A WEEKLY COMMENTARY

ON TARGET

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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: *"A Free Society: This is not just a 'free for all' in which everyone can do what he likes, irrespective of everyone else, but a Society based upon Natural Law, i.e., upon the nature of things, and particularly of people.*

"In contrast to the Socialist or Collectivist Society, such a Society exists entirely for the benefit of the people who comprise it, apart from which it has no justification for existence. It follows that there can be no antagonism between the good of Society and the good of the individuals who comprise it, since they are the same thing and the chief of these 'Goods' is freedom, which is inextricably linked with responsibility, since in fact they are aspects of the same thing..."

– Geoffrey Dobbs in ***"Responsible Government in a Free Society"***, 1969

HAS JOHN HOWARD LEFT HIS RUN TOO LATE? by Jeremy Lee:

There seems little doubt that Australia will be inflicted with a rise in interest rates – probably to coincide with Christmas. This increase is expected to coincide with an end to the housing boom and a fall in property values over the next year.

The result? Obviously a big increase in debt-defaults, and added pressure on another big sector of the $400 billion mortgage sector to scrimp and save to keep up with payments.

The current apparent rise in the value of the Australian dollar is more exactly a fall in the $US. Notice carefully that the Australian dollar is not rising against the other major currencies. The American dollar is in freefall, as nations such as Japan, China and others begin selling US bonds and investments, leaving behind a gaping hole, as the State Department has no foreign "fill" left to plug the gaping Trade and Budget deficits.

The pressure to find other currencies to finance oil sales from OPEC countries grows daily. Although not a member of OPEC, Vladimir Putin in Russia is now canvassing selling Russian oil in Euros – which would complete the rout of the American dollar.

The rise in the Australian dollar from 63 cents to almost 70 cents in the last four months, an increase of about 12 percent, should have resulted in an equivalent drop in petrol prices. But where is it?

Australia has now moved back into the "bad old days" of strikes and industrial stoppages. Brendan Nelson – he of the diamond ear-stud – is not so popular with our tertiary institutions as he might have hoped. A national strike of academics, supported by students, is almost unheard of, but has just occurred. Tony Abbott has been sent in to pacify doctors who are threatening to bring public hospitals to a standstill by mass resignations. In every area of service, professionals are up in arms by deteriorating facilities and work conditions. A public inquiry into child abuse in foster care in Queensland has so far produced the same old symptoms – staff shortages through lack of money.

Yet we are collecting more taxes than ever before in Australia! So what do we do? Try to sell our few remaining assets, and stave off the day of reckoning.

A PARTY BY ANY OTHER NAME: The National Party of Australia has changed its name for the second time in 30 years. In the early 70s it was "The Country Party". Then, as the country was being decimated, it became "The National Party". Now it is "The Nationals". (It is perilously close to the National Bank, which changed its name to "The National" – which did nothing to make it more popular. The National Bank is now losing heavily on the drop in value of the $US.) It's not a name-change that can or will make any difference to the motley group on the National's benches in Canberra. It is doing nothing to change the disastrous state of affairs in rural Australia. Already, the Nationals have jumped back onto Howard's coat tails in endorsing the sale of the remaining 51 percent of Telstra.

Why? Despite a disastrous foray into the Hong Kong communications market, Telstra at the moment makes a healthy profit which delivers a significant dividend to Canberra every year. Why forfeit such an advantage, potentially lasting for generations, for a short-term spending spree to hide our debts? The Nationals are either too lazy, ignorant or fearful to look at alternative ideas to finance development in Australia. Having just completed the Alice-to-Darwin railway, which will be foreign-owned and operated for 50 years, who don't they look at Australia's transcontinental railway, which we financed ourselves?

Telstra has been built through decades of investment by taxpayers. Its infrastructure in lines and technology is enormous. Virtually every Australian home, from the busiest city to the remotest outback area, has phone facilities of some sort or another. Every poll on the issue shows a big majority of Australians opposed to the sale of the remaining 51 percent of Telstra. They suspect, with good reason, that it will end up foreign owned. De-Anne Kelly, National Party member for Dawson, has confirmed that the big majority in her electorate oppose the sale.

If "The Nationals" would like to be seen as representative, why don't they run their own polls on the issue? And promise to "represent" the result in Parliament? It would do more to enhance their image than any name change! Incidentally, the test for De-Anne Kelly will not be in the defiant statements she makes for public consumption. It will be in the way she *votes* when the proposal is placed before Parliament.

