



- NEWS HIGHLIGHTS
- BACKGROUND INFORMATION
- COMMONWEALTH AFFAIRS

IN THIS ISSUE

On The Final Report by Ian Wilson LL.B.	2
Katter versus Frydenberg by Christopher Woulfe	2
There are 'Conservatives' and there are 'Conservatives' ! by Betty Luks	2
The Greek No Vote from Another Angle from the Saker	3
Rival Economic Theories Torpedo Greek Negotiations by Nils Zimmermann	3
Dutch City to Experiment with Universal Basic Income by Louis Doré	5
Canada's New Democrats by Wallace Klinck	5
Don't Sell Australia Out by Chris Long	6
Marine Le Pen Lauds Greek Vote as Win Over "EU" Oligarchy	6
A Trojan Horse in the Home of Austerity by Pepe Escobar	7
EuroZone Profiteers; How German and French Banks Helped Bankrupt Greece	7
Iceland, The Land of Freedom and True Democracy	8

THOUGHT FOR THE WEEK: A DECLARATION OF CULTURAL WAR AGAINST TRADITIONAL AUSTRALIA**The Parliamentary Report into the Indigenous Recognition Issue**

The article by Paul Kelly "Flawed Report Creates Problems for Recognition" (*The Weekend Australian*, June 27-28, 2015, p.15) is highly informative. The parliamentary report on the referendum has supported not only repeal of clauses in the constitution involving racial powers and the addition of clauses made specifically for the indigenous (affirmative action clauses) but also substantial and "non-negotiable" constitutional change. Symbolic change, favoured by conservatives has been rejected.

Instead there will be a constitutional ban on all racial discrimination, that is on grounds of race, colour, ethnic or national origin. Even the media recognises that this will introduce a comprehensive bill of rights into the constitution. It is hard to imagine what our ultra politically correct lawyers will then do. Who knows where this could go once the Socialist Labor and Greens take over this issue. - Ian Wilson LL.B.

ON THE FINAL REPORT OF THE JOINT SELECT COMMITTEE ON CONSTITUTIONAL RECOGNITION OF ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLES by Ian Wilson LL.B.

While the Liberals are agitating for "modest recognition", Aboriginalists are pushing ahead for a much more radical agenda as detailed in the Final Report of the Joint Select Committee on Constitutional Recognition of Aboriginal and Torres Strait Islander Peoples (June, 2015).

Appendix 1 details the recommendations of the expert panel. It is now quoted for your convenience:

Recommendations for changes to the Constitution

The Panel recommends:

1. That section 25 be repealed.

2. That section 51 (xxvi) be repealed.

3. That a new 'section 51A' be inserted, along the following lines:

Section 51A Recognition of Aboriginal and Torres Strait Islander Peoples

Recognising that the continent and its islands now known as Australia were first occupied by Aboriginal and Torres Strait Islander Peoples;

Acknowledging the continuing relationship of Aboriginal and Torres Strait Islander peoples with their traditional lands and waters;

Respecting the continuing cultures, languages and heritage of Aboriginal and Torres Strait Islander peoples;

Acknowledging the need to secure the advancement of Aboriginal and Torres Strait Islander peoples; the Parliament shall, subject to this Constitution, have power to make laws for the peace, order and good government of the Commonwealth with respect to Aboriginal and Torres Strait Islander peoples.

The Panel further recommends that the repeal of section 51 (xxvi) and the insertion of the new 'section 51A' be proposed together.

(continued next page)

(continued from previous page)

4. That the new 'section 116A' be inserted, along the following lines:

Section 116A Prohibition of racial discrimination

- (1) The Commonwealth, a State or a Territory shall not discriminate on the grounds of race, colour or ethnic or national origin.
- (2) Subsection (1) does not preclude the making of laws or measures for the purpose of overcoming disadvantage, ameliorating the effects of past discrimination, or protecting the cultures, languages or heritage of any group.

5. That a new 'section 127A' be inserted, along the following lines:

Section 127A Recognition of languages

- (1) The national language of the Commonwealth of Australia is English.
- (2) The Aboriginal and Torres Strait Islander languages are the original Australian languages, a part of our national heritage.

In the light of judicial activism, as seen in the recent US Supreme Court, we can expect equally as spectacular "law making" on the Australian front. I believe that if we do not defeat this, organisations such as the League of Rights will be made illegal.

