

The Globalism Column

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Graham Strachan



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IRRATIONAL 'RATIONALISM'

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Economic rationalism is an economic policy, an approach to economic decision making. It is not itself an economic theory. The theory it purports to implement is free market theory, although as will be seen, it is at best a distorted version of free market theory that is involved.

But first the meaning of the word 'rational'. Many people assume it means what it ordinarily means, 'sane, sensible, not foolish, absurd or extreme'. Not so.

In his book "The Death of Economics"(1994), Paul Ormerod describes the appropriation of the word 'rational' to economic rationalism as 'a propaganda coup of the highest order'. It carries the implication that any criticisms of it, or any alternatives put forward, are by definition 'irrational', and hence not worthy of serious consideration [p.111-2].

The 'rational' in economic rationalism comes from philosophy where it means 'guided by reason as opposed to emotions'. Now the term 'emotions' covers a wide field, and includes things like 'consideration for people', or 'sympathy for the plight of human beings', ethical considerations. These things have to be excluded from the economic equation as a matter of policy.

From philosophy the term was applied to the rising 'scientific management' in the late nineteenth century. Scientific management (sometimes called Taylorism after its originator, Frederick Winslow Taylor)(1)involved the breaking down of jobs into a series of steps which could be performed by a number of different operatives doing repetitive tasks. This de-skilled and dehumanised the work, and it was known as the 'rationalisation' of work: the organisation of work without regard for the people who did it. People became 'human resources', just another aspect of the production process like raw

materials and packaging. **To the economic rationalist, people have no other function on earth than as adjuncts to the economic system.**

In short 'rational' means without regard for humans, and economic rationalism is the policy that in the making of economic decisions, their effect on people, or the community at large, is not a 'rational' consideration. Now if you think this is an exaggeration, consider this: the Hilmer Report, an influential document in the implementation of economic rationalism in Australia states, at p.99: '....in determining questions of public benefit, primary emphasis should be placed on economic efficiency considerations'. So if you've been wondering why governments no longer seem to care about the hardship caused by present economic policies on the people of the world, that's why. If you've been wondering why the word 'rationalise' invariably means 'downsizing' a company and the shedding of labour, that's why.

Some of you might also be wondering what's 'rational' (in the sense of 'sane, sensible, not foolish, absurd, or extreme'), about an economic policy for human beings which specifically excludes its effect on human beings from the economic equation. The answer is, there is nothing rational about it at all. Economic rationalism is about as 'irrational' as it gets. Put bluntly, it involves the insatiable pursuit of profit, and to hell with the human race and its environment.

References:

(1) Paul Ormerod, "The Death of Economics" (1994) p.111-2.

(2) Harry Braverman, "Labor and Monopoly Capital"(1974), Chapter 4, esp. p.91.

THE REAL FREE MARKET ECONOMICS

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The economic theory underlying the policy known as 'economic rationalism' is supposed to be free market theory. As we will see, the resemblance to genuine free market theory is at best superficial.

THE CLASSICAL PERIOD

Classical free market economic theory originated with Adam Smith and David Ricardo in the early days of the Industrial Revolution (late 1700s, early 1800s). It was intended to apply under certain conditions and certain conditions only, namely:

(1) All business was small-to-medium sized and entrepreneurial (not corporate). Mostly the people who ran the business owned the business, and financed it with their own capital, or capital raised in partnership with others (1). There were stock exchanges, but corporations (joint stock companies) were rare and required a special act of parliament, so there were few of them listed (2).

(2) The free market was defined as a market of potentially unlimited numbers of these small/medium sized businesses, competing on a more or less equal footing, in a market which newcomers could freely enter, and in which none could control prices.

(3) The economy was national; capital must not flow freely across national borders or the theory did not hold (Ricardo)(5).

(4) The market had to be supervised by a sovereign government which (a) protected the public interest (b) made sure all businesses played by the rules (c) provided a stable currency, and (d) ran public utilities, which were regarded as not profitable for private enterprise.

THE NEO-CLASSICAL PERIOD

During the 1800s academic economists got hold of the theory and elaborated on it, incorporating its basic assumptions into mathematical models which were intended to predict economic trends. But as the century proceeded the predictions became progressively wider of the mark. Nearly all the basic assumptions on which free market theory was based no longer applied:

(1) From the 1840s on, business could incorporate, which meant the people who owned the business usually no longer ran it, and it had perpetual succession like the nation state.

Shares could be traded on the stock exchange, and the fiction of the 'corporate personality' meant that companies could own other companies.

(2) Big business was buying up and consolidating the small/medium sized businesses with borrowed money, combining them into monopolies and cartels which could control production and prices, and which made competition in the marketplace anything but equal. It became increasingly difficult for newcomers to enter the marketplace.

(3) Capital was starting to flow freely across national borders.

In short, the rise of big business destroyed the possibility of the free market as defined by free market theory.

Bankruptcies and unemployment increased, so that governments were obliged to intervene in the public interest and exert controls on big business (3). The American Sherman anti-trust laws (like Australia's Trade Practices Act) emerged from this.

In particular, governments as a matter of social policy protected small/medium sized businesses with tariffs and subsidies, and allowed them exemptions under anti-monopoly legislation. This enabled them to form buying and selling cooperatives, and to exert power which 'countervailed' that of the developing conglomerates. The result became known as the Mixed Economy, and this, a combination of the market and government controls, was the system which built the wealth of the developed world. As Galbraith wrote in 1958, "...the support of countervailing power has become in modern times perhaps the major domestic peacetime function of the federal government (4).

Meanwhile, the monopolist mind was at work. How to control governments and get them out of the way so corporations could proceed without restrictions? Stay tuned.

REFERENCES:

(1) Sima Lieberman, Ed., "Europe and the Industrial Revolution' (1972) esp. p.425.

(2) Herbert Heaton, 'Economic History of Europe' (1948) pp. 360-366.

(3) See Funk and Wagnalls Encyclopaedia under 'laissez-faire', and J.K.Galbraith, 'The Affluent Society' (1958).

(4) 'The Affluent Society' p.150.

(5) Paul Ormerod, 'The Death of Economics'(1994), p.17: 'Ricardo was careful to point out that his theory was dependent upon the assumption that funds available to invest in industry....did not flow freely from one country to another.

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GAINING CONTROL OF GOVERNMENTS

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Recalling the ad featuring the man with an electric razor who 'was so impressed with the product he bought the company', one might imagine a conversation between two monopoly capitalists. One says to the other, 'What do you think of Australia?' The other replies, 'Australia? We were so impressed with the country we bought the government'. How does big business come to own and control governments? The answer is simple: DEBT.

To understand how this comes about, one has to realise that practically all of the world's money is in private hands, and not too many hands at that. A few wealthy international banking houses control nearly all of it. Most governments have the Constitutional power to create and issue their own (even interest-free) money as a medium of exchange, but few elect to do so. Why they don't is another story, but generally their power over the nation's money is limited to the minting of currency which, compared to the total amount of 'money' in circulation, amounts to little more than loose change.

The practice has developed that, if governments need more money than they collect in taxes, instead of simply issuing some more, which they could, they borrow it from private international bankers at interest. There are government-sounding banks like the Bank of England, the American Federal Reserve System, and the International Monetary Fund (IMF), but they are not government owned or controlled. They are private corporations claiming the right to create the world's money as interest bearing debt (1).

Between the Great Depression of the 1930s and the late 1970s, most of the governments in the world were induced to borrow money from international bankers at interest, and what we now call the 'national debt' became a part of economic life. Australia owes around \$220 billion, while the American national debt is a staggering \$5 trillion! Yes, the world's richest country is \$5 trillion in debt to private international bankers.

The economic theory which induced countries to borrow this money was called Keynesianism, after its inventor John Maynard (Lord) Keynes (2). According to this theory, the ups and downs of the 'business cycle' were to be smoothed out by government spending. Governments would increase spending during

recessions, and decrease it during boom times. Predictably the latter requirement was soon forgotten, especially when governments realised they could buy votes by directing spending at 'voting blocs'.

In addition, a whole series of socialist welfare schemes were devised by governments, providing benefits from cradle to grave, and all of which cost money. The shortfall between what governments collected in taxes and the costs of all these schemes was borrowed from international bankers at interest. On top of that, by some strange accounting convention, private corporate debt (money borrowed for acquisitions and mergers) came to be lumped in with government debt and called 'national'. [Though I have been assured that the Australian people are not 'responsible' for the private component, I frankly am not convinced that is true].

The result was that by the late 1970s most governments in the developed world were up to their ears in debt, and as the saying goes, 'the borrower is servant to the lender'. During the early 1980s, representatives of the lenders were moved into Treasury Departments, including Australia's, and preparations were made for a new sort of economic policy to be implemented (3).

In Britain it was called 'Thatcherism', in America 'Reaganomics', in Australia 'economic rationalism', but wherever it was applied it was identifiable by the same programme: 'deregulation' of economies through the removal of tariffs and subsidies for small/medium sized businesses and family farmers; abolition of exemptions for small/medium sized businesses under anti-monopoly legislation; removal of controls over the entry and activities of multinational corporations; dismantling of collective bargaining (unions) and central wage-fixing; floating of currencies; removal of restrictions on the flow of money in and out of the country; deregulating banking systems to allow in foreign banks; winding down industries producing for the local economy, producing instead for export while importing even basic foodstuffs; the 'privatisation' of public utilities by selling them to multinational consortiums; and so on. Justifying all this were slogans about 'increased competition' and 'level playing fields', 'J-curves', 'trickle-down' theories, and 'market forces'(4).

All this sounded very much like neo-classical free market economics risen from the dead, and many economists took it (and apparently still do) to be exactly that. It was nothing of the sort, as will be shown.

Overnight, the 'caring sharing compassionate society' which characterised the welfare state was turned on its head. The world was now to be organised to suit the purposes of big business, while the fate of the citizenry was to be abandoned, by its own government, to the care of 'market forces'. According to economic rationalists these, like the Pied Piper's flute, were going to lead the world to a capitalist Utopia, a consumer heaven. The reality is going to be something very different, as we shall see.

REFERENCES:

- (1) See Eustace Mullins, 'Secrets of the Federal Reserve: the London Connection' (1991).
- (2) J.M. Keynes, 'The General Theory of Employment, Interest and Money' (1936).
- (3) Michael Pusey, 'Economic Rationalism in Canberra: a Nation-building State Changes Its Mind' (1991).
- (4) See Russell Mathews 'Financial Markets and Failed Economic Policies', an essay reviewed in News Weekly, July 27, 1996.

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THE NEW 'FREE MARKET': OLIGOPOLY

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Time now to consider whether economic rationalism really is 'neo-classical free market economics' risen from the dead, or whether it is something else. It will be recalled that a genuine free market was a market of potentially unlimited numbers of small/medium sized businesses (entrepreneurial not corporate), competing on a more or less equal footing, in a marketplace which newcomers could freely enter, and in which none could control price, supervised by a sovereign government. In such a market consumer demand would inspire entrepreneurs to start business and develop new products which competition would then ensure were of highest quality and sold to the consumer at the lowest possible price. That was the theory (1)

However, the moment big business came into being, from about 1865 onwards(2), a true free market became impossible. Through the legal fiction of the 'corporate personality' (by which the law regards a corporation as a person) corporations could own other corporations. This permitted monopoly capitalists to buy up companies with money borrowed from banks, and to consolidate them into ever-growing conglomerates capable of eliminating competition, manipulating markets, preventing newcomers from entering them, controlling prices, and exerting pressure on governments for concessions. In the presence of big business the 'free' market inevitably resulted in OLIGOPOLY: market domination by a few large firms, with a number of smaller competitors struggling for survival in unequal competition with them(3).

Oligopoly has all the disadvantages of outright monopoly. Tacit agreements develop between the oligopolists whereby they avoid outright price wars (which would be damaging to all) and engage instead in high profile jostling over market share through expensive advertising campaigns of the type regularly seen on TV. Nobody seriously suggested that oligopoly was a competitive free market, or that it could deliver the benefits of a competitive free market(4).

Economist J.K.Galbraith wrote: '....a vast difference separates oligopoly from the competition of the competitive model....the power exercised by a few large firms is different only in degree and precision of its exercise from that of a single-firm monopoly....not only does oligopoly lead away from the world of competition....but it leads toward the world of monopoly. In the....oligopoly, the practical barriers to entry and the convention against price competition have eliminated the self-generating capacity of competition'. Even standard textbooks say, '[It is necessary] to distinguish between the characteristics of a purely competitive market and those of....oligopoly'(5).

Observe, then, how that Australian bible of economic rationalism, The Hilmer Report: National Competition Policy (1993) defines the new 'free market' which will carry the world into the 21st century:

'Early economic work suggested that large numbers of competitors were important for the effective working of competitive forces. However in some cases competition between a few large firms may provide more economic benefit than competition between a large number of small firms.'[p.3].

What the Hilmer Report is defining as the new replacement 'free market' is patently OLIGOPOLY. Not only that, but the claim is that it will provide MORE economic benefit than a genuine free market. (The author does add 'in some cases', a qualification soon overlooked by economic rationalists. There will be no other cases. And the question goes begging: of 'more economic benefit' to whom? The general public, or big business?).

The Report then claims that all the classic advantages of a genuine free market will accrue from oligopoly. According to Hilmer, it will 'provide the spur for businesses to improve their performance, develop new products and respond to changing circumstances....offer the promise of lower prices and improved choice for consumers and....increased employment opportunities for the community as a whole [Hilmer Report p.1]. It even tends to promote equal treatment of workers according to race and sex [Hilmer Report p.5]. How politically correct!

Galbraith, on the other hand, states unequivocally that, with oligopoly, 'There is no longer any certainty of technical advance....prices no longer reflect the ebb and flow of consumer demand....and it leads to profitable and comfortable stagnation'(6). It leads to worse than that, as will be shown in forthcoming articles.

One of the reasons the world threw out free market economics in the first place and adopted the Mixed Economy model was because an unregulated market, in the presence of big business and without government intervention, led inexorably to OLIGOPOLY. It became apparent that without government policies to protect the wider community, big business would ultimately end up owning and controlling all the economic assets and activity within nations, and ultimately the world. Now oligopoly is back, redefined as the new 'free market' in a policy known as 'economic rationalism' which governments in debt seem obliged to implement(7), and the 'rational' element of which forbids concern for its social effects(8). By now it should be becoming apparent what economic rationalism is really all about. More next week.

(1) Adam Smith, "The Wealth of Nations"(1776).

(2) C. Northcote Parkinson, 'The Rise of Big Business'(1977), p. 105.

(3) J.K.Galbraith, 'The Affluent Society'(1958), p.44.

(4) J.K. Galbraith, 'American Capitalism: the Concept of Countervailing Power'(1956), pp.55, 60, 57, 127.

(5) Jackson and McConnell, 'Economics: Australian Edition'(1980) at p.424.

(6) 'American Capitalism', p.55.

(7) See [Article 3 in this series](#) ('Gaining Control of Governments').

(8) See [Article 1 in this series](#) ('Irrational Rationalism').

The Competition Hoax

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The fundamental lie underpinning economic rationalism is that oligopoly is a competitive market, and can deliver all the theoretical benefits of a competitive market (1). Building on that false premise, economic rationalism then employs free market principles and terms, but they produce quite different results from those originally intended. One such principle is 'deregulation'.

Genuine free market theory held that to be competitive, a market had to be free from government regulation. The reason for that has been obscured: such regulation distorted the PRICE MECHANISM, the means by which information is carried to the market, and which is therefore crucial to the operation of the competitive forces. Milton Friedman says: 'Anything that prevents prices from expressing freely the conditions of demand or supply interferes with the transmission of accurate information', thereby negating the competitive forces of the market (2).

What the economic rationalist does not tell you is that government regulation is not the only thing that can distort the price mechanism. Big business, through its ability to control markets and manipulate prices does precisely that (which is why oligopoly was not, is not, and can never be a competitive market).

Governments at the turn of the century were aware of this, and reasoned that if an unregulated market led to oligopoly, which distorted the price mechanism anyway, there was no point in outlawing government regulation. Quite the contrary: government regulation could be used to counteract the effects of oligopoly. The result would be a mixture of market forces, oligopoly, and government controls, but it would operate for the public benefit. And it did. This was the principle underlying the Mixed Economy, which built the wealth of the developed world. As Noam Chomsky has pointed out, no developed economy has ever been built on an unregulated market. Those that have tried have ended up 'basket cases' (3).

The Mixed Economy was a mixture of controls on big business which curbed the effects of oligopoly and outright monopoly, and measures that helped small/medium sized businesses compete with big business. Those measures included tariffs and subsidies, and exemptions under anti-monopoly legislation which enabled small businesses to form buying and selling cooperatives, and to build up what J.K.Galbraith called COUNTERVAILING POWER, power which counterbalanced (counterbalanced) that of the oligopolists. Writing in 1958 Galbraith went so far as to say, '....the support of countervailing power has become in modern times perhaps the major domestic peace time function of the federal government' (4).

Come the early 1980s, governments now heavily in debt to international finance (which also finances big business) were instructed to implement economic rationalism, a major component of which was 'deregulation'. This involved not only the removal of the government controls on big business, but also of the measures that helped smaller businesses build up countervailing power and compete. The alleged purpose was to reintroduce 'market forces' and re-establish 'competition'. In fact it abolished those things by eliminating the ability of smaller businesses to build up countervailing power. The result was

NOT a competitive market, but unregulated oligopoly, a state of affairs which can serve only to CONSOLIDATE THE HOLD BIG BUSINESS HAS OVER THE MARKETPLACE.

All this was deliberate. The Hilmer Report, recommending the abolition of exemptions for small business under Australia's Trade Practices Act said [p.74]: 'The Committee does not believe that it is the role of the competitive conduct rules to protect any particular sector of society....'. And again [p.79]: 'The committee does not consider that competition policy should be distorted to provide special protection to any interest group, including small business....' In fact the competitive conduct rules and 'deregulation' do provide special protection to an interest group: big business.

Having abolished the government's assistance to the competitive (small) business sector, big business then began demanding the protection and subsidies, confirming that all the talk of the 'free' market and 'competition' was a lie. Only small business will be subject to 'market forces'. **Here are a few recent examples:**

January 21, 1998: Cabinet agreed to provide \$300 million in taxpayer funds to underwrite Australian trade contracts with Korea, after exporters warned that trade....may stall as a result of the Asian currency crisis (6). [The currency 'crisis' was caused by the free market in currencies. Big business wants government protection against its effects].

January 22, 1998: Representatives of the tourism industry emerged from meetings with the Federal Tourism Minister, Mr Thomson, yesterday confident the Howard Government would consider extra funding in the May Budget to help the industry deal with the Asian currency crisis (7).

