon Fraser University, who says that "the MAI is designed solely to discipline nations in the interests of the one class which enjoys world citizenship – the international investor".

Barker writes that the Australian spokesman for Stop the MAI, Mr. Richard Sanders, says the MAI will become a major issue in Australia when people become aware of the possible implications. "There is little point in talking about a new Australian republic if we sell out our democracy through the MAI," says Sanders.

It is clear that, as we have reported previously, the structure of the global state continues to emerge bit by bit. While the IMF may be the global enforcer for the international banking groups, it appears as though the MAI is intended as the global enforcer for the multinational corporations. It is not a question of whether the MAI should be resisted, but how it can best be done. It may be that a coalition of extremely diverse groups, including the political left, and the democrats, will be required to defeat the MAI.

WILL CLINTON GO TO WAR TO COVER UP? Although the opinion polls in the US appear to show that President Clinton has regained the confidence of the majority after the allegations of philandering in the White House, and attempts to cover up, the legal bloodhounds still pursue him. If further evidence emerges about sexual indiscretions, Clinton may be tempted to do something desperate to divert attention from his domestic problems. What about a good war?

The obvious 'victim' would be Iraqi dictator Saddam Hussein. If Clinton could find an excuse to send the bombers in, he might be hailed as a warrior President protecting the free world from the Islamic infidel. Much could be forgiven such a saviour.

What, then, are we to make of the report from the business pages of the ***Herald-Sun*** (31/1/98) by Peter Coster, who writes:

"Sam Lipski, publisher of the Jewish News, told a Centre for the Economic Development of Australia (CEDA) lunch yesterday that 'on February 11 or 12, the United States and Britain will launch three to four days of aerial bombardment of Iraq'. No ifs, no buts."

How can Mr. Lipski be so certain? Does he happen to know that Israel has received certain promises from the Zionist-dominated US Presidency? Such an attack would also take some of the political heat off Israeli Prime Minister Netenyahu, which would also be very convenient.

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