A WEEKLY COMMENTARY

ON TARGET

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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: *"There is no doubt in my mind that the republicans want to give us a new Constitution and abolish our present Constitution. The factors of certainty and stability which flow from the present Constitution cannot be claimed as ingredients to be found in the constitutions of the majority of existing countries of the world that are republics. I say from the bottom of my heart, without a Crown embodied in a Constitutional Monarchy such as we have, freedom is difficult to achieve and republican countries with few exceptions fall short on freedom."*

– Brigadier Alf Garland, AM, MID, ***Freedom Wears a Crown*** Seminar, Melbourne, October 3rd, 1998

SQUEALER'S STATISTICS by Jeremy Lee:

There's an eerie sense of unreality in some of the analyses and forecasts dotting the media landscape. Growth of **anything**, apparently, is good – even if it's growth in danger and vulnerability. It's reminiscent of George Orwell's ***Animal Farm***, where the bleaker things got, the more optimistic the statistics produced by Squealer the pig. It wasn't so long ago that Michael Costello, former departmental chief, pointed to the growth in poverty in Australia as a major part of globalism. Although he didn't actually say so, one gained the impression that he felt quite comfortable with the figures.

Over the last week we have been assailed with economists marvelling at the way Australia has weathered the Asian storm. Confidence in the economy is apparently strong. An article by Ross Gittins in ***The Sydney Morning Herald*** (11/11/98) gave the reasons for this:

"..... The people who manage our economy have been marvelling – and patting themselves on the back – over the way it has so far kept steaming on despite the drag from the Asian crisis. This good news is attributable mainly to the fact that consumers, you and me, have kept spending.

"Indeed, our spending has been growing faster than our incomes. What this means, of course, is that we've been saving less. Is this good news? Probably not. It certainly doesn't fit with all the exhortations that we ought to be saving more.

"We haven't been saving, we've been borrowing. Over the past year, household borrowing has grown at double the rate of household incomes. At the end of September, households' debt to banks and other financial institutions exceeded $270 billion, up 13 percent on a year earlier.

"Most of that, about three-quarters, was borrowing for housing. It's up by 11 percent. The remainder is personal borrowing and debt on credit cards. It's grown much faster, by 17 percent ..... Over the past year, both the number and the value of credit-card transactions have grown by 30 percent. Fortunately, however, the total amount we owe on our credit cards has grown by a (slightly) less startling 20 percent. Since the interest rates on cards haven't fallen much, this seems to be saying the banks have had great success in luring us into using our cards with the many reward schemes they're offering ....."

Household debt of approximately $16,000 per head of population, or $64,000 per father, mother and two children, which has grown by 13 percent in the last year, is apparently regarded with satisfaction by the world of economists. It's a stark contrast with Japan, where far lower interest rates than Australia's have not persuaded the Japanese to borrow; they just keep saving.

The increase in the use of credit cards – besides highlighting the growth of debt-dependency in Australian households – wouldn't have anything to do with the closure of 1,000 bank branches – would it?

All of which keeps reinforcing the point made by C.H. Douglas so many years ago: that a productive system that can only be kept operating through over-expanding debt must ultimately blow apart.

STATISTICAL GRAFFITI: The world is littered by statistics, usually denominated in numbers now so immense that all meaning is lost for the average reader. What human mind can envisage a trillion? From time to time, lecturers endeavour to portray comparisons which might convey something of the size of such numbers.

One of our readers, an engineer in northern New South Wales, was intrigued with the problem, and did some measuring with his micrometer. A $100 note, he informs us, is .13mm thick. From this base, the following figures emerge:

100 x $100 notes ($10,000) = 13mm thickness
10,000 x $100 notes ($1,000,000) = 1,300mm = 1.3 metres
10,000,000 x $100 notes ($1 billion) = 1.3 kilometres
10,000,000,000 x $100 notes ($1 trillion) = 1,300 kilometres

By this reckoning, if the household debt of Australians (article above) was assembled in $100 bills piled on top of each other, it would be about 350 kilometres high! What a sign of confidence in the economy!

DEEP DIVISIONS IN APEC: Leaders arriving in Kuala Lumpur for the APEC gathering will probably be stepping into a hornet's nest. Japan has indicated it will not go along with the "globalist free-trade" policies so dear to the heart of John Howard. President Clinton is preoccupied with Saddam Hussein, so will send Vice-President Al Gore. And host nation Malaysia is pioneering a departure from the ways of the IMF which is being watched with interest.

A discerning article by Peter Alford (***The Australian***, 11/11/98) explained how former Deputy Anwar Ibrahim, *"..... ran a 'quasi-IMF' programme ..... he played to the rules; he tightened monetary policy, clamped government spending, forced up interest rates to bolster the ringgit and imposed tighter controls on bank lending ....."*

Alford went on to explain that Dr. Mahathir, not one of the IMF's strongest fans, had watched this programme with concern:

"..... On September 1, Mahathir threw the whole programme into reverse, pulling the ringitt out of international currency markets, shutting down offshore trade in Malaysian equities and, thus insulated from a market backlash, sacking Anwar.