August 1997: the Howard government announced a \$600 million taxpayer-funded package to help the Australian private health funds which were faced with membership defections (9).

August 1997: 'The chemical giant Du Pont was paid almost \$60 million in government aid to keep manufacturing textiles as tariffs were reduced (8).

Late 1997: The government announced a \$1.26 billion 'Investing for Growth' package which includes a \$556 million increase (sic) in government support for private sector (big business) research and development.

Australia's 'competition policy' is a fraud, intended to remove government protection from small/medium sized Australian-owned business, and to transfer it to the foreign multinationals who now own more than 90% of the country's big business. Furthermore, this regime is about to be made legally enforceable by the [Multilateral Agreement on Investment \(MAI\)](#), a secret agreement which the Australian government is due to sign in May. More on that later.

- REFERENCES: (1) See “The New ‘Free Market’: Oligopoly”, Article 4 in this series.
(2) Milton Friedman, ‘Free To Choose’ (1980) p.35.
(3) Noam Chomsky, ‘Prospects for Democracy’, the Chomsky archive on the Internet.
(4) J.K.Galbraith, ‘The Affluent Society’ (1958), p.150.
(5) The Hilmer Report: National Competition Policy (1993).
(6) Sydney Morning Herald Online, 21/1/98.
(7) Sydney Morning Herald Online, 22/1/98.
(8) The Australian Online, 28/8/97.
(9) The Australian Online, 26/8/97.

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The ‘Privatisation’ Scam

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The other arm of economic rationalism is ‘PRIVATISATION’, which really has little to do with genuine free market theory at all. Economic rationalism requires governments to ‘privatise’ all taxpayer-owned enterprises and public utilities, which means sell them to private interests, which invariably turn out to be foreign multinationals and financial institutions. None of this is required by genuine free market theory.

Nobel Prize-winning economist and jurist, Frederick Hayek, is regarded as one of the world’s foremost advocates of free market economics (2). He makes it very clear that government-run enterprises are quite consistent with a free market provided the government competes in the marketplace on the same terms as everybody else (3). They are inconsistent with a free market only if political power is used to give them an unfair competitive advantage, such as using taxpayers' money to make up losses, or refusing licences to potential competitors. In the latter case it is the monopoly which is anti-competitive, not the government ownership of it.

Even the Australian bible of economic rationalism, The Hilmer Report, concedes this: ‘The ownership of a business is not of itself a matter of direct concern from a competition policy perspective’ (4). In other words privatising a government-owned corporation or public utility will not in itself increase competition. Not only that, but it is likely to be detrimental to the public interest. Privatisation converts a goal of ‘service to the public’ into a goal of ‘profit and bugger the public’, which will almost guarantee there will be price rises, as there always are in practice (5). So privatisation is of no benefit to the public. [There is the nauseating media myth of ‘the mums and dads shareholders’, but purchase by a few of what used to belong to all is not ‘public benefit’].

Privatisation cannot be justified on economic grounds either. The Hilmer Report concedes that rail, electricity, gas and water utilities account for less than 5% of GDP (6). Even if (and there’s no guarantee) a 25% improvement in economic efficiency could be achieved through privatisation (7), the overall return to the taxpayer would be insignificant. ‘Filling black holes in the budget’, while a clever invention by Treasurer Costello, is not the real reason either. The grin is a dead giveaway. The policy of privatisation was well under way before the Howard government even came to power. It was recommended by the Hilmer Report in 1993.

Professor Hilmer, having failed to give any sort of credible reason for the sale of Australia's public assets and utilities ended up saying the following: 'In recent years there has been a WORLD-WIDE TREND in favour of transferring ownership of hitherto public businesses to the private sector' [and even though there is no apparent benefit to the public] 'Nevertheless there is evidence that privatisation MAY increase the efficiency of MANY businesses, WHICH IS CONSISTENT WITH THE OVERALL GOALS OF COMPETITION POLICY' (8).

In other words, the assets have to be sold because the policy says they have to be sold. And why does the policy insist they be sold?

BECAUSE SOMEBODY ELSE WANTS THEM!!

The real goal of 'privatisation' is to achieve precisely what the policy is achieving: not one economic asset of any significance located in Australia, including public assets and utilities, is to remain in the ownership or control of Australian nationals. ALL OF THEM are to be owned by international big business and finance. There is to be no Australian-owned national economy, and the fraudulent policy of 'privatisation' is one of the ways the Australian government can assist the engineers of 'globalisation' to achieve that goal.

REFERENCES

- (1) [See article 5 in this series.](#)
- (2) 'The Political Economy of Freedom' in Levitas (Ed.) 'The Ideology of the New Right' (1986), p.25.
- (3) F.A.Hayek, 'Law, Legislation and Liberty', esp.Vol.III (1979).
- (4) Hilmer Report p.226.
- (5) Jack Keavney, 'Telecommunications: The Time for Truth: the Myths of Deregulation' (1990), pp.17-30.
- (6) Hilmer Report p.11.
- (7) Hilmer Report p.12.
- (8) Hilmer Report p.226. [Emphasis added].

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THE LIES: INCREASED EMPLOYMENT

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How well has economic rationalism delivered on its promises? For a start, let's look at the promises. The Hilmer Report: National Competition Policy' (1993) promised lower prices, improved consumer choice, higher economic growth and 'increased employment opportunities for the economy as a whole' [Hilmer Report, p.1]. What is the reality?

Several trends are clear: a widening gap in wealth between rich and poor; increasing unemployment, with an increasing component of long-term unemployed; an increase in part-time employment which lacks the security and flow-on benefits of full-time employment; increasing reliance on the small business sector for whatever job creation there is; escalating social problems as workers are laid off from the big business sector; increasing youth hopelessness, and the fourth highest youth suicide rate in

the world; a general community obsession with 'a job' and earning a living as the end in life, rather than the means.

All of this has been accompanied by further concentrations of capital: big business is getting bigger, with huge amounts of money being spent on mergers and acquisitions. This has been accompanied by either spectacular profits or spectacular losses and a media obsession with the 'confidence of investors', most of whom do not invest in productive enterprise but make a quick buck capitalising on the daily fluctuations in national currencies on the global money market: the big global casino in which the value of the Australian dollar is determined.

What about Professor Hilmer's 'increased employment opportunities for the community as a whole'? It was at best wishful thinking. The Australian Bureau of Statistics (ABS) has admitted that the true demand for work is much higher than the official government statistics claim. In 1997 it estimated that against an official unemployment figure of 800,300, the number of Australians unemployed and wanting to work, or employed and wanting more work was almost 2.5 million, which is 25 or 30%, depending on which figure is used for the size of the workforce.

The Sydney Morning Herald (October 20, 1997) reported that in the 12 years 1985-1997 (the era of economic rationalism) 3.3 million Australian workers had been retrenched and had to find replacement jobs, in what it described as a 'massive downsizing of the nation's workplace' [Sydney Morning Herald, Monday, October 20, 1997]. Now of a total of only 8.4 million available jobs, only 6.3 million are full time, the rest (26%) are casual or part-time, and that proportion is increasing. Net growth in full-time employment in the 1990s has been zero, due to job destruction by (now foreign-owned) big business.

Long term unemployment is also increasing. In December 1997 the ABS found that 33.6% of unemployed people had been out of a job for more than 12 months, up from 30% eighteen months previously ['The Australian', January 21, 1998].

The fact is that big business, the sole beneficiary of economic rationalism, is a job destroyer. The Sydney Morning Herald, October 20, 1997, reported that between 1990-95 Shell had shed almost 2,000 jobs, Telstra plans to 'cull' 22,000 (now 25,500 since 'privatisation'), the Commonwealth Public Service will be cut by 27,000 permanent positions by the mid-1998, the number of public sector employees in NSW has fallen by 90,000 since May 1991, BHP (now a multinational) will sack 2,500 when it closes its Newcastle plant, and another, 800 at Port Kembla.

The four major banks have eliminated 30,000 full-time jobs since 1991, and are expected to eliminate a further 60,000 by 2005. On December 27, 1997, it was reported that the financial services industry had reduced employment by more than 10 per cent over the past 5 years, despite the sector's burgeoning growth. The finance sector had pared its workforce by 16% since 1991. The insurance workforce had been cut by 35% in this period, despite the managed funds industry's 'spectacular growth'. On January 21, 1998, it was announced that National Mutual and MLC would merge, targeting cost reductions of \$200 million a year over 3 years by 'removing overlapping functions and through staff cuts'.

Big business and government (soon to be 'privatised') are shedding about 300,000 full-time jobs a year - or about 500,000 when part-time work is included.

If challenged about the jobless (rarely by the media which are helping it hide the truth) the federal government invariably points to 'job creation' over previous months. But since big business and government are net job destroyers, all this so-called 'job creation' (for which the government invariably claims credit) is coming from the small business sector, the very sector economic rationalism forbids the government to help. The Hilmer Report states at p. 79: 'The Committee does not consider that competition policy should be distorted to provide special protection to any interest group, including small business...'

Small business has to 'adapt to the modern world' and 'become more competitive', while big business gets taxpayer-funded subsidies and protection (see the Article 'The Competition Hoax' in this series), is allowed to take its profits (\$200 billion per year) out of the country tax-free (Austand report, also Courier Mail 14 January 1998), while happily destroying jobs for Australians with the tacit approval of the federal government.

Meanwhile, Australia's ex-Prime Ministers retire multi-millionaires. As Hamlet said, "Something is rotten in the state of Denmark".

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'PRIVATISATION and Telstra'

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The term 'privatisation' involves two different sorts of activities, one of which is unobjectionable, the other definitely objectionable. The nature of the first is used to conceal the nature of the second.

(1) RE-PRIVATISATION of businesses nationalised in the days when socialism was supposed to be good, but which should never have been part of the public sector in the first place. These include firms like the Jaguar company and Rolls Royce in Britain. The re-privatisation of firms such as these is unobjectionable, because their products are not essential services, and there are usually alternative products available.

(2) PRIVATISATION OF PUBLIC UTILITIES which were never part of the private sector, and were never regarded by genuine free market economic theory as profitable propositions for the private sector. These were always regarded as proper for the government to run, and include services such as power systems, water supply and sewerage systems, health services, and the like. People must have these essential services. They have to be available to rich and poor alike as a matter of social policy, which is why they were always regarded as the proper province of government.

There is nothing objectionable about the private sector entering these fields in competition with governments, but if there is infrastructure involved, such as telecommunications networks, hospitals, rail networks, and power grids, and the government divests itself of these things, then it can no longer ensure that social policy objectives can be met. Apart from that, the control of services essential to the functioning of the society are transferred from public to private control, frequently foreign private

control, which is unaccountable to anyone as to its exercise. Such power should never be in private hands.

PRIVATISATION PROPAGANDA

If there is a propagandist's rule of thumb that says 'a good lie can be recycled indefinitely', the field of 'privatisation' must be a prime example. When Margaret Thatcher began privatising once-nationalised British industries during the early 1980s the myth was invented that they were being bought up by the employees. It was dubbed 'popular capitalism'. The Readers Digest described it as 'Karl Marx's dream (workers owning the factories) coming true', yet instead of revolutionary socialist governments, 'it was free-market privateering governments who were making it a reality'. According to this theory, North Sea Oil is owned by the oil rig workers.

The same stunt had been pulled in America previously. Michael Tanzer, writing in the book 'The Sick Society', referred to it as the "widely ballyhooed 'people's capitalism'" While it was boasted during the early 1970s that 30 million Americans owned shares in corporations, proving that 'everyone was a capitalist', Tanzer referred to authoritative studies which showed that 40% of all the corporate stock in the entire country was owned by just 75,000 individuals.

The idea that Britain's nationalised industries were snapped up by the 'workers', or that Australia's 'privatised' public utilities are now owned by 'the mums and dads of Australia', is pure privatisation propaganda which has been used repeatedly over the years. When the editorialist in the Sydney Morning Herald following the Telstra float wrote, "We are all capitalists now, with 1.2 million Australians buying about \$8 billion of shares in Telstra", she was merely echoing well-worn slogans.

Sometimes even propagandists get carried away with their craft. The Australian editorialist predicted the dawn of the millenium, stating that "the implications of a shareholding Australia" might "be seen by historians as one of the more important sociological developments in Australia in the last decade of the 20th century....[and] involve repercussions across the life of the nation, touching the future of the trade union movement, the shape of welfarism and even specific policy outcomes on matters such as the care of the aged and the young." Really.

The idea that privatised companies were sold to their employees is a sham. Certainly some employees bought stock, but ordinary people grow tired of being speculators and sell their shares. Not only that but they have a habit of dying and leaving their shares to others who then sell them. The private human being lacks the perpetual succession of the corporation. Furthermore, ownership of shares in the expectation of making a bit of a profit is distinct from going to shareholders' meetings and exercising voting rights, even by proxy. Ownership does not necessarily imply control.

Whatever the case, privatised corporations are soon owned and controlled by global big business and finance.

THE PRIVATISATION BUG

Privatisation began in earnest in 1984 Britain sold the Jaguar car company, nationalised by the British government in 1975, back to 'private investors'. In no time at all the whole world was privatising.

Between 1985-88 over 50 countries had adopted some form of privatisation. The trend embraced governments of all ideologies from capitalist to socialist and even communist."

Brazil sold off a dozen state-owned companies in 1986, and listed another 77 to follow.

New Zealand sold its majority holdings in oil and gas producer Petrocorp and New Zealand Steel Ltd, raising a total of \$1063 million.

Between 1985 and 1988 Mexico sold 85 state-owned companies and put another 66 up for sale, including its national airline.

Over the previous 3 years Japan had sold off its telephone system, and national railway.

The French government was selling \$28 billion worth of nationalised assets...26 enterprises.

The reason for it all was said to be the 'sudden realisation', after 50 years of Keynesianism, that 'most state-run enterprises were white elephants', and needed to be propped up with tax subsidies [something unobjectionable in the case of public utilities]. "Many of the industries nationalised by the socialists in 1982 will be returned to the private sector."

One immediately sees the two fundamentally different types of organisation being lumped in together: private enterprises and public utilities. The lie is that if privatisation is good for one, it must be good for the other also.

PRIVATISING PUBLIC UTILITIES

Nothing in genuine free market economic theory requires a government to sell off public utilities. To quote Adam Smith himself, "...those public works which, though they may be in the highest degree advantageous to a great society are, however, of such a nature that the profit could never repay the expense to [private enterprise]."

Professor Hayek makes it very clear that public utilities need not be confined to the armed forces, the police and law courts. "Far from advocating such a 'minimal state', we find it unquestionable that in an advanced society government ought to use its power of raising funds by taxation to provide a number of services which for various reasons cannot be provided, or cannot be provided adequately, by the market."

Hayek then identifies a "wide range of such wholly legitimate activities which, as the administrator of common resources, government may legitimately undertake." These include sanitary and health services, water supply and general roads, and other essential services.

Even the Australian bible of economic rationalism, The Hilmer Report, concedes that "The ownership of a business is not of itself a matter of direct concern from a competition policy perspective". In other words privatising a government-owned corporation or public utility will not in itself increase competition. Not only that, but it is likely to be detrimental to the public interest. Privatisation converts a goal of 'service to the public' into a goal of 'profit regardless of the public', which will almost guarantee there will be price rises, as there always are in practice. So privatisation is of no benefit to the public. Even if 'the mums and dads shareholders' buy some of the shares, purchase by a few of what used to belong to all is not 'public benefit'.

Privatisation cannot be justified on economic grounds either. The Hilmer Report concedes that rail, electricity, gas and water utilities account for less than 5% of GDP. Even if (and there's no guarantee) a 25% improvement in economic efficiency could be achieved through privatisation, the overall return to the taxpayer would be insignificant. 'Filling black holes in the budget', while a clever invention by Treasurer Costello, is not the real reason either. The policy of privatisation was well under way before the Howard government even came to power. It was recommended by the Hilmer Report in 1993.

Professor Hilmer, having failed to give any sort of credible reason for the sale of Australia's public assets and utilities ended up saying the following: 'In recent years there has been a WORLD-WIDE TREND in favour of transferring ownership of hitherto public businesses to the private sector' [and even though there is no apparent benefit to the public] 'Nevertheless there is evidence that privatisation MAY increase the efficiency of MANY businesses, WHICH IS CONSISTENT WITH THE OVERALL GOALS OF COMPETITION POLICY'. In other words, the assets have to be sold because the policy says they have to be sold.

PUBLIC vs. PRIVATE OWNERSHIP

Jack Keavney, an Australian private Quality Control Consultant and believer in private enterprise, makes a valid point: there are some industries where national interests are served more cheaply and efficiently by a publicly-owned enterprise, for example: where it would drastically waste national resources to duplicate the basic infrastructure. Examples are roads and water, electricity grids and the telephone network. He was also uncomfortable with the possibility 'that Australia's telephone network might be owned by anyone but Australians, to see it subject to the vagaries of the stock market, or operated by business barons at home or abroad, or to international politics or any other interests beyond our ultimate control.'

PRIVATISATION OF TELECOMMUNICATIONS

The fact of life in telecommunications is that long distance calls are profitable, while local calls are not. Government monopoly phone companies, as Australia's Telstra used to be, operating on a 'service' not 'profit' motive, have long cross-subsidised the local phone services with revenue from long distance operations. This has met the social policy objective that in the modern era, everybody should have a telephone, rich or poor, including people in remote areas. [In Australia these were called Community Service Obligations (CSOs) and Telstra was required to meet them].

On the other hand about 80% of long distance calls are business calls. The aim of 'privatisation' then, is to get the telecommunications carrier out of government hands so that cross-subsidisation can be abolished, the cost of business calls can be reduced, and profits can be made out of the public by hiking the price of local calls. Win, Win, Win, for big business. Lose, lose, lose for the public who invariably pay more for their local calls, and some of whom will be unable to afford the cost of a phone at all.

Private firms (unless they are a regulated monopoly) by their very nature do not use cross-subsidies to provide universal service. Boards of directors claim quite legitimately that it is the responsibility of governments to achieve national social objectives, not theirs. Fine, but to do so a governments need to own a telecommunications network. Once it sells it, how are the social objectives to be achieved? The

short answer is, they're not. When the phone system is privatised, many low-income households are forced to drop off the system.

TELECOMMUNICATIONS: THE AMERICAN ROAD

Until 1984, America's telephone system was dominated by a large private monopoly, American Telephones and Telegraphs (AT&T), commonly known as the Bell System. It worked fine. During the 50 years preceding the 1984 breakup, the real price of telephone services had actually gone down 60%.

