A WEEKLY COMMENTARY

ON TARGET

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The price of Freedom is eternal vigilance –

Print Post Publication Number 381667 00258

Vol.38, No.2 January 25th, 2002

THOUGHT FOR THE WEEK: *"Determining usury contracts: In a no-interest contract there is always the risk for both partners. If the risk factor is all on one side, the church determined whether it was a usury or non-usury contract. The usury contract makes one side risk-free and eventually ruins the borrower as it was designed to do. The non-interest contract shares the risk. Both parties rise or fall together. This is one of the oldest rules of Canon Law in determining whether a contract was a usury contract – 'equal risk'."* – ***"War Cycles - Peace Cycles"*** by Richard Kelly Hoskins, 1985

HIDDEN DEBT by Jeremy Lee:

As the world watches the disintegration of Argentina, Australians are foolishly congratulating themselves that they have paid off large segments of public (government) debt through asset sales. But this does not explain how Australia has one of the largest per capita foreign debts in the world.

What has happened is that as government enterprises together with private farms and businesses have been forced into foreign hands, Australia has had a brief respite in the form of lower government debt. This has not, as it should have, been translated into lower taxes. But the price will have to be paid. As the "money-earners" – both public and private – have become foreign owned, the income stream has also gone overseas. Whether it's electricity, telephones, airport fees, harbour fees, manufacturing profits, food processing, etc., the profits end up in foreign pockets. True, the jobs still mainly go to Australians, although this may not last too long; witness Alexander Downer's advice to business enterprises to 'outsource' their labour needs to places like India.

Left with jobs less profits, and a new type of 'bracket creep' in unemployment rates which are deliberately minimized by the official figures, Australians are losing their bargaining power over wages. Companies now openly threaten to shut down unless their workforces accept wage-cuts. The Kilcoy Meat works in Queensland is a recent example. The offers made by Qantas and Ansett to employees bear the same hallmarks. Unions do their best to maintain employee benefits without facing the real problem. As soon as you are unemployed the union takes no further interest in you. And who knows when it's your turn? Latest figures from the Australian Bureau of Statistics show a slide in job advertisements, with eight unemployed vying for each job vacancy, compared with six a year ago. Official figures show an unemployment rate of 7 percent, which is about half the real rate of those wanting work to gain an income.

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So Australia has exchanged lowered public debt for higher private debt. These figures, given in ***The Weekend Australian*** (19-20/1/02) are frightening:

- *Australian household debt (which includes mortgages) reached a record high of $387 billion in June 2001, having more than doubled in the past decade.*
- *Australian consumer debt reached a record high of $72.5 billion in September 2001.*
- *The amount Australians owed on their credit cards reached $19.2 billion in October 2001, a rise of 19 percent in 12 months, and more than twice the amount of outstanding advances in January 1998.*
- *Total credit limits on Australian credit cards have more than doubled in the past five years, from $22.8 billion to $53.8 billion.*
- *Personal bankruptcies jumped by 28 per cent in 2001, to 26,045 people.*

The implications, said ***The Weekend Australian***, were as follows:

"To put those statistics in context, 500 people a week became bankrupt last year: the average outstanding balance on bank-issued cards has risen to almost $2000, up 40 percent in two years; and the average credit card limit has crept above $5000 ...."

The implications for Australia, while never dealt with by a Treasurer who continually boasts of reduced government debt, are explosive. ***The Australian*** (11/1/01) made these points:

"The high level of household debt is threatening banks' credit quality despite their ability to withstand financial shocks, according to the ratings agency Fitch.

"The debt – which equates to 105 percent of household income – is more dangerous than the threat of more corporate collapses, according to the agency's report on the sector. .... The agency notes that household debt has risen from 75 percent of household income in 1995. But lower interest rates have masked the increase, with household capacity to repay debt remaining steady ...."

The figures show that every man, woman and child in Australia has an average household debt of $19,250. It is hardly surprising that stress is showing up as the biggest health hazard both in the workforce, and amongst those who have been 'down-sized'.

HUNGER FOR MORE FOREIGN MONEY: The huge personal debt burden round Australia's neck has in no way diminished the Howard Government's hunger for more foreign money. ***The Australian*** (14/1/02) reported:

"Foreigners own more than one-quarter of the equity in Australian companies, and control 15 percent of those enterprises, an Australian Bureau of Statistics study shows.

"But the report suggests foreign ownership of the local economy has slowed down, underlining the urgency of the Howard Government's efforts to put out the welcome mat for foreign investors....."

In fact, hidden behind all the angst over the *Tampa* and Osama bib Laden, the Howard Government campaigned in the recent election on the promise of making Australia even more attractive to foreign investors. A new government agency, Invest Australia, will promote Australia as an ideal investment location for foreigners. The article concluded:

"... Treasurer Peter Costello is conducting a public campaign aimed at convincing an often skeptical community of the benefits to the nation of economic globalisation ...."

Count us out as prospective supporters of such a grotesque idea, Peter!

NATIONAL PARTY FACING COLD HARD TRUTH: According to a number of reports, it's regenerate or perish for the National Party. Paul Williams, writing in ***The Australian*** (17/1/02) put it this way:

"Federally, over the past two federal elections the Nationals have reached their nadir, attracting just 5.3 and 5.6 of the vote in 1998 and 2001 respectively. State results have been little better .... There remains ample evidence that rural anger is yet to subside .... Clearly, the National Party's decline is universal and the root causes run deep .... The party can't continue in its present state and not risk extinction ...."

