A WEEKLY COMMENTARY

ON TARGET

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The price of Freedom is eternal vigilance –

Print Post Publication Number 381667 00258

Vol.36, No.15 April 20th, 2000

THOUGHT FOR THE WEEK:

"'Attempts to review individual Social Credit proposals in the light of orthodoxy are counterproductive; each theme exists within a framework of an alternative economic theory and social philosophy.' Douglas' empirical observations of cost accounting and Orage's "Guild Socialism" created a powerful and entirely new critique of both capitalism and Marxist socialism. In orthodox economic theory, time and money do not exist and no account is taken of the 'rate of flow' of prices and purchasing power. Therefore, the Douglas/New Age analysis appeared incompatible with the general assumption of underlying competitive equilibrium."

– Book review of *"The Political Economy of Social Credit & Guild Socialism"* by Anthony Cooney, "Heritage" Journal, 2000

"It was inherent in Douglas' writings that he viewed society as something partaking of the nature of an organism which could 'have life and more abundant' to the extent that it was God-centred and obedient to His canon..."

– *"Social Credit & Christian Philosophy"* by E.D. Butler

THE APPROACHING JULY 1 SHAMBLES by Jeremy Lee:

A saint might, one supposes, feel some sympathy with the Australian Taxation Office. Beset mortals haven't reached that status; but that giant bureaucracy appears to be in an awful mess. With vote-sensitive politicians bringing in amendment after amendment, a business world angry and confused by conflicting messages, a major legal scandal breaking over the Nick Petroulias affair and a deadline rushing towards us, the ATO is, apparently, not a happy place.

Under the heading "TAX OFFICE IN CRISIS AS GST RECRUITS WALK FOR MORE PAY" ***The Australian Financial Review*** (11/4/2000) told us:

"The Australian Tax Office continues to lose GST recruits to headhunters, as pressure mounts on field officers to meet ever more demanding deadlines.

"'We are far behind with our work and it can only get worse,' a tax officer working in the GST line told ***The Australian Financial Review.***

"'They are ripping people off other projects to put them on ABN processing, and the demand from reply-in-five is just ridiculous.'"

"Tax officers said 'reply-in-five', a promise by the ATO management to respond to GST queries in five days, had put extreme stress on already stretched staff.

"The claims follow a recent organisational psychologist's report prepared for the ATO that found morale was appalling, with staff at all levels 'deeply disillusioned' with the organisation's vision and direction...."

If that's the situation among tax-gatherers, we wonder what a psychologist's report on the condition of tax-payers would say! Costello's new "simplified tax system" is an absolute shambles

The ***AFR*** report went on to say that the morale position was the worst in 15 years, with trust between management and staff very low. The public service was being scoured for new recruits, many of whom were walking out as soon as they could.

One said the new free market wage philosophy espoused by the government should result in an immediate wage rise: *"....For the first time we have the whiphand – if the Government wants to talk about market forces, I'm going to double my salary and work outside," a tax officer said.*

"Graduate recruits have been poached by big five accounting firms to work in GST divisions on salaries worth $20,000 more than what the ATO is paying.

"Just as we were starting to get up reply-in-five, the general manager of GST in NSW was headhunted, on an offer she couldn't refuse from a big five firm," the tax officer said."

So where does it all end? Perhaps they could bus work-for-the-dole recipients in to man the ATO. They couldn't do any worse! It looks like being an exciting new financial year!

Meanwhile, a report in ***The Australian*** (11/4/2000) added

"Almost 70 percent of companies admit they will not be ready for the GST in just over 11 weeks.

"Not only are businesses struggling to meet the July 1 deadline but the GST's impact on prices could also be much greater than officially anticipated, a survey of 870 executives by Dun & Bradstreet shows ..."

The article added that Dun & Bradstreet's consultant, Dr. Duncan Ironmonger, predicted that, instead of a 1.9% increase in inflation, it would rise from 2 percent to 7 percent after July. Happy days!