Then on January 1, 1984, the Bell System was broken up following an anti-trust (anti-monopoly) suit and 'privatised' in the interests of 'greater competition'. AT&T was made to divest itself of its 22 operating companies. The cost of the divestiture itself exceeded \$1 billion, in legal and consultancy fees, all of which had to be paid by the consumer, who of course had no say in the matter. The breakup of the Bell System has come to mean two things: confusion and higher rates.

The first result was that telephoning became more difficult. AT&T had provided an environment in which all services, long distance and local inter-connected freely with each other, making telephoning easy. After 1984 there were 1,200 separate operating companies, each of them with different prices, some with universal access, some without. Telephoning in the US is now so complicated that consumers have to receive a constant stream of material explaining a 'bewildering array of changing rates and services'.

In telephoning across the country numerous companies may be involved. Even to call Monterey from San Francisco (about 100 miles), involves 3 companies. There are State Regulators as well as the Federal Communications Commission. Regulations and prices differ from state to state. Different states permit varying degrees of competition. The cost of regulating this 'privatised' system are enormous, and a special administrative giant, the Federal Communications Commission (FCC) was created just for that purpose.

Before privatisation AT&T had applied 'cross-subsidisation': long distance calls, which were more profitable, were used to subsidise local calls, which were less so. This was to achieve social policy objectives, not profit maximisation. Although it was a private monopoly, AT&T accepted the economic burden of cross-subsidies as condition of its being granted monopoly status. After privatisation the FCC embarked on a 'radical new pricing programme' to reduce the cost of long-distance calls, 80% of which were made by business, and to charge it to private calls.

Where once business subsidised the consumer, now the consumer was to be made to pay so all businesses could have cheaper long distance calls, while some businesses had a new profit opportunity in the local-call telephone industry. Win, win, for business.

Between the breakup in 1984 and 1990, local call charges had risen by 46%, more than double the rate of inflation. On the other hand long distance rates had been reduced by 40%. Says Keavney, 'One immediate consequence of freer competition, then, was the creation of a telephone Trojan Horse. Industry and Federal Regulators had concealed an intended assault on residential charges in favour of pricing policies from which businesses have been the main beneficiaries....[worldwide] that was the universal result of network competition.'

Summarising the American situation in 1990, Keavney said: Despite the 1,200 companies now operating, the US does not have true competition at all. Despite all the fuss and cost, AT&T still carries the bulk of the long-distance traffic. If competition had led to anything it was greater variety in pricing rather than cheaper calls and new services.

LIFELINE

To deal with the people for whom a phone was now too expensive, a taxpayer-subsidised scheme called 'Lifeline' was introduced. But to qualify, at least in some states like Texas, recipients had to be over 65, living below the poverty line, and disabled. Even so, the scheme was not working. Nobody wants to know about welfare programmes in an economically rationalised society.

By the end of June 1989, only 23 states out of 50 had been certified to provide the services, and recipients had to go through a complex, stigmatising process in order to qualify for benefits. Not surprisingly, dispersing \$42 in benefits to a household cost \$70 in administrative costs in states such as Maryland. By 1990, of the 11 million people who should have been getting a phone under the scheme, 3 million had no phone at all, 6 million were still paying normal rates, and only 2 million were receiving relief.

DIVERSIFICATION

With deregulation there is nothing to stop the operating companies diversifying into areas unrelated to telecommunications. 'Business Week' estimated that in 1985 the Regional Companies spent \$1.2 billion acquiring real estate, financial services, software publishing companies and the like, at the risk of neglecting their basic function, and using monopoly telephone revenues to cross-subsidise competitive activity. That was 1985. Since then the number of outside ventures has escalated out of sight.

BRITISH TELECOM

The British did in 1984 what Australia has done since, or partly so: privatised their publicly-owned carrier (British Telecom), and licenced a competitor (Mercury). According to Margaret Thatcher it was going to give the British public lower prices and higher quality, and to give the employees and public shares in the enterprises (the old 'popular capitalism' and 'mums and dads shareholders' sell). These objectives proved to be mythical, of course. The employees failed to buy enough shares to be decisive in influencing company policies. Ultimate power ended up in the hands of relatively few institutions and individuals.

To oversee the 'competition' the Office of Telecommunications (OFTEL) was created. Again, the competition was not real, but limited and regulated competition at best. Bureaucrats would still decide how it would all work in practice. Again the cost burden was shifted onto residential users as the companies concentrated on the lucrative business market at the expense of residential services.

All sorts of handicaps were placed on British Telecom, including the requirement that it provide universal service at standard prices. Mercury could pick and choose the services it regarded as economically viable, namely the business subscribers. This meant that the majority of citizens still had to deal with a monopoly for their telephone services, and gained no benefit at all from 'competition'.

'Cream-skimming' by Mercury was built into the British Government's version of network 'competition'.

Faced with this handicap, British Telecom was forced to raise the cost of its residential services. Residential users now bear the burden of skewed competition. Local calls in the UK are considerably higher than in Australia. British household telephone users are paying more so a business minority can pay less.

The point is: jettisoning the 'service' motive of the public enterprise and replacing it with the 'profit maximisation' motive of business dramatically changes the priorities. Keavney raises two questions, though in different words: (1) Are profit objectives compatible with national (social policy) objectives? (2) Should something as vital to social and economic policy as the telephone network be in private hands?

He concluded that as at 1990, 'privatisation' of the British system had resulted in higher prices for most users, inequitable distribution of the economic and social benefits, and no quantitative evidence of improved quality.

CANADA

Most Canadians were happy with their 'phone service and did not want it privatised. Tough. It was to be privatised anyway. Economic rationalism has nothing whatever to do with democracy. According to Jack Keavney, 'A dogma-driven government wanted it....and big businesses wanted it.' He almost had it right. Big businesses wanted it, and a big business-driven government wanted it. The 'dogma' is there for the show, to give the general public the impression the government meant well but was 'driven by dogma', a 'dominance of economic ideology over empirical evidence'. The reality is that governments in debt have no other choice but to do what they're told.

A Report prepared by a task force found evidence that privatisation would result in lower quality service for people in low-density, high cost areas due to decreases in maintenance and system investment, and higher rates relative to subscribers on more profitable routes attractive to competitors. This was based on the actual experience in the US and Britain. A union official hit the nail on the head when he said, 'The biggest players....major banks, oil companies, etc.,...want lower long distance rates, competition, etc., with little regard for the public's concerns.' The winners will be 10% of Canadians, primarily large business users of long distance services.

THE NEW ZEALAND EXPERIENCE

Between 1988 and 1993, New Zealand led the world in the sale of state-owned assets to overseas investors, mostly transnationals. Some NZ \$14 billion worth of assets were sold off. The 'reforms' were described by Economist Magazine as 'out-Thatchering Mrs Thatcher'.

The people were told it had to be done to make the country 'more attractive to foreign investment'. There was nothing attractive about the results. Stripped of almost all subsidies and import tariffs, and forced to compete in a global market dominated by immensely more powerful actors on a far from level playing field, whole sectors of New Zealand industries were decimated, with thousands of jobs lost. The voice of New Zealand big business, the Business Roundtable, and the economic rationalists

within the Treasury were held up as being the true visionaries of society. Tax cuts for the rich were accompanied by social welfare cuts for the poor. The public sector was 'restructured' according to market principles. The country's financial, media, transport, and communications infrastructure was turned over to private/transnational hands.

By 1996, an estimated 20% of New Zealanders lived below the poverty line. A 1995 Joseph Rowntree Foundation study found that among 18 comparable countries, between 1979 and 1995, New Zealand had the fastest growing income disparity. The seemingly never-ending takeovers by transnationals did nothing to improve New Zealand's overseas debt problem. In 1984, total private and public foreign debt stood at \$16 billion. By 1996, it was \$74 billion - despite a decade of public asset sales and takeovers.

Such cold realities were carefully glossed over in all of the hype surrounding free trade, but Maori Treaty activist and lawyer Annette Sykes attributed them to what she calls 'the socially abhorrent principles of the structural adjustment programme' which had been imposed on New Zealand for over a decade. The promises made about the 'colossal' and 'remarkable' benefits for the country arising out of the Uruguay Round and APEC came to nothing. New Zealanders were told to 'leave it to the market to decide', and that the benefits of GATT will 'trickle down' to the people. Said Ms. Sykes, "In reality, trade and investment liberalisation regimes like those promoted within APEC open the way for the sucking up of lands, lives and resources by corporations which cynically promote a destructive model of development which knows no limits in its lust for profit."

PRIVATISATION AND 'GLOBALISATION'

The two main arms of economic rationalism are 'deregulation' and 'privatisation'. The purpose of deregulation is to force smaller nationally-owned businesses to compete with huge multinationals on a 'level playing field' in which the stronger cannot lose, the ultimate effect of which is to wipe out independent national economies. This is part of the 'globalisation' process: the political and economic integration of all the countries of the world into a global order.

The purpose of 'privatisation' is to transfer ownership and control of all publicly-owned assets, including essential services, out of the ownership and control of national governments into the hands of internationalists. There is to be no Australian-owned national economy, and the fraudulent policy of 'privatisation' is one of the ways the Australian government can assist the engineers of 'globalisation' to achieve that goal. Again the language of 'free market economics' is used to conceal the real nature of the 'globalisation' process.

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The lies: Improved Consumer Choice

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Economic rationalists claim that 'competition' leads to 'improved consumer choice and customer service'. These are simply the original claims made for a genuinely competitive market, but as it has been shown (1) what economic rationalists define as a 'competitive market' is really oligopoly: market control by a few large firms. The claims are 80% baseless. In practice consumer choice increases for about 20% of consumers: the most profitable customers. Of the other 80%, the middle 60% have to put up with reduced choice and increased charges, while the bottom 20% run the risk of having no choice

or service at all. This situation is assisted by the proven tendency of economic rationalism to concentrate wealth in the top 20% of the population at the expense of the rest.

This reverses the general trend of the post-World War II period, when mass production was tending to lead to mass consumption, increasing the range of goods and services affordable by everybody. But because economic rationalism excludes social policy considerations (that in an affluent civilised society everybody should be able to afford the products and services) from the economic equation, big business policy is now to court the best paying customers at the expense of the rest. Its professed concern for the public generally is pure public relations, to project a good public image. To maximise profits the corporation gets rid of unprofitable services and unprofitable customers, and competes with other oligopolists for the most profitable end of the market. It's known as 'skimming' (the cream).

This causes particular concern in the case of the privatisation essential services such as electricity, water, postal services and health. When these were provided by government (or by private monopolies licenced by government on condition they make the service affordable to everybody) a process known as 'cross-subsidisation' took place. Profitable services or routes were used to subsidise less profitable ones so that everybody could afford them. But cross-subsidisation is not consistent with the purely economic rationalist goal of profit maximisation. When essential services are privatised, big business either sheds the unprofitable services (to country towns, for example), or hikes the price to make them profitable, which makes the service unaffordable, especially to lower income groups. The responsibility for providing for these groups again falls on the government, which has now sold the means of providing them.

Under economic rationalism, the policy that any-customer-is-a-good-one is replaced with one of boosting sales to the most lucrative customers (2). 'Downsized' corporations become mindful of the 80-20 rule, sometimes called Pareto's Principle: that 20% of customers usually generate 80% of profits, and they are the ones to concentrate efforts on. Customers are classified as 'high-end' or 'low-end', according to how much they spend, and in the race for profits the company that gets the most high-end customers wins. The losers are the 80% of people classified as low-end consumers. They have to put up with reduced choice, increased fees, and shoddy service. Services to the low-end are cut to pay for increased services to the high-end customers.

This is why, for example, the last bank branch in the shire of Kilkivan, west of Gympie, is to close, leaving only a credit union facility, in the entire shire (3). Banks now regard themselves as resource institutions for medium to large 'investors'. They don't want to know about small depositors.

America's second-largest bank, is increasing the minimum balance for a standard, no-fee checking account to \$6,000 in New York and \$7,500 elsewhere. Executives say the aim is 'to encourage customers to do more business with the bank', but the move effectively drives away small customers. Certain banks are offering high-end customers substantially better interest rates on personal loans and other products than low-end ones (4).

In the American airline industry the highest-paying 10% of travelers account for almost half of airline revenues while the lowest-paying 50% account for a mere 5%. Consequently, airlines are reducing the size of economy class cabin space to make room for more first-class seats. Services and comfort to

economy class flyers have been cut back. Leg room in economy class has been reduced 15% by some airlines, while lower-fare passengers are permitted only one carry-on bag while full-fare business passengers continue to enjoy the traditional two.

American telephone industry studies show 5% of accounts generate 50% or more of profits. Big business long-distance calls are the profit makers. The other customers, the 15 million to 20 million people who make few long-distance calls and contribute only minimally to profits, are categorised as 'occasional users' (5). Big-spending customers get to speak to an actual operator when they call about their bills, while everybody else talks to a computer. It is getting to the point where no company wants to be stuck with having to provide the least profitable residential telephone services.

Similar things happen in privatised health. Wealthy customers get private rooms and lobster salads on the menu. The bulk of the community put up with reduced services and higher health care premiums, while around 20% of the population have no access to any health care at all because the cost of health cover is beyond their means (6).

Companies deny that they are trying to get rid of 'low-end' customers, saying they are merely trying to target the high-end ones. They claim they still want to continue serving a full range of customers. "Targeting is not the same thing as exclusion," they say. But the trend is clear.

Economic rationalist 'competition' does not lead to better consumer choice or service for the community as a whole. It leads to cutbacks and price hikes for the majority in order to provide more VIP services to the best-paying minority. It's a form of reverse cross-subsidisation. Instead of the wealthy subsidising the poor, the poor subsidise the wealthy.

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The MAI and 'globalisation'

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The MAI is the latest step in a programme to which successive Australian governments since at least 1983 have committed this country: it's called 'GLOBALISATION'. The public have not been properly informed about it, let alone asked if they want it. Nor has the real meaning or full implications of 'globalisation' been made clear to them. The word has subtly been slipped into the language by the media, and the process proceeded with as though it has all been agreed to. **The realisation of what 'globalisation' really means is only now dawning on the public, brought to light by the MAI.**

When people ask, “Why would successive Australian governments pursue an economic policy obviously designed to run down the nationally-owned and controlled economy, in favour of foreign ownership and control? The answer is, “**That’s part of globalisation”. It’s no conspiracy theory:**

At the Canberra Press Club on 1 December 1997, Foreign Minister Alexander Downer told journalists Australia was committed to ‘globalisation’. During recent programmes on the MAI on the ABC and SBS the presenters and participants all refer to ‘the whole process of globalisation’ as something that’s accepted as given, and under way. In Buenos Aires on October 17, 1997, President Clinton said, “a great tide of change is sweeping the world.... isolationist voices must be ignored....**Globalization is irreversible....Protectionism will only make things worse.**”

Globalisation means the political and economic integration of all the countries of the world into a new world order under one world government. **‘Isolationism’ means a country wanting to mind its own business, go its own way and not be ‘globalised’.** **‘Protectionism’ means a country protecting its industries, economic assets, and the well-being of its people from exploitation by outsiders.** *Those things have to be stamped out: thus the hysterical media campaign against Pauline Hanson’s One Nation Party.* Its policies entail an independent, sovereign, non-globalised Australia. To the elites who superstitiously worship mystical ‘laws of history of social development’, this is ‘turning back the clock’, resisting the tide of destiny.

A ‘globalised’ world does not allow for independent nations wanting to go their own way. They have to be turned into interdependent ‘member states’ of the global order. To turn an independent nation into an interdependent ‘member state’, four things must be abolished, **or at least substantially reduced:**

1. **Political sovereignty:** the right of a country to govern its own affairs.
2. **Legal sovereignty:** the right of a country to enact its own laws.
3. **Cultural identity:** a common sense of values and nationhood.
4. **Economic sovereignty:** the right of a country to determine its own economic policies, trading with other countries if and when it chooses.

Governments like Australia’s, committed to globalisation, have to deliberately run down their own national economies, turn over their country’s economic assets to internationalist ownership and control, and sign treaties and agreements such as the MAI which relinquish national economic sovereignty. **To run down national economies, two false economic theories are being employed:**

1. **a phony version of Adam Smith’s ‘free market’ economic theory,** called ‘economic rationalism’, in the domestic arena, and
2. **a phony version of David Ricardo’s theory of ‘free trade’** in the international arena.

The MAI is supposed to be about ‘free trade’, but Paul Ormerod says in his book, ‘The Death of Economics’ (1994) at p.17: “**Ricardo was careful to point out that his theory was dependent upon the assumption that funds available to invest in industry (capital) did not flow freely from one country to another....In contrast, at the end of the twentieth century, capital is for the most part highly mobile.**” It can and does flash around the globe in milliseconds.

What the MAI gives effect to is the new phony meaning of ‘free trade’. It seeks to create a legally enforceable ‘right’ for multinational corporations (MNCs) and global investors to go wherever they like, and do whatever they like, anywhere in the world, without interference from national governments, and without any social responsibilities. *If national governments try to interfere or obstruct them in any way the MNCs and global investors can sue them in a special international tribunal.*

Nobody seems to have realised yet, that such behavior is incompatible with a civilised social order. ‘Freedom’ in a civilised order must necessarily be limited and carry with it responsibility for the effects of one’s actions on others. Multinationals and global investors want the best of both worlds: they want all the benefits of civilisation (a social order in which to make profits) without the responsibilities, like greedy children.

To excuse such irrationalism, the myth has been invented that such behavior will be ‘good for everybody’. Adam Smith’s ‘invisible hand’, through which the pursuit of self-interest produces socially beneficial results, has been distorted to ‘justify’ greed and anti-social behavior by the super-rich for whom enough is never enough. More disturbingly the doctrine of social-Darwinism has resurfaced in big business ideology: that it’s ‘good for the human race’ that the strong should destroy the weak. Civilisation becomes a jungle with buildings.

The character Gordon Gekko played by Michael Douglas in the Oliver Stone film ‘Wall Street’ (1987) stated the new doctrine: **“Greed (for want of a better word) is good. Greed is right. Greed works. Greed clarifies, cuts through and captures the essence of the evolutionary spirit. Greed, in all of its forms, greed for life, for money, for love, knowledge, has marked the upward surge of mankind, and greed, you mark my words, will not only save [this corporation], but also that other malfunctioning corporation called the USA.”**

That is garbage, of course. Greed is possibly the most destructive force in the world. The ‘better word’ Gekko didn’t bother searching for, was ‘rational self-interest’: the self-interest of Adam Smith’s ‘invisible hand’. Greed by definition is ‘irrational self-interest’. There’s a world of difference. One builds, one destroys.