John Anderson, the good-looking but untalented 'barbie-doll' of the political world, imagines that administrative changes within the party will be a substitute for better policies. Steve Lewis, in ***The Australian Financial Review*** (11/1/02) had it this way:

" .... Plagued by disappointing electoral results and poor preselection decisions, Mr. Anderson wants to centralize the party's organizational structure, and reduce the role of the State divisions and rank-and-file members in the selection of parliamentary candidates .... 'We have to operate as a focused, co-ordinated, federally oriented, federal team .... Crunch time has come,' he said ....."

All of which is sad and too late. Only defiant policies aimed at re-establishing Australian sovereignty, safe-guarding the constitution, bringing back genuine private ownership and the sanctity of titles and getting Australia and its citizens out of debt could do anything for the National Party. And even then few would believe them, for they've stumbled at the fence too often before.

THE ARGENTINE TRAGEDY: Argentina is discovering belatedly that to sup with the devil needs a long spoon. Among its many troubles, not least is the unwarranted advice and pressure of the International Monetary Fund. It has irked the ire of Mr. Jorge Todesca, vice economy minister.

*"We're working on a very coherent plan," he said. "Frankly, we don't need the IMF to be telling us every two minutes what course we should take when we've only been at this for seven days (**The Australian**, 14/1/02). They're doing it from 10,000km way, without much knowledge of the situatio ...."*

The first thing to recognize is that the Argentinian government and the IMF both represent completely different interests. The government is trying to restore the lives of real people – the men, women and children of the country. The IMF, on the other hand, is representing an international group of money-lenders whose interests come before the well-being of the people.

The real questions now facing Argentina are whether it has the resources to feed, clothe and house its own people, rather than exporting into a glutted world market to earn enough to pay the money-lenders. Exports can come later, and be limited to the goods and services Argentina really needs from abroad. The global export game has simply become an instrument for extracting more tribute for lenders. This will be the test of sovereignty for a once great nation.

ZIMBABWE DESCENDS INTO CHAOS: The megolomaniac Robert Mugabe seems bent on taking his country and its people into the charnel house. Having deliberately destroyed the once-adequate production of food under murderous circumstances, he is denying his people any chance of existence. The diminishing number of farmers are running up huge debts, with their farms and crops as collateral, and stashing whatever they can off-shore for the inevitable collapse. At least $54 million in urgent food aid is required to stave off starvation. The only currency with any viability is foreign currency. Government price controls on much-needed staples such as maize and cooking oil are completely ignored because of drastic shortages. The Zimbabwe dollar is running at about 350 to the American dollar, although the government has officially pegged it at 50:1. Unemployment is running at 50 percent.

And the people are expected to vote intelligently in the presidential elections due in about eight weeks! Mugabe's murderous thugs will make sure that they do.

For some reason we haven't heard any comments from former Prime Minister Malcolm Fraser, who was largely instrumental in ridding Rhodesia of its Ian Smith government, and installing Robert Mugabe of Zimbabwe.

RACE ISSUES POLARISE BRITAIN: "Whites and ethnic minorities in Britain have become deeply divided and are leading separate lives with no social or cultural contact and little sense of belonging to the same nation, according to a government report. The report, a study of race riots last summer, says that Britons tiptoe around the subject of discrimination and need to engage in an honest debate to forestall further unrest.

"The authors of the study, which was commissioned by the home secretary, David Blunkett, said that they had been dismayed and shocked by their findings. Whilst the physical segregation of housing estates and inner-city areas came as no surprise, the team was particularly struck by the depth of polarisation of our towns and cities and the extent to which these physical divisions were compounded by so many other aspects of our daily lives."

The rioters caused $15 million worth of damage and injured 300 police officers. Whilst admitting the outbreaks of violence emanated from deep distrust between white and non-white communities it was the 'far-right' and 'racist' groups who got the blame for 'exploiting the differences' (***International Herald Tribune***, 13/12/01).

Anyone who dares to challenge the 'politically correct' policies of these utopians are blamed for 'exploiting the differences'. Can't these utopians see and admit there are differences, and if the differences are too great, there will be conflict!

LEADERS' REPUBLICAN BETRAYAL: Australians need to be reminded of the story behind Rhodesia becoming a republic. The Rhodesians were presented with the 'myth of material gain and security' as the enticement for destroying their own heritage. ***The Australian***, 3/3/70, reported "Without ceremony or celebration, the birth certificate of the new Republic of Rhodesia was signed and sealed in four minutes flat in Salisbury yesterday."

How prophetic was the 1970 *On Target* comment: "Four minutes was all that was needed to destroy a heritage much more precious than the gains made... Those who have led Rhodesia through the most critical years of her history have shown strength... and have defeated the petty schemes of Harold Wilson and his fellow world socialists at every turn. Now they have handed him his greatest victory, the destruction of Rhodesia's heritage in exchange for a mess of pottage..."

"Mr. Smith (Prime Minister at the time) revealed that the Republican issue was reached by the desire to placate Rhodesia's new friends who made it clear that their faith in Rhodesia would strengthen if they assumed republican status. Mr. Smith made it equally clear that Rhodesia was dependent upon such 'friends' for trade and economic support."

Comment: With 'friends' like these, who needs enemies? The British Monarchy is still the greatest bulwark against world tyranny. It will have to be destroyed before the one-worlders can claim ultimate success!

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