Final Report here... http://alor.org/Library/Final_Report.pdf

KATTER VERSUS FRYDENBERG:

"OK - totally off topic. The Member for Kooyong, Josh Frydenberg and the Member for Kennedy, Bob Katter - these two MPs are in the House of Reps.

It's hard to imagine that they are in the same country, much less representing Australians in both cases. They represent farmers who are doing it tough on the one hand and Melbourne Grammarians on the other. Chalk and cheese. People on the land who are the salt of the Earth and people who live off them by virtue of having a lot of money and foreclosing on the people on the land in the hard years.

There's a lot I don't agree with in both men. Bob Katter may have some whacko views on some city people but he's trying to represent his people, not fiddling with the air conditioning and swapping chat about new restaurants with other Grammarians. There are conservatives and there are conservatives. Pick one. Gimme Bob any day.

And I'm a city slicker."- Let the people speak, Christopher Woulfe

Ref: <https://www.facebook.com/OVHRepro>

THERE ARE 'CONSERVATIVES' AND THERE ARE 'CONSERVATIVES'! by Betty Luks

I thought the comments by Christopher Woulfe (above) focussed the spotlight on the glaring philosophical differences between the current 'City' Liberals and the 'Country' Liberals/Nationals as never before. This in turn swung the spotlight to across the world scene highlighting certain events in Greece and also France. The Greek people said "NO" to any further austerity measures by their government – as ordered by the International Monetary Fund and the European Central Bank. And what of Marine Le Pen's Four Sovereignties for France? Is there a philosophical link between the three groups of people? I think so, and it is based on the concept of national sovereignty as summed up by Le Pen in her four sovereignties.

1. **Territorial** (re-establishment of borders),
2. **Monetary** (return to the franc),
3. **Legislative** (end of the automatic transcription of standards) and
4. **Economic** (national preference and protectionism)

Queensland's Bob Katter has called for a Reconstruction Board to help our own drought-stricken debt-ridden farmers to restructure their existing debt.

"A simple Reconstruction Board costs the tax payer nothing. It has worked for 100 years.

The banks are out there ruthlessly foreclosing. **This is a \$2.75 billion assistance for the banks, not assistance for the farmers.** Farmers don't want more debt they cannot service. More debt with a foreclosure guillotine hanging at the end of it and which in any case they cannot afford. They want to reconstruct their existing debt..."

The government recently released an Agricultural Competitiveness White Paper that farmers expected to be of help to them, but according to Bob Katter:

"We thank Minister Joyce for his efforts but the two things we really need are a Reconstruction Board and a disputes resolution tribunal in the areas of collective bargaining for the farmers. But even those are only stop gap measures," Mr Katter said.

Mr Katter has pointed out the glaring areas that go untouched in the Agricultural Competitiveness White Paper – the value of the AUD, the supermarket giants, and the unfair playing field for our farmers. The White Paper does provide funding for an ACCC Commissioner dedicated to agriculture.

"The removal of the propping up the AUD by interest rates still nearly 1000 per cent higher than the rest of the world and the burning issue of the supermarket giants goes unresolved. The ACCC Commissioner will look at the problem. But we need to deal with the problem which is the supermarket giant's 90% control of the market".

"The third issue is the competitive disadvantage. Every farmer in the world gets 40% from the Government, we only get 4%. Try competing on that 'level playing field'. "We don't want to condemn the Minister for trying, he is dealing with his own party – the Nationals - **free market fundamentalists and a Cabinet, that if possible, is even worse,**" Mr Katter said.

Sue Neal of *The Australian* picked up the sound and fury of the battles going on within the corridors of power between "Agriculture Minister Barnaby Joyce, backed by his Nationals colleagues, and the market-force dries of the Liberal Party...."

(continued next page)

(continued from previous page)

As Sue notes, it is a “... **philosophical battle being waged within the Coalition...**” (*The Australian* 4 July 2015). Liberal voters need to determine just what does the modern Liberal Party stand for?

In 1949 and again in 1964 the Libs issued their ninth reprint of that little booklet “We believe: A Statement of Liberal Party Beliefs” and No. 2 of the 17 principles states very clearly, “We believe in Australia, her courage, her capacity, her future and her NATIONAL SOVEREIGNTY, exercised through Parliaments deriving their authority from the people by free and open elections.”

Wouldn't our National Sovereignty cover the four sovereignties of Le Pen of France?

