A WEEKLY COMMENTARY

ON TARGET

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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: *"All wars are popular for the first 30 days."*
– US Historian Arthur Schlesinger (1960)

WEST LOSING THE PROPAGANDA WAR by Eric D. Butler:

The state of the world is increasingly looking like that projected by George Orwell in his famous ***"1984"***, a world in which there is "perpetual war for perpetual peace", with three major groups constantly engaged in no-win military conflicts; these conflicts requiring a constant flow of military equipment, the manufacturing of which ensures that the economies of the three groups are sustained.

Global conflicts result in large numbers of refugees which are moved around in a strategy designed to destabilise Western nations. What is happening was foreshadowed in Jean Raspail's chilling novel, ***The Camp of the Saint***, which is compulsory reading at a time when Western nations who wish to survive must concentrate upon a realistic defence programme. Obviously Australia lacks such a programme when rusting boats can turn up undetected in Australia and discharge those who have survived the long sea trip from where they originated.

The policy of multiculturalism ensures that where there are large numbers of emigrants of different ethnic and cultural backgrounds, there is a natural tendency for these people to take sides concerning conflicts in their home countries. Clearly Australians of Serbian backgrounds tend to believe that the Serbs of Jugoslavia are being badly treated by Western nations whose policy makers believe that by sufficient mass aerial bombing they can bring peace to the Balkans. In spite of claims by NATO and American spokesmen that they have inflicted enormous damage on the Serbs, with sophisticated air attacks, it is now being admitted that ground troops may have to be used.

Military experts with a first hand knowledge of the Balkans stress that ground fighting against the Serbs would result in horrendous casualties for the American and NATO troops. A struggle which is already being dominated by the manipulation of public opinion ending in another Vietnam. As predicted by the Marxist Leninists, the Americans and their allies would, in a long war, be defeated by a propaganda war sapping public morale.

The unfortunate bombing of civilian refugees by NATO forces has been a propaganda godsend for the Serbs. Expressions of regret by Preesident Clinton cannot erase the propaganda damage. It is almost certainly true that the bombing was an accident. But this and similar accidents are inevitable.

The Serbs' seizing of two Australia Care workers must be seen as part of the propaganda war. No objective observer can believe that Care workers would be operating as spies. It has been said that Truth is the first casualty of war.

One of the key statements of this century concerning war came from the Zionist front organisation, Political and Economic Planning (PEP) prior to the Second World War. The statement said that it was only in war, or the threat of war, that the British people would submit to large-scale central planning. This statement comprised the view of C.H. Douglas, the founder of the Social Credit movement, that the Anglo-Saxon people were the main obstacle to the creation of any World State. Douglas also said the real history was not merely a written record of a series of disconnected episodes; that it could best be described as "crystallised politics". The emergence of an association of people sharing a common culture, economically self-sufficient and originally known as the British Empire contained the potential to end the threat of the creation of any type of World State. From the point of view of those motivated by the will-to-power, that potential had to be destroyed. Modern history has been dominated by an ongoing strategy to destroy British culture everywhere. War and the threat of war were essential for the advancement of that strategy. NATO, the North Atlantic Treaty Organisation, was created allegedly to provide a barrier against the expansion of the Soviet Empire. The Soviet challenge was reduced by the collapse of the Soviet Empire. But the United Kingdom has remained trapped in NATO, whose military campaign in the Balkans helps to maintain the British in a war which can only end with "the threat of war" remaining.

Australia as a nation grew out of the British stream of history. That stream is threatened as never before. In the words of famous British Prime Minister William Pitt, Australia can save that stream from destruction by its own efforts and the rest of the British world by its example. The first step must be a complete break with the philosophy of internationalism. The retention of the system of Constitutional Monarchy would be a major defeat for the internationalists. Anyone with any doubts about this should carefully note the nature of the campaign of vilification which will follow the rejection of the campaign to make Australia a republic.

MONOPOLY MUSCLE by Jeremy Lee:

A recent case before the Australian Consumer and Competition Commission concerned an Australian food manufacturer who was pressuring small independent grocery stores not to give discounts on product lines, at the price of being denied supply if they did. It turned out that the manufacturer, in turn, was being pressured by one of the "big three" grocery chains, which would refuse to stock his product unless he took action against the small suppliers.

This smacks of the sort of mafia commerce usually associated with the US. But with a situation in which 80 percent of retail trade is now in the hands of three supermarket chains, it was inevitable that such mafia tactics would emerge in Australia. ***The Bulletin*** (23/2/99) reported:

". . . Many people from the Nationals' traditional rural constituencies who voted One Nation did so because of businesses and jobs being lost in the bush. The major retailers were destroying smaller retailers, the argument went, letting them go broke or gobbling them up. And they put excessive pressure on suppliers, particularly in the farm sector. Towns were being devastated . . ."

