A WEEKLY COMMENTARY

ON TARGET

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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: "As the hijackers were training for their deadly mission in South Florida, the resident Israeli cell, all of whom lived nearby, could have easily kept a close watch on their activities. If anyone ever catches up with Yitzchak Shish and Chava Sagi, perhaps we will learn more about what the Israelis knew about the events surrounding 9/11, and when they knew it. But if we're depending on the FBI and our own intelligence services to find these two, and make their story public, then I'm afraid we are in for a long wait indeed." – Justin Riamondo March 8th 2002 Antiwar.com

THE CHAMPION OF REDUCED INCOMES by Jeremy Lee:

When enterprise bargaining was first introduced by the Howard government under then-Minister Peter Reith, great pains were taken to claim that this would not result in lower wages. In fact, the first claims introduced showed higher individual wage-contracts. The whole was an exercise to break the power of the Unions and the long established practice of collective bargaining.

Now the truth is coming out. Under the heading LOW PAY MAKES JOBS SAFE: ABBOTT, ***The Weekend Australian*** (2-3/3/02) reported:

"Low-income families would be better off without a large pay rise this year because it would make their jobs safer, the Howard Government said yesterday as it confirmed its plans to re-vamp the wages system.

"'Excessive wage rises are an efficient way of increasing poverty by reducing the labour demand, especially for low-skilled people', the Government said in its submission to the safety net pay case .....

"Employment Minister Tony Abbott is a considering a plan to use tax credits to encourage people to move off welfare and seek employment. The theory is that by keeping the wages paid by employers low, the poor will be offered more work. And a tax credit is said to be a greater incentive for the poor to work rather than to remain on welfare....."

The proposal has, apparently, caused division within the Labor Party, with Simon Crean supporting the idea. The article went on:

" .... But Deputy Opposition leader Jenny Macklin said Mr. Abbott was asking workers to accept lower wages on the promise of tax credits the Government could not afford because of budget constraints. Labor could not afford to offer tax credits at the last federal election after using them as the centrepiece of the 1998 election."

However sincere he might be, Tony Abbott's thinking belongs in the 19th century. Obviously, the lower wages are the happier employers will be – except those very few who can see the bigger picture. Government regulations and employee awards have already made employing people a legal minefield. Payroll taxes alone are inhibitive of employing extra people. Add to this tax such things as holiday loadings, maternity leave, health and worker insurance, etc., plus unfair dismissal laws, and it usually costs an employer an extra dollar in benefits for every dollar directly paid in wages. So, if he has thought no further, he will support the Abbott proposal.

On the other hand, the lower end of the wage scale is the scene of widespread poverty and hardship. The days of a family living on one wage disappeared long ago. At the lower end the two-wage family finds it increasingly hard to make ends meet. The ever-increasing dimensions of household debt testify to this. Without using tomorrow's purchasing power for today's need, many would not eat.

And how much lower should wages go to make us all happy? Who can forget the Chinese delegate at the World Economic Forum held in Melbourne who expressed his incredulity at the West's belief it could compete with Asian nations in a world free-trade system? He told his audience that they must be mad!. China alone could undercut the West, as far as wages were concerned, by as much as 20 times!

The key to the conundrum lies in the fact that labour is a *decreasing* factor in the economy. Technology is a new labour-force competing successfully and increasingly with human effort.

This is not new. In fact, it has been increasing exponentially since the Industrial Revolution. The arrival of the machine created the need for Trade Unions, to prevent the total exploitation of workers. But, as steam and coal gave way to gasoline, mechanization, electricity, computers and robotics, Unions were hard put to it to prevent 'down-sizing'. The world has been downsizing for decades, but never on a scale like the present.

Committed to full employment as a goal, the governments of the world have been forced into the Welfare State, where those working are forced to subsidise those unemployed. Taxes increase as industry down-sizes. To alleviate the budget-strains incurred in this process, governments have been further forced into the role of employers themselves, with huge bureaucracies all engaged in the process of empire-building, and now the final indignity – '"work-for-the-dole". It is all a frantic effort to put off the final admission that a technological 'labour-saving' economy is incompatible with a full-employment policy.

So we have an idiotic paradox; a new mechanised work-force which says, "we will save you labour by doing the job for you!" against an outdated government election policy that the only way a man and woman can live is by having a job!

The late C.H. Douglas, an engineer with wide industrial experience, said in 1923:

" .... One-tenth of the available labour, working short hours but with the whole of its attention directed solely to the objective of the most efficient production, could supply all the general demands of the population of this country, either by direct production, or by exchange of proper methods for the

production of other countries, in respect of articles which cannot reasonably be produced at home; in other words, production, as a problem, has been solved long ago .... The problem we have to solve is the problem of distribution ...."

But if distribution is to be confined solely to "full employment" – now dependent solely on the hope that a nation's producers will "employ" the rest of the workforce – tragedy threatens!

That tragedy has been with us for some time, resulting in the myopic policies of Peter Reith, Simon Crean, Tony Abbott and all major political parties in Australia. Move forward to the publication of the Book "The Global Trap: The Assault on Democracy and Prosperity", by Hans-Peter Martin and Harald Schumann in the mid-nineties. The authors described the 1995 meeting of 500 corporate chiefs, leading politicians and academics in San Francisco, to discuss the global economy of the 21st Century.

