



A WEEKLY COMMENTARY

ON TARGET

- NEWS HIGHLIGHTS
- BACKGROUND INFORMATION
- COMMONWEALTH AFFAIRS

The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: *"Money is an abstraction. Money is a thing of no value whatever. Money is nothing but an accounting system. Money is nothing worthy of any attention at all, but we base the whole of our actions . . . on the pursuit of money, and the consequence, of course, is that we become the prey of mere abstractions like the necessity for producing employment . . . What is being aimed at so far, put in a few words, is a pyramidal slavery system by which people are kept in their places, and is done by elevating things into rewards and giving them values which don't exist. For instance, take the 'Honours' system in this country. Anybody of common sense knows that these 'Honours' often are bought with a cheque . . . there is nothing honourable about buying honour with a cheque. That is abstractionism . . . giving a thing qualities it does not possess."*

– C.H. Douglas in *The Policy of a Philosophy*

PAULINE HANSON TRAPPED IN TAXATION DISCUSSION by Eric D. Butler:

Pauline Hanson has allowed herself to be trapped in a debate concerning the technicalities of taxation. She is following the lead of John Howard who, having been persuaded to endorse the concept of a Goods & Services Tax, has produced a programme which has inevitably resulted in anomalies. The latest is whether his GST proposals will require a GST to be applied to road tolls, such tolls becoming increasingly fashionable as a means of making motorists pay for road construction programmes. Not surprisingly John Howard has ceased using the term GST, generally referring to his "tax reform" programme. Few people would disagree with the view that the present taxation system requires reforming. Those who have made any study of the present numerous methods of collecting taxation readily agree that these methods result in numerous anomalies and contribute to monetary inflation. It has become increasingly impossible for the ordinary citizen to discover the total amount of taxation being levied. There are good reasons for believing that the taxation system is designed to ensure that the consumer of, for example, a humble loaf of bread does not know how much total taxation – both direct production and distribution – is included in the retail price. If this information, much of it collated in the writings of research authority Jeremy Lee, was more readily available, a revolt against high taxation would be much more likely.

There may be some merit in the taxation proposals put forward by Pauline Hanson, but by entering the field of methods and administration, Pauline Hanson is inviting the type of diversionary debate which the GST proposals of John Howard have attracted. When Sir Joh Bjelke Petersen put forward the "Petersen Plan" for constructively reversing inflation, the element in his programme which incurred the greatest criticism was not that the most inflationary of taxes, Sales Tax, should be completely

abolished, but that the consumer price mechanism so successfully implemented during the Second World War should be restored, as promised by the Menzies-Fadden Coalition before the 1949 elections, which saw the defeat of the Chifley Labor Government. The permanent, unelected bureaucracy, controlled by the financial "experts" of the day, strongly resisted any suggestion of restoring the consumer-price discount system. The dominating philosophy of "economic rationalism" has swept aside all suggestions of using consumer credits as part of economic reforms, which would benefit the consumer. "Privatisation" is the new prevailing god of the gurus of financial orthodoxy.

In her famous parliamentary maiden speech, Pauline Hanson scathingly criticised the orthodox financial experts, claiming that she would not even trust them with her shopping. But with this comment, Pauline Hanson was making one important point – it appears that she was nominating **her own shopping list**. As a Member of Parliament, she should be confining herself to representing the policies, in order of priorities, as indicated by the electors. Electors who are misled into believing that they must choose between different **methods** of obtaining what they want are leaving themselves vulnerable to the mercies of those who claim to have a solution for the world's economic problems. Electors who continue voting for those who have consistently failed them in the past are therefore responsible for their own problems. Instead of involving herself in technical debates, and encouraging electors to do likewise, Pauline Hanson would be offering the electors a more constructive lead by boldly stating that **total taxation** is far too high and that as a representative of the electors she will refuse to vote for any policies which further increase taxation unless such proposals are put before the electors at a referendum. There will be no start for a reduction in total taxation until electors have the opportunity to have a direct say. While Pauline Hanson's One Nation has referred to the concept of direct participator democracy, as yet it has not been made a major feature of One Nation campaigning. It should be recorded that Graeme Campbell's Australia First has publicised the Citizen's Initiative and Referendum concept as a "core" policy with all parliamentary candidates pledged to support it.

While Graeme Campbell has suggested that the concept of a "Debit Tax" could have a number of merits, he has contented himself with suggesting that the concept should be put on the table for discussion along with other proposals. He has also drawn attention to the vital subject of the creation of credit, particularly the valuable suggestions put forward by the former Tasmanian Liberal Minister, the Hon. Neil Robson. The whole taxation question is directly linked to the debt question and eventually this question must be addressed. Pauline Hanson has made such a valuable contribution to changing the course of Australian politics that it would be a great pity if she allows herself to be sidetracked into fields where she is vulnerable. In Victoria, the One Nation Senate candidate Robyn Spencer appears to have already distanced herself from discussions on the technical aspects of taxation reform. Pauline Hanson would be well advised to do likewise. It is not sufficient to agree that what she is suggesting has not been tried before, but the CIR concept has been tried both in Switzerland and other parts of the world without any worse disasters than those currently afflicting most of the world.

Those advocating the GST should be challenged to point out where a GST has solved a nation's economic problems. It should be constantly stressed that the GST is the brainchild of the International Monetary Fund, whose "experts" are primarily responsible for the disasters now afflicting those nations, like Canada, which have adopted the concept. It should also be stressed that so far from the GST ending "black markets", it has actually stimulated the growth of such economies. John Howard and his advisers should be challenged to explain why this has happened. These comments leave unanswered the basic question of how should responsible electors vote on October 3rd. As a general principle they should make it clear that they decline to vote for any political party candidates whose party has in recent years supported, either actively or passively, the type of policies which have created a growing national disaster. They should vote only for those candidates who will give a firm written undertaking that if elected they will work for the immediate introduction of the CIR. Senate

voting should be designed to ensure that the major parties do not have a monopoly of power. The mood of the Australian electors is such that it appears possible that they will elect a new parliament in which prospects for the future of the nation will be greatly improved on what they have been.

