



A WEEKLY COMMENTARY

ON TARGET

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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: *"While it is important that we look back at history, and do not minimise the many injustices which one group of people have suffered at the hands of others, it is destructive to attempt to exploit past evils. Christians must reject this attitude, preaching reconciliation through Christ. present day Australians cannot be held responsible for what some of the early settlers did to Aborigines. The great majority of present-day Australians, including those of non-British background, are not even distantly related to the early settlers. There has been an anti-Christian campaign to create a guilt complex among Australians, conditioning them to accept a land rights programme which has already caused tensions where none or few existed before, and which if implemented would virtually create two nations. This is the aim of some revolutionaries."*

– The Rev. Cedric Jacobs, OBE, in *Healing A Divided Nation*

"HONEST JOHN HOWARD" OR A MASTER PRAGMATIST? by Eric D. Butler:

When will Prime Minister John Howard hold the next Federal Election? At any time that he feels offers him the best prospect of winning. He could, of course, become the victim of events which he has not foreseen, such as the meltdown of the Asian "Tiger Economies", and a flood of refugees which Australia is poorly equipped to handle. As these comments are being written, it is obvious that the Indonesian crisis is far from over. One of the most significant events is defiance of the International Monetary Fund and the removal of the consumer taxes which were one of the major factors in producing the uprising of the Indonesian people. While Federal Treasurer Peter Costello conceded in his budget speech last week that events in Asia were starting to affect the Australian economy, he said the economic policies of the Howard Government had helped to cushion the effect of what was happening in Asia, particularly Indonesia. This type of comment will bring little comfort to the thousands of Australians fleeing Indonesia. Many of these Australians were only in Indonesia because of the policies of the Howard Government, who slavishly followed in the footsteps of the Hawke and Keating Labor Governments.

It is the similarity of the policies of both the Labor and Coalition Governments which has produced such widespread cynicism concerning all the major political parties. Federal Treasurer Costello, lauded by John Howard, has coined what no doubt will become an election slogan, *"We are in the black and back on track"*. Apart from the usual vague generalities which accompany the presentation of Federal budgets, there has been no clear outline of the track on which Australia has been travelling under both Labor and non-Labor Governments. When the Hawke Government came to office in 1983 Treasurer Paul Keating, who quickly reversed himself on the subject of internationalising the banking system, with John Howard complaining that Keating had stolen his policy, announced that the "black hole" left by Howard was much bigger than anticipated. In order to get the nation "solvent", some unpleasant medicine would be necessary. Paul Keating set about producing two surplus budgets, and was acclaimed as "the world's greatest treasurer". What are known euphemistically as the "financial markets" applauded, which in plain English meant that

they were prepared to pump more debt finance into Australia. The foreign debt, which had been increasing steadily under Treasurer John Howard, now started to escalate. But this did not prevent Paul Keating from boasting on one occasion that he had "brought home the bacon".

The foreign debt continues to increase under Treasurer Costello who, naturally enough, did not dwell on the subject in his budget speech. A projection of the current increase in the foreign debt shows that it will escalate by \$30 billion next year. It is not surprising that the international bankers have given the thumbs up to the Costello budget. But while the "financial markets" are applauding the Costello budget, there have been no shouts of joy coming from the unemployed, or from all those who have suffered in order that Costello's magical "surplus" could be achieved. It will be recalled that John Howard promised before the last Federal elections that solving the unemployment problem would be a top priority for the Howard Government. Even with the use of manipulated statistics, the Government is unable to produce any evidence to demonstrate that the unemployment situation is any better than when elected to office. While the Government (any government) rigidly adheres to debt finance it is mathematically impossible to overcome the nation's mounting problems. One is reminded of the famous observation by the great French writer, Jules Verne, that "The more things seem to change, the more the situation remains the same". It is debt finance which has been the basic cause of an Indonesian crisis, manipulated by international planners whose agenda goes far beyond "reforming" the Indonesian political system. Instead of joining in the international campaign calling for "reform", the Howard Government should congratulate the Indonesian Government for having taken the constructive step of removing the food and heating taxes demanded by the International Monetary Fund. But so far from taking or endorsing the stands against the IMF, John Howard has demonstrated that his ear is always carefully attuned to the orders of the IMF. The backflip by Labor leader Kim Beazley concerning the GST is similar to Howard's backflip. Let us not forget John Howard's "promise" that "never ever" would his Government impose a GST.