THE APPROACHING TIDAL WAVE: We wonder whether the Liberal-National Coalition has any idea of the convulsions ahead? Stockmarkets round the world are plunging dramatically, the biggest falls recorded in the IT sections. With virtually no household savings, people have been borrowing to buy stocks that are now falling. With inevitable rising interest rates, the anguish is going to be tangible. All the fallacies of current economic thinking are going to be exposed for the madness they are. As things tighten, interest rates should come down to ease the burden. Instead they will be rising, proving the final straw for small businesses and farmers. Unemployment – where the figures have already been cooked – will rise dramatically. Many small businesses will close, rather than endure bureaucratic persecution. What are the Liberals and Nationals going to say when seeking votes? "No gain without pain?" They won't find too many takers, after 20 years of the same plaintive cry.

NEW ZEALAND SEES THE LIGHT: New Zealand's new Prime Minister, Helen Clark, looks as though she is turning her country aside from the 'free-trade-globalisation' path. Tariffs destined to be removed by 2005 are now to be retained. Helen Clarke announced this policy *" .... in a signal to New Zealanders that jobs mattered more than "leading the pack" on international trade reform...."* The article continued: *"'It is a signal to other countries that no longer can New Zealand be relied upon to be foolish,' said Acting Commerce Minister Mr. Trevor Mallard .....'This sends a signal to New Zealanders that we think jobs in New Zealand are important and that we are no longer following a blind ideological approach,' Mr Mallard said.*

"'In my opinion, we have lost tens, if not hundreds of thousands of jobs by trying to be world leaders in this area, rather than staying in the middle of the pack. Unilateral tariff reductions will not be the way of the future ....'"

With a government whose first priority is retention of domestic industries and jobs, New Zealand has taken the first step to a turn-around. Now they need to re-capture control of their own money system and start the process of debt and tax reduction. If they do, they will be winners of the economic 'world cup'!

NOT SO SWEET: The next industry in the sights of the economic rationalists is Australia's giant cane industry – one of our biggest export earners. The wool industry is on the floor, wheat at an all-time low, despite a harvest this year of well over 20 million tonnes, and the dairy industry reeling from de-regulation.

In a hard-hitting article in ***The Australian Sugar Digest*** (29/3/2000) The Australian Cane Farmers Association Chairman Warren Martin did not mince his words. After describing the farce at the Seattle WTO conference which he attended, Mr. Martin added:

" .... Federal politicians and bureaucrats have been at pains to tell the sugar industry for years how we must 'toe the WTO line'. But the messages we send to the world display weakness and subservience. We as a nation continue to 'disarm' ourselves hoping the world will see us as the bearers of enlightenment on matters of world trade .... What I saw in was not the high level talks I had hoped to witness. What I saw was high farce.

"....Currently Australia is receiving less for the raw sugar it sells domestically than any other economy in the world. Australian refineries, at March 1st were able to purchase Queensland raw sugar for less than $200 per tonne (in fact for about $180/tonne – 18 cents per kilogram). Brazilian producers this month are getting the equivalent of $315 per tonne for their domestic sugar, that is 60% more than Queensland is receiving. The story in Thailand is similar, raw sugar producers are receiving today the equivalent of $545 per tonne for sugar they sell to the domestic market ....Of course the price in Australia doesn't really compare at all to what domestic producers in the USA and in Europe get for their production, $632 per tonne in the USA and $1,090 in Europe ....

"We are told we should be globally competitive. We are told that if we cannot do that successfully we are inefficient. This is economic rationalism in action ....

"Will those who are economic rationalists help me to explain their ideals to the 70-year-old man who broke down in tears last week, asking me why after years of hard work and efficient contribution to this nation's wealth, he and his farming operation have been relegated to the economic scrap heap?

"Will they help me explain why to the proud couple of Mediterranean extraction who, after a lifetime of productive independence, cannot come to terms of living off their children's incomes?

"Will they help me to explain to those who can no longer maintain the dignity of paying their council rates and buying books for their children's education why this great social experiment is in their best interests?

