A WEEKLY COMMENTARY

ON TARGET

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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: *"Too often those who condemn monopolies stop at specified industrial monopolies: the electric monopoly, the coal monopoly, the oil monopoly, the sugar monopoly, etc. They ignore the most pernicious of all monopolies in the field of economics: the monopoly of money and credit; the monopoly that changes a country's progress into public debts; the monopoly which, by controlling the volume of money, regulates the human beings' standard of living, without any relation to the realities of production and the needs of families.*

"Yet too often, one forgets that politics, which ought to see to the stabilisation of economics, has itself become a monopoly. But because this monopoly is present in the form of political parties, and because party politics struts under the name of democracy, the people are taken-in. They think that political parties were made for them, whereas they were made to exploit them."

– *"In this Age of Plenty"* by Louis Even

WHEN STATISTICS ARE COOKED by Jeremy Lee:

It is a worrying sign when ordinary people no longer trust the figures used by politicians to laud their achievements. It means, obviously, that when occasionally governments get things right they are still disbelieved.

Take the recent Howard/Costello/Abbott boasts about falling levels of unemployment. One result was a number of letters in ***The Weekend Australian*** (12-13/8/2000) pointing out the truth Among other realities described was the fact that out of the 75,000 jobs claimed to be "created" in July, 60,000 were part-time jobs for women. *".... This is the problem with most work created these days. It is part-time, insecure, low-paid, unsatisfying and with poor conditions ..."* wrote one writer.

"....Not one news report stated how the unemployment figure of 6.3 per cent was calculated. Newstart and all the other meaningless training courses, plus work for the dole and the refusal to include anyone who works more than one hour a week are accounting tricks designed to deceive the public and conceal the true magnitude of this disaster,...." wrote another.

Yet another elaborated: *".... The A.B.S. defines the unemployed as those who 'had actively looked for full-time or part-time work in the four weeks up to the end of the reference week'. Those who had given up and were no longer looking for work are not included. It is estimated that this 'hidden* *unemployment' would add a further 400,000 men and women to the real unemployed ...... The A.B.S. definition of an employed person is 'persons aged 15 and over who during the reference week worked one hour or more'. There are 9.2 million employed Australians on this basis. Of these 1.4 million worked less than 15 hours a week and a further 1.1 million worked less than 30 hours a week ...."*

That's over three million Australians either under-employed, or completely unemployed. The Howard/ Costello/Abbott government is being completely dishonest in its unemployment claims.

A fourth letter in the same issue gave this overall picture: *"This is an intolerable age of self-serving politics, limp media, corrupt law, woebegone churches, directionless education, the globalisation gobble, the sale of Australia, unmitigated crime, the migrant debate and defence in a shambles ...."*

A truthful and more apt description!

A TAX ON TAX: Some may remember, in the hazy distant past, the promise from the Howard Government that Stamp Duty would disappear with the introduction of the G.S.T. Surprise! It's still there – and getting bigger.

The Australian Financial Review (Weekend, 12-13/8/2000) reported:

".... Stamp Duty, which the Federal Government promised would go with G.S.T., has instead been inflated by the 10 percent G.S.T., boosting the tax take on land, property and the transfer of business assets.

"'The effect is that stamp duty is now a more significant impost in many transactions,' said Mr. Peter McMahon, an indirect taxes expert with law firm Blake Dawson Waldron ....

".... In the Government's original reform plan, State Governments were to give up stamp duties, except on real estate, in return for gaining the revenues from the G.S.T.

"But, in fact, most duties have been retained and uplifted by the G.S.T. ..."

OUT IN THE OPEN: The Editorial in ***The Australian*** (14/8/2000) was quite specific:

" .... The Australian is a republican newspaper and keeps the faith...." It went on to urge the re-vamping of the Australian Republican Movement, emphasizing that Malcolm Turnbull, despite his past contributions, was not the man to lead it. *" .... The people know who Mr. Turnbull is. They also know they do not like his approach, or his model for a republic. Mr. Turnbull should know that he should go. It would be unbelievably short-sighted of him not to."*

There don't seem to be too many hands up for the job.

EAST TIMOR ANOTHER VIETNAM? With two U.N. soldiers killed in the last three weeks, there are ominous signs that creating future peace is going to be long, complex and expensive. A report from Tim Dodd in Jakarta (***A.F.R.***, 14/8/2000) said:

"Nearly a year after the vote for independence in East Timor, a resurgence of pro-Indonesian militia

groups and a lack of action by Indonesian authorities has United Nations officials frustrated and worried.

"U.N. peacekeeping commanders say that the militia are better armed and better trained than they used to be. Militia groups still control many refugee camps in West Timor, preventing an estimated 100,000 East Timorese from returning to their homes, which gives them bases for new attacks against the peacekeepers ...."