The Costello budget is the preliminary to a much publicised tax "reform" which will include the GST. No doubt John Howard and his advisers are well aware of the political risks associated with the promoting of the GST. Beazley is also aware that he could win the next elections by opposing the GST. He could then conveniently find that Howard and Costello had left the economy in a worse condition than anticipated and "reluctantly" have to introduce a GST. Howard and Costello hope that they can use their "surplus" to bribe sufficient electors to enable them to survive. Fortunately an increasing number of electors are starting to understand that they cannot trust any of the major parties. "Honest John Howard" is a myth.

Currently John Howard is under intense pressure to join in the anti-Pauline Hanson campaign concerning preferences at the next elections. In spite of the fact that in an interview with a Jewish reporter, in which he revealed that he had been at university with many Jewish friends and still had many close Jewish friends, John Howard has to date been resisting Zionist pressure to announce that he will oppose the allocation of any Liberal preferences to Hanson. In an attempt to force him to shift his position, the well known Zionist hit-man, Gerard Henderson, columnist with *The Age* and *Sydney Morning Herald*, has been brought in to increase the pressure on Howard who is advised to follow the lead of Peter Costello, who has announced that he will be recommending that Pauline Hanson be put last on his how-to-vote card. Henderson drags out the old claim that Sir Robert Menzies warned Malcolm Fraser against having anything to do with the "dangerous" League of Rights.

I faxed a letter to *The Age* last week outlining why the alleged Menzies letter is the figment of Malcolm Fraser's imagination and for the first time listed the number of prominent members of the Menzies Government with whom I had close and friendly relations. Not surprisingly, my letter has, like all such previous letters, not been published. So much for the freedom of the press!

Whether or not John Howard will shift his position on Hanson preferences will depend upon how this would affect his prospects of political survival. Graeme Campbell of Australia First is correct – no politician should be trusted who will not agree to trust the people by advocating the introduction of the CIR – Citizens' Initiative and Referendum. There is nothing in John Howard's record to suggest that he can be trusted to do other than what helps his political prospects – the perfect pragmatist.

CONTEMPLATING AN ASIAN AUSTRALIA by David Thompson:

Press photographs of Australian businessmen and politicians (like NSW Premier Carr) fleeing a burning Indonesia bear mute testimony to the sudden but vigorous retreat from "Asia". Mr. Carr was unable to "do business" with Asia, because he couldn't travel across Jakarta. Presumably his Federal colleagues would not like to see Australia become "part" of the looting and burning taking place in one of our nearest northern neighbours!

Being "a part of Asia", which has glibly rolled off the tongues of politicians from all major parties for some years, is a very vague proposition. "Asia" is not just one amorphous mass, but encompasses a vast variety of features, peoples and conditions. Which "part" of Asia are our glib politicians suggesting we join? Presumably not Indonesia, just now, but what about Japan, South Korea and even (to a limited extent) Taiwan, the economic "power-houses"? Where are the gung-ho businessmen who were scathing of anyone not 'progressive' enough to see that Australia's economic future rested here? They have suddenly rediscovered Europe, and business opportunities that were scorned for the Tiger economies. Now that some of the tiger economies are in tatters it is a different story.

Where are the smug multiculturalists, who insist that all Australians worship at the multicult mirage? Presumably they are averting their eyes as the Indonesian Chinese who are unable to flee watch their homes and businesses burning and looted. Many Chinese have been killed in resentment of their stranglehold on Indonesian commerce.

There are plenty of Indonesian Chinese who have suddenly decided they don't really want to be "a part of Asia", with Immigration Minister Ruddock deciding that those already here would receive sympathetic consideration for Australian visa extensions. How long can it be before the other Indonesian refugees begin to arrive in boats - one week, two? Have our Australian republicans noted that it is from the Indonesian **republic** that they flee, and those who can are very likely to head for the relative stability of the Australian **monarchy**, with the benefits shared by so many who live under the Union Jack?

If the East Asian miracle has been slightly over-stated, perhaps we would rather become "a part" of the western Orient? But the Indian sub-continent may not be the most stable part of the world, either, in view of the apparent escalation of (possibly nuclear) conflict between India and Pakistan. And the diplomatic tension between India and China over Tibet and other territorial differences makes the Indian nuclear capacity even more significant.

