A WEEKLY COMMENTARY

ON TARGET

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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: *"If consumer goods are to reach the consumer, it is not enough merely for sufficient consumer purchasing-power to exist, it must also be widely distributed. Otherwise, it will turn into savings or investment and so leave goods on the shelf. The scientist Frederick Soddy saw this as the chief cause of the deficiency of purchasing-power and drew a nice circular diagram of it. To make the point in a ridiculous way, if the entire National Dividend fund were paid to one person, it would not solve the problem!*

"Monopoly is the common ground to both problems – absolute insufficiency and maldistribution – and a National Dividend paid in equal sums to every man, woman, and child is the common solution.

"A few men's greed would not have scope and power to destroy the lives of millions did they not have adequate mechanisms to hand. So IF you can de-monopolize the money system, you destroy monopoly at the root. But the mechanisms automatically defend themselves, and so it is politically impossible to de-monopolize the money system. But that's another question.

"In addition to a National Dividend, the other key is that unpopular dictum of Douglas, 'That the credits required to finance production shall be supplied, not from savings, but be new credits relating to new production.' If one CANNOT invest savings – and if in addition new credits are made readily available for a mere service fee – then the incentive to amass money beyond one's ability to consume disappears.

"So the National Dividend makes the amassing of money by monopoly impossible, and social credit financing makes it pointless anyway." – Michael Lane, Canada, January, 2004

AND NOW THE GENERATIONS WAR by Betty Luks:

Australians would do well to 'mull over' the following Greg Palast article bearing in mind: First it was the Marxist 'class' war, then the 'race' war, then the 'gender' war and now the 'generations' war. All to 'divide and rule' of course.

A West Australian reader sent us a short article that appeared in his local newspaper, the ***Courier Mail***, November 14th, 2003. Under the heading: *Grey rich face youth backlash* journalist Fleur Anderson reported on what amounted to 'veiled threats' by the Reserve Bank Governor, Ian McFarlane, to the older generation of this country: "Rich seniors sitting on real estate fortunes are headed for a stoush with overtaxed young people who can't afford homes."

McFarlane went on to question "whether today's older population should be getting such a large slice of the government financial pie at the expense of education for tomorrow's workers. If we are not careful, there is a potential for conflict between generations", Mr. McFarlane told the Melbourne Institute's Economic and Social Outlook Conference dinner.

(You're darn tootin' they will do their best to foster the conflict!)

"The young may resent the tax burden imposed on them to pay for pension and health expenditure on the old – particularly if they see the old as owning most of the community's assets," he said.

Who remembers the proposal 'floated', I think in Whitlam's era, that the elderly should sell their homes, live on the capital till it ran out – then they could go on the pension? This is just another spin on the same idea, the same policy. We are continually 'sold' the idea there is 'not enough money to go round.

B.T.S. wrote to us: "This is dangerous rubbish (Ian McFarlane's words) from such a high profile personality. All politicians are currently putting the same spin on pensions..."

Yes B.T.S. they are. They have their I.M.F. orders, but are not game enough to put them into operation – yet. We will probably see a move after the next federal elections – unless enough Australians wake up to what is happening.

You asked about a history of social security schemes that governments have levied for over the last 80 years. Finding such legislation will not solve the problem. Look at what happened recently in Germany. The German workers must have paid into a pension scheme all their working lives, and yet, just recently they were out on the streets protesting at the government cutting their pensions. I am sure they believe they have every right to receive the pensions, the trouble is *their* governments have got the nation (read people) up to its neck in debt to the same money lenders.

You can be sure the money was borrowed from the money lenders on condition taxes would be levied to repay the debt – with interest! And you can be sure the money lenders will get first call on all money collected through the taxation system

The real question is: Why should we as a sovereign nation, a sovereign people, borrow from banks for our own money system? Surely a money system is a social function in a modern 'money' economy? And should it not simply reflect the real world? Isn't the *real* question: is there enough production to feed, clothe and house us in this age of technology and automation? Surely the *real* problem is the insufficiency and maldistribution of purchasing power... in this day and age, symbolized by the ticket system we call 'money'?

AUSTRALIANS MUST FIRST 'REMOVE THE SCALES' FROM THEIR EYES: Modern taxation has its origins in the corrupt financial system the burden of which we all 'heavily labour under'. In recent history it first saw the light of day in 1694 with the setting up of the Bank of England. Taxes, despite the propaganda of bankers and governments, are not collected from the workers to pay for those who do not work (such as pensioners), taxes are collected to help pay the interest on monies borrowed by governments from the banking system, the money lenders.

I suppose Mr. McFarlane of the Reserve Bank still describes 'money' as a medium of exchange although it long ago passed beyond that function. It is now *primarily* a means of power, of some men over the rest of the world.

Why do people, as people, not matter to economists such as Ian McFarlane? The answer is 'economics' is now entirely dominated by 'money' – Mammon rules. Mr. McFarlane is quite detached from reality, in fact he would be better described as 'an idolater', he cannot think in terms of people, but can only think in terms of money.

Where does the banking system get the money in the first place? It creates it out of nothing, claims it as its own, lends it out – to be repaid with interest!