Wishful thinking is not going to solve this problem. There is no such thing as a "no-win" war. Unless the militias in question meet a stronger and more determined force, they will continue to grow bolder.

<u>**CONSTANT PRESSURE BRINGS RESULTS:**</u> Even the biggest multinationals cannot bear constant pressure and bad publicity. One of the biggest agricultural biotechnology companies in the world, Novartis A.G., has announced that it will withdraw all genetically-modified ingredients from its food products.

Among other things, Novartis makes Ovaltine, Gerber baby foods, Wasa crackers and various health foods. It is the first big multinational to eliminate genetically-modified ingredients from all its foodstuffs world-wide.

Others are beginning to waver, with companies such as Frito-lay and McDonalds dropping genetically-modified corn and potatoes from some of their food in the United States.

Novartis is still in a delicate position, as its agricultural division continues to sell genetically-modified-seeds. It has done no more than buy a breathing space, and will continue to face fierce scrutiny until it is squeaky-clean.

This is a clear indication that thousands of people, well informed and working together can change things far more effectively than starting new parties and trying to get into power themselves.

<u>**NO MORE WHARFIES?**</u> Patrick Stevedores are in Phase Two of a plan to replace wharfies on the dockyards – by robots. Technology has now been developed to unload, lift, stack and move containers entirely automatically. The day can be foreseen when shipping terminals will be handled by no more than one or two "button-pushers", or more correctly, computer operators.

Once complete, the technology will cost no more than $100,000 per wharf, recouping the cost in saved wages in a week or two.

This is a microcosm of what has been developing ever since the Industrial Revolution – the replacement of labour by technology. What is government's answer? To find displaced wharfies a niche in the "education economy"? Or give them work-for-the-dole?

The answer is a change from the wage-and-salary economy to the dividend. Douglas showed how this could be achieved before World War II. But wage-slavery is a useful mechanism for social control, both for government and the banks.

<u>DEBT CONTINUES A GRIM TOLL</u>: The latest figures from The Australian Bureau of Statistics give two incongruous pictures:

(1) Average turnover for all Australian farm businesses was $269,300 in 1998-99, which was 2.9% higher than for the previous financial year. Among the States, Western Australia had the highest average with $385,700, while Victoria recorded the lowest with $202,500
(2) The average gross indebtedness of all Australian farm businesses was $237,000 in 1998-99, up 14.2% on the $207,500 recorded a year earlier. Among the States, Western Australia had the highest with a $356,900 gross indebtedness, followed by Queensland with $324,100. Victoria, with an average of $147,000, was the lowest.

What do we make of that? It would seem that those who followed the dictum "Get-Big-Or-Get-Out" have, on average, ended up in the worst position, if one compares Western Australia and Victoria.

Where will those Victorian dairyfarmers who will be borrowing to take over from milk-producers in other states end up? The omens don't look good.

<u>THE JAPANESE WAY:</u> There is consternation and argument in Japan as the Reserve Bank has finally lifted interest rates. Some argue the measure too harsh. The jump? From 0% to 0.25%.

<u>WORLD ECONOMIC FORUM TO BE HELD IN MELBOURNE</u>:

The World Economic Forum is an organisation made up of the richest global companies in the world. For the past thirty years it has held regular summits and meetings aimed at 'managing globalisation'.

Every February in the Swiss mountain resort-town of Davos, over a thousand of the world's C.E.O's. meet, along with a restricted list of politicians, academics and influential media who are invited along. Discussions range from how to manage the Asian economic crisis to surfing the internet revolution, all with the aim of extending market and corporate power.

In September of this year, the World Economic Forum will hold the Asia-Pacific Economic Summit, "Asia-Pacific in the 21st Century: Leveraging the new drivers of growth".

The Summit is jointly sponsored by the Business Council of Australia and the Australian Davos Connection (the Australian arm of the World Economic Forum) and will take place at the <u>Crown Casino, Melbourne, September 11th-13th</u> – three days before the Sydney Olympics commence.

Members of the W.E.F. include Amcor, B.H.P., B.P., Boeing, Citibank, Commonwealth Bank, Chevron, Dow Corning, Dupont, Exxon-Mobil, General Motors Holden, McDonald's, Microsoft, Mitsubishi, Monsanto, Nestle, Niki, Publishing & Broadcasting Ltd., Rio Tinto, Shell, Siemans, Westfield, Western Mining.

It is the intention of many groups, from all shades of the political spectrum, concerned about the growth of corporate power and globalisation, to organise a week (in Melbourne) of co-operation, workshops, networking and protest action to coincide with the W.E.F. meetings.

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