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Lies and the MAI

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Let’s be clear on one thing: Australia has always had foreign investment, but until now the federal government has always retained the right to limit and control it. Signing the MAI signs away that right. In its place the MAI creates a ‘right’ of multinational corporations (MNCs) and foreign investors to do what they like in and to the country without any corresponding social responsibilities, and to sue the government if it interferes. This frees up the minds of MNC executives, now paid millions of dollars

annually, to concentrate on the delicate process of profit maximisation without having to worry about damage done to the host country or its people. That's 'rationalism'.

On the other hand, the alleged benefits of the MAI to the Australian people in exchange for lost economic sovereignty are mainly lies (untrue statements which the maker can have no reason to believe are true). It is important to realise that the MAI is not an isolated instrument. It is part of the process of 'globalisation' which has been going on for at least 15 years, and includes the policies of 'economic rationalism' and phony 'free trade'. The actual results are coming in now, and they make nonsense of the promises by academics and politicians for economic rationalism, 'free' trade, and the MAI.

According MAI Policy Briefs on the Internet, foreign investment will 'promote economic growth, jobs and rising living standards world-wide'. In fact the OPPOSITE is true.

As for 'promoting jobs': since the Hawke/Keating government opened the Australian floodgates to foreign investment in 1983 the people looking for work, or more work than they have, has risen to 25% of the workforce (1). Big business is eliminating jobs at the rate of 500,000 per year. What job creation there has been is in the small/medium sized locally-owned business sector, the very sector threatened by economic rationalism and the MAI.

As for 'rising living standards': a report released earlier this month by the Governor General found that 5.5 million Australians (30% of the population) now live below the poverty line, an increase of 800,000 over the past 25 years. Australia has slipped from around 6th to 26th in the OECD list of good countries to live in.

As for 'promoting economic growth': now that foreign investors own 90% of Australia's big business and pay little or no tax here, 'economic growth', rather than being an indicator of national economic health, is now a measure of the degree to which foreign investors are growing fat on Australia's natural resources, including its people. The rest of the country lives on borrowed money. During the era of economic rationalism, Australia's foreign debt has grown from \$23 billion to a massive \$222 billion.

The same trends are observable worldwide: rising unemployment, increasing debt, rising poverty, declining living standards for most, while the mega-rich get mega-richer and increase their economic-political power over the masses.

MAI proponents claim that foreign investment will 'provide consumers with increased quality, wider choice and lower prices'. In practice, the top 20% of the market, the most profitable customers, get the improved choice, quality and customer service, the middle 80% get less of all those things and pay increased charges, while the bottom 20% get nothing at all, or fall back on a rapidly shrinking welfare net.

Foreign investment does create a certain sort of employment: in things called 'Free Trade Zones'. Prime Minister Howard has already proposed them as the 'solution' to Australia's employment crisis. Countries like Honduras fence off these zones and build factories in them, to which they then induce foreign investment with promises of cheap labour, no unions, tax-free profits, minimal rent, and no import duties on products sold to the local elites. In the factories women are paid around \$3 a day under conditions as bad as any endured during the worst days of the Industrial Revolution, for sewing brand name garments such as Levi's for the US market (2). Foreign investment creates temporary dead-end

jobs. It does not help the host country pay off foreign debt, or provide revenue which the government might use for health or education.

In other countries, foreign investment has led to 'maquilodoros'. Along the Mexican/US border there are over 1800 of them, foreign owned export-only factories in which foreign investors exploit cheap Mexican labour. The Mexicans live in shanty towns around the factories with no sewerage, running water or electricity. Filthy waste disposal practices by the investors mean that toxic waste runs through the shanty towns in open drains (3). Since offending the investors might cause them to take their investment elsewhere (they moved the Hawaiian pineapple industry to the Philippines virtually overnight leaving 6000 jobless) it is difficult for the Mexican government to get them to observe better standards. After the signing of the MAI it will be impossible.

MAI Policy Briefs also claim foreign investment will get the Third World out of the poverty trap, pointing to World Trade Organisation (WTO) 'studies' which allegedly show that 'low levels of trade and inflows of foreign investment are symptoms rather than the causes of the plight of many of the poorest countries.' WTO 'studies' notwithstanding, the evidence against that theory is overwhelming.

The Third World has to have foreign investment because it can't accumulate money of its own, due to massive interest payments to First World banks (4). During the 1970s, Third World governments were induced to borrow a lot of money from international bankers, who then jacked up the interest rates. The governments defaulted on the loans, so the international bankers sent in the global debt collectors: the International Monetary Fund (IMF). As part of the 'bailout packages', the IMF made the countries privatise their assets, including the best land, in return for cancelling some of the debt. 'Debt for equity' they called it. Now foreign investors make record profits from 'cash crops' grown for export on the best land, while Third World people literally die of starvation for lack of food. That's what foreign investment is doing for the Third World.

It is sometimes said that whoever pays for an opinion poll gets the result they want. It seems the same applies now to theoretical economics.

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Media Lies: ‘Conspiracy Theory’

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The standard media reaction to the suggestion that ‘economic rationalism’ and ‘free trade’ are false versions of the theories of Adam Smith and David Ricardo, deliberately contrived to bring about domination of markets by the economically strong and to further the process of ‘globalisation’, is to label the claimant a ‘conspiracy theorist’. According to the ‘politically correct’ view, ‘globalisation’ is supposed to be ‘just happening’, the result of spontaneous forces beyond the control of man, ‘market forces’, forces of inevitability, history or destiny. That’s why the media are claiming the MAI is ‘unstoppable’.

One might think that the suggestion that world events somehow take place spontaneously without people plotting and planning is so absurd as not to warrant serious discussion, but it appears that is the point now reached in this society thanks largely to the media campaign against 'conspiracy theories'.

When one boils down what a ‘conspiracy theory’ really is, it is any interpretation of world events or their causes which differs from the officially sanctioned view put out by the media. To suggest that the official view might be deliberately false to serve or protect the interests of the people who own the media, or the people who in turn own them, is itself branded a ‘conspiracy theory’. Obviously the whole ‘conspiracy theory’ business is a label to quash speculation that the official media version of the world may be false.

The claim that ‘conspiracies’ are the result of the paranoid imagination is recent. Previous generations were not so coy. Writing in his book ‘The Nation State and National Self-determination’ in 1969, for example, Professor Alfred Cobban referred to “systematic attempts [by Nazi Germany] to destroy the independent states of Europe by spreading internal dissention.” Such ‘systematic attempts’ implied conspiracy. Cobban quotes another writer from a previous century, Lecky who, in another book, ‘Democracy and Liberty’ (1896) had condemned “the use of national divisions for the [deliberate] destruction of existing political entities”. How else but by ‘conspiracy’?

Weakening neighbouring states to make them ripe for conquest by deliberately stirring up trouble within their borders is as old as mankind. It did not happen through the aspiring conqueror sitting on the toilet and thinking hard, it came about through conspiracy: a plan, meetings, and briefings, and the financing of people within the target country to stir up trouble. Lecky referred to it as “the object of all such men [tyrants] to see surrounding nations divided, weakened, and perhaps deprived of important strategical positions, through internal dissentions”.¹ According to Professor Cobban, and he is hardly alone, Germany did precisely this in the years before 1939. Nobody accused these learned writers of being ‘conspiracy theorists’.

Techniques similar to the ‘conspiracy theory’ stunt were used by the media to protect the communist movement in the post-World War II years. The Communist Manifesto of 1848 is a conspiratorial document. The purpose of its authors, Marx and Engels, was to inspire the workingmen of all nations to unite and overthrow their capitalist oppressors and the state they controlled and replace them with a state in which the working class were the ruling class. An international organisation, the Communist International, was formed to coordinate the activities of the Communist movement world-wide. Lenin,

in 'What is to be Done' (1902), urged communists to "go amongst all classes of the people as theoreticians, as propagandists, as agitators and as organisers". One can hardly get more conspiratorial than that.

And that's exactly what communists did, yet anybody who suggested as much was accused by the editors of the mass media of 'kicking the communist can', or 'seeing reds under the bed'. There was 'no communist plot', according to Western media, even though all the communist literature confirmed that there was, and any worker on an Australian factory floor was well aware of it. Even when Mikhail Gorbachev, with the arrival of 'glasnost' and 'perestroika', confirmed that Russia has been 'exporting revolution' and said it was time that it stopped, no apologies from the editors of mass media were forthcoming.

That the American CIA works around the clock to prop up or topple governments in other countries according to their usefulness or otherwise to American interests is well known. Yet despite evidence the CIA may have been involved in the toppling of Australia's Whitlam government in 1975, to actually say so gets you labelled a 'conspiracy theorist'. Things are what the media say they are, and anything else is 'conspiracy theory'.

To suggest that human affairs have never been, or are not now the outcome of deliberate human connivings, some of them covert, is patent nonsense. Yet that, is what the editors and journalists of the major media are expecting the public to believe. That such stupidity could come out of the mouths of men and women professing to be objective reporters of human events and commentators on human affairs defies rational explanation. The evidence that there are hidden interests at work, and always have been, is so overwhelming that the persistence of media people in their irrational denial tends to confirm that there is conspiracy at work right now, and they are part of it.

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Globalising the bush

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As part of the 'globalisation' process, the policies of successive Australian governments have helped foreign-owned agribusiness multinational corporations (MNCs) increasingly take over the farming sector. During the early 1970s, Australian family farmers found themselves competing with huge foreign-owned MNCs with massive capital backing. To make the contest 'equal', the federal government began removing tariffs, something it committed itself to do by signing various trade agreements, such as the Lima Agreement.

Farmers looked to their traditional champion, the Country Party, for support, but it too showed signs of deserting them. It renamed itself the National Party and sought to broaden its electoral base by courting mining industry MNCs and others. In a bid to protect their interests, farmers formed what they hoped would be a representative body, the National Farmers' Federation (NFF) in 1979. But something happened. The NFF began reciting the slogans of economic rationalism and requested the dismantling

of tariffs, subsidies and other mechanisms which enabled the family farmer to compete. If the truth be known, from the very beginning the NFF really represented agribusiness multinationals, not the Australian family farmer (1).

In 1986 the NFF launched a 'fighting fund' allegedly to save the family farm, and collected about \$15 million from farmers. The money was never used for the stated purpose, but was put into a trust fund where it apparently remains to this day (nobody seems to know). In the meantime, family farmers were told they had to become 'more competitive', they had to 'get big or get out'.

So they did. They borrowed money to get big, then they went broke paying the interest, and got out. 60% of the Australian-owned farming sector has been wiped out. In the 1960s there were 300,000 farms, now there are around 100,000. At the end of 1997 remaining farmers were leaving the land at the rate of 35 per week, according to Primary Industry Minister John Anderson himself (2). The rest are heavily in debt. In mid-1996 they owed \$18 billion to banks, an average of \$133,000 per farm.

Now the government stands by while Australian farmers bulldoze orange trees, and the country imports orange juice from Brazil. It is important to note, however, that 'Brazil' does not mean Brazilian peasant farmers, it means multinational-owned orange plantations. This is how the multinational global takeover hides behind humanitarian-sounding slogans. The gullible think 'giving preference to exports from developing countries' means a hand-up to the underdog. Far from it. 'Exports from developing countries' more often than not means 'exports from MNCs operating in developing countries'. Most Brazilians probably can't even afford to buy their own orange juice, in the same way that locally harvested seafood is now beyond the reach of many Australians.

The Australian government's response to Australian-owned farm destruction has been to put up a \$500 million 'rural assistance' package to help farmers LEAVE the land. The destruction is deliberate, it is policy. The privately-owned Australian 'family' farm is scheduled for destruction. Foreign multinationals are to own and control Australia's farming sector. That's 'globalisation'.

Adoption of the MAI will result in still further loss of Australian ownership and control. MNCs pursue what is called the 'total market concept', which means gaining total control of the entire food chain from seeds, to farms, to products on the table. They own patents on the high yield varieties (HYVs) of genetically-altered seeds, and they induce governments to ban the use of any others (5). They control seed distribution companies, agricultural machinery companies, and agricultural chemical and fertiliser companies. To perform to expectations the HYV seeds require massive amounts of chemical fertilisers, pesticides, weedicides and water (soon to be owned by MNCs too). These run off into rivers and streams and cause serious pollution problems, all of which have to be cleaned up at taxpayer expense.

MNCs and foreign investors buy up the best farms and merge them into larger farms, which employ less labour. The smaller Australian-owned farm cannot compete. The family farmer has limited resources, cannot easily integrate activities, has limited market power, cannot engage in practices like 'transfer pricing' to avoid tax, and has to rely on family labour. Some try to compete by borrowing money to 'get big', most get out and become farm labourers or join the unemployed in the cities. So many people are leaving country towns that rail, banking, schools and other services are being discontinued, businesses are closing down, and many towns look like becoming derelict. More foreign investment in the country will hasten that process: the exodus from the bush.

More foreign investment will lead also to an increase in contract farming. Some farmers, in a bid to keep their farms, produce quotas under contract to MNCs. This gives the MNC maximum control, while the farmer takes most of the risk and responsibility. The contract farmer is really a wage labourer producing agricultural commodities for MNCs on a farm which he or she nominally owns. So much for the proud tradition of Australian farming. But tradition counts for nothing now, only multinational profits do. Tradition is a 'non-rational' consideration, and this is the age of 'economic rationalism'.

In the Third World foreign investors have taken over the best land from the local farmers, and now make record profits from 'cash crops' grown for export, while Third World people literally die of starvation for lack of food. To suggest, as the MAI people do, that more foreign investment will fix that situation is absurd. At the moment, because they are so dependent on foreign investment, it is difficult for Third World governments to demand conditions which require that investment to provide lasting real benefit to local populations. After they have signed onto the MAI it will be impossible.

Once they are 'globalised', countries must all produce for the global market (export), and import everything they need for local consumption. India provides a good example: in 1996 it exported 2 million tonnes of wheat, and then imported 2 million tonnes of wheat for local consumption (3). This ensures MNCs and speculators will continue to make guaranteed profits from international trade, while controlling world food supplies. Then if any country looks like wanting to go its own way, politically or economically, as the Bolshevik Leon Trotsky said, "Who does not obey, does not eat".

It looks like they won't drink either. A United Nations conference on managing the world's fresh water supplies agreed in Paris on 21 March 1998, that water should no longer be treated as an essential staple to be supplied free of cost, but paid for as a commodity. The conference appealed for more 'market forces' in managing the world's water supplies. MNCs and investors are about to be allowed to own the world's fresh water, and believe it or not, that includes the water in private tanks and dams. Satellite surveillance is already being used to detect 'unlicensed' dams on farms in Queensland (4). Welcome to the new world order.

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BUSINESS VERSUS BIG BUSINESS

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Even up to and including the Industrial Revolution (1759-1850), business was small/medium sized, mostly run by the people who owned it, and financed mainly with their own money (1). In large part

the entrepreneurs also recognised that business had social responsibilities. "Humanitarian and Fabian preconceptions in our writing of economic and social history have tended to obscure the older tradition of philanthropy and welfare that runs like a continuous thread through the operations of the greatest of the entrepreneurs."(2)

Plans for the welfare of adult workers and the care and education of child labour were not a monopoly of the humanitarian factory owner Robert Owen. According to Lieberman, Boulton and Wedgwood were not only cultivated men but just employers who regarded a humane code of labour relations as an efficient system of production, and gave a lead to others in such matters as the provision of schemes of social welfare and education.

"[Even after education was taken over by the state] Price's Patent Candleworks were still running an elaborate and expensive set of schools for their boy and girl employees at Battersea"... "nor was the factory town exclusively a society of juvenile chimney sweeps and cadaverous spinning elves"... "It was not merely their own success but their palpable contribution to material national well-being and their consciousness of social responsibility which drew to [these entrepreneurs] popular esteem and social prestige".(3)

This commitment to the welfare of the community as a whole distinguishes the small business ethic from the big business 'rationalist' ethic which was to overcome it. According to Professor Northcote Parkinson, "What distinguishes the Big Business of today is not so much its scale as its sharp dissociation from other aspects of life. Its functions in our day have been almost purely economic."(4)

As the industrial revolution progressed, many entrepreneurial businesses became large, but they did not become 'big business'. There is no natural progression from small to medium to big business. Big business is a different beast altogether.

American journalist Gary Allen in his book 'The Rockefeller File' (1976) writes: "A distinction must be drawn between competitive free enterprise, the most moral and productive system ever devised, and cartel capitalism dominated by industrial monopolists and international bankers. The difference is crucial: the private enterpriser operates by offering products and services in a competitive free market, where consumers have numerous choices offered to them, while cartel capitalists use the government to force the public to do business with them. These corporate fascists are the deadly enemies of competitive private enterprise."(5)

In his book 'Wall Street and FDR' Professor Antony Sutton wrote: "[The 19th century monopoly capitalists] were convinced of an absolute truth: that no great monetary wealth could be accumulated under the impartial rules of competitive laissez-faire society (the free enterprise system). The only sure road to the acquisition of massive wealth was monopoly: drive out your competitors, reduce competition, eliminate laissez-faire and above all get state protection for your industry through compliant politicians and government regulation. The last avenue yields a huge monopoly and a legal monopoly always leads to wealth".

In his book 'Wall Street and the Bolshevik Revolution', Dr. Sutton further amplified this point: "The financiers...could by government control...more easily avoid the rigors of competition....Through political influence they could manipulate the police power of the state to achieve what they had been

unable, or what was too costly, to achieve under the private enterprise system....Monopoly capitalists are the bitter enemies of laissez-faire entrepreneurs..."

For an account of how a global aristocracy of wealth has developed, which is now pushing 'globalisation' to further its interests, the reader is referred to the book 'The Naked Capitalist' by W.Cleon Skousen (1970), which is itself a review of another work, 'Tragedy and Hope' (1966) by Dr. Carroll Quigley, the man President Clinton claims as his mentor. According to Quigley the super-rich are the 'hope' of the world, while the rest are the 'tragedy'.(6)

Skousen writes: "As I see it, the great contribution which Dr.Carroll Quigley unintentionally made by writing 'Tragedy and Hope' was to help the ordinary American people realize the utter contempt which the network leaders have for ordinary people. Human beings are treated en masse as helpless puppets on an international chess board where giants of economic and political power subject them to wars, revolution, civil strife, confiscation, subversion, indoctrination, manipulation and outright deception as it suits their fancy and their concocted schemes for world domination."(7)

Noam Chomsky said in 1995: "Leading sectors of wealth and privilege taste blood. They think, with some reason, that they have the world's population by the throat, and are in a position to roll back the hated welfare state for the general population and everything that goes with it: health and safety standards, labor rights and human rights generally, indeed any infringement on their right to pursue 'the vile maxim', as Adam Smith described the goal of the masters: 'all for ourselves, and nothing for the people'.