1. **Territorial** (re-establishment of borders),
2. **Monetary** (return to the franc),
3. **Legislative** (end of the automatic transcription of standards) and
4. **Economic** (national preference and protectionism) (emphasis added - ed)

THE GREEKS' 'NO' VOTE FROM ANOTHER ANGLE

The following is from 'The Saker's' website. Its aim is to translate and post on the world-wide-web material mainly from Russia that westerners would not otherwise read.



The monks of the Esphigmenou Monastery on Mount Athos: the ultimate resisters against the New World Order

THE FIFTH “NO” FROM THE ORTHODOX PEOPLE TO THE ANGLOZIONIST EMPIRE,

It looks like the “NO” vote has won in Greece by a landslide, something in the range of 61% vs 39%. This is most definitely good news for Greece, for Europe, for Russia and the rest of the world. No, I am under no illusions about the kind of pressure and blackmail Greece will now be subjected to, and I have no blind trust in either Tsipras or Varoufakis. I don't even want to comment now about the economic issues. No, my point is different.

This is the fifth time that an Orthodox nation has said “no” to the dictatorship of the AngloZionist plutocracy which currently occupies the European continent on behalf of the USA. The first time was, of course, when the Bosnian Serbs refused to cave in to the US/NATO/EU threats and decided to take up arms rather than to submit to the transnational terrorist network demanding their subjugation. The second time was when the people of Crimea voted “yes” to break away from the Ukronazi Banderastan. The third time was when the people of Novorussia did rise up and voted “no” with the ballot and, eventually, with their guns. The fourth time was when the people of Russia decided to give their total backing to Putin and his categorical rejection of the US/EU/NATO hegemony. And today is the fifth time that an Orthodox nation, the people of Greece, decided to say no to the bankers, financiers, crooks and politicians who serve the 1% and their interest.

Read more... <http://thesaker.is/the-fifth-no-from-the-orthodox-people-to-the-anglozionist-empire/>

RIVAL ECONOMIC THEORIES TORPEDO GREEK NEGOTIATIONS

Clash between two schools of economic thought: post-Keynesian economics and neoclassical economics. There would be few readers interested in economics as on the surface it is a dull subject. But I do encourage you to persevere with the following report on what has happened in Greece – this country could soon face such a situation as Greece – and where would you be then? Have you thought out any contingency plans to get you and your family through a crisis should the banks close for a week in this country? Have you kept on hand a week's supply of milk and bread – just in case the supermarkets run out of supplies? After all, supermarkets now have a ‘just-in-time’ policy; they don't have stock on hand for more than a few days, maybe a week at the most.

Of course I am probably presenting a ‘worse case scenario’ but there is not the stability and security in any one of the systems these days. Better to be sure. Read on...

“Greece's new government has been negotiating with its IMF and European creditors for five months - fruitlessly.

The problem, say economists, is that the two sides' proposals are based on incompatible economic theories. In the confrontation between Greece and its creditors, there's another conflict running in the background - a clash between two schools of economic thought: post-Keynesian economics and neoclassical economics. Syriza's policy-makers are a mix of post-Keynesians and moderate Marxists, whereas the Eurogroup finance ministers - Greece's main creditors - are steeped in neoclassical economic theory.

The two theories prescribe diametrically opposite policies:

Post-Keynesians, whose theories build on the foundations laid in the 1930s by the famed British economist John Maynard Keynes, say the solution to recessions and depressions is for governments to stimulate demand by increasing spending and - in some cases - decreasing taxes.

Neoclassical economists, by contrast, say the way forward for Greece is to improve international competitiveness and investor confidence by reducing unit wage costs and cutting back public spending. “That conflict makes it essentially impossible for Greece and its creditors to agree on a policy program,” said economist Steve Keen, an Australian now working in London as head of Kingston University's School of Economics, History and Politics.

(continued next page)

Keen researches how changes in an economy's total private and public debt load determine whether employment and GDP shrink or grow. "Syriza's policy ideas are driven by post-Keynesian economic theory, which emphasizes making sure people have enough money to spend. If you cut back everyone's wages and pensions, people can buy less from each other. The result is that more businesses fail, and more people go unemployed - so there's even less money being earned, less money to spend, and even more businesses fail, in a vicious circle," Keen said.

Demand-driven vs. supply-driven economic models

By contrast, neoclassical theory doesn't include a financial sector at all, Keen said. Simplifying somewhat, neoclassical theory in its basic form simply assumes that all economic activity happens within the framework of a self-equilibrating market, according to a general supply-and-demand mechanism.

In the neoclassical model, any increase in the price of any service or product automatically means less demand for that product, with consumers adjusting their purchasing to buy more of other products instead.