It is interesting to note that the green protest machine has been distinctly muted about the Indian nuclear testing. When France last tested nuclear devices in the Pacific the green condemnation was venomous. Whatever international indignation has been directed towards India, however, has been conspicuously absent in the case of Israeli nuclear capacity, which is of far more significance in the context of global tensions.

THE INDONESIAN CRISIS: The drama of burning and looting in Jakarta has temporarily driven the **cause** of the Indonesian crisis from popular attention. While it is clear that the corruption, 'cronyism', and economic monopolies have been a feature of Indonesian government, the efforts by the (largely western) global institutions to correct the Indonesian economy have proven to be a complete disaster. The agenda was for the global market to sweep away the corruption and even the dictatorship of Suharto, to be replaced by a more 'democratic' Indonesia, stimulated by exposure to global trade. But the impact on Indonesian industry, business and even government has been disastrous. The IMF strategy has only increased the problem, with the "rescue package" in which fuel and electricity costs have doubled and trebled, prompting the riots. Upon his return from overseas President Suharto immediately reversed the IMF strictures.

What is the future for Indonesia? If a demonstration was needed, this is what happens when the 'global government' uses its muscle on the nation-state. The 'international community' - including the Australian press, seem to have decided that Suharto must be forced out. In Australia's case, this is something of a diplomatic embarrassment, since we have championed the Suharto cause with the IMF and elsewhere. There is no obvious replacement for Suharto, except a military figure - hardly a step towards more 'democracy'.

If international pressure continues to drive Indonesia into the global state, the nation itself may completely disintegrate. Writing in the weekend press, Magnus Clarke notes that in the event of a collapse in central authority, the entire Indonesian empire could unravel as did the Soviet Union, resulting in a rash of new states to our north. Sir Raphael Cilento, first patron of the Australian Heritage Society, once warned that this was possible. It offers an entirely new military security threat to Australia.

Any political collapse in Jakarta could result in a tidal wave of refugees, according to Dr. Damien Kingsbury, of Monash University's Asia Institute. There are around 200 million people within a few hours of Australian waters. Australian possessions, such as Christmas Island, could be threatened.

The only alternative to a disintegrating Indonesia is the maintenance of central authority around Suharto. The key question concerning Indonesia is that which also concerns Australia: it is not a question of **who is in charge**, it is a question of **what is their policy?**

For Indonesia to retain any semblance of nationhood, it is essential to protect national interests. This includes the protection of domestic industry, and ultimately the Indonesian currency. It may mean regional agreements with neighbour states, like Malaysia, on matters concerning trade, industry and currency. Ultimately it also requires a new approach to sovereignty in finance and the creation of credit. This is the key to the survival of not only Indonesia, but any nation-state, including Australia.

WATERFRONT FALL-OUT CONTINUES: If Robert Manne is correct in his assessment of what Mr. Howard knew about the training of Australian anti-union labour in Dubai, there will certainly be an early election. Manne writes (*The Age*, 11/5/98) that there is strong evidence that Mr. Howard's office smoothed the way for passports for the Dubai recruits. Mr. Howard has evaded the issue in Parliament as best he can, and Mr. Reith has denied knowledge of the affair. If Reith misled the Parliament, with Mr. Howard's knowledge, there would appear to be little option for either of them: convention demands their resignation.

The issue should be resolved in the Maritime Union's conspiracy case in the courts later in the year. Reith and Howard may have to give evidence. It would clearly be in the Government's best interests to declare an election before the Prime Minister's hand was forced by a potentially damaging appearance in the courts. Mr. Howard's knowledge of the Dubai training scheme, and that of his Ministers, throws the waterfront dispute into new light. Was it Mr. Reith and the Government backing Patrick stevedores in their dispute with the Maritime Union, or was it Patrick stevedores backing a government conspiracy to destroy the union?

THE MIDDLE EAST: The torching of Jakarta and other Indonesian cities has forced the Israeli-Palestinian conflict off the front pages of the press. It is clear that this conflict is a continuing demonstration of Zionist implacability in the face of any United States attempt to broker a peace agreement. The Zionists **do not want peace** with the Palestinians; they want victory over the Palestinians, and integration of Palestinian territory into "greater Israel", even in defiance of UN resolutions.