"Will they help me explain to the people who see themselves being reduced to the status of coolies by an uncaring government why this is part of a grand plan to which they too should aspire?

"I could go on but those people cocooned in their ivory towers in Canberra are not listening ...."

UN 'STATE-OF-THE-WORLD' FORUM: Those interested in keeping up with the UN's calendar can tap into the UN website – **http://www.un.org/millennium/2000cal.htm** – where they will be informed of upcoming events, culminating in another 'State-of-the-World' forum, between September

2-10 at UN headquarters in New York. The agenda will be on 'global governance' – the politically-correct way of describing world government.

Those who have read Martin & Schumann's ***"The Global Trap"***, or Jeremy Lee's ***"What Will We Tell Our Children?"*** will recall the descriptions of the 1985 "State-of-the-World" forum, under the chairmanship of Mikhail Gorbachev. At this it was agreed by the hundreds of multinational and political 'movers-and-shakers' who attended that the world economic system could be successfully run by 20 percent of the world work-force, and that the majority of tomorrow's humanity would live at peasant level off the hand-outs and the bread-and-circuses provided by the corporate elite. Gorbachev called for a "Council of Wise Men" to run the world.

Prior to the September 'State-of-the-World' Forum, a preparatory Millennium Forum is to be held between May 22-26, to discuss "humanity's common future and particularly the role of the UN in confronting the great global challenges of the 21st century ...." Details about this preliminary Millennium Forum can be found on **http://www.millenniumforum.org**

"WORLD BANK PLUNDERS THE PLANET" by Betty Luks:

Such were the (above) words painted on the banner the protesters wanted to unfurl over the awning of the building housing the offices of World Bank president James Wolfenson in Washington.

The Australian (15-16/4/2000) reports both demonstrators and police are gearing up for the half-yearly meetings of the International Monetary Fund and World Bank. "Speaking more in sorrow than in anger to the media" about "...the noise outside", Wolfensohn said, "It's a bit demoralising when you see that there is mobilisation for social justice, when you think that's what we are doing every day."

First we should define the term *social justice*! How could the little people of the world have got the IMF and World Bank so wrong? Are they not humanitarian benefactors whose only concern is the well being of the people of the planet? Hmm...

It might have something to do with the *fact* that these groups "feed on human poverty...and the destruction of the natural environment." The members are "a privileged social minority" who have "accumulated vast amounts of wealth at the expense of the large majority of the population," writes Michel Chossudovsky in his book *The Globalisation of Poverty*.

Just in case the reader should be under the misapprehension that the groups are arms of the national governments lets us be quite clear of the *facts*.

"While the International Monetary Fund and the World Bank constitute a powerful international bureaucracy (a bureaucracy of 10,000...*Ed*) -formerly under an inter-governmental umbrella – the seat of political power does not rest with the international financial institutions and their major shareholders (i.e. the governments of the rich countries). The IMF, the World Bank and the World Trade Organisation (WTO) are administrative structures, they are *regulatory bodies* operating within a capitalist system <u>and responding to dominant economic and financial interests</u>."

At the same time as the preparations (and protests), are taking place for these meetings World Trade Organisation director-general Mike Moore is calling for the foreign debt of the poorest countries to be written off. "But" he says conditions should apply to "institution reform, good governance, education, infrastructure, integrity in government procurement."

Michel Chossudovsky says that "good governance" and other 'economic reforms' precludes a genuine democratisation, and invariably requires the backing of the military and the authoritarian state. 'Structural adjustment' promotes bogus institutions and a fake parliamentary democracy which in turn supports the process of economic restructuring."

Further reading: *The Globalisation of Poverty* by Michel Chossudovsky $28.50 including postage from all League book services.

"ON TARGET" is printed and published by The Australian League of Rights, 145 Russell St., Melbourne.
Postal Address: GPO Box 1052J, Melbourne, 3001. Telephone: (03) 9650 9749, Fax: (03) 9650 9368.
Subscription $40.00 p.a.