Free competitive markets are assumed to "clear" automatically through the price mechanism - i.e. nothing is left unsold, because a price can always be found at which someone will buy a product on offer. In the basic model of a perfectly competitive, perfectly flexible market, involuntary unemployment is impossible, because anyone who is unemployed can simply reduce the price they charge for their labour. If they reduce the price enough, someone will buy their labour-hours.

That's why neoclassical economists are generally against minimum wage laws: They assume that such laws prevent full employment by stopping labour markets from self-equilibrating at full employment.

Neoclassical theory dominates contemporary economics

The great majority of economists working in finance ministries and economic institutions like the International Monetary Fund or European Central Bank - which are, along with the Eurogroup finance ministers, Greece's main creditors - were trained in neoclassical economics.

That's why those institutions' policy prescriptions focus on reducing wages and cutting back public spending. The basic idea is that the demand for labour will go up if the price of labour goes down - so to solve Greece's economic depression, the way forward is to force through cuts in wages.

In addition, public budget cutbacks are thought to increase investor confidence by offering the prospect of lower public debt burdens, lower interest payments on the public debt, and hence lower tax rates in the long term. Public budget cutbacks are also assumed to leave more money in the hands of consumers and investors.

That logic seems sensible - after all, if Greek tourism workers are paid less, Greek holidays will cost less and tourists from northern Europe will be more likely to choose Greece instead of close competitors like Turkey or Croatia. So which theory is more right - or less wrong: The post-Keynesian or neoclassical theory? Or are both theories partly right and partly wrong?

When producers are also consumers

The problem with the neoclassical theory and its "supply-side" emphasis, according to Keynesians, is that it ignores the fact that cutting back wages across the board means that most of the population has less money to spend. That decreases aggregate demand.

"Greek tourism workers aren't just producers - they're consumers too," Keen said. "If you cut everyone's wages, less money circulates. The wealthy have a lot of money, but they save most of it - it sits in bank accounts, inactive.

Their propensity to spend is relatively low. So in effect, much of the money owned by the rich is withdrawn from active circulation in the economy much of the time." But the poor and much of the middle class spend nearly everything they earn. The middle class also borrows heavily, often to buy real estate, so it actually spends more than it earns.

Middle income earners are the backbone of the real economy, both as consumers and producers. That's one reason - in addition to social equity concerns - that Greek finance minister Yanis Varoufakis and his colleagues oppose further reductions in Greek wages and pensions.

They say that there would be little benefit in terms of increased exports to be gained from wage reductions, because except for the tourism sector, Greece isn't really an export-oriented economy. About three-quarters of its GDP is domestic - in contrast with Germany, which exports about half its GDP.

Tourism composes most of the export-oriented quarter of Greece's GDP. The industry could benefit by offering cheaper holidays if tourist workers' wages were further reduced. But Syriza argues that deflating wages across the whole economy to increase the attractiveness of Greek holidays does more harm than good - **once the deflationary effects on total domestic demand are taken into account.**

Varoufakis and his colleagues agree that Greece needs massive reform in its institutions to make it easier to do business, to reduce corruption and to improve tax collection. In a great many points, they agree with the Eurogroup about the changes Greece needs. **But they disagree strongly about their creditors' insistence on further wage decreases and budget austerity. That's the sticking point.**

Given that the consensus of nearly all Eurogroup finance ministers favour the supply-side policies inspired by neoclassical economics, they're likely to win the contest of wills against Syriza's post-Keynesians. What isn't clear is whether the Eurogroup's prescriptions will on balance help or harm Greece's economic recovery. - Author: Nils Zimmermann

Ref: <http://www.msn.com/en-ca/money/topstories/rival-economic-theories-torpedo-greek-negotiations/ar-AAcx599>

"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) 9600 0677

Subscription \$45.00 p.a.

DUTCH CITY TO EXPERIMENT WITH UNIVERSAL 'BASIC INCOME' by Louis Doré



The University College Utrecht has paired with the city to see if a system of welfare without requirements will produce an efficient society.

The Dutch city of Utrecht will start an experiment which hopes to determine whether society works effectively with universal, unconditional income introduced. The city has paired up with the local university to establish whether the concept of 'basic income' can work in real life, and plans to begin the experiment at the end of the summer holidays. Basic income is a universal, unconditional form of payment to individuals, which covers their living costs. The concept is to allow people to choose to work more flexible hours in a less regimented society, allowing more time for care, volunteering and study. The Netherlands as a country is no stranger to less traditional work environments - it has the highest proportion of part time workers in the EU, 46.1 per cent. However, Utrecht's experiment with welfare is expected to be the first of its kind in the country.