According to Chomsky, while preaching the virtues of economic rationalism to the masses, the aristocracy of wealth is using its control of governments to protect its own wealth and privilege behind barriers of protectionism and subsidies. He continues: "...major tendencies in the global economy of the past quarter century have at least raised the possibility that the world might be driven to an extreme form of totalitarian domination by wealthy and powerful sectors, with the gains for human rights, freedom, and democracy won in bitter struggle over centuries now reversed...."

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BIGGER, BIGGER, BOOM!

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The 'rationalism' in economic rationalism, as has been shown, means 'profits, without regard to people'. But 'rational' has another meaning, also derived from philosophy, and which applies equally well. It explains why economic rationalist academics can continue to claim that their economic faith will lead us all to the promised utopia despite overwhelming evidence to the contrary. In this sense 'rational' means 'theoretical, worked out in the head without regard to evidence in the real world'. It is the opposite of 'empirical', which means 'based on experience, or evidence'.

Reality, to the rationalist, is pretty much anything they imagine it to be. All you have to do is ignore the real world. Because of this, academic economists can delude themselves into believing that ever bigger and bigger conglomerates, leading inevitably to absolute monopoly, can somehow result in 'increased competition'. The elimination of competition can lead to greater competition. Such contradictions can exist side by side in the mind of the rationalist.

Economic rationalism, as has been shown, is the ideology of oligopoly, a false theory that presents market control by a few huge multinationals as a 'competitive market', which is then alleged to be able to provide all the benefits of a truly competitive market. But the unstoppable characteristic of oligopoly, and indeed monopoly capitalism, is to move inexorably towards absolute monopoly, and consistent with this fact we are now observing what are described by the media as 'mega-mergers'. Nonetheless, academic economists persist with the absurdity that this will somehow lead to increased competition and all the benefits which are supposed to flow from it.

On April 7, 1998, it was announced in the US that financial giants Citicorp and Travelers would merge in a record \$70 billion deal, the largest corporate merger ever, creating the world's biggest financial services company operating in 100 countries. The new company, to be called Citigroup, would also be by far the most valuable in the business, with a market capitalization of about \$135 billion. Much of Wall Street liked the deal, and Citicorp's stock shot up. The merger was similar to one early last year that joined Morgan Stanley Group Inc., with Dean Witter Discover & Co. And if 'much of Wall Street' liked these deals it goes without saying they must be 'good for everybody'.

Meanwhile BankAmerica is merging with NationsBank, WorldCom with MCICom, Sanduz with Ciba Geigy, Mitsubishi Bank with the Bank of Tokyo, Union Bank Swiss with Swiss Bank Corp, Banc One with First Chicago NBD, and KKR with RJR Nabisco, all forming huge conglomerates on borrowed money, most of which is imaginary due to the fractional reserve banking system. Bigger, bigger, bigger....then what?

As usual, Australia is busting to copy the big boys. The Australian of 15 April 1998 reported that "Investors deposited a further \$2.6 billion into the market value of the banking sector yesterday, with shares in each of the Big Four closing at record highs amid fervid takeover speculation. While the Federal Government reaffirmed its ban on big bank mergers, investors were betting this could change after the next election in the wake of dramatic consolidation in the US banking market." All the way with LBJ, for better or worse, till death do us part.

While academic economists haven't yet woken up to the fact that the promised consumer benefits from these mega-mergers are illusory, it seems that consumer groups have. While NationsBank and BankAmerica Corp. executives claimed 'added customer convenience' could come from their merger

deal, NationsBank customers voiced worries that the colossal merger could result in a new round of fees, more bureaucracy and a decline in service. And it will: they can bet on it.

"NationsBank has a history of coming into a market, taking over and imposing their own fee structure --which generally means higher fees, more fees and higher balances required to avoid fees," said Ed Mierzwinski, consumer program director at the U.S. Public Interest Research Group, which conducts annual surveys on bank fees. "I don't see them changing their stripes."

Ordinary people are starting to realise what the game is all about. When the aim is 'market control', you actually achieve that by controlling markets. Wow! Market control is achieved by mergers and resultant monopolies, and once in control of the market you can do and charge virtually anything you like. This is all a bit much for the academic economist. It's not supposed to work that way.

One myth which seems to pervade all this is that bigger means 'more stable'. In fact the opposite is true. The ANZ bank has the biggest presence of Australian banks in Asia, especially the most troubled countries of Indonesia, South Korea and Thailand. The Australian of 17 April 1998 reported that the ANZ Bank has slashed its 'exposure' to troubled Asian economies and mothballed plans to acquire banking assets in the region. ANZ chief finance officer Peter Marriott confirmed that any actual losses would be contained within the bank's stated general provisioning.

This raises the obvious question: now that Australian banks are 'exposing themselves' in Asia, what would happen if they were to fail as a result of an Asian currency crisis? If the ANZ caught the disease of many Asian banks and showed the likelihood of collapsing, would the government let market forces prevail and allow the bank to fail? The general consensus in the real world is that it could not afford to. It would use taxpayers' funds to prop up the bank. That's about as real as this 'free market' gets. It's all a sham behind which the greedy play their little game of monopoly using pretend money and the real world as the board.

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LOOMING LAND USE CONTROLS

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Only a fool believes that the waterfront dispute is the straightforward issue presented by the media, and that there are not vested interests acting behind the scenes with ulterior motives concerning control of the nation's wharves. The same must be said now for the sudden obsession by the media with the preciousness of water, including concern for the country's rivers.

This is not to deny there are problems with the rivers. There are, and there have been for some time. After all, the original excuse given by John Howard for having to sell a third of Telstra was to clean up the Murray-Darling system. That was before the election. Once in power something happened to that idea. But why the sudden revival of interest now?

State-funded advertisements are running on TV praising the virtues of water as a 'precious resource'. Satellites are being used by the government to spy out 'unlicensed dams' on farming properties. Then on Sunday May 3, '60 Minutes' ran a story called 'Cry Me a River'. [I did not see the programme, so my comments are based on inferences from the contents of the 60 Minutes website]. It seems the focus was the Murray-Darling river system and the cause of the environmental damage was identified as 'farmers', particularly cotton farmers, who use too much water and chemical fertiliser: irresponsible land use, in other words.

If the purpose of the programme was to get people stirred up about water and rivers it certainly succeeded, at least with some viewers. Patrick from Victoria e-mailed 60 Minutes saying that, "the Cotton Farmers should not have been given the the water in the first place. Cotton what it is (sic) a crop that sucks the life blood out of the land....How could a govenment allow this to happen?" Anonymous from NSW thought, "its about time the farmers and the politicians became environmentally educated so they can grasp the cause and affect process....the farmers [needed to] learn better farming techniques....that use the land efficiently and wisely." Ochre of Queensland asked, "We are of the Earth. We poison ourselves. Why? When will people, that includes farmers and politicians, realise that our spectacular continent is not a thing to be plundered or raped for the sake of money? Greed and selfishness poison the land, and our Spirits."

Ochre was right about the greed, but 'we of the earth' did not cause this problem. Only some people of the earth did. So who are they and why? And is it fair to put the blame on 'farmers'?

First, what those readers did not realise, and 60 Minutes could not tell them because its major sponsors are multinational corporations (MNCs), is that the Australian countryside is suffering from the ravages of economic rationalism and its policy of 'profits, and to hell with people and the environment'. To attribute that to 'farmers', obscures the real cause. 'Farmers' ain't 'farmers' anymore. The influence of multinational agribusiness on the farming sector is now dominant, which means that remaining traditional Australian farmers have to compete with conglomerates on the conglomerates' terms: they have to 'get big or get out', and that has been the policy of successive Australian governments towards the rural sector since the 1970s.

Secondly, they have to produce not for Australian use, but for the global economy. The phony theory of economic rationalism says that countries must produce primarily for export, and import everything they need for local consumption. That's what 'globalisation' of the economy means. Consequently, agricultural production in Australia is not geared to Australia's needs, or to what the land can withstand, but to the needs of the global market, relentlessly driven by the need to make ever-expanding profits. Part of the blame for the state of the rivers must therefore be laid at the feet of economic rationalism and the government's policy of 'globalisation' of the Australian economy.

To compete with MNCs, traditional Australian farmers have had to borrow money from banks to buy heavier machinery, thereby increasing farm debt and interest payments. This in turn brings pressure on them to increase yields. To do that they have to use high yield variety (HYV) genetically engineered seeds, the only sort available from MNC agribusiness suppliers anyway. To perform to expectations the HYVs require massive amounts of chemical fertilisers, herbicides and pesticides, again supplied by the

MNCs. They also require massive amounts of water which leaches out the chemicals into rivers and streams, causing ecological damage and poisoning bird and animal life.

The problem is not 'farmers', or even fertilisers as such, but economic rationalism which encourages over-cropping, and agricultural practices which require chemical fertilisers ('fossil fuel based agriculture') as opposed to organic or natural fertilisers. The salination of the Murray-Darling system is the result of these sorts of practices. As Susan George observed in her book 'How the Other Half Dies' (1976), multinational agribusiness and its policy of economic rationalism are capable of destroying virtually everything they touch: traditional farming patterns, the land, and the environment (p.159).

But it has long been recognised that these practices were incompatible with environmental safety. The state of those rivers is not new. Had governments acted responsibly and not been intimidated by multinationals, the problem could, and should have been tackled long ago. So why the sudden upsurge of interest now, along with all the other propaganda about water suddenly emanating from the media?

Well, it's all to do with the United Nations (UN) and a bid for GLOBAL CONTROL OVER LAND USE using 'water' and 'rivers' as the excuse. Consider the following sequence of events.

On March 21, a UNconference on managing the world's fresh water supplies was held in Paris. The environment ministers and officials from 84 countries (you can bet Australia was represented) agreed that water should be paid for as a commodity rather than be treated as an essential staple to be supplied free of cost. So precious was water, in fact, that it should become the property of multinational corporations and investors and sold back to the human race for profit.

Within a fortnight on April 4, 1998, an article appeared in the Brisbane Courier Mail, 'Satellite sinks illegal dams', revealing that satellite technology was being used by the government to 'catch up' with illegal dams on farming properties in Queensland along the Cooper Creek catchment area. Offending farmers were being sent threatening letters: licence the illegal dams, or face stiff penalties. Ads started to appear on TV extolling the virtues of that 'precious resource: water'.

Then on April 13, 1998, confirmed globalist President Clinton set the example by issuing a presidential decree (by-passing the Congress), launching his American Heritage Rivers Initiative (AHRI), nominating a number of rivers to receive 'special attention from the federal government'.

What does the 'special attention' involve? Government bodies are to be formed to control the rivers in order to preserve 'natural, historic, cultural, social, economic, and ecological diversity'. A 'River Navigator' is to be assigned to control federal services and benefits for each river. Thirteen Federal Agencies are to be involved in the planning, implementation, management and enforcement of the program. Aerial photography and satellite surveillance are to be used to police and expand the program. The use of land in AHRI designated areas for ordinary commercial or agriculture purposes may be severely restricted or eliminated. Land use in adjacent zones will be controlled also.

Then on May 3, 1998, '60 Minutes' puts to air its piece on the tragic state of the Murray-Darling system. Are we about to see the Howard government announce what the media will hail as a 'radical new proposal': an Australian Heritage Rivers Initiative, which will place vast areas of the Australian continent under 'de facto' UN control, with the federal government acting as the local policeman?

Economic rationalism not only destroys sustainable farming practices and the environment, but its ravages can then be used by globalists as the excuse for controlling land use world-wide. Very convenient.

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GLOBALIST ILLUSIONS

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On December 1, 1997, Foreign Minister Alexander Downer addressed journalists at the Canberra Press Club, confirming that the Howard government was committed to 'globalising' Australia. The hidden message to the new-style journalists was to go out and 'sell' the idea to the public. So just what is 'globalism', now that the sentence has been pronounced on the Australian people?

The answer is that 'globalism' can mean a couple of things, one of them innocuous, the other definitely a cause for alarm. The lack of clarity has been made possible by the undemocratic manner in which globalism is being implemented. Since there never was a question of the people of the world being asked whether or not they wanted it, a clear definition of what globalism means was unnecessary. Those 'in the know' knew anyway, and nobody else matters nowadays. That's 'rationalism'. Shades of things to come.

The 'g' word was subtly slipped into the language by the media, whose policy is to tell the public as little as possible about globalism until it is too late for them to stop it. The globalist elites maintain a pretence that it has all been agreed to, while their strategy is 'just do it'. If anybody challenges what you're doing, 'deny you're doing it'. If that doesn't work, 'tell 'em anything'. So what does 'globalism' mean?

At one level it can mean increased cooperation between independent self-governing nations for a more peaceful and ecologically sustainable world. This is the view clung to by naive academics, school children, and other idealists. It is also the view peddled by journalists, who don't believe a word of it. On the other hand it can mean the political, legal, economic and social integration of all the nations of the world into a global order of 'interdependent member states' under one world government: an expanded United Nations.

Central to the meaning of globalism is the concept of 'global governance'. This is no conspiracy theory. There has been a Commission on Global Governance since 1992, and a United Nations-sponsored conference on Global Governance is scheduled for this year. So what is 'global governance'?

The Concise Oxford Dictionary defines 'governance' as the 'act of governing'. What is the difference between 'governance' and 'government'? There is none. The same dictionary defines 'government' as the more modern word for 'governance'. 'Global' is defined as 'world-wide, embracing all countries'. Global governance means 'world government': nothing more, nothing less. So how can globalists deny that's what it means? The answer lies in the now-prevalent use of a kind of self-contradictory waffle,

which lends itself to any interpretation that furthers the agenda. It was this kind of waffle which was resorted to by the Commission on Global Governance.

The Commission on Global Governance (COGG) was an initiative of ex-Chancellor Willy Brandt of Germany, who prepared a document called 'Common Responsibility in the 1990s: The Stockholm Initiative on Global Security and Governance', and presented it to a UN conference in Stockholm. Out of it the **Commission on Global Governance** (COGG) was formed in 1992, with the endorsement of then United Nations (UN) Secretary-General Boutros Boutros-Ghali. It was co-chaired by a Swede and a Guyanese, and included 26 other men and women from various countries. Australia was not represented. The Commission published its report in 1995 in a book entitled 'Our Global Neighbourhood: the Report of the Commission on Global Governance'.

The COGG hastened to reassure people that 'global governance' did not mean 'global government', though it acknowledged that 'the similarity of the terms could lead to misunderstanding'. No doubt. A world government might be one which was "less democratic than the world we have, one more accommodating to power, more hospitable to hegemonic ambition, and more reinforcing of the roles of states and governments rather than the rights of people." On the other hand, the challenge was "to strike the balance in such a way that the management of global affairs is responsive to the interests of all people in a sustainable future, that it is guided by basic human values, and that it makes global organisation conform to the reality of global diversity."(1)

To the COGG 'global governance' meant "better management of survival, better ways of sharing diversity, better ways of living together in the global neighbourhood that is our human homeland."(2) It meant "the sum of the many ways individuals and institutions, public and private, manage their common affairs....a continuing process through which conflicting or diverse interests may be accommodated and co-operative action may be taken. It includes formal institutions and regimes empowered to enforce compliance, as well as informal arrangements that people or institutions either have agreed to or perceive to be in their interest."(3) In other words, it's bullshit.

US Council on Foreign Relations member James Warburg had no illusions about what it meant when he said to the US Senate Foreign Relations Committee on February 17th, 1950, "We shall have world government whether or not you like it by conquest or consent." Committed globalist William Jefferson Clinton has no illusions about what 'globalism' and 'global governance' mean. In Buenos Aires on October 17, 1997, he declared, "isolationist voices must be ignored as efforts proceed to fully integrate the political and economic future of the Americas....Globalization is irreversible....Protectionism will only make things worse."

To these people globalisation means 'political and economic integration', not only of the Americas but of all the countries of the world into a new global order under one world government. 'Isolationism' is the new term for a country wanting to mind its own business, go its own way and not be 'globalised'. 'Protectionism' is the word for a country protecting its industries, economic assets, and the well-being of its people from exploitation by outsiders. Those things, which are vital components of national independence and sovereignty, are now forbidden. The globalists have decided,. What's more, globalization is 'unstoppable', and 'irreversible'. Those who resist, will 'make things worse' for themselves. Nice future.

Strobe Talbot, Clinton's Deputy Secretary of State, has no illusions. He was quoted in Time Magazine, July 20th, 1992, as saying, "In the next century, nations as we know it will be obsolete; all states will recognize a single, global authority." Ex-UN Secretary-General Boutros Boutros-Ghali has no illusions. Addressing the 3046th meeting of the UN on January 31, 1992, he said "...narrow nationalism can disrupt a peaceful global existence. Nations are too interdependent, national frontiers are too porous and transnational realities....too dangerous to permit egocentric isolationism...."(4) Nationalism is now 'egocentric isolationism', a distorted mental state which has to be readjusted.

The COGG did hint that there might be a bit of 'collectivisation' mixed in with the 'cooperation'. "Countries are having to accept that in certain fields sovereignty has to be exercised collectively."(5) But while academics might like to think this can be done without any loss of national sovereignty, former High Court Judge and Governor General (now sitting on the International Court of Justice) Sir Ninian Stephen has no such illusions. In his Earl Page lecture in 1994 he made it clear that in place of sovereignty national governments are to be left with a thing called 'subsidiarity', which Sir Ninian defines as "leaving to local, regional and national institutions those matters which are best dealt with at those levels". (6) In other words, the World Government will make the big decisions, and the Australian government will carry them out.

Sir Ninian was man enough to admit there will be a loss of democracy. He even had a nice-sounding name for it: a 'democratic deficit'. What do the people get instead? "[A]n environment of concern regarding the democratic nature of the decision-making process [which] may....have a healthy effect upon the conduct of the entity [ie. the world government]." What will protect the people from the inevitable abuse of power by the new world government? Well nothing, other than the naive trust that the power won't be abused. What about Lord Acton's famous warning that 'absolute power corrupts absolutely'? Forgotten.

According to the COGG, "Sovereignty....the principle that a state has supreme authority over all matters that fall within its territorial domain....ultimately derives from the people. It is a power to be exercised by, for, and on behalf of the people of a state...." Really? Well the man from the World Government Treasury Department (the IMF), Michael Camdessus, stated clearly at the Australia Unlimited Conference last week that 'democracy' in the new world order would not necessarily be 'Western-style democracy', but rather 'participatory democracy'.(7) What's the difference?

Participatory democracy was the type of democracy practiced in Ancient Greece, where the wealthy elites went daily to the Acropolis to participate in the government. Mr. Camdessus' 'participatory democracy' will involve the 'participation' of the same unelected elites who are presently engineering the globalisation process, who sit in conferences all day while the rest of us work. It's the democracy you have when you don't have democracy.