The article gave this picture of the current position:

". . . The supermarket sector in Australia is undoubtedly ruled by the Woolworths/Coles duopoly. Australians will spend $39 billion (i.e. about $2,200, man woman and child - ed.) *at the supermarket this financial year . . . Of this, Woolworths will account for 38.5% . . . and Coles 28%. Franklins* (owned by Hong Kong - ed.) *trails the majors with almost 11%. Since the late '80s the two giants have been growing annually at an average of 3.5% while retail sales have only crept up by an annual average of 2.5% . . . In the seven years to the end of 1997, 844 small grocery stores disappeared while 106 supermarkets were opened by the major chains. 'That suggests that, for every one supermarket opened, eight stores were lost.' . . ."*

This month the Federal Government commenced an investigation into the dangers of monopoly in the supermarket field. ***The Australian*** (7/4/99) said:

"Australia's main food retailers – Woolworths and Coles – have been warned that the Federal Government might use legislative muscle to protect rural small business from being swamped by them. A parliamentary inquiry (Joint Select Committee on the Retailing Sector, chaired by Federal MP Bruce Baird - ed.) *is being held into how large grocery corporations can use their size to close down or take over outlets in regional Australia, drastically reducing choice and cutting the population of small towns . . ."*

We would suggest that the possibility of the Government taking action to curb monopoly is less than Buckleys!

All this before the GST! A carefully prepared submission by the Tasmanian Independent Wholesalers Association reveals the depth of the problem:

". . . Currently, small business taxpayers incur 89% (or $4,136 million) of the $4,647 million estimated to be net business social compliance costs. Big business pays a mere 11% or $511 million because they reap the benefits of tax deductibility and cash flow advantages . . .

"Research shows that compliance costs for small business are high. Research done in the UK in 1989 showed that the compliance costs as a percentage of the turnover for small business was 1.94% as opposed to large business which was 0.004%. This compliance costs of a small business was 600 times more than the compliance costs of a large business . . .

". . . The likely result of introducing a multirated GST will further entrench the inequitable proportion of compliance costs borne by small business. In our view, small business can expect an additional increase of at least 50% in compliance costs, if a multirated GST system is implemented."

It was spelled out even more strongly in ***Business Review Weekly*** (18/1/99):

". . . There is an unhealthy concentration of power that will be intensified by the introduction of a GST. In effect, the supermarkets will become a collecting arm for the tax department, raising the possibility for collusion between government and big business. Why are Coles and Woolworths so in favour of the GST? The answer is that you can get a huge sum of tax-free money and get to be the tax-agents for the country without anybody being aware of it. You never have to change the legislation ever again. Treasury can fix taxation levels with two calls. All you have to do is raise the prices and you add to your tax revenue . . ."

And we thought they were introducing a GST to help us!

SELLING AUSTRALIA'S DEFENCE INDUSTRIES: The sellout of Australia is not slowing. In 1998, Australia saw the fourth-highest level of mergers and acquisitions in the world ($51.2 billion, a 17 percent increase on the previous year). According to Mr. Chris Mackay, of Warburg, Dillon Read, this year could be even higher.

The Australian (7/4/99) told us: *"The ownership of Australia's $3 billion defence industry faces a shake-out, with the Australian-owned Tenix group joining forces with British-controlled GEC-Marconi to bid for the government-owned ADI Ltd.*

"If successful, the GEC Marconi-Tenix bid would see the emergence of an extraordinarily powerful player in the local defence industry. The conglomerate would dominate shipbuilding and military vehicle production, as well as defence electronics and systems engineering . . .

"The Howard government has determined to sell ADI, and two other consortiums are also in the race for the company. Bids close at the end of June.

"The GEC-Marconi Tenix bid for ADI has alarmed other local defence players, who see a virtual monopoly emerging in the domestic defence market . . "

"The two other bidders for ADI are the SECA group (comprising Richard Pratt's Visy Industries, the National Australia Bank, the Swedish defence company Celsius AB and the US technology firm SAIC) and the Transfield group, whose partner is the giant French defence company Thomson."

The mind boggles. National Australia Bank as an owner of Australia's defence industry? Heaven preserve us!

WALL STREET AND THE BULL MARKET: Max Walsh, in ***The Bulletin*** (30/3/99) gave these figures as an indication of the precarious position of the global gambling casino playing day by day on the stock market:

* *"Over the last 75 years the median price to earnings (P/E) ratio recorded by the S & P 500 has been 15:1. It is now 30:1. To regress to the median would require a fall of 52% in the S & P index.*
* *"Over the same period the median dividend yield has been 4.1%; it is now 1.3%. To regress to the median would involve a downward adjustment in the S & P of 67%.*
* *"Again over the same period the median price to book ratio has been 1.6; it is now 5.3. A return to the median would involve a fall in the index of 71%."*

Walsh went on to explain there was a new breed of economists who believed the new historical situation would allow a continuation of these disparities, disregarding all previous trends and events. We can only say that this is wishful thinking!

In February 16th's ***Bulletin,*** Max Walsh wrote: *". . . Greenspan's dilemma has been to negotiate the changing relationship between US financial markets and the general economy. US equity capitalisation is now around 150% of GDP – a higher figure than at any time in history. Its previous peak was in 1929 at 81%."*

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