Alderman for Work and Income Victor Everhardt told DeStad Utrecht:

"One group will have compensation and consideration for an allowance, another group with a basic income without rules and of course a control group which adhere to the current rules. Our data shows that less than 1.5 percent abuse the welfare, but, before we get into all kinds of principled debate about whether we should or should not enter, we need to first examine if basic income even really works.

What happens if someone gets a monthly amount without rules and controls?

(Editor's comment: Must admit the Alderman's concern for "someone getting a monthly amount without rules and controls" amused me greatly. There are many financially rich people who already get more than adequate 'monthly amounts' without rules and controls. Does his concern cover only the poor and the needy? Only those who depend on some sort of welfare?)

He continues: Will someone [be] sitting passively at home or do people develop themselves and provide a meaningful contribution to our society?"

*The city is also planning to talk to other municipalities about setting up similar experiments, including Nijmegen, Wageningen, Tilburg and Groningen, awaiting permission from The Hague in order to do so.

Ref: <http://www.independent.co.uk/news/world/europe/dutch-city-of-utrecht-to-experiment-with-a-universal-unconditional-income-10345595.html>

CANADA'S NEW DEMOCRATS

This fellow is seeking funds for his political party:

Friend,

Here we go again – economists are warning that Canada could sink into a second recession under Stephen Harper's watch.

Incomes are dropping while household debt is rising. And there are 200,000 more Canadians out-of-work today than before the last recession.

It's clear that Harper's plan just isn't working. But it doesn't have to be this way.

Chip in \$5, or whatever you can, to help Tom Mulcair's NDP defeat Stephen Harper and bring change to Ottawa.

Wallace Klinck responded to him:

Hello Nathan,

And what would the NDP do to right the situation? I seem to recall that former NDP Premier Dave Barrett of British Columbia came down hard on Labour during an international financial exchange "crisis" some years ago.

And where does recently elected NDP Premier Notley of Alberta seek financial advice but from a former Governor of the Bank of Canada! Like putting the fox in the chicken house! As everyone knows, or should know, the entire political spectrum, Left, Right and Centre, is fully controlled by the false tenets, destructive policies and pervasive threats of Orthodox Finance. We need emancipation—not continued slavery.

I certainly hope that we have more Canadians "unemployed" than previously. It would hardly be a credit to our labour-saving technology were this not the case. Any sane and rational economy does not exist to provide "work" but, rather, to deliver goods and services for mankind with an absolute minimum of effort and bother for everyone. To say otherwise is to exalt inefficiency—or useless and destructive activity merely for the purpose of distributing financial incomes—which amounts essentially to the same thing, viz., idolatry. NDP enthusiasts are at best "knights in rusty armour" who have never understood the purpose or potential of economics, or the nature of the perverse financial credit system under which it now operates so dysfunctionally—much less the nature of a proper financial dispensation capable of fully serving the needs of distribution in an age of abundance—and those of civilization in general.

Sincerely

Wallace Klinck

=====

National Financial and Economic Power

I think for the Dutch experiment to work for their people, the national leaders need to adopt a policy for financing the Basic Income along the lines of the 1949 Principle No.12 of the Liberals' "We Believe" Statement:

"We believe that National Financial and Economic Power and Policy are not to be designed to control men's lives, but to create a climate in which men may be enabled to work out their own salvation in their own way." In which case the finance for such a scheme should be based on the real credit of the people of Holland – the Social Credit. It should be new money – not redistributed money acquired by government through taxation.