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DOWNER'S SYNDROME: GLOBAPHILIA

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In a book called 'The Origin of Consciousness in the Breakdown of the Bicameral Mind', American psychologist Dr. Julian Jaynes of Princeton University reasoned that in the course of human evolution man must have progressed from an animal consciousness to a fully developed human consciousness at some stage. That stage would have coincided with the development of language and was thus fairly recent. The fully developed human consciousness differs from that of the animal, in this case the ape, in its ability to think in concepts and principles which enable it to reason. The animal perceives its surroundings but, so far as can be determined, cannot integrate those percepts into concepts and reason for itself. It relies instead on instinct, learned behavior, and a tendency to follow the herd.

Jaynes reasoned that the transition from animal to human consciousness was not a sudden switching on of lights, but gradual, involving an intermediate stage he called the 'bicameral mode'. The person in bicameral mode was not quite fully conscious in the sense of being able to reason, but could do most other things. Bicameralism was 'following mode'. People operating in it relied on learned behavior, instructions from people in authority, and in new situations counsel from 'the gods'. Man operated in this mode even into the fairly advanced stages of early civilisation.

The important point Jaynes made was that the transition to full consciousness was volitional, not automatic. The individual had to choose to think independently, and had to cultivate reasoning as a habit in order to stay fully conscious. It follows that, given the right circumstances (such as a society which discourages independent thought, or which fails to encourage children to reason) it is possible for masses of people to lapse back into bicameral or following mode. Such people would pick up their ideas from their surroundings rather than through independent thought. They would believe what 'authorities' told them to, follow the crowd, leap onto bandwagons, vote the way they thought the herd would vote, conform readily to 'political correctness', accept false theories which purportedly 'explain everything', and believe in mystical things like astrology, 'market forces', 'forces of history', and 'Gaia mother earth'. Sound familiar?

Since the person in bicameral mode cannot think conceptually they cannot reason logically, and they instinctively sense that. Consequently they are literally terrified of an opposing viewpoint. If they try to argue logically their efforts are riddled with logical fallacies such as appeals to emotions and force. They regard independent ideas as 'dangerous', threats to social peace and stability, and readily agree with calls to have the holders 'marginalised', as they have tried to do with 'The Hansonites'. It was this mindset which led to the use of psychiatric hospitals in the Soviet Union as places of mental 'correction'. To the bicameral, an independent thinker is a menace both to them and to society.

Bicamerals resort frequently to a logical fallacy known as the argument from intimidation: they accuse the person with an opposing viewpoint of suffering from an irrational fear of the 'politically correct' view: a 'phobia'. People who refuse to accept homosexuality as 'normal', for example, are diagnosed as suffering from 'homophobia'. People who oppose the bandwagon policy of multiculturalism are accused of being 'afraid of foreigners', suffering from 'xenophobia'. Australia's Treasurer Peter Costello recently accused people who oppose 'globalisation' of being 'afraid of change'. Foreign Minister Alexander Downer went a step further and gave the condition a name: 'globophobia'.

At the Canberra Press Club on December 1, 1997, Downer delivered an address to journalists entitled 'Globalism or Globophobia: Does Australia have a Choice?' One immediately recognises the argument from intimidation in the title itself. To oppose globalism is 'globophobia', and it is immediately apparent where his line of 'argument' is leading: Australia has no choice but to leap onto the bandwagon, to run with the herd and 'globalise', or risk being labelled a nation of 'globophobes'....a prospect people in bicameral mode appear to regard as a fate worse than death.

To the fully-conscious independently thinking human the suggestion that Australia has no choice is absurd. To him or her, man should be in control of human affairs, so the suggestion that our society is in the grip of trends which are 'unstoppable', 'irreversible', and beyond human choice or intervention is mystical nonsense. Not so to Alexander Downer. "Whether people fear globalisation or not." declared Downer, "they cannot escape it". To the person in bicameral mode the 'inevitable forces of globalisation', not humans, are in charge of human affairs. The world is still ruled by 'the gods', and none can escape their will.

Downer's speech was riddled with all the logical fallacies that are the bicameral's stock in trade. "We all fall into one of two camps", declared Downer. "You are either a globophobe or a globophile". This is the argument to extremes, the 'false alternative': tell opponents they can be one extreme or the other with no middle ground. They can have either an irrational fear of globalism, or an irrational love of it, but a balanced viewpoint which is neither is not an option. Needless to say, Downer is a self-diagnosed globophiliac.

The Minister then employed the popular 'straw man' fallacy. This involves misrepresenting the opposing viewpoint (set up a straw man), then attacking your own misrepresentation. According to Mr. Downer, people who do not wish to relinquish control of their lives and their country to others "would slam shut Australia's doors on the world....propose massive walls to block out our region...are preying on the fears of some Australians who suffer....reform fatigue....". All of which is raving nonsense. Australia has always been engaged with the rest of the world and nobody is seriously proposing anything different now. People opposing globalisation simply wish to deal with the world as sovereign

individuals in a self-governing country, a concept which runs counter to the desperate emotional need of the bicameral for herd-like interdependency.

Downer then resorted to two more fallacies. First, intellectual modernism (future-oriented ideas are always correct): “The globaphobes among us”, said Downer, “seek to relive the past, not confront the future”. Then came the popular ‘ad hominem’ (attack the person): opponents were “small-minded, needlessly fearful, ridiculously cautious and hopelessly visionless.” None of which says anything about the opposing viewpoint. Inevitably the appeal to force (terrible things will happen) was resorted to: to resist globalisation will result in “a world without progress....an orgy of nationalism....” Yield or be doomed! Irrational? Absolutely.

Opposing globalism, said Downer, will “shut us off from fast changing technology, from rising living standards, from new and more interesting jobs”. But after 15 years of globalism none of those things has been delivered. In fact globalisation is replacing full-time with lower-paid part-time jobs, causing a decline in living standards for the majority while the rich are getting richer. It is progressively impoverishing producers while parasitic speculators are making fortunes bringing down whole economies. Furthermore, the idea that people have to sacrifice national independence to get new technology is simply nonsense.

So how could Downer make such foolish claims in the face of mounting contrary evidence? The answer is that people operating in bicameral mode believe in theory, not actuality. They do not hold opinions based on facts, they embrace certain standpoints on faith. Evidence which threatens the belief system must be ignored, falsified, even suppressed. In this case the theory says ‘market forces’ will deliver wealth and prosperity. The fact that they don’t must therefore be a temporary aberration. The gods require sacrifices before delivering the global utopia. ‘No pain, no gain’. We must be patient, have faith, and reaffirm our commitment. In New Guinea they call it ‘cargo cultism’.

The bulk of Downer’s talk was based on a fallacy known as ‘reductionism’, by which one part of a thing is represented as the whole. A concept can thus be reduced to one of its more attractive attributes. In this case Downer concentrates on one aspect of globalism, namely ‘trade liberalisation’, and argues that the alleged benefits from that are the benefits from ‘globalism’. He can do this because at no stage does he define what ‘globalism’ is. The uninitiated (including the journalists eating Chicken Kiev) are left with the impression that globalisation is just another name for ‘trade liberalisation’. How very wrong.

In fact globalisation is about countries relinquishing, bit by bit, their economic sovereignty, their economic assets and public utilities, together with their political, legal, and cultural sovereignty to internationalist control. The resultant ‘globalised’ world is to consist not of independent nations, but of interdependent member states of a global order under one world government. Downer might deny that, but it is now well documented by many and varied sources. He probably also would deny that he and his government are giving away Australians’ right to govern their own affairs, but at the very time he delivered his speech his government was about to sign the Financial Services Industry Agreement (FSIA) which signed away the people’s right to prevent foreign takeovers of Australian banks, and the Multilateral Agreement on Investment (MAI) which would relinquish their right to limit and control what multinational corporations and foreign investors can do in and to Australia, including its people.

Downer eventually conceded there was more to globalisation than trade liberalisation, then immediately talked more about trade liberalisation, seeking to perpetuate the myth that ‘trade liberalisation will prevent wars’. In truth, whatever else they do, monopoly capitalism and ‘free trade’ do not prevent wars. From the Opium Wars, to the two World Wars, through Korea, Vietnam and Desert Storm, there has been more global conflict since the rise of monopoly capitalism and ‘free trade’ than ever before in human history. Far from preventing wars, global capitalism makes huge profits financing them. At the moment American capitalists are taking advantage of trade liberalisation to sell missile guidance technology to China, a country regarded by strategists as the greatest threat to world peace. Already India and Pakistan have responded with a resumption of nuclear testing.

The globalised world Downer proposes has no provision whatsoever for democracy, no provision for individual input into the process of world government, no means by which individuals can retain control over their lives or their country. Perhaps Downer thinks Australians should be content to surrender control of their lives to the likes of himself and Peter Costello, under what the IMF’s Michael Camdessus calls ‘participative democracy’: rule by elites. Such a prospect is totally unacceptable to the fully-developed adult human intelligence. The globophile’s world is a world of followers, of slaves, of dutiful subjects in bicameral mode, one in which the independently thinking, reasoning, sovereign human being with genuine self-esteem is regarded as a threat to the state. Mr. Downer needs a smart jolt back into full consciousness. He should also go and get some treatment for his ‘globophilia’.

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Forward to the Past

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Regardless of what Australia’s Minister for Foreign Affairs and Trade Alexander Downer might think (1), ‘globalisation’ means the political, legal, economic and social integration of all the existing nations of the world into a global order under one world dictatorial government. The method being used to bring this about involves (1) inducing nations to get themselves into debt, then (2) under threat of economic warfare of the type presently being waged in Asia, inducing national governments to allow international investors to buy up all major economic assets and public utilities, and (3) inducing those governments to sign away their people’s political, legal, economic and social sovereignty by entering into various ‘treaties’ and ‘agreements’ at the United Nations (UN), or the OECD, or wherever. There is ample documentary evidence for this, but for the best evidence the reader should simply look at what is happening around them.

One of the arguments used by globalists (including Mr. Downer) to justify this is that ‘globalism’ is the thinking of the future, while the desire for national independence and self-government is the thinking of the past. This is pure globalist ideology, a false version of reality. The idea that nationalism is ‘outmoded’ and on the way out is contradicted by all the evidence. The distinct trend of history in recent times has been toward smaller governmental units, toward national autonomy and separateness,

towards nations dealing with each other on the basis of voluntary cooperation rather than as member states of some larger political union.

Globalism, resisting this trend, wants to collectivise them again, herd them all together, eliminate their autonomy, and force them to participate in a 'global economy', a 'global neighbourhood', even a 'global religion' (true!), and answer to one global government. Far from being the 'thinking of the future', globalism is the old empire-building impulse of the past, a frame of mind which has disrupted human existence for the past 5,500 years, now directed globally.

NATIONALISM

Nationalism has three distinct components (1) a feeling of union by a distinct people, resulting from a common culture, language, history, locality or race (2) fusion of those people with a political state with a government, and (3) the idea that those people united in that state have a right to self-government and to decide their own future (self-determination).

The feeling of nationhood is as old as mankind, and is the strongest of all group feelings. Hans Kohn, in the book 'Nationalism: Its Meaning and History' states (p.9), "A deep attachment to one's native soil, to local traditions and to established territorial authority has existed in varying strengths throughout history"(2). Morris Ginsberg writing on the diversity of morals says, "The essential characteristic of the nation is the sentiment of unity. In this sense nationalism must be very ancient, since there must always have existed groups conscious of their unity."(3) The Fontana Dictionary of Modern Thought says: "Despite the rival claims of class war on the one hand and internationalism on the other, nationalism as a mass emotion has been the most powerful political force in the history of the world."(4)

Throughout history the feeling of unity of a people has been the main obstacle to empire-building rulers who wanted to conquer as many other nations as they could and incorporate them into their empires. But the modern nation-state did not emerge until the end of the Middle Ages, around 1500. The medieval state had been a territory ruled by a monarch, which might encompass several 'peoples' or nations. Because of this, according to Professor Alfred Cobben, provincial sentiment, the feeling of unity of a people, was a strong rival of the medieval monarchy.(5)

It was only at the end of World War I that the nation-state came fully into its own. The old empires of the Habsburgs and Romanovs were in ruins, and new boundaries had to be drawn on maps. The basis on which those boundaries were drawn was nationalism. It seemed to be the natural way to organise the world, a potential formula for stability. The new nation-states of Austria, Hungary, Czechoslovakia, Poland, Yugoslavia and Romania were created along nationalist lines. Nationalism is modern, not ancient. It has been evolving in, not out.

INTERNATIONALISM

What then is the history of globalism, or, as it used to be called, 'internationalism'? According to Encyclopaedia Britannica, "The development of nationalism ran counter to the conceptions that had dominated political thought for the preceding 2,000 years. Hitherto man had commonly stressed the general and the universal and had regarded unity as the desirable goal." What form did this 2000 year-old conception take? The Fontana Dictionary of Modern Thought is instructive here: "World society

theory” which “conceives of the world as a society of individuals and communities rather than as a patchwork of competing nation-states has a long history and was reflected, for example, in medieval aspirations for the unity of Christianity.....”

The ‘medieval aspirations for unity of Christianity’ were those underpinning the Holy Roman Empire, a political empire ruled by the Roman Church. Under it the popes dominated the political affairs of the West, claiming the right to choose and crown monarchs. ‘Medieval aspirations for the unity of Christianity’ were imperial, empire-building aspirations, driven by the false idea that people are ‘united’ by herding them together into ever bigger political conglomerates.

Such aspirations were not confined to the Holy Roman Empire. The same aspirations drove the old Persian Empire, the Assyrian Empire, the Macedonian Empire, the Roman Empire itself, then the European colonial Empires of the late 19th century and the Soviet Union during this. Internationalism manifested itself as imperialism, the tendency of rulers to gather as many peoples as possible under the one umbrella.

Until now, empires were limited in size by the dictates of their times. The Roman empire, for example, expanded until it extended from the Scottish border around to Assyria in the East, then ran up against limitations imposed by travel, communications, and the cost of administration. Such limitations no longer exist. Now that it’s possible through modern technology to control the entire world, it is inevitable that the imperial impulse should appear again in global mode.

Globalism, ‘world society theory’, internationalism, is imperialism directed globally: new bottle, stale old wine. Even now many observers are describing the behavior of America, particularly American big business which is one tool by which globalism is being brought about, as ‘neo-imperialism’, and the world state that is likely to result as ‘neo-feudalism’.

Far from being the thinking of the future, ‘globalism’ is the ossified thinking of the past, a view that has never been the view of the ordinary people of the world but of greedily power-lusting rulers and their elite hangers-on. Not only that, but from the Sumrian Empire around 3500 BC to the Soviet Union during this century, no empire has survived, and there is no reason whatsoever to believe that a single global empire would have any better chance of survival than the others.

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Globalism and Democracy

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This week The Australian is featuring a series of articles under the title 'The Future File'. The same old names in journalism, with the same old views, are writing in the same old paper about what will happen to the 'big issues' in the 21st century. Paul Kelly took on a potentially explosive one: What hope is there for democracy in the 21st Century?

Since 'democracy' has a number of meanings Mr. Kelly might have defined at the outset what he meant by it. After all there is 'participative democracy' (rule by wealthy elites), 'liberal democracy' (government of the people by the people with limited government), and 'mass democracy' (government of the people by the people with unlimited government), 'social democracy' (the dictatorship of the proletariat), 'economic democracy' (the equal distribution of wealth), and even 'industrial democracy' (worker representation in management). Which 'democracy' is Kelly talking about? The reader has to work that out for themselves.

As we approach the new millennium, says Kelly, Australian democracy is showing signs of 'arthritic malaise'. Australians 'thrive on democracy' but 'distrust politicians', and since this is pretty much the same the world over, it must be a problem of democracy itself, not of politicians. It couldn't be a problem of the Party system overriding true democracy, or of self-serving time-serving politicians rorting the system. It couldn't be a problem of two major parties colluding to share one set of policies and turn the country into a defacto one-party state, serving the country's mortgagees first, politically correct voting blocs second, and the people last. It couldn't be a problem of politicians abandoning moral principle in favour of expediency ('whatever it takes'). No. The problem lies with 'democracy' itself, not the abuse of it by people charged with upholding it.

Can it be cleaned up and made to work properly again? Not an option. Though Kelly doesn't actually say so, democracy, like 'globalisation' is seen by millennialists to be in the hands of the inexorable forces of history, the laws of social evolution, human destiny, unstoppable, irreversible. The future of democracy, like that of the independent self-governing nation-state, will be determined by the 'forces of change'. The 'gods' are back in control of human affairs. All humans can do is stand back and watch, and write essays trying to predict what might happen. Or so globalists would have us believe.

Kelly makes the common journalistic assumption: 'things are what the label says'. 'Russia has become a democracy', he says, though he doesn't say why. Ask the Chechyns, perhaps. Whatever it is, Russian democracy like Argentina's is being 'interpreted', says Kelly, 'with the presidents of Russia and Argentina by-passing their parliaments and ruling by presidential decree.' Curiously he fails to mention that so does President Clinton. America, the great symbol of 'democracy and capitalism', is also being governed by executive order, based on a fictitious state of national emergency which has existed since the Great Depression, renewed on some pretext or other by the president every year. Clinton has issued more executive orders than any other president in history. The world's greatest democracy is also potentially the world's greatest dictatorship. What are the implications for democracy there? Will Australia's president rule by executive order too? Kelly steers well clear.

Philosopher Francis Fukuyama gets a look in. He has claimed that liberal capitalist 'democracy' will be the 'end of history', the 'endpoint of mankind's ideological evolution', a claim Kelly apparently thinks worthy of repeating. Strangely, only yesterday the same claim was being made for Communism. Fukuyama has appeared a number of times on the Lehrer News Hour in 'David Gergen Dialogues'.

Now David Gergen, editor at large of 'US News and World Report' is a member of the Council on Foreign Relations (CFR) a body formed specifically to promote and bring about one world government. Now there's a subject which might have a bearing on the future of democracy. Does Kelly raise it? Afraid not.

Others have. On 17 February 1950, Council on Foreign Relations member James Warburg told US Senate Foreign Relations Committee, "We shall have world government whether or not you like it by conquest or consent." Strobe Talbot, President Clinton's Deputy Secretary of State was quoted in Time Magazine, July 20th, 1992, as saying, "In the next century, nations as we know it will be obsolete; all states will recognize a single, global authority." Where do these ideas figure in Paul Kelly's assessment of the chances for democracy in the 21st century? Well, not at all. Interestingly, Kelly quotes from the CFR's main journal, Foreign Affairs at least twice, yet nowhere does he raise the idea of world government. Nor does he mention that Fukuyama's view plays right into the hands of those promoting it: permanent, non-democratic everlasting world government. The end of history, and of democracy.