This gathering of the world's power elite unanimously agreed that, with the new generation of automated machines, which they had as yet hardly begun to apply to industry, they would soon need only twenty per cent of the world's labour force.

The remaining 80 percent would simply not be required to keep the world's economy going.

How do we tackle such a gargantuan problem? Do we have 80% of workforces on the Tony Abbott "work-for-the-dole" idea? Or do we just keep reducing wages in the pitiful hope that the world's productive giants will take pity on us, and keep giving us ever-lower-paid jobs rather than replacing us with technology?

It's either Social Credit – or a world slave state.

THE STREETS OF LONDON TOWN: New York, Chicago and Johannesburg have long been notorious for their levels of street crime and violence. But now London is fast catching up. Throughout the city yellow boards, to be read by pedestrians and commuters, mark the spots and details where the burgeoning number of unsolved crimes were committed. Bruce Wilson, reporting from London (***The Herald Sun***, 9/2/02) commented:

"...Where I live in south London, a 10-minute drive from the Houses of Parliament, I passed four such signs on my way home the other day. They are now commonplace. I doubt many read them.

"The other word that is common to most, when they describe the suspects, is 'black'. Scotland Yard had to seek senior legal advice before it could say 'black' on its yellow boards .... 'Black' is a key word, and there is no getting away from it..... The Government is promising action, but what? Londoners know what should be done, put the coppers back on the beat.

"Home Secretary David Blunkett makes aggressive noises. But the yellow signs proliferate. And they will grow and grow until someone addresses the real problem: forming a society in which social ambition does not involve violence and theft and murder."

To which could be added that the multicultural idea is unworkable. It is an ingredient for such violence, despite all the protestations of idealistic liberals. Enoch Powell was right. Britain's streets have already seen bloodshed, and may see more, as out-of-control illegal immigration and the build-up of large ethnic minorities which openly express their refusal to accept traditional social values, create an explosive situation. Attempting to stop any realistic discussion of the problem adds to the danger.

STOPPING PAYMENTS TO THE PIPER: Former British Cabinet Minister Lord Browne, currently chief CEO for British Petroleum, has announced that the company will no longer make political donations anywhere in the world. Last year BP donated $1.9 million to parties and candidates in the United States. ***The Australian Financial Review*** (1/3/02) said *" .... BP has often taken a lead in international corporate governance issues and the decision, to take effect from April, could set a precedent for other multinationals as the Enron scandal continues to unfold in the United States.*

""We have to remember that however large our turnover might be, we still have no democratic legitimacy anywhere in the world,' Lord Browne said ...."

We can't say we are holding our breath that there will be a rush of other multinationals to follow BP's lead. Enron was the biggest donor to Republican Party funds in last year's presidential elections, and it is apparently hard to sort out the difference between that corporation's administration and that of the US.

While we're about it, what does the phrase used in the article *"international corporate governance"* mean? If today's mis-use of the English language means anything, this should be translated as "world corporate government". Shouldn't it? It's not something any of us had a chance to vote for, or against.

AUSTRALIAN WHEAT ON THE NOSE: The ***AFR*** (1/3/02) reported: *"In a potential blow to Australia's reputation as a wheat exporter, one of its most important markets, Japan, has rejected a 20,000 tonne shipment because it was contaminated.*

"A spokesman for monopoly wheat exporter AWB Ltd. confirmed yesterday that the cargo, shipped from Kwinana in Western Australia, had been rejected by the Japanese Food Agency ...."

Apparently the wheat had been contaminated by barley treated with a food colouring additive. This is not the first such case. Korea recently rejected a container of feed barley after it was found to contain unacceptable levels of pesticide.

As a customer who buys about one million tones of wheat a year from Australia, Japan ranks as one of our five biggest customers. The incident confirms the dangers of high-chemical farming, and particularly the dangers of genetically-engineered crops to which Japan and other Asian nations are especially sensitive.

A shift to organic farming over a period of time, rather than through a last-minute panic crisis should be a national objective, with incentives from government as is the case for home installations of solar technology.

Over the Christmas period I visited a cane-farming family near Mackay who this year made over 300 tonnes of organic compost to replace chemical farming. Already the benefits are beginning to appear. This is the sort of vision needed throughout Australia. This country is home to two Australian ideas with world-wide application; the first is Bill Mollison's Permaculture concept for small-scale self-sufficient and naturally-balanced production. The other is P.A. Yeoman's Key-Line system, designed to "catch rainfall where it falls", using a natural land-flow system to enable flood irrigation. In one of the driest continents in the world, this concept, which has been tried and proved, is a viable alternative to the mass-pumped irrigation schemes which are wrecking the Murray, raising the water-tables and increasing salinity.

Large-scale man-made disasters are seldom cured by large-scale multi-million-dollar solutions. The development of the Yeomans' Key-line system in salt-threatened areas would do much to solve what looks like an otherwise insoluble problem.

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