DON'T SELL AUSTRALIA OUT

When the shearing sheds are silent and the stock camp's fallen quiet.
When the gidgee coals no longer glow across the outback night.
And the bush is forced to hang a sign, "gone broke and won't be back",
And the spirits fear to find a way beyond the beaten track.
When harvesters stand derelict upon the wind swept plains,
And brave hearts pin their hopes no more on the chance of loving rains,
When a hundred outback settlements are ghost towns overnight,
When we've lost the drive and heart we had to once more see us right.
When "Pioneer" means stereo and "Digger" some backhoe,
And the "Outback" is behind the house. There's nowhere else to go.
And "Anzac" is a biscuit brand and probably foreign owned,
And education really means, brainwashed and neatly cloned.
When you have to bake a loaf of bread to make a decent crust,
And our heritage once enshrined in gold is crumbling to dust.
And old folks pay their camping fees on land for which they fought,
And fishing is a great escape that is until you're caught.
When you see our kids with Yankee caps and resentment in their eyes,
And the soaring crime and hopeless hearts is no longer a surprise,
When the name of R.M. Williams is some yuppie clothing brand,
Not a product of our heritage that grew from off the land.
When offering a hand makes people think you'll amputate,
And two dogs humping in the street is what you call a "Mate".
When "Political Correctness" has replaced all common sense,
When you're forced to see it their way, there's no sitting on the fence.
Yes one day you might find yourself an outcast in this land,
Perhaps your heart will tell you then "I should have made a stand",
Just go and ask the farmers, that should remove all doubt,
Then join the swelling ranks who say, "Don't sell Australia Out".
By Chris Long

- - David Pascoe's Facebook Page

MARINE LE PEN LAUDS GREEK VOTE AS WIN OVER "EU OLIGARCHY"

by Leila Abboud

French far-right leader Marine Le Pen welcomed the early results of the Greek referendum on terms for a bailout from Europe as initial tallies showed the 'No' camp leading with results still being counted.

Le Pen, the leader of the anti-immigration, anti-euro National Front party, said in a statement that the anticipated result was a victory against "the oligarchy of the European Union".

"This 'No' from the Greek people must pave the way for a healthy new approach," said Le Pen.

"European countries should take advantage of this event to gather around the negotiating table, take stock of the failure of the euro and austerity, and organise the dissolution of the single currency system, which is needed to get back to real growth, employment and debt reduction."

Le Pen's star has been on the rise in France and in Europe in the past year since her National Front party performed well in European parliamentary and French regional elections. Surveys suggest she could make the second-round run-off in the 2017 presidential election, if not win outright.

She has sought to capitalise on discontent over Socialist President Francois Hollande's handling of the economy and rising unemployment, and has made Europe's management of the Greek crisis a particular target for critique.

Her party's platform supports the end of the common currency zone and a return to more national-based policies on everything from immigration to the economy.

Ref:

<http://www.reuters.com/article/2015/07/05/eurozone-greece-france-lepen-idUSL8N0ZL0TX20150705>

A TROJAN HORSE IN THE HOME OF AUSTERITY by Pepe Escobar Greece invented democracy. Greek mythology forged the way the West looks at itself. Greece even invented the denomination of this Eurasian annex – "Europa".

*"For it is only criminals
who presume to damage other people nowadays
without the aid of philosophy."
Robert Musil, The Man Without Qualities.*

Odysseus/Ulysses took ten years to go back home after the Trojan War. His descendants are now making history in the original home of democracy. And they are not going anywhere. They have already placed their Trojan horse in the home of intolerance and austerity. There's no turning back from restoring dignity. And if the Muses rule it, it will be back to the drachma.

The so-called EU "institutions" – along with cosmically mediocre politicians of wealthy EU nations — behaved like barbarians all along, proving, graphically, how the whole Kafkaesque EU construction hates democracy with a vengeance.

Brussels and Berlin proved they are in the regime change business. Updating the exceptionalists on Iraq in 2003, they were advocating the destruction of a democratically elected government via economic Shock and Awe. Their subsequent wet dream was to impose renewed austerity on an interim, unelected technocratic government.

(continued next page)

(continued from previous page)

EC Wants Greece to Remain in Eurozone Despite Widened Gap

This past week, relentless scare tactics – deployed by Jeroen Dijsselbloem, the Eurogroup chairman, or European Commission (EC) president and certified opportunist Jean-Claude Juncker — asserted that voting “No” would mean a Grexit. Now, the real possibility of a Grexit is threatening to destroy the euro.

The utmost fear of these cosmically mediocre politicians is that other European democracies – starting with Spain in the fall – would start forcefully saying “No” to the austerity obsession.

The mere fact that this is already happening is the ultimate indictment of the troika, whose one size fits all recipe always translates into recession, unemployment and widespread poverty. Their notion of Europe is dead and buried.

Everything is unsustainable

Now it's the real Thermopylae moment. Do or die. There's no roadmap, yet, on how Greece may survive in the eurozone without shattering its already hurt and ailing society. That would imply the end of deeply anti-European policies.