Nor does Kelly deal with the kind of warnings issued by people such as former High Court Judge and Governor-General, Sir Ninian Stephen who warned that the coming global order would involve a 'democratic deficit' ...a loss of democracy, and that people were going to have to make do instead with "...an environment of concern regarding the democratic nature of the decision-making process [which] may...have a healthy effect upon the conduct of the entity" [i.e. the World Government]. Then again it may not. What about that? Nothing.

Kelly might have twigged that democracy was under serious threat when he said, "Democracy cannot exist without private ownership", but even then the truth seems to have eluded him. Had he bothered to look he would have seen that the private ownership of property (by people, as distinct from transnational agribusiness) is in clear and present danger. Apart from native title claims and the forthcoming Treaty on the Rights of Indigenous Peoples, there is the Treaty on Biological Diversity and the forthcoming land use controls in river catchment areas and on land adjacent to them. All these are set to erode private property rights and replace them with defacto world government control. How is that reconciled with the idea of private ownership and democracy in the 21st century? No answer.

When Kelly says that the past 10 years have seen an explosion in 'democracy' throughout Asia it is clear that by 'democracy' he means 'capitalism not communism': a country run by and in the interests of big business monopoly capital and the international bankers who control it. Kelly's 'democracy' obviously has nothing whatever to do with the meaningful participation of ordinary people in the formulation of government policy. Democracy will be limited to elections of personalities while the policy matters will be taken care of by unelected ruling elites. As globalist Henry Kissinger once said concerning America's role in overthrowing the democratically-elected government of Chile, "The issues are much too important for the Chilean voters to be left to decide for themselves." Noam Chomsky put it this way: when the most important issues which effect people's lives are not even in the public arena, elections or no elections, democracy is 'at best a very thin reed'.

'Ethiopia's government turns its security forces on journalists and political opponents', says Kelly. So what? In Australia, which Kelly claims is a 'democracy', the government turns journalists on its political opponents, particularly those who want real democracy like Pauline Hanson and Graeme

Campbell. What's more, puppet journalists like Kelly himself are only too ready to vilify them, labelling them 'populists' for advocating government of the people by the people. At least Ethiopia has journalists game enough to challenge government. What effect will media control, propaganda and journalistic dishonesty have on the future prospects for democracy in the 21st century? Don't hold your breath waiting for an answer to that one.

'Technology will make the 21st century an age of individual empowerment,' says Kelly, parroting the conventional Make Believe. Recently real people power using the Internet succeeded in stalling the MAI, something the globalizers are not about to allow to happen again. Already there are moves to curb the Internet and 'individual empowerment'. Whether the excuse will be 'protecting children from pornography' or 'fighting terrorism', the real target will be people critical of the government....the new 'terrorists' of the 21st century, the 'threat' to the 'core stability' (Kelly's term) of permanent government.

Democracy is not only under threat as this century draws to a close, but it may not even survive to see the 21st century if the present course is continued. Technology, far from empowering the masses, could lead to an Orwellian world of previously unimaginable oppression. What does Kelly say? Orwell got it wrong. "...technology despite its capacity to promote uniformity, will liberate the individual and....fragment the power centres." Not without democracy it won't.

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MANKIND IN AMNESIA

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Immanuel Velikovsky once wrote a book called 'Mankind in Amnesia' (1982), the thesis of which was that global catastrophes of a natural kind (crustal upheavals and tidal waves) had occurred at various times in history, and which the collective human mind had tried to forget: to expunge from memory because they had been so terrifying [see also Immanuel Velikovsky, 'Earth in Upheaval' (1955)]. Is it possible that, in view of the atrocities committed by governments during the present century, a similar phenomenon is occurring now? Could it be that the lessons of recent history are being deliberately disregarded in the hope that the events on which they are based won't repeat themselves?

The novelist/philosopher Ayn Rand wrote: "Governments throughout history are the proven agents of bloodshed, wars, persecutions, confiscations, famines, enslavements and wholesale destructions. Potentially a government is the most dangerous threat to human life and liberty. It holds a legal monopoly on the use of physical force against legally disarmed victims. When unlimited and unrestricted by individual rights, a government is men's deadliest enemy". (12)

The historian Lord Acton said 'power corrupts, and absolute power corrupts absolutely', and this century alone testifies as to the accuracy of the statement: 64 million Russians were murdered by their own government (7); Hitler killed 6 million Jews and many others; an estimated 60 million people were murdered in Mao Tse-tung's China; the world watched the Tienanmen Square massacre on TV; one

third of the population of Cambodia (estimated 2-3 million) was exterminated by Pol Pot (8); Nicolae Ceausescu of Romania ordered the deaths of 60,000 of his fellow-countrymen during his 23 year dictatorship (9); and Indonesia has practiced genocide on the people of East Timor (10); and that list is by no means exhaustive.

If history teaches any lesson at all it is that nobody, absolutely nobody, can be trusted with political power. All political power will be abused sooner or later unless there are constitutional limits imposed on it and the populace is 'eternally vigilant'. It was for this reason that concepts of individual rights, Bills of Rights, Constitutions, the Separation of Powers, the necessity for a Free Press and Independent Judiciary, and Popular Democracy (government of the people by the people) were developed. These concepts were advanced not by 'conspiracy theorists', but intelligent men who realised that while government was necessary, so was the limitation of its power if life for the masses was to remain at all tolerable.

The now much-maligned 'baby boomer' generation knew of these things, of the importance of individual freedom and of the things necessary for its preservation. Born in the immediate aftermath of World War II they knew, even before the Cold War, of the Soviet tyranny, the deliberate starving to death of a third of the population of the Ukraine, the Cheka/KGB (their ASIO), the dobbing in of family members for politically incorrect utterances, the knock on the door in the middle of the night, Operation Keelhaul, the slave labour camps, the use of psychiatric institutions for 're-education' of people critical of the government, the purges, the control of information using the media, and the political control of science (as witness the Lysenko Affair (11)).

The present generation it appears is taught no history, so it has no idea of the past, other than as something the older generation 'got wrong'. The collective wisdom to be gained from history is being expunged from the collective consciousness of our society. As the Spanish-American philosopher Georges Santayana once said, those who do not learn from history are destined to repeat it, and are they ever! The present generation of young Australians is in for the shock of its life.

The politically correct attitude is that the government is like 'mummy': all loving, all caring, all benevolent, all forgiving, the source of all that is good and true, and like mummy, would never hurt you, especially because it recognises that every human being is a 'unique individual' deserving of 'self-esteem' and so on. Where this comes from needs tracking down some Sunday afternoon. Perhaps it stems from the German philosopher Georg Hegel who claimed the State was the instrument by which god's plan for the world was advanced. Hegel, as we know, found his way into Marxism (admittedly standing on his head) but who cares.

The present generation of young Australians is about to repeat one of history's grimmest lessons: encouraging and submitting to tyranny, and they are being led to the slaughter by people in the media, particularly on programmes like '60 Minutes'. [During the '60 Minutes' disinformation piece on Pauline Hanson \(8 June 1998\)](#), reporter Jeff McMullen repeated the now-familiar piece of propaganda: "The patriots here believe that their own government is selling them out. Like Pauline Hanson they believe that international treaties are undermining the power of national governments to make individual decisions. It's a much derided global conspiracy theory."

In the immediate sense the implication is that because one Jeff McMullen of '60 Minutes' in Australia says something has been 'much derided', it could not possibly be true. That, of course, is a logical fallacy known as 'ad populum': something is false if somebody says lots of people believe it's false. According to McMullen's reasoning, the world was once flat because lots of people disbelieved that it was spherical.

Much derided by whom? Again McMullen didn't say. If he means by other high profile journalists like himself, then forget it. Their credibility is history. Nor does he say what sort of things governments will be left to 'make individual decisions' about after all the treaties have been signed. They could for instance decide which street to sweep next, or which train to make run on time. By some stretch of the journalistic imagination this might still be construed as 'national autonomy'. But the significant thing that McMullen implies is that the government would never sign treaties handing over the people's sovereignty to international bodies.... mummy government could never be bad, in other words. This of course is nonsense. The lesson of history is that governments have rarely been good.

The big problem for paid propagandists like McMullen now is that there are too many statements in the public arena which have come out of the mouths of internationalists themselves, people who in no way could be construed as 'conspiracy theorists'. In Buenos Aires on October 17, 1997, President Clinton declared that, "isolationist voices must be ignored as efforts proceed to fully integrate the political and economic future of the Americas....Globalization is irreversible....Protectionism will only make things worse."(6) Globalisation means 'political and economic integration'. 'Isolationism' is the new term for a country wanting to mind its own business, go its own way and not be 'globalised'. 'Protectionism' is the word for a country protecting its industries, economic assets, and the well-being of its people from exploitation by outsiders. These things, essential for national sovereignty and independence, now 'will only make things worse', and have to be abolished.

Strobe Talbot, Clinton's Deputy Secretary of State, was quoted in Time Magazine, July 20th, 1992, as saying, "In the next century, nations as we know it will be obsolete; all states will recognize a single, global authority." In 1993 the World Federalist Association, a body promoting world government, presented Talbot with the Norman Cousins Global Governance Award. President Clinton wrote to the Association congratulating it on its choice of Talbot, saying, "Norman Cousins worked for world peace and world government....Best wishes....for future success."

US Council on Foreign Relations member James Warburg (of the international banking family) said to the US Senate Foreign Relations Committee on February 17th, 1950, "We shall have world government whether or not you like it by conquest or consent." He was right. We're getting it.

Former High Court Judge and Governor General (now sitting on the International Court of Justice) Sir Ninian Stephen made it clear that in the coming global order there will be a loss of national sovereignty. In its place there will be a thing called 'subsidiarity', which he describes as "leaving to local, regional and national institutions those matters which are best dealt with at those levels".(1) Who will decide what is 'best dealt with at those levels'? Well not the countries concerned. As globalist Henry Kissinger said while being questioned about America's role in overthrowing the democratic government of Chile: "The issues are much too important for the Chilean voters to be left to decide for themselves".

What about these naughty patriots? The Oxford Dictionary defines ‘patriot’ as “One who defends or is zealous for his country’s freedom or rights”. Why would such a person be regarded as a threat to social order and stability? Only yesterday the Australian government was exhorting them, or conscripting them, to go of and be blown to pieces ‘keeping the world safe for democracy’. To borrow an argument favoured by internationalists themselves, if the Australian government was abiding by the Constitution and not up to anything on the sly it should have nothing to fear from patriots, and there would be no need for anti-patriot propaganda pieces **such as the one aired by ‘60 Minutes’**.

So why is the government so paranoid about patriots? Because it IS handing over national sovereignty on the sly, and it is impossible that Jeff McMullen and the producers of ‘60 Minutes’ don’t know it. It is just plain ludicrous to suggest, for example, that no national sovereignty or autonomy was lost by signing the **Financial Services Industry Agreement (FSIA)** which signed away the right to prevent foreign takeovers of Australian banks, or that further autonomy will be lost by signing the proposed **Multilateral Agreement on Investment (MAI)** which signs away the right to limit and control the activities of Multinational Corporations and foreign investors in their exploitation of this country and its people.

As for the so-called ‘conspiracy’ about world government, there are literally hundreds of books written on the subject, so that if McMullen has missed them it says heaps about his lack of ability as an ‘investigative journalist’. Some readily to hand are ‘Goals for Mankind’ (1977), ‘Reshaping the International Order’ (1976), ‘Mankind at the Turning Point’ (1974), and ‘Our Global Neighbourhood: the Report of the Commission on Global Governance’ (1995). None of those books was written by ‘conspiracy theorists’. They were all commissioned by the United Nations or groups associated with it, like the Club of Rome....Non-Government Organisations (NGOs) which are now regarded as legitimate ‘institutions of global governance’ even though their power has no democratic basis whatsoever. All of those books concern the establishment of a new world order in which the sovereign nation state is replaced with a global order of ‘interdependent member-states’ under a new form of ‘global governance’.

There is even to be a UN-sponsored conference this year on global governance. The Concise Oxford Dictionary defines ‘governance’ as the ‘act of governing’. What is the difference between ‘governance’ and ‘government’? None. The same dictionary defines ‘government’ as the more modern word for ‘governance’. ‘Global’ is defined as ‘world-wide, embracing all countries’, so global governance literally means ‘world government’.

Perhaps McMullen believed the Commission on Global Governance when it stated that ‘global governance’ does not mean ‘world government’, though ‘the similarity of the terms could lead to misunderstanding’. The commission feared that such a world government might lead to a world which was “less democratic than the world we have, one more accommodating to power, more hospitable to hegemonic ambition, and more reinforcing of the roles of states and governments rather than the rights of people.” The challenge was “to strike the balance in such a way that the management of global affairs is responsive to the interests of all people in a sustainable future, that it is guided by basic human values, and that it makes global organisation conform to the reality of global diversity.”(3)

And how do you 'make global organisation conform to the reality of global diversity'? Well says the Commission, "Countries are having to accept that in certain fields sovereignty has to be exercised collectively".(4) And how can sovereignty be exercised collectively without some coordinating body? It can't. How can nations 'exercise sovereignty collectively' and still be independent? They can't. They 'exercised sovereignty collectively' in the former Soviet Union. Global governance means world government, regardless of what the Commission on Global Governance claims. It would not be the first time idealists have played right into the hands of tyrants. But starry-eyed dealists have an excuse. Smug journalists don't.

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THE SQUALLINGS OF THE OBS-ELITES

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On Saturday 13 June, one quarter of the voters of Queensland voted for a fledgeling political party: Pauline Hanson's One Nation. In the tally room organisers of the entrenched major parties, watching their traditional voters defecting to One Nation in droves, complained that it had been 'impossible to get media coverage in the leadup to the election because of an obsession with One Nation'. The implication was that if only they'd had more media coverage, what was happening wouldn't be happening. What they didn't say was that the media 'obsession' with One Nation had been a shift into overdrive of an ongoing campaign to discredit Mrs. Hanson and her Party. That her party could pull 25% of the vote under those circumstances should have alerted the entrenched political parties that some kind of revolution was taking place out in the electorate.

For more than a year, Mrs. Hanson had been the subject of the most disgraceful display of media bias, hysteria, spite, and outright dishonesty in history. Routinely dubbing her 'the fish and chip lady from Ipswich', they misrepresented what she said in parliament to make her out to be a 'racist', made fun of her limited education and personal mannerisms, accused her of being a bad mother, attempted repeatedly to ambush and humiliate her on national television, ignored her altogether in the hope she might disappear, and ultimately lied outright about connections between her party and foreign 'right

wing extremists'. The 'gay mardi gras' and left-leaning programmes like 'Fast Forward' lampooned her, busloads of paid riff-raff were hired to abuse, spit on, and throw urine-filled condoms at people going to her meetings. She received death threats and required bodyguards. In the final weeks before the election Prime Minister Howard called her 'deranged'.

What the Australian people had been witnessing with increasing disbelief were the squallings of this country's entrenched ruling elites in a combined and frantic effort to protect their position of privilege and power against a challenge from the 'mass', the non-elite voters, led by Mrs. Hanson. So confident had those elites become of their monopoly of power and policy, that they believed they had what they accused Menzies-style conservatives of believing they had after 23 years in office: a god-given right to rule. Enter One Nation.

Judging by their assessments of the so-called 'Hanson phenomenon', the elites still have no real understanding of what's going on. So isolated have they become from reality and the 'mass' that they still believe this phenomenon is the result of 'people out there hurting' (the so-called 'hip pocket nerve', the only thing the masses are supposed to 'react to'), and that the situation can be rectified by having politicians from the major parties 'go out and listen to the people'. If they do they might be in for quite a shock.

What the entrenched political elite appear never to have contemplated, operating as it has done behind a screen of media censorship and obfuscation, is that the electorate might realise that Australia's 'leaders' have, under the rubric of 'globalisation', adopted policies which transfer ownership and control of Australia to internationalist bodies. What was even less within their contemplation, was the possibility that the people might act on their own initiative and try to do something about it. To understand how such a gulf could arise between Australia's 'leaders' and the people, one has to understand the ideology of elitism.

Elitist ideology (the phony theory justifying rule of the 'mass' by elites) has been around for ages, at least since Plato's 'Republic' (c. 400 BC). The modern version arose during the late 19th and early 20th centuries largely through the work of two Italians, Vilfredo Pareto (1848-1923) and Gaetano Mosca (1858-1941), and it paralleled the rise of the huge modern bureaucracies (3). According to the ideology it is 'inevitable' that elites must rule because they're smarter, particularly about things like politics, government and economics, and in 'a complex modern pluralistic society' (their phraseology) such sophistication gives them the right to rule the 'mass'. This they can do by stealth, subterfuge or any other means, 'whatever it takes' to quote ex-Senator Graham Richardson. They, and only they, know what's good for the 'mass'.

The 'mass', on the other hand, is supposed to need and want to be led by the elite. It looks to the elite for all its ideas, and believes every word the elite says. Elitist strategy is to give the 'mass' things to play with, like 'democracy' or sporting contests, which keep them occupied (having elections, cheering on sporting 'heroes') while the elites wield the real power and enjoy the perks and prestige that go with it. The democratic process is there for show, not to actually transfer power, other than from the Coalition Party elite ('tweedle-dum) to the Labor Party elite ('tweedle-dee') on the mutual understanding that 'it's your turn now for a while'. But under no circumstances must the 'mass' be allowed to exercise real power or challenge the position of the elite.

That Australia is ruled by elites is beyond question. In 1979 a study was done [see “Elites in Australia” by Higley, Deacon and Smart (1979)] which confirmed that power in this country is shared between elites in government, bureaucracies, big business, unions, academia, the media, the judiciary, arts, churches, ethnic lobbies and so on. Obviously, only those in government enjoy legitimacy flowing from the ballot box, but elites regard any power as legitimate, even if it flows from control of the means of production (business), of education, or of entry into a profession. Might (power) is right, according to elitist ideology, and anybody who has power has the right to use it, and a ticket of entry into the coalition of ruling elites. Elites regard all power centres now as ‘institutions of governance’, and all have legitimacy whether they are based on an electoral mandate or not.

Higley et.al. found that the continued possession of power is more important to the elites than social principle. Accordingly, they don’t care whether the system is capitalist, socialist, or a mixture of both, or even nationalist or globalist so long as they retain the power. This explains why elites which previously believed in welfare socialism promptly discarded that and embraced laissez-faire capitalism when the Hawke government implemented ‘economic rationalism’. It explains also why the elites readily abandoned their fellow countrymen and transferred their allegiance to ‘institutions of global governance’ when it looked like they were to be the next fountainheads of power.