*"He, Daim and a new and more pliant central bank governor immediately set about reflating the economy. They forced down commercial interest rates, unwound Anwar's prudential reforms, began strong-arming the banks into resuming lending ..... In less than three months Malaysia had moved from quasi-IMF to anti-IMF. Yoked to their rescue packages, Indonesia, Thailand and South Korea might not have Kuala Lumpur's freedom of movement, but that doesn't guarantee someone won't break step – at least on capital controls – if the intense pain of IMF adjustment programmes doesn't soon start producing compensatory gains. ..... Malaysia's actions called into question not just IMF policies, Foreign Minister Abdullah Badawi told **The Australian** recently, but the 'new religion of liberalisation and globalisation' ....."*

If Japan teams up with Malaysia in resisting the globalist agenda, a whole new ball-game will develop from this APEC meeting. It should be remembered that Indonesia has the largest Islamic population of any country in the world. There is deep scepticism about globalism, the IMF and the United Nations, not only in the Islamic world, but in all Asian nations. Men like Stanley Fischer and Michel Camdessus – with Australian Foreign Minister Alexander Downer hanging on their coat-tails – have not endeared themselves to Asian leaders. The IMF has just completed a $US40 billion bailout for Brazil! The liquidity base for this has been provided by western taxpayers. It is, in essence, a tax-funded bailout for private lenders. No such help was offered to Japanese banks, which have been allowed to crash. These double-standards have not gone unnoticed in Asia. Prime Minister Howard may have an uphill battle persuading Asian leaders that the globalist path is the way to go.

ALGA AND REGIONALISM: The Australian Local Government Association (ALGA) has two hats. There is probably a useful role for a body in which State Local Government Associations and Local Councils can meet to compare notes. As such it is a consultative body with no legal function of its own. Local Government is a State responsibility, and the Commonwealth has no constitutional right to get involved. Twice Australians have been asked to change this situation in constitutional referendums and have refused. Nevertheless, the Commonwealth Government has sought ways of by-passing the Constitution; firstly, by directly funding local government through the Grants Commisson, by-passing the States; and, secondly, by developing regionalism as an alternative to the States. ALGA has been used in this process in a couple of ways – by being admitted to COAG (Council of Australian Governments) and also as the body which tries to "internationalise" Local Government through **The International Union of Local Authorities (IULA)**.

A local Councillor and one-time Mayor of Narrabri in New South Wales, Councillor Bevan O'Regan, has written extensively and made two videos giving a background to the misuse of Local Government.

A front-page report in ***The Australian Financial Review***, 9/11/98, says that a report prepared for ALGA by Dr. Peter Brain of the national Institute of Economic and Industry Research shows that there will be a collapse in investment, job creation and incomes in depressed regional areas and some city suburbs.

The report, which divides Australia into 555 regions, shows that some metropolitan "regions" are growing, while others are deteriorating: "..... *Vast tracts of central and southern Queensland, North Adelaide, western Melbourne, south-western Sydney, Tasmania and rural Victoria re facing deteriorating prospects, the report says* ....."

The report goes further, by suggesting that the regions that are growing are those linked most strongly into the global economy: "..... *The 'globalisation potential' is strongest in 'Global Sydney' (the Sydney CBD and the cluster of wealthy eastern and northern suburbs) followed by inner-Melbourne, north-north-west Sydney, inner-west Sydney, east Melbourne, the ACT and Brisbane, which have highly-educated workforces and industries linked to global production networks .....*

"Dr. Brain called for the Federal Government to follow the example of the Clinton Administration and the European Commission and invest heavily in regional development to stem the political, social and economic fallout of fragmentation ....."

Behind all this is the drive – started by Whitlam, extended by Hawke and Keating, implemented by Jeff Kennet in Victoria and advocated by Warwick Smith, when Minister for Local Government under John Howard, to force Councils to amalgamate, and to introduce regional government under central control from Canberra as a substitute for State Governments and the Federal system as outlined in the Constitution. We were not sorry to see Warwick Smith lose his seat.

NATIVE TITLE AND IULA: Councillor Bev O'Regan, in his October newsletter ***From The Parish Pump***, gives details of amendments to the Native Titles Act, introduced by the Commonwealth Government on September 30th. After listing the proposed changes, Bevan O'Regan said: "..... *A major development under the amended Act is a provision for registering Indigenous Land Use Agreements from the International Union of Local Authorities (IULA) with the Native Title Tribunal. It is hard to believe that somehow IULA rules and provisions are now part of Native Title applications. The report goes on to explain that IULA may cover ANY matter concerning Native Title rights and interests. The report gets even more distorted by telling us that if the claimant registers his claim with IULA, such claims will be strengthened. Has anyone in local government stopped to think how this will 'white-ant' our sovereign rights per our constitution?* ....."

(Councillor Bevan O'Regan's newsletter ***From The Parish Pump*** available from:
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