One wonders: does Mr. McFarlane, now 57 years of age and not that far from retirement age, plan to live by the same rules he wants to impose on other Australians? He is probably 'sitting on some prime real estate'. Is he going to sell his prime real estate to 'relieve the burden of taxation' of the young workers? As a professional *economist*, Mr. McFarlane wouldn't have produced one real product in all his working life.

Two books which will help the readers' understanding of how Mammon works and assist in 'removing the scales from their eyes', are: ***"The Story of the Commonwealth Bank"*** by D.J. Amos and ***"The Enemy Within the Empire"*** by Eric D. Butler.

THE 'MEMORANDUM OF UNDERSTANDING': Early in February, 2002, journalist Greg Palast alerted the world that, "In Buenos Aires, the Paris of Latin America, police gunned down two dozen Argentines in December after they chose to face bullets rather than starvation. The nation's currency had crumbled and unemployment had shot up from a grim 16 percent to millions more than the collapsing government could measure.

The economy had been murdered in cold blood. ("In Americas.org Thursday, February 7th, 2002, by Greg Palast). "Who done it?" asked Mr. Palast, before deducing that the killers left fingerprints all over the warm corpse.

"*A Technical Memorandum of Understanding*, dated September 5th, 2000, was signed by Pedro Pou, president of Argentina's Central Bank for transmission to Horst Köhler, managing director of the International Monetary Fund (I.M.F.). I received a complete copy of the inside report from ... let's just say the envelope lacked a return address."

The 'understanding' required Argentina to cut the government budget deficit from $5.3 billion in 2000 to $4.1 billion in 2001. Think about that. Eighteen months ago, when the 'understanding' was drafted, Argentina was already on the cliff-edge of a depression. One in six workers were unemployed. Even the half-baked economists at the I.M.F. should have known that holding back government spending in a contracting economy would be like turning off the engines of an airplane in stall."

At the time Mr. Palast wrote: "The I.M.F. is never wrong without being cruel as well. Under the boldface heading, *Improving the Conditions of the Poor*, the agency directed Argentina to:

- **Cut 20 percent from $200 monthly salaries paid under an emergency employment programme.**
- **Promised a 12 to 15 percent cut in civil servant salaries.**
- **A pension 'rationalization' (I.M.F.-speak for a 13 percent cut in payments to the elderly).**

"Salted in the I.M.F. plans for pensioners and the poor were economic forecasts bordering on the delusional. The report projected that, once Argentina snuffed consumer spending, somehow the nation's economic production would leap by 3.7 percent and unemployment would fall. It didn't. The I.M.F. plan kneecapped industrial production, which fell 25 percent in the first quarter of last year (2001) before keeling over completely to interest rates that by summer were running up to 90 percent on dollar-denominated earnings..."

Another (June 25th) document just happened to 'walk onto' Greg Palast's desk in which the World

Bank president, James Wolfensohn, expressed particular pride that Argentina's government had made "a $3 billion cut in primary expenditures accommodating the increase in interest obligations".

In other words, the government gouged spending on domestic needs to pay interest to creditors, mostly foreign banks.

Further reading: ***The Best Democracy Money Can Buy*** by Greg Palast. $66 posted.

TELSTRA HEEDS DOWNER'S ADVICE TO EXPORT JOBS TO INDIA: The West Australian Member for the Mining and Pastoral Region Hon. John Fischer, M.L.C., has highlighted the fact that last year Telstra sent 180 I.T. jobs offshore and now intends to send another 500 to India.

He writes, "This phenomenon" (hardly a *phenomenon* Mr. Fischer, more to do with political party *policies ...ed*) is quaintly referred to as 'outsourcing to maximise profits'. By going down this very path, Telstra has literally taken Alexander Downer's advice to export Australian jobs (as outlined in a report released by The Department of Foreign Affairs and Trade titled - India: new economy, old economy.)"

It should be noted the *advice* (policy) would not have *originated* with Downer or his department... its origins would be traced back to the faceless power wielders based in the halls of the International Monetary Fund's headquarters.

"In this report," explains John Fischer, "Alexander Downer suggested that Australian companies should consider moving operations to India to exploit lower wages, as this would result in cost savings for operations ranging from call centres to software development."

"I have issued two Media Releases on this very subject, one dated 5 December 2001, and another on 22 April 2003 - outsourcing jobs and selling off Australian owned companies - we're losing control of our destiny." John Fischer said

"If the Government gets its way and sells off the remaining 51% of Telstra, be very afraid. Just imagine how many more Australian jobs will be sent offshore to maximise profits. Just imagine how our taxes will increase to make up the billions of dollars per annum that Telstra makes in profits that go straight into Government coffers. How long will it take for Telstra to introduce timed local calls?" For those who would like to contact John Fischer and encourage him in the defence of Australian sovereignty his phone number is: (08) 9486 4081 or 0417 981 185.

He also said "The support of Nationalistic policies and Independents now becomes more important than ever before if future generations of Australians are able to claim this nation – the lucky country."

So do ask him, what are his nationalistic policies which he believes will help solve the fundamental problems we face. Voting for Independents in *itself* is not the answer. But determining what are the *policies* of the Independents could be the first step in ensuring you the voter register a *responsible vote*.

Election comment authorised by B. Luks, 145 Russell Street, Melbourne, 3000.

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