Irrespective of how she polls, Pauline Hanson must be given credit for making a major contribution towards changing the Australian political landscape. But she would be well advised to make certain that through the folly of her advisers, Australia's most outstanding statesman, Graeme Campbell, is not destroyed politically. Such a disaster would help to destroy the potential of One Nation to contribute to the regeneration of Australia.

ONE NATION'S ENEMIES WORTH VOTES by David Thompson:

It seems to be a measure of politicians that they either can or they just cannot grasp their true role in the political scheme of things. A rare minority of MPS – perhaps a few more at election time when actually facing the voter – accept that their role is to serve their constituency and "represent" the views and desires of their constituents in the Parliament. The majority of politicians, however, seem unable to resist the temptation to try to manipulate the way the electorate thinks, or browbeat the voter. It is a display of extraordinary arrogance, and implies that the election process is primarily for the benefit of those in the parliaments.

This sort of arrogance almost universally backfires on those guilty of it, and in this election One Nation may again be the beneficiary of the backfire. Last week four former Prime Ministers, purporting to be extremely worried about "racism" in the election campaign, took the step of publishing a unified appeal to voters to reject One Nation.

Gough Whitlam, Malcolm Fraser, Bob Hawke and Paul Keating wrote: *"Racism is an unmitigated evil, it is immoral . . . at this election everyone has the opportunity to demonstrate that there is no room for racist politics in Australia. We therefore urge you to put any candidate supporting any element of racism last in the election both to the Senate and the House of Representatives."*

The former Prime Ministers do not spell out what they mean by "racism". Do they concede the necessity to actually discuss policies in an election environment that may involve issues of cultural, racial or ethnic nature? No, they do not. Do they defend the principle of freedom of speech on such issues as multiculturalism, immigration, aboriginal policy, etc.? No. It is worth remembering that whilst Prime Minister, Bob Hawke claimed that the "bi-partisan" approach to immigration by the two major party groups had successfully kept the issue of immigration off the political agenda.

What are we to make, then, of the deliberate use by the Democrats of two groups of babies on an election poster, which is intended to highlight the issue of race when comparing the Democrat policies with those of One Nation? The Democrats obviously fear the possibility that One Nation could seriously reduce the Democrat vote for the Senate. One Nation could well hold the balance of power, or share the balance of power with other minority groups, in the Senate.

The Democrats' advertising urges voters to choose between them and One Nation on the basis that the Democrats embrace multiculturalism, as depicted by three babies who appear to be of European, Asian and perhaps aboriginal descent. The alternative depicted by the Democrats is One Nation represented by three European babies. Choose one or the other! Is this a subtle form of racism? Is it one of those election tactics condemned by Hawke, Fraser, Keating and Whitlam? Do we vote against the Democrats for "racist" campaigning?

Clearly the ex-Prime Ministers are targetting One Nation in their statement, but what if the boot were on the other foot? What would their attitude be to a One Nation advertisement suggesting that the electorate choose immigration policy by depicting the same three babies? The result would be predictable, savage and almost universal.

Ironically, it is just such arrogant approaches to campaigning that is likely to win even more votes for Pauline Hanson's candidates. The backlash against such gratuitous advice from former PMs is certain to be votes for One Nation. The unbelievable arrogance and insensitivity of the Democrats in the use of babies in playing "the race card" is an extremely high-risk campaign strategy. It must be worth tens of thousands of votes for One Nation. If One Nation strategists were to take the Democrat advertisement and publish it themselves, inviting voters to choose, say, the racial component of the immigrant intake, they could do much worse!

WILL "ENEMIES" CONSPIRE TO CHANGE THE RULES? Much thought has gone in, behind the scenes, to the possibility of what the Senate might be like after this election. Whatever the election result, the composition of the Senate will not change until the terms of half the Senators expire on June 30th, 1999, at which time new Senators will take their seats.

But by then, the damage may be done. It is clear that, knowing this, Coalition strategists are intending to push right ahead with legislation for the GST if the Government survives the election, intending to push it through the Senate before June 30th. Mr. Howard is warning that the Senate should not attempt to block his "mandate" for the GST, if he can get one.

The truth is that "his" mandate for a GST could only be claimed a "mandate" if he can win a majority in the Senate, too, which he cannot do. Otherwise, Senators can claim that they have their own "mandate" – and it may be to block the GST! After all, the ALP is campaigning against the GST, and if equipped with a Senate majority, would certainly claim their "mandate" to defeat the deadly new tax.

And what if one of the groups exercising the balance of power in the Senate is One Nation? Would such a prospect be so abhorrent to Coalition and ALP alike that they may be tempted to conspire to eliminate minor party influence from the Senate? Is this not what happened in Tasmania a few weeks ago?

Could this be done to the Senate? The answer is yes. Section 7 of the Constitution provides for a Senate composed of Senators from each State, "directly chosen by the people of the State, voting, **until the Parliament otherwise provides**, as one electorate". That is, a simple Act of Parliament is all that is required to change the method of selecting Senators. If the Senate was based upon electorates, or provinces within each State, it may be much more difficult for Independents or minor party candidates to be elected.

Could such a bill be forced through the Senate if the Government does not control the Senate? If **both Coalition and ALP** resolved to support the proposal, it would easily succeed. Big-party politics have captured the House of Representatives, and now threaten the Senate.

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