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:** *"As no government can carry on for a month without money, it is not necessary to labour the point that the visible government of a country is obliged to take its orders and to shape its policy, and particularly its financial policy, in accordance with the instructions of the dealers in this indispensable implement, so long as they hold a practical monopoly of it."*

– C.H. Douglas in ***Social Credit***

## THE TRAGEDY OF PAULINE HANSON by Eric D. Butler:

Shortly after the Liberal Party disowned their selected candidate for the Queensland electorate of Oxley, previously a safe Labor seat, declaring that Pauline Hanson was unacceptable because of her "racist" views, and indirectly propelled Pauline Hanson into the Federal Parliament as an Independent, I described Pauline Hanson as a political phenomenon with the potential to play a major role in changing the course of Australian history, initially tapped in to a deep current of dscontent in the Australian community. That discontent had been building up for many years. It was affecting large sections of the community. It is important to recall that initially Pauline Hanson was supported by the former West Australian Labor Member Graeme Campbell, a man denied any advancement in the Labor Party because of his independent views and criticism of those aspects of Labor policies which Campbell felt were undermining Australia's sovereignty. Eventually he was expelled from the Labor Party by Paul Keating and successfully stood as an Independent in the 1983 elections. He sat next to Pauline Hanson in the Federal Parliament and encouraged her in every possible way.

Pualine Hanson progressively drew bigger and bigger meetings. Her biggest impact was inside the rank and file of the National Party. For whatever reasons, the media started to provide Pauline Hanson with increasing publicity. There was initially no suggestion that she was moving towards attempting to establish another political party. With the tide of a growing number of Pauline Hanson Support Groups, it appeared that Pauline Hanson was attempting to create a public opinion which would shift public opinion on immigration and associated issues. Invited to appear with Graeme Campbell at a big Albury rally early in 1997, Pauline Hanson indicated in answer to a question that she was not contemplating the creation of a new political party. It was shortly afterwards that it was announced that a Pauline Hanson political party was being established. But Graeme Campbell's concept of political action was different – a new type of political party with elected Members of Parliament being directly responsible to their electors. One of the "Core Policies" of Campbell's Australia First was support for the introduction of the Citizen's Initiative Referendum system. During the early stages of the establishment of Pauline Hanson's Party there was little or no reference to CIR as a major policy. This only came after, contrary to Pauline Hanson's statement that she was not interested in State politics, it was announced that she was going to contest the Queensland State Elections. Her statement concerning CIR revealed a very inadequate understanding of the subject.

Australia First had made it clear that it was only entering the Queensland State elections as a limited objective, contesting only 12 electorates with high quality candidates with the possibility of electing only or or two in order to demonstrate that it was possible to start driving wedges into the major parties. It was at this stage that the strategy of the internationalists emerged into the open. Millions of dollars of free publicity was given to Pauline Hanson's One Nation, poured out through both the Packer and Murdoch chains of newspapers, which had already decided to destroy Graeme Campbell by giving him the complete silent treatment. Cambpell and his numerous media releases disappeared from the media.

The internationalists' anti-Campbell strategy was followed right up until the Federal elections. The story of how Pauline Hanson was eventually destroyed politically has yet to be told. Perhaps her main political adviser, David Oldfield, could shed some light on the subject. Presumably, it was Oldfield who advised that Hanson contest the new Queensland seat of Blair instead of taking a certain Queensland Senate seat. Graeme Campbell did his best to warn Pauline Hanson of the political folly of contesting Blair. In an article in ***The South Burnet Times*** on the eve of the elections, Campbell pointed out that it was mathematically impossible for Pauline Hanson to win in Blair. Before the elections, Pauline Hanson had predicted that her Party would win 12 Lower House seats and six Senate seats. When, after the election, Pauline Hanson eventually emerged to meet the media, she had an explanation for her defeat in Blair: *"I was not prepared for the preferential voting system."* What a pity Pauline Hanson had not heeded Graeme Campbell. But instead of heeding Campbell, she had failed to take any firm stand against the One Nation Strategy which helped to remove from the Federal Parliament the man who is desperately required as Australia enters the deepest crisis in its history.

Up until the last Federal Elections, Pauline Hanson had the potential to join with all other Australian nationalists. But tragically she was badly misled. She could start to make amends by publicly apologising to Graeme Campbell. Such an apology would help to ensure that Graeme Campbell does not leave the Australian political scene permanently.

**CRISIS KNOCKS AT THE GLOBAL DOOR** by Jeremy Lee:

There is now no doubt the world's economies are entering a period of unparalleled crisis and danger. The events of the past few days reveal a story so bizarre as to point to the most massive manipulation.

***The Bulletin***, in its issue of October 13th, had a sub-heading "WORLD FINANCIAL CRISIS - Politicians and bankers alike rally in attempts to ward off the worst global recession since the 1930s".

The article began: *"US President Bill Clinton pronounced it gravely at the weekend. The world's most powerful politicians and bankers, thrust together in a scarcely precedented frenzy of Washington meetings, were confronting the most seious financial crisis in half a century . . ."*

After dealing with details of the crisis, ***The Bulletin*** quoted economist John Edwards, who pointed out Australia's vulnerability:

*". . . We have higher foreign debt than Korea, a bigger current account deficit than Brazil and around the same level of reserves as Indonesia,"* he says. *"The Australian dollar has come under attack three times this year and has lost 25% of its value against the US dollar in the last eighteen months . . ."* – none of which was pointed out by politicians on either side during the election, who made soothing noises about Australia being a "safe harbour" (Tim Fischer) against the crisis in SE Asia.

