



A WEEKLY COMMENTARY

ON TARGET

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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: *"It is not the misfittings, the diseases, the parasitisms, the predations, the anti-life elements in a society which constitutes its being, though they play their important part in clearing the way for its dynamic survival. It is not the chips which fall from the sculptor's chisel which constitute his great work. It is the solid shape which remains.*

"At the core of the derided Christian tradition which sustained our society until recently is the belief that the creative power which made and maintains the Universe is that which we call Love – and also God... We cannot perceive it directly with our senses, but only by its effect. And what is that?... that infinite variety of mutuality that we find when we look for it in what we call Nature, a name we give to that small part of creation within reach of our limited ken. Long time have we marvelled at the beauty and intricacy and balanced existence of individual creatures... But how could all this even begin to exist or survive without the mighty power which enables it to fit together in mutual benefit? Is it not clear also that this power of Love, even when operating as an infinitely intricate mutuality, is as essential for the creation and survival of human societies as for non-human...?"

– Geoffrey Dobbs, "The Local World", Home Quarterly, August 1995

THE TYRANNY OF UNJUST TAXATION by Jeremy Lee:

Prime Minister Howard was once asked which of the legacies he would leave Australia he was most proud of. He answered, "Tax reform and the GST"..

One might just as well have asked Nero about his greatest achievement; and heard about the quality of his fiddling while Rome burned!

Our bland and super-confident future Coalition leader Peter Costello no doubt shares the glory of our taxation system – while it collapses round our ears.

If it was a mess before, it is nothing to the unequal, corrupt mess of today. The troubles of the Democrats did not start with the jostling over the leadership, but with the action of Meg Lees and her colleagues in letting the GST through against the wishes of hundreds of thousands of Australians.

Now, very late in the day, and as a sign of the almost limitless patience of the people, the signs of a tax revolt are appearing. We might well record that most of the historical revolts of the English-speaking

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Professor Owen Covick, Flinders University economist, recently re-stated the fact that the omission of the GST figures from Costello's last Budget was dishonest. *The Australian Financial Review* (30/8/02) reported: " ...In an analysis of the 2002-03 Budget, Professor Covick says the government's insistence on treating the GST as a state tax makes it impossible to assess whether the Coalition is keeping its promise not to increase the tax burden from its 1996-97 level.

"In law, the GST is a Commonwealth tax. It exists because legislation was passed by the Commonwealth Government,' Professor Covick's paper says. 'Any changes to the rate or to the base which were to be passed by the Commonwealth Parliament ... would take effect whether the parliaments of the states and territories liked that or not.

"The question then arises: is it compatible with budget honesty for the Commonwealth Government to publish budget papers which pretend none of the above is true?The Australian Bureau of Statistics and the Auditor-General have both said that under government financial reporting standards, the GST should be classified as a Commonwealth tax"

If PM Howard is so proud of its introduction, why so reluctant to publish its results?

ACCOUNTANTS SPEAK OUT: Adrian Tame, writing in *The Sunday Herald Sun* (1/9/02), told of the seething resentment in the community about the GST and the way it is administered, and the actions of the Institute of Chartered Accountants, who are spearheading a gathering revolt: " ... Tax Commissioner Michael Carmody and his boys have become the ultimate bogey-men with their threats of random audits, and the truculent warning that now the GST is in its third year, we can no longer expect to get off lightly for non-compliance.

"If ever there was a nation, and a time in history ripe for a tax revolt of the nature threatened by the institute (i.e. the Institute of Chartered Accountants – ed.) in its open letter to the ATO, and published full-page in major newspapers last month, it is now

If Australian small businessmen had been possessed of a fraction of these guts during the early months of the Business Activity Statement fiasco, they would have told the ATO: 'Enough of this shambles, we're not playing your silly game. If you want to collect and record five cents GST on a packet of paper clips, you can do it. We refuse.'...."

BLEEDING FROM GST WOUNDS: Commenting on the revolt, Robert Gottlieb (The Australian, 3/9/02) noted that many small businesses are being further hampered because accountants are rejecting new clients due to the GST work overload: "Many smaller enterprises which can't get accountancy services may be forced to use the cash economy. I cannot recall a crisis such as this, and the Institute of Chartered Accountants' chief executive Stephen Harrison believes it is so serious that, last month, he gave the Government 70 days to announce plans to start rectifying the flaws before his members return to lodging business activity statements on paper. There are about 50 days left in the Harrison ultimatum, but the Government believes that Harrison is bluffing and that it can dispose of the accountants with a few comforting press releases."

So how much was raised by the Goods and Services Tax, which the Commonwealth Government pretends it has nothing to do with? About \$32 billion, or over \$1,600 for every Australian.

A NEW TREATY ON THE WEB: Whatever else is said about the World-Wide-Web, with all its vulgarities and excesses, it has enabled an exchange of information usually censored that has been a thorn in the side of autocratic government. Politicians have been forced to defend their actions over matters which would never have come to public attention before the Web made it possible. Alliances of concerned people in different nations are now discovering each other and working together.