This Tuesday's summit involving Chancellor Merkel and French President Hollande reveals the last-minute desperation of the cosmically mediocre politicians. Merkel now runs a real risk of passing into history as the one who provoked Grexit. And Grexit – as painful as it may be – remains a solution. Greece's debt is absolutely “unsustainable” – as newspeak goes. Some form of “restructuring” is inevitable. This means a new bailout has to be ironed out by the finance ministers of the eurozone. It may take weeks to forge a new deal. In the short term, the European Central Bank (ECB) is on a very long tightrope, having to decide what to do with the Greek banking system.

The Greek people benefited from less than 10% of the 240 billion euro bailout. Essentially German and French commercial banks were bailed out – as Greece was forced to take “emergency loans” to pay them. And to get these loans Athens was forced to impose austerity and cringe under neoliberalism run amok. All evidence suggests the eurozone will continue to play hardball. Even though the IMF itself admits some debt relief is inevitable. Even though Merkel herself, in a bit of NSA spying released by Wikileaks, admitted (way back in October 2011) that Greece's debt was “unsustainable”.

Greek government debt is still a whopping 320 billion euros, 78% of it owed to the troika. And still the troika is tempted to turn on the screw even more – now using the tactic of empty ATMs leading to regime change. Yet this may all backfire and precipitate – what else — Grexit.

And Grexit will be just the start of a whole new Sophocles-inspired tragedy. Once one nation breaks with the single currency, the monetary union itself is totally exposed. The (Neoliberal) Goddess of the Market will be eagerly looking for the next victim – Spain, Italy, Ireland.

The democracy Trojan horse now lies, in silence, in the home of austerity. The battle is about to begin.

Ref: <http://sputniknews.com/columnists/20150706/1024268950.html>

EUROZONE PROFITEERS: HOW GERMAN AND FRENCH BANKS HELPED BANKRUPT GREECE

By Pratap Chatterjee



This article was published before the Greeks voted “no” in the referendum on austerity.

Alexander Tsipras, the prime minister of Greece, has called a national referendum this Sunday to call the bluff of the European Union and International Monetary Fund who are trying to force his country to accept severe austerity in return for effectively rolling over much of the countries' debt.

Today Greece owes its creditors €323 billion (\$366 billion), some 175 percent of the country's gross domestic product. How did it end up owing so much money?

“We should be clear: almost none of the huge amount of money loaned to Greece has actually gone there,” Joseph Stiglitz, former chief economist of the World Bank and a Nobel Prize winner in economics, wrote in the *Guardian* newspaper today. “It has gone to pay out private-sector creditors – including German and French banks.”

A recent CorpWatch report - The EuroZone Profiteers - can help shed further light on this matter. While it's true that corrupt Greek politicians borrowed billions for shaky government schemes from these banks, there was a very good reason that the financiers made these rash loans: they were under pressure from European Union bureaucrats to compete in a global marketplace with U.K. and U.S. banks.

Take the German banks. While Anglo-American banking is dominated by many branches of a few major banks, Germany had some 4,000 unique institutions in 1990 that made up a three-pillar system of savings banks, co-operative banks, and private banks. These banks lived modestly on minuscule profits of one percent in comparison to Britain's four mega-banks, which boasted returns as high as 30 percent on equity. Under pressure from Brussels, the German government agreed to push some of the bigger banks to become more “market oriented” by withdrawing state guarantees known as “anstaatslast” and “gewährträgerhaftung” to back them up in times of failure.

Likewise Prime Minister Jacques Chirac began a process of privatizing French banks in the late 1980s to “shoulder its responsibilities to the business community.” (The banks that had been nationalized over time by General Charles de Gaulle in 1945 and by President Pierre Mauroy in 1982) Like the Germans, the French banks enjoyed state protection, and thus were easily able to raise money to lend out.

The European Union was firmly behind this since they wanted European entities to compete on a global stage. “Sometimes it is said that competition is not to the benefit of all: It can favour larger firms, but hurt smaller businesses. I do not share this view,” Mario Monti, the European competition commissioner, said in October 1997. “Naturally, competition will reward greater efficiency. It will put pressure on less-performing companies and on sectors already suffering from structural problems.”

Ref: <http://www.globalresearch.ca/eurozone-profiteers-how-german-and-french-banks-helped-bankrupt-greece-2/5460786#sthash.x8W8BawV.dpuf>

ICELAND, THE LAND OF FREEDOM AND TRUE DEMOCRACY, GROWS BOOMING ECONOMY AFTER JAILING BANKSTER CRIMINALS by J. D. Heyes

Banks around the world are no longer the quaint little savings-and-loan depositories of yesterday. Today, most of them are owned or co-opted by giant mega-wealthy criminal conglomerates that charge customers for everything from cash deposits to ATM fees. One Western country finally figured out that allowing these criminal enterprises to continue operating business as usual was hurting growth and destroying its economy, so its government decided to make some serious reforms. Instead of bailing out the big criminal banking enterprises, Iceland instead chose to try, convict and *jail* criminal banksters. And as a result, the country has the fastest recovering economy in all of fiscally moribund Europe.