CASHING IN ON DEBT: One of the beneficiaries of a worsening debt crisis is the debt factoring industry. In Australia it has now become an industry exceeding $20 billion a year, and should, according to the pundits, do even better if there is a housing downturn in Australia. ***The Australian*** (10/10/03) described it thus: *"....Debtor financing is the practice of lending a business cash secured against its outstanding invoices. It allows the business to get a proportion of the money immediately, without waiting for it to be collected from customers.*

"The main banks do all the debtor financing and there are dozens of smaller providers.

"'These figures show an industry which is really gaining momentum,' the managing director of national provider Benchmark Debtor Finance, Peter Langham, said.

"Small Business Association of Australia spokesman Jonathan Fowler said the growth in factoring and discounting was a sign of financial stress in the small and medium enterprise sector."

In the old days we called them "the bailiffs" – the hardened thugs who collected debt by entering your premises and seizing your goods. Now we have turned it into an art form business of its own, turning over $20 billion a year.

MAKING TELSTRA A TEST CASE: A privately-produced newspaper, ***National Interest***, has included the following (partial) list of Australian assets sold by Labor and Coalition governments:

WHAT THEY SOLD	$MILLIONS
Removals Australia	$10.4
National Transmission Network (NTN)	$650.00
Auscript	$1.1
Aust. Multimedia Enterprises Ltd.	$293.33
Australian River Co Ltd.	$0.69
Australian National Railways	$95.4
Dept.t of Administrative Services	$436.8
Federal Airports Corp	$4100.0
Housing Loans Insurance Corp.	$108.0
Telstra (1 and 2)	$30700.0
Commonwealth Accommodation & Catering Service	$14.9
Defence Service House Corp Loan	$1515.0
AMDEL	$0.92
ADF Home Loan Franchise	$42.0
C'wealth Housing Loan Assist	$47.3
Australian Airlines	$400.0
25% of Qantas	$665.0
Commonwealth Bank IPO	$1700.0
Snowy Mountains Eng. Corp	$1500.0
Commonwealth Serum Labs	$229.0
Moomba-Sydney Pipeline System	$534.0
Commonwealth Uranium Stockpile	$57.0

WHAT THEY SOLD	$MILLIONS
Aerospace Tech. Of Australia	$40.0
Qantas Public Share offer	$1450.0
Commonwealth Bank 2nd PO	$5156.0
C'wealth Funds Management Ltd	$62.5
Avalon Airport Geelong Ltd.	$1.5
Melbourne Airport	$1307.0
Brisbane Airport	$1387.0
Perth Airport	$643.0
DASFLEET	$408.0
Wool Stock Australia	???
ANR Corp Freight & Maintenance	$57.4
ANR Interstate Passenger	$16.0
MacLeod Repatriation Hospital Site	$1.75
Adelaude and Parafield Airport	$363.5
Canberra Airport	$66.5
Coolangatta Airport	$103.6
Darwin, Alice & Tenant Creek Airports	$1100.1
Hobart Airport	$35.9
Jandakot Airport	$6.7
Launceston Airport	$17.2
Moorabbin Airport	$8.2
Townsville & Mount Isa Airports	$15.9

SALES PENDING: Australian Submarine Corp.; Health Services Australia; National Rail Corp; and, coming up if Howard, Anderson and Costello can manage it – the 51% remainder of Telstra. *(The list above is by no means exhaustive. We haven't listed electricity generation, water, ports and harbours. It is only a partial list; but it shows the disturbing and dangerous trend.* ***THE NATIONAL INTEREST****, 79 Ferry Street, Maryborough, Qld., 4650.)*

A PEOPLE THAT SHALL 'DWELL ALONE' by Betty Luks:

We are increasingly being fed the idea that the political/religious state of Israel is the "permanent ally in the Middle East of the world's 'lawful and free countries'." Peter Hitchens, ***The American Conservative***, 6/10/03, would have us believe, "This alliance" with the western world "is based on cultural and political kinship". Another of his claims is, "Despite its socialist appearance – kibbutzes, female soldiers, and the rest – Zionism is a profoundly conservative idea, based on the re-creation of an ancient nation and culture. It is also globally conservative, requiring a definite and uncompromising form of national sovereignty and an implicit rejection of multiculturalism. Israel stands – alone in its region – for placing the rule of law above the rule of power. Its destruction would be a disaster for what remains of the civilized world..."

Western nations grew out of Christendom: Mr. Hitchens, when referring to "the re-creation of an ancient *nation* and *culture*" couldn't possibly mean an ancient nation and culture in the modern sense. *Western* nations grew out of (for better or worse) two thousand years of the Christian Faith, and what is known today as 'the West' could not possibly have been imagined at the time in history to which he refers. As for the claims of its ancient culture, Mr. Hitchens must be aware that, according to their