

A WEEKLY COMMENTARY



ON TARGET

- NEWS HIGHLIGHTS
- BACKGROUND INFORMATION
- COMMONWEALTH AFFAIRS

The price of Freedom is eternal vigilance -

Print Post Publication Number 381667 00258

Vol.35, No.2

January 22nd, 1999

THOUGHT FOR THE WEEK: *"It is not too much to say that an International Organisation having almost unlimited control of money, and in consequence, of the Press, can produce any 'trend' which may serve its purpose. What it cannot do, however, is to avoid the natural consequences of the policies which it pursues"*

C.H. Douglas, *Whose Service is Perfect Freedom*, 1940

DRAWING THE BATTLE LINES FOR THE REPUBLICAN REFERENDUM by Eric D. Butler:

A recent report says that merchant banker and key promoter of Republicanism Malcolm Turnbull has added to his already large financial empire. An editorial in *The Weekend Australian* of January 16th-17th urges Liberal Party republicans to speak out on the republican cause. *The Australian* is the Australian flagship of millionaire Rupert Murdoch's international media empire. *The Australian* has consistently carried pro-republican articles.

The founder of the Social Credit movement, C.H. Douglas, said that the basic cleavage in society was cultural, not economic. There was a world-wide attack, not only on the British Empire, but more importantly upon British culture. That culture, with an Australian flavour, was the foundation of the development of Constitutionalism and the Common Law legal system.

In his reference to the cultural cleavage, Douglas observed that the products of Big Business were the manifestation of a different type of culture. There was nothing new in what Douglas said; it had been said two thousand years previously by Christ in His scathing criticism of the rich and the powerful. A distinctive Christian culture took root in the British Isles. In modern history that culture has been under attack, with the rich and the powerful playing a prominent role.

Historically, what is generally known as The Reformation, was a revolt against the corruption inside the Christian Church. Unfortunately, one of the results of this revolt was a tendency to throw the baby out with the bath water. Energetic and able men like Calvin took the stage and taught that those who had achieved material success and power had done so because they had been ordained and chosen by God. The lesser had not been ordained and therefore should learn to accept their position in life. Clearly the meek should not expect to inherit the earth as taught by Christ.

The state of the world today is a reflection of the teachings and policies of the modern Pharisees.

Superficially, the Republicans are on the wrong side in the coming Australian referendum; they have

the big Money; most of the party politicians have, in spite of their oath of loyalty for the Constitutional Monarchy, endorsed the Republican cause. Even leaders of the organised Christian Church have joined the Pharisees.

But the Republicans are confronted with a major obstacle. The gurus of modern party politics have proved so little that one has only to ask people if they would like a party politician as president to get a resounding No. And there is the revolting spectacle of Republicans in action in the USA. And why are the rich and powerful supporting the Republican cause?

Republicans said that the greatest social force in the world is integrity, the singlemindedness of a little child.

Let us all become as little children and ask the type of questions which focus attention on what the Republican campaign really means. The result could be a national revulsion against what is proposed.

VIOLATION OF DEMOCRACY AND THE RULE OF LAW by Jeremy Lee:

We have no intention of raking over the coals of the Clinton/Lewinski saga. Most are already nauseated by it. The implications for America and the world are worth consideration.

The relatively-young – in historical terms – United States broke from British colonialism with as good a Constitution and pioneering leaders as wise as a federation of States in a republican system can hope for. It was not perfect. But it set the United States on a path towards greatness which has been sadly eroded in the past half of the 20th century. Its weaknesses have been shared by many other countries – the centralisation of power, the party system, the debt-finance domination, the explosive mix of multi-cultures.

The United States Constitution has it that an elected President who perjures himself or degrades his office can be tried by the Congress in a process of impeachment. For this to be done impartially the conscience of individual Members of the House of Representatives and the Senate must be allowed to be exercised without coercion.

President Clinton is being tried before a Senate presided over by Chief Justice William Rehnquist. Senators, in effect, becoming the jury. Each Senator will have taken the oath: *"I solemnly swear (or affirm) that in all things appertaining to the trial of William Jefferson Clinton, now pending, I will do impartial justice according to the Constitution and laws, so help me God."*

The whole sorry debacle to date has been waged along party – not conscience – lines. Republicans are lining up against Clinton, Democrats (his own party) defending him. While Republicans dominate the Senate, they have not the numbers on their own to secure the two-thirds majority necessary for conviction. They need a few Democrat "defectors".

For the fate of a nation to be decided this way defies any semblance of dignity and justice. Whatever the outcome, Clinton himself has been stripped of the authority his office requires. Even the right decision cannot be trusted.

This was never clearer than in the invasion of Iraq, announced the day the impeachment decision was

made in the House of Representatives. Militarily, the decision may have been right – although many don't think so. But the President's position at home robbed his military decision of the authority it required, right or not.