Three days earlier ***The Economist*** (UK, October 10th) had described the Washington meeting in much the same words:

*"Nobody could accuse the world's financial elite of underplaying the mess in today's global economy. The mood among banker and politicians gathered in Washington for the annual meetings of the IMF and World Bank was grim. Bill McDonough, the President of the New York Federal Reserve, spoke of the "most serious financial crisis since World War Two. This week an extraordinary, frightening swing in the dollar's value against the yen made things even eerier. In one way, the mood is appropriate; much of the world is already in recession and things may get worse . . ."*

Another article in the same issue of ***The Economist*** pointed to an "unexpected" drop in the value of the US dollar and the dramatic rise in the Japanese Yen:

*". . . Imagine the surprise . . . when this week's yen-dollar crisis was of an altogether different sort. In a matter of days, the Yen climbed, or the dollar fell, from Y135 on October 1st to almost Y110 on October 8th, a fall in the dollar of 20%. Suddenly the crisis was of a far-too-strong Yen, not a weakened one . . ."*

People reading this global script are supposed to imagine that these things have taken place without rational explanation – that economies tread paths that have a life of their own, untouched by human action or intervention. The truth, however, is that economic policy is man-made, and that recessions and disasters are symptomatic of evil policies.

The "surprise" of ***The Economist*** was nicely cleared up for us by ***The Australian Financial Review*** in its weekend edition of October 10th-11th, under the heading "SECRET DEAL ON $US-YEN DIVE": *"A secret agreement between the world's two economic superpowers, Japan and the US, lay behind the sudden dumping of the US dollar. The 15 percent free-fall in the dollar against the Japanese Yen over the past week has opened the way for the Bank of Japan to begin a massive money-printing exercise to rescue the nearly-insolvent Japanese banking system. But it is a high-risk strategy that could threaten the US role as the engine of economic growth and kill any chance of a recovery in the Japanese economy . . . Even those who doubt that there was a US-Japan plot to strengthen the Yen believe that the latest foreign exchange movements will enable the Bank of Japan to monetise Japan's bad loans without risking a free-fall in the Yen . . ." "The US has abandoned its strong dollar policy in favour of rescuing the Japanese banking system, which it sees as the biggest problem in the global financial system,"* says Mr. Ken Landon, currency strategist at Deutsche Morgan Grenfell. *"The Japanese Government knows they have to recapitalise the banks, and to do that the Bank of Japan has to start the printing presses."*

As pointed out in ***On Target*** last week, it will require as much as $US3 trillion to rescue Japan's banking system. That's about $500 for every living soul on earth! We are about to see an exercise in money creation like nothing the world has ever seen before. This should be borne in mind when reconsidering the puerile and wildly inaccurate remarks of Prime Minister John Howard and Treasurer Peter Costello when spokesmen for One Nation suggested a new, low-interest programme to assist Australia's debt-ridden farmer and small businesses. Howard suggest, completely inaccurately, that depositors prepared to invest their money at 1 percent had to be discovered before banks could lend at 2 percent! Apparently, the Japanese would not agree with Howard's quaint and ill-informed economic nostrum.

The article in the ***UK Economist***, referred to earlier, dealt at more length with the money-printing policy now being swung into place:

*"...Japan alone among the rich industrialist countries, is suffering from genuine deflation; consumer spending is dropping as people postpone purchases in the hope of buying more cheaply later, and personal savings are rising. Something must be done, something drastic, to encourage people to spend again and to make sure they have the wherewithal to do so. The answer, and it is not a new one, is to print money – or, technically, for the central bank to 'monetise' the deficit by buying government bonds itself.*

*"In September, the Bank of Japan began to do this, but gingerly. It was afraid of weakening the Yen. It need be afraid no longer. The more Yen there are, the likelier the current strength of the Yen can be restrained. Another idea floating round in Tokyo, of giving shoppers vouchers worth Y30,000 ($260 or so) to every Japanese man, woman and child, with the value expiring after a short period, makes similar sense, for it would be spent rather than saved. Normally, a call to the printing presses is risky; in Russia, it is a sign of looming hyperinflation. Not in Japan. There is no better plan, and no better time to get the presses rolling."* (end of ***Economist*** article)

There is something ominously occult in the spectre of America's Federal Reserve (owned, contrary to public belief, by a private consortium of financiers) together with the largely-unknown directors of the World Bank and the International Monetary Fund, deliberately deciding to stimulate one major economy at the expense of another. There is little doubt that the United States dollar is set to plunge, while Japan rises from the ashes. The fact that millions of people will be financially immolated in the process probably never crossed the minds of those manipulating the world's money systems.

Under the system, the "printing-press" money now being created in Japan will re-appear as future inflation and higher taxes later on. This is because it will all be recorded as interest-bearing debt, forced on future generations.

Nothing so obviously reinforces the alternative to this sorry state of affairs as the proposals of C.H. Douglas, who advocated a much more scientific set of conditions for increasing the money supply, in accordance with prudent acocuntancy rules centred in the annual publicaton of a national balance sheet, with a subsequent policy of debt-free money-creation where warranted, to be distributed in dividend form to consumers. This challenges the enormous power vested in the current ownership of debt. But it is the only solution if we are to emerge from what otherwise will be – and already partly is – a global catastrophe.



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