Public faith being restored with economy

As reported by *The AntiMedia*:

After Iceland suffered a heavy hit in the 2008-2009 financial crisis, which famously resulted in convictions and jail terms for a number of top banking executives, the IMF now says the country has managed to achieve economic recovery—"without compromising its welfare model," which includes universal healthcare and education. In fact, Iceland is on track to become the first European country that suffered in the financial meltdown to "surpass its pre-crisis peak of economic output"—essentially proving to the U.S. that bailing out "too big to fail" banks wasn't the way to go.

What is unfortunate is that Iceland seems to be the lone exception in how the country chose to handle the economic disaster: Rather than commit hundreds of billions in currency to preserving what was obviously a failed business model, the government simply let the banks fail, a decision which resulted in about \$85 billion worth of defaults.

But that figure nevertheless gave the government ample justification to prosecute and convict a number of bank executives over a raft of fraud-related charges. And while the decision to proceed in that manner shocked a number of governments and financial "experts" at the time, it was a gamble that has since paid off.

Contrast Iceland's decision with the U.S. decision to bail out its global banks and allow the bank executives to get away with defrauding the country of trillions in assets; essentially, all the government did was levy fines that ultimately were paid by corporations. So the executives essentially got away scot-free.

"Why should we have a part of our society that is not being policed or without responsibility?" special prosecutor Olafur Hauksson said following a decision by Iceland's Supreme Court to uphold the convictions for three bankers, sentencing them to between four and five and a half years each. "It is dangerous that someone is too big to investigate—it gives a sense there is a safe haven."

Icelander debt is also decreasing

Hauksson, a one-time police officer from a small Iceland fishing village, wound up taking the role of special prosecutor after he was asked to do so when the job announcement initially drew no takers.

In addition, Iceland's parliament helped the prosecutorial effort by relaxing secrecy laws, giving Hauksson the ability to conduct his investigations without the need of court orders.

Thus far, six of the seven convictions that were referred to the Iceland Supreme Court have been upheld; as of February, five other cases were scheduled for the nation's top court to hear. Further, an additional 14 cases look likely to be prosecuted.

As *The AntiMedia* further reported, that won't be the case in the U.S.:

By contrast, the animosity Americans felt toward their largest financial institutions after the bailout has grown bitter. After the banks pled guilty in May for manipulating global currency and interest rates, the court imposed a paltry fine of \$5.7 billion—which won't even go to the people most affected by the fraud. Iceland's successful prosecutions and economic recovery remain the subject of envy for Americans.

Iceland's credit status has also improved as its public debt has fallen as well, according to global credit rating agency Moody's.

Ref: <http://www.globalresearch.ca/iceland-the-land-of-freedom-and-true-democracy-grows-booming-economy-after-jailing-bankster-criminals/5460210>

**VERITAS BOOKS IS HAVING AN EoFY+ SALE
until July 31st 2015**

40% discount on all stock items @ veritasbooks.com.au

LEAGUE'S WEBSITE ADDRESS: www.alor.org/

THE LEAGUE'S BOOK SERVICES: —

When ordering journals, '*On Target*' and '*New Times Survey*'

– Please make Cheques/Money Orders payable to—

'ALOR Journals' .

For educational books, videos and DVDs, etc. please make Cheques/Money Orders payable to —

'Heritage Bookshop Services'

For donations to the League please make payments to

'Australian League of Rights' or 'ALOR'

Books are available at meetings, at our Melbourne bookshop or by mail order from the following addresses:

Victoria, Tasmania: Heritage Bookshop,

2nd Floor, 145 Russell Street,

Melbourne, 3000

(G.P.O. Box 1052, Melbourne, 3001).

Phone: (03) 9600 0677

South Australia

Heritage Book Mailing Service,

P.O. Box 27, Happy Valley, 5159.

Phone: (08) 7123 7131;

All Other States: To either Victorian or South Australian addresses.

VERITASBOOKS ONLINE: <http://veritasbooks.com.au/>

<http://www.alor.org/avLibrary/index.php>