The Newsweek section of *The Bulletin*, in its last 1998 issue, contained a reasoned analysis of Clinton's decision to invade:

"In fact there is no strategic rationale whatever that justifies President Clinton's timing. There is a case for bombing Saddam Hussein's military strongholds, but it is a case that was strong a year ago and a month ago and would be as valid a month from now. In making this abrupt move on the even of the vote on impeachment, the President further eroded his desperately dwindling supply of credibility – at home and abroad . . ."

There is the nub of the sordid presidential crisis: it has robbed the office of its grandeur, the governmental system of its impartial justice and the United States administration of its believability.

WEAPONS INSPECTION COVER UP FOR SPYING: The League's *Intelligence Survey* for December cited the evidence that UNSCOM, the United Nations team of weapons inspectors under Australian Richard Butler, had contained a number of Mossad (The Israeli Secret Service) intelligence spies. Further evidence of the misuse of UNSCOM, and Iraq's obviously angry reaction, has appeared in *The Australian Financial Review* (8/1/99):

"... the confirmation of the co-operation (i.e. between the US and UNSCOM) could give Iraq crucial ammunition in its attempt to end the weapons inspection regime and remove its head, Australian diplomat Richard Butler. The Washington Post and the Boston Globe reported on Wednesday that UNSCOM spied on Iraqi government communications for the US. Unnamed sources said the UN Secretary-General Kofi Annan was convinced the activity went further than UNSCOM's mandate to gather intelligence on weapons sites and delved into the security network protecting Saddam Hussein . . ."

No mention was made in the AFR article about Mossad. But with the dominant position of Zionist Israeli sympathisers in the US State Department, it must be obvious that Islamic nations throughout the world increasingly see the protracted military and sanctions war against Iraq – with over a million dead, and about 6,000 women and children dying monthly – as essentially an Israeli operation.

MORE FINANCIAL CRISIS: Just when the global financial policy-makers were congratulating themselves that the perils of the Asian meltdown and the Russian crisis were behind them, the next financial crisis – Latin America – is looming on the horizon. The IMF fixed a rescue package of \$US41 billion in the second half of last year. It has not staved off a Brazilian crisis. Brazil has devalued its currency by 8%, sending jitters through neighbours like the Argentine, Peru and Mexico right to the doorstep of Wall Street. There has been a 3% drop on the New York Stock Exchange in response to the news. The IMF has been shunted quickly into the front line, despite its sorry record in Asia. Its policy-prescriptions for Brazil are depressingly similar – cut government expenditure and pay its debts.

The Australian Financial Review (15/1/99) commented:

"... 'It's the same horror movie (as Mexico). The actors are different, the stage is different, but the script is exactly the same,' said a Latin economic specialist, Abel Beltran del Rio ... So why does Brazil matter? it is the world's eighth biggest economy and the biggest in Latin America. ... But the more compelling reason lies further north, in the US where that country's banking sector has three to four times the exposure to Latin America than it did to Russia – at least \$US 100 billion by some measures.

"That could mean that last August's mini-meltdown Americans have daily congratulated themselves since for overcoming might just have been a dress rehearsal."

OPPOSITION TO GST GATHERS: An Australian law firm, Gaden, has circulated a letter to financial institutions seeking a fighting fund against the GST. *The Australian Financial Review* (8/1/99) reported: "... 'We need to co-ordinate all industry bodies and significant industry participants, report on the financial impact of the GST on businesses and develop workable changes to the GST which will be acceptable to Government,' the letter said ..."

Gaden's argument was that smaller financial institutions would have to pay GST on all outsourced services, while the larger banks, which provided the same services in-source would not. This would obviously be of concern to the growing number of fledgling community financial associations. For example, a small community bank that employed an outside auditor would pay GST on the fee. A bank which employed its own auditor would be exempt.

In a further development *The AFR* (8/1/99) said: "... While Iraq was being bombed in December, Professor Peter Dixon of the Centre of Policy Studies (COPS) at Monash University presented evidence to the Senate Inquiry into the GST. The Monash group had earlier been described as 'world famous' by a British econometrics professor whose life's work has been to evaluable economic models round the globe ... The Monash modelling results were devastating. They included estimates that the Government's tax package would:

- * Lead to 'negligible improvement in resource allocation'.
- * Have 'little long-run effect on employment'.
- * Cause a long-run welfare loss to Australia of about \$850 million a year.

"The Monash model predicts the GST package will shrink the economy from around 2007 and cut Australian living standards ..."

PARLIAMENTARY COMMITTEE ON BANKING: A House of Representatives Committee on Economics, Finance and Public Administration has apparently been inquiring into ways of providing regional banking services since October 1997. Its chairman, Victorian Liberal MP David Hawker, is expected to table a report next month on ways to provide better banking services to the bush. If there are any constructive proposals, and we're not holding our breath, they then have to be sent to the bureaucracy for drafting into Bills – probably couched in a language which nobody, least of all the bureaucrats themselves can interpret – and then returned to Parliament for several readings as it finds its interminable way past the Lower and Upper Houses.

Of one thing we can be sure: if the proposals are not to the liking of the "gang-of-four" trading banks, they'll be put in the "too-hard-basket" or dropped altogether. By the time the bureaucratic fire-brigade arrives, the fire will be long-since dead!