Now we have on the horizon an international treaty arising from the Hague Convention on Jurisdiction and Foreign Judgments, which aims to establish enforceable international protocols for handling "international violations" of the Web, especially where national laws are in conflict. The Convention's 52-member nations would agree to enforce each others' commercial laws. A company, Internet Service Provider or individual could be held accountable for violating a foreign law, even though it is permissible in his home country. The web, says the treaty, makes it possible to break a law from thousands of miles away.

Thus, Germany's 'Truth in History' laws, which make it a crime to question details of the Holocaust, could be applied to the citizens of other countries where no such bans exist. All it would require is for a German citizen to pick up the website and make an official complaint, and someone the other side of the globe, acting in conformity with the laws of his own country, would face prosecution.

Who would adjudicate in such cases? The World Court? The International Criminal Court? Or a new international tribunal yet to be established?

The invasion of international law, through treaties that over-ride the Constitution, has become an avalanche. Back in 1988, when the danger was already apparent, the Editorial in *The Weekend Australian* (11-12/6/1988) said:

".... A decision in the High Court five years ago (i.e. the Franklin Dam case - ed.) brought down as the result of a successful action of the present Federal Labor Government, has meant that the surest way for Canberra to extend its power is to reach an agreement with a foreign government. And, once that agreement has been obtained, the Australian people have lost the right to resist the will of the government in power to bend the Constitution in its favour all but a few Australians have remained in blissful ignorance of the loss of guarantees that they thought the Constitution gave them.

"Australians have been taught that they and only they can amend their Constitution, the basic law that governs our political system and with which all our other laws must comply.

"Yet for the past five years this belief has been a delusion. If a government in Canberra signs a treaty with a foreign government and that treaty is ratified, it can have the effect of tearing down what appeared to be the most solid and substantial constitutional principles on which our democratic federal Commonwealth is based.

"The treaty that could change our Constitution could be with fellow democracies like the United States or Sweden or Ireland. It could equally be with Chile or Cuba or Chad or any other government in any part of the world.

"There are few, if any, democratic nations whose constitutions contain more safeguards of the citizens' rights to change or refuse to change their constitutions than Australians have believed their Constitution to contain.

"The Constitution provides that there can be no constitutional amendment unless a referendum to that effect is carried by a majority of voters in a majority of the States and by a majority of voters in the Commonwealth as a whole.

"This necessarily stringent requirement has become all but valueless because of the Franklin River Dam decision"

That Editorial was correct and prescient. Its warnings were echoed by Coalition politicians, at that time in opposition, including the current Treasurer, Peter Costello, who was forthright in condemning Labor's use of treaties to circumvent the Constitution. But it's amazing how things change once an Opposition becomes the Government.

So the real battle in Australia in the 21st century is not to preserve our Constitution, but to retrieve it from the intrigue and manipulation of politicians prepared to jeopardize their nation by playing with international treaties for a little short-term power.

WALL STREET WOES CONTINUE: Another big drop on Wall Street, followed by a minor bounce. We still have a long way to go. Robert Gottlieb (The Australian 5/9/02) said ominously: "...The analysts are beginning to understand the extent of the layoffs planned by big US companies and the effect this will have on consumer confidence. They also realize that their largest bank, Citigroup, is getting into more and more hot water over apparently doctored client share advice to win merchant bank accounts. The resulting writs could be enormous.

"Later, they will realize that the greatest threat of all is that ordinary people in South American countries such as Brazil and Argentina may have given up on the system. Others may follow...."

Gottlieb suggests that Australia won't avoid being hit. No wonder George Bush is frantic for a war as soon as possible!

JUST FOR THE RECORD by Betty Luks:

Following the WTC Bombing last September 11th, 2001, internet journalist Israel Shamir sent out an alarming warning (around 13/9/01) that 'great slaughter of the innocents is imminent'. Those with the power to do so, he predicted, would take revenge for the bombing and he even set some dates when it would occur. He referred to the vengeful spirit displayed by prominent people in the American press at the time: former Secretary of State Lawrence Eagleburger, CNN, 11/9/01; Steve Dunlevy, New York Post 12/9/01; Rich Lowry, Washington Post, 13/9/01; Ann Coulter, New York Daily News, 12/9/01.

The warning prompted me to look up Douglas Reed's *Controversy of Zion*, in particular his references to the Nuremberg War Crimes Trials, and the timing and delivery of those judgments (p.401). There was no doubt in Reed's mind that the judgments were executed according to the Talmudic calendar: "I have a description, from a person who was present, of the manner in which the Nuremberg judgment came to be delivered on September 30 and October 1, 1946 (between the Jewish New Year, September 26, and the Jewish Day of Atonement, October 5), and was *executed* immediately after midnight in the morning of October 16, Hoshana Rabba, the day when the Jewish god, after an interval during which he considers his verdict on every single human being, and may still pardon sinners, delivers his judgment..."

Although not into the 'numbers' game, some of us made the effort to calculate, according to Reed's reckoning, just when the WTC vengeance would begin. We calculated the bombing of Afghanistan would commence on October 8th – which it did. It was reported in Australian newspapers on October 9th.

The first anniversary of that event is nearly upon us and George Bush is strutting the world stage, again, talking up war against Iraq. According to the 2002 calendar, the Jewish New Year falls on September 7th, and Hoshana Rabba will fall on September 27th, the day when the Jewish god, after an interval during which he considers his verdict on every single human being, and may still pardon sinners, delivers his judgment. Again?