Since power is crucial for their status, the elites resist any change which might threaten existing power structures. Thus they talk vigorously about ‘the need for reform’ when it involves a GST, which taxes the ‘mass’ while leaving elite power intact, but they refuse even to consider reform of an education system which fails to teach 30% of children how to read or write, let alone think for themselves. Fear of losing power causes elitists to hate democracy and Constitutions (unless they write them) which limit government power and purport to give the ‘mass’ a say in their own government. Instead the elites favour strong centralist, totalitarian regimes which concentrate power in the hands of ruling elites. This explains the subversion of the Australian Constitution by people in high places, the relentless efforts to concentrate power in Canberra at the expense of the states, the willingness to hand over Australian sovereignty to foreign institutions of governance which are non-accountable to the Australian people, and the penchant for creating more and more elitist-controlled committees and tribunals which supervise every minute detail of the life of the ‘mass’.

Whilst the elites might be highly distrustful of each other, all factions will unite to protect the elite class as a whole if its monopoly on power is challenged, particularly by a non-elitist force like One Nation. This is why Australians have witnessed a united effort by politicians, academics, big business, bureaucrats, the media and the churches to ‘fight Hansonism’. In their frenzy to protect their own power, some of the utterances of the elitists have defied gravity, let alone logic: statements like ‘none of this would have happened if Howard had moved earlier to silence her’, or ‘this stops at the border, Queenslanders have always been rednecks’, to ‘Hansonism is bad for exports and economic growth’, or ‘Hansonism is damaging tourism’, or ‘we’ll be the laughing stock of the international community’, whoever they are. Then there was Paul Lynham’s statement that ‘we can’t avoid the future’ even if it is the sort of future nobody would care to live in, and Maxine McKew’s statement that it’s ‘good for Australia’ to sell a viable public enterprise (Telstra) to clean up a bit of pollution. These statements confirm not only that the elites are out of touch with the ‘mass’, but with reality as well.

One of the reasons for the rise of One Nation was the informal power-and-policy sharing arrangement between the two major political parties under the banner of 'bi-partisanship', effectively eliminating any policy choices the 'mass' might have had. With characteristic contempt the media tried to sell this as 'political maturity'. What is amazing is the apparent belief by the elite that the 'mass' somehow wouldn't notice, or would accept it without attempting to do something about it. What was not supposed to happen, according to elitist ideology, was for the masses to exercise ingenuity, to source information from the Internet, to use small-circulation privately-produced newspapers and newsletters to spread the word, to educate themselves in political and economic affairs, and to establish an organisation capable of challenging the entrenched elite position. That sort of grass-roots action is what the elites now call 'terrorism'. On election night One Nation's obvious discipline and organisation were dismissed by one elitist as the work of 'defectors from the Nationals': leaked elitist secrets, in other words. Such statements are still made without apparently realising they now insult at least a quarter of the voters.

Since 'political instability' threatens entrenched elite power it is an almost pathological worry. Accordingly elitists constantly preach the virtues of 'stability'. Not surprisingly then, Peter Beattie was heard to say with enhanced sincerity that all he wanted was to see 'stability for Queensland'. Secretly he might have been wishing for an instant replay in which One Nation voters withdrew their votes and things could return to predictable normality, the nice boring 'stability' of alternating tweedle-dum/tweedle-dee politics. The 'mass', on the other hand, saw an elitist on the scent of power, and within a seat or two of the prestige job.

The elitist road to 'stability' consists of suppressing, distorting and otherwise manipulating issues which, if expressed, might lead to conflict: 'divisiveness' as they call it (4). One technique has been to suppress dissent by blocking all channels through which non-elite viewpoints might be expressed, through control of the media including the letters pages. Thousands of letter-writers can testify as to the hopelessness of trying to get dissenting letters printed in the major newspapers. Others have contented themselves with writing to regional publications like the Toowoomba Chronicle. Others started their own web pages. Others just fumed, waiting for an opportunity to vote One Nation.

Another technique was to quash any attempt to discuss topics deemed 'off limits'. Attempts to discuss Aboriginal affairs were smeared as 'racism', the questioning of immigration policy as 'xenophobia', and the challenging of globalisation as 'globophobia'. Another method has been to confine discussion on contentious issues strictly to the recycling of 'politically correct' viewpoints, and discouraging others with the ultimate threat of summons before the elitist Inquisition: the tribunals of the thought police. Even this was tried on Mrs. Hanson. Ultimately complete censorship, the 'media blackout' is resorted to. Through this method an entire political party, Australia First, along with its founder, Graeme Campbell, were given the 'silent treatment' for a whole year, with the result that most of the Queensland electorate was completely unaware of their existence, while others were left wondering what had happened to them.

Because it systematically suppresses divergent views on important issues, rule by elites is incompatible with true democracy. There are still elections, but the people are voting on issues which have been either distorted, suppressed, or misrepresented. Not only that, but many issues like economic policy, immigration policy, firearms policy, and globalisation are simply withdrawn from the public arena

altogether. As an editorial in The Australian newspaper once described it, they are 'given', whichever party is in power. In that case, as Noam Chomsky says, 'democracy is at best a very thin reed'. There is 'democracy' but nothing important for the 'mass' to vote on. Australia's power elites seem unable to grasp the fact that the 'mass' has woken up to this and is taking action.

According to Higley et.al., the only limit to what the elites can do is what the public will tolerate, and it is apparent now that a sizeable chunk of the Australian public has simply had enough. Australia's elites are faced with an unprecedented non-elite force: the One Nation Party, a party of ordinary people with a rapidly developing political consciousness, increasingly angry at the sellout of their heritage....the nation's economic assets, and political, legal, economic and cultural sovereignty....by the elites. They evidently have had a gutful of arrogance, patronising statements, dishonesty, treachery and elitism and, what's more, they now have 'the will to power'. On the other hand Australia's power elites, despite their futuristic rhetoric, are plainly living in the past and unable to come to grips with the present. They may already be obs-elites.

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(4) Higley et.al., 'Elites in Australia' (1979), p. 10.

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WHAT TO EXPECT NOW

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To say John Howard has a problem is an understatement, but it is largely a problem of his own making, and of the two preceding governments of Hawke and Keating. They all seem to have thought that, with the assistance of a thoroughly controlled and media, they could 'globalise' Australia without the people waking up and resisting. They appear to have thought that by presenting 'globalisation' as 'trade liberalisation' and nothing more, that Bill Clinton's 'great tide of change which is sweeping the world' could be achieved without any fuss(1). They appear to have thought that Alexander Downer's 'great political dichotomy of our age, as fundamental as the old conflict between capital and labour' could be resolved without any protest(2). Perhaps they thought pigs might fly.

To dismantle an independent nation and turn it into an interdependent member state of a global order is not an easy task, even with control of the media. To preside over the sell-off of a country's economic assets and public utilities, and to convert it into a site on the world map open for global exploitation without the people objecting would require a far better statesman than John Howard, someone with the charisma of Bill Clinton perhaps. To understand why, it is instructive to review the whole globalisation programme.

(a) It means the government floating the currency and removing all obstructions to the free flow of money in and out of the country, which facilitates the international exploitation of the country and its resources, including human 'resources'.

- (b) It means the government ensuring global ownership of Australian industries, banks, and farms, by Transnational Corporations (TNCs) and international investors.
- (c) It means the government selling all public assets and utilities to TNCs and international investors.
- (d) It means the government signing away the right to control the activities of TNCs and foreign investors in exploiting Australia's resources and people, including not taxing their profits, through agreements such as the FSIA and MAI.
- (e) It means getting the country into debt and keeping it there, operating thereafter on debt finance from international sources, depending on foreign investment for all future development which will be owned by the foreign investors, not Australian nationals.
- (f) It means removing all protection for Australian-owned small/medium sized businesses and farms against imports from other countries including those with cheaper labour and production costs; which in turn means forcing Australian workers to compete with Asian workers for jobs in an unregulated global labour market.
- (g) It means the government assisting in the destruction of the union movement so that Australian wage rates and working conditions can be more easily driven down.
- (h) It means winding back the welfare state erected since the 1960s, leaving a minimum 'welfare net' and leaving Australians largely to fend for themselves in the human 'market'.
- (i) It means the government signing treaties which progressively hand over Australia's political and legal sovereignty and independence to 'institutions of global governance' (world government), which are in no way accountable to the Australian people.
- (j) It means the government agreeing under treaties to disarm the country and its citizens making resistance to globalisation by force impossible.
- (k) It means the government agreeing to impose on the Australian people globally determined social, cultural and environmental agendas, by having the Governor-General sign treaties at the United Nations using the questionable 'royal prerogative', and without recourse to the parliament.
- (l) It means the government undertaking to 'globalise' the national culture through 'multiculturalism'.
- (m) It means the media lying to the people as to what it's all about until it is too late for them to stop it.

In short, 'globalisation' means handing over the ownership and control of the country's economy to global Kapital, and the sovereignty and freedom of its people to global government ('governance'). In other words 'globalisation' means Australians having to give up their country.

Those who persist in calling all this a 'conspiracy theory' are looking increasingly silly. Every day now the globalist cat crawls further out of the bag, as the above list confirms. In an interview with Dennis Shanahan of The Australian newspaper, published on 13 June 1998, Prime Minister Howard admitted to "the difficulty of being in government in a globalised economy where there is a loss of sovereignty..." (4). Loss of sovereignty? That is precisely what consistently has been denied till now. Mr. Howard means economic sovereignty, but globalisation does not stop at economics and never did.

Former High Court Judge and Governor General (now sitting on the International Court of Justice) Sir Ninian Stephen has stated clearly there will be a loss of political sovereignty as well. In its place will be a thing called 'subsidiarity', which Sir Ninian describes as "leaving to local, regional and national institutions those matters which are best dealt with at those levels"(5). What is 'best dealt with at those levels' will be determined by the 'institutions of global governance', not by the Australian people.

Sir Ninian Stephen also made it clear there is to be a loss of democracy, which he called (euphemistically) a 'democratic deficit'. In its place the people will have to be content with, "[A]n environment of concern regarding the democratic nature of the decision-making process [which] may...have a healthy effect upon the conduct of the entity [ie. the world government]." In other words there is no intention on the part of globalists to allow measures to be put in place which might protect Australians from the inevitable abuse of power by the 'institutions of global governance'.

It should not be assumed, however, that there is treason in high places. Perhaps Australia's politicians really do believe 'globalisation' means 'trade liberalisation' and nothing more. Perhaps they thought they could throw open the doors so TNCs and foreign investors could buy up the country's major industries and much of the rural sector, without Australians losing the control and benefits of their economy. Perhaps they really think a GST 'will make everybody pay their fair share of tax', even though they know the TNCs and foreign investors, who now control 80% of the economy (3), pay less than 2% of the tax(6).

Maybe they really do believe Australian labour at over \$12.00 an hour can compete in a deregulated global labour market with countries like Indonesia at 39 cents an hour without having to suffer a drastic decline in living and working conditions(7). Perhaps they really do believe they can sell public utilities like Telstra, the electricity grids and water supplies and still be able to guarantee Australians an affordable phone, electricity supply, and enough water to drink. Perhaps they really do think that globally-owned industries and farms are still 'Australian', that the stuff they export is still 'ours', and that even though they pay nearly no tax here their activities are somehow 'good for Australia' beyond the provision of a few dead-end jobs in the service of others.

Perhaps they are infatuated with the mystical notion that all this is 'human destiny', the 'inexorable course of history', 'bigger than all of us', unstoppable, irreversible, and that it is not really the result of their own policies. One might have thought man left those sorts of superstitions behind in the Middle Ages, but no, they seem to be alive and well in Canberra and are portrayed constantly by the media as the 'thinking of the future'. Whatever they really think, all the evidence now suggests that every move by the present government makes the world a better place for global Kapital and a worse place for Australians, the people it swore on oath to represent. 'Globalisation' might be 'good for Australia' but it is a disaster for most of the people in it.

Howard and the globaphiles cannot slacken off the 'pace of change' now, not even with a ritual Fabianist 'one step back'. The whole world is watching (not to forget the 'international community' which Australia's politicians seem almost obsessed with pleasing). No other country has sold its national soul so readily. No other country has found politicians apparently so willing to dance the global dance, so ready to sacrifice their country's autonomy on the altar of globalism, so obliging in the

signing of treaties at the UN which hand over political and cultural sovereignty to the emerging 'institutions of global governance'.

Since all the economic indicators are going to get worse as globalisation proceeds, Mr. Howard has no option now but to rely on propaganda. He must use the media to attack relentlessly the growing numbers of the population who are waking up to what has been done, and want their country back.

Media objectivity (what's left of it) will be abandoned. Expect blatant propaganda relentlessly pumped at the public, day after day. Expect constant media name-calling, 'populist', 'redneck', 'racist', 'xenophobe', 'simplistic', 'turning back the clock', 'shutting out the world' and so on ad nauseam. Expect visits from world globalist figures patting the government on the head for its 'forward thinking policies'. Expect ridicule, and constant appeals to force, threats of 'blood in the streets' unless the people abandon their desire for independence and submit feebly to globalisation. Expect constant exhortations to abandon nationalism in the interests of 'stability' and 'security'. Expect ordinary people who love their country and freedom to be labelled 'terrorists', and 'right wing extremists'. Expect the most scurrilous and cowardly attacks on ordinary defenceless well-meaning citizens ever waged in the history of world media. Expect a campaign intended to so exhaust the public with politics, that hopefully they give up and submit meekly to their fate: obedient serfs in the new global order.

Either way Howard will lose. He has not one shred of right or morality on his side. If globalism requires those sorts of tactics to get it in, it is not a fit system for human beings. It is more like a crime against humanity.

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All the way with LBJ

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Where is the push for globalisation coming from? It is no secret that the driving force behind the Multilateral Agreement on Investment (MAI), a key strategy in the 'globalisation' process, is American big business and finance represented by the US Council for International Business. US officials have openly stated that the objective of the MAI is to 'protect US investors abroad'. But a big business lobby group, no matter how powerful, can hardly bring about single-handedly what President Clinton has described as 'a great tide of change sweeping the world', and Australia's Alexander Downer has called

‘the great political dichotomy of our age, as fundamental as the old conflict between capital and labour’.(1) So who else is behind it?

On 11 February 1998, a group of prominent Americans including former presidents Jimmy Carter and Gerald Ford, former Secretary of State Henry Kissinger, and 137 senior government figures and business leaders placed an open letter to the US Congress across a double-page spread in the New York Times and Washington Post. In it they complained about America’s “dangerous drift toward US disengagement from the responsibilities of global foreign leadership”. “Modern isolationism” they said, “seriously damages American interests.” The message, under the title ‘A Time for American Leadership on Key Global Issues’, was intended to be a warning to representatives in Congress who the signatories believed were ‘sacrificing American influence abroad’.(2) In other words, according to these people, America was not interfering enough in the affairs of other nations.

Now Carter, Ford and Kissinger have been long gone from official government office. What they have in common, however, is membership in a non-government policy ‘think tank’ called the Council on Foreign Relations (CFR), a body with about 3,000 members including (at least in 1995) Bill Clinton, Newt Gingrich and Federal Reserve boss Alan Greenspan. The CFR was incorporated in New York on July 29, 1921, essentially by the international bankers to bring about a global economy and world government. Its members include leaders in politics, industry, banking, academia and the media, the people who determine American economic, social, political and military policy.(3) It has a British affiliate in the Royal Institute of International Affairs, and it is no ‘conspiracy theory’: it has an official web site at <http://www.foreignrelations.org/studies/pub>.

The United Nations itself was a creation of the CFR, the outcome of the Informal Agenda Group formed in 1943. The American delegation to the San Francisco meeting that drafted the Charter of the United Nations in 1949 included 47 CFR members who effectively controlled the proceedings and the outcome. Since that time the CFR and its friends in the mass media have lobbied consistently to grant the UN more authority and power. The objective is to bring about the surrender of national sovereignty and independence to a single undemocratic world government.(4)

James Warburg, son of CFR founder banker Paul Warburg, and himself a CFR member, testified before the Senate Foreign Relations Committee on February 17, 1950, “We shall have world government whether or not you like it....by conquest or consent.” In the CFR official journal ‘Foreign Affairs’ in April 1974, former deputy assistant US Secretary of State Richard N. Gardner stated: “In short, the ‘house of world order’ will have to be built from the bottom up rather than from the top down....An end run around national sovereignty, eroding it piece by piece, will accomplish more than the old fashioned assault....”(3)

Although the CFR’s website states that “The Council takes no institutional position on policy issues and has no affiliation with the US government”, the prevalence of CFR members in top positions in all institutions of governance in the US, including the Presidency, suggests that the CFR is not affiliated with the government, it is the government, de facto. The elected Congress, like the Australian Parliament at the moment, is there to provide an appearance of democracy, and to rubber-stamp decisions taken elsewhere behind closed doors and by people who clearly see themselves as having more authority to govern than the elected representatives of the people.

So what is the determining factor in America's 'foreign relations'? Historically, the United States emerged from World War II with its economic power at a peak and its main economic rivals either weakened or destroyed. Corporate executives and political leaders were worried that without the stimulus of war the American economy might sink back into its pre-war Depression state. The solution was seen as American economic expansion abroad. In 1944 Assistant Secretary of State Dean Acheson said to a congressional committee studying the issue, "...no group....has ever believed our domestic markets could absorb our entire production under our present system. Therefore you find you must look to other markets and those markets are abroad."(5)

So America did. It needed to feed its corporate beast on 'economic growth', and there were two ways to do it: export from home, or build a factory abroad. In the post-war era America chose the latter because it happened to be more profitable. By 1964 the value of US overseas output resulting from US foreign investment was \$143 billion, compared with only \$25 billion in exports produced at home, almost 6 times as much.(6) Post World War II America became the world's foremost economic neo-coloniser, with far more money invested in other people's countries than in its own.

At the same time the world saw the rise of the transnational corporation (TNC), which was made possible initially by business concessions gained from the countries of Europe in return for American aid in the post-World War II Marshall Plan.(7) Like big business itself, the TNC was originally an American phenomenon, and like big business it grew under the patronage and protection of the US government, Democrat or Republican. The American government and American big business have intimate ties. As Michael Tanzer showed, economic interests, not military security, invariably determine US foreign policy.(8) This applies even more so now, in the 'post Cold War' era.

A foreign policy which saw America as 'the leader in world affairs' was obviously also good for business, and the 'captains of industry' strongly advocated this. Leo D. Welch, treasurer of Standard Oil of New Jersey (Rockefeller) defined the postwar US foreign policy in a speech in 1946 as follows: "That responsibility is positive leadership in the affairs of the world....political, social and economic....and it must be fulfilled in the broadest sense of the term. As the largest producer, the largest source of capital, and the biggest contributor to the global mechanism, we must set the pace and assume the responsibility of the major stockholder in this corporation known as the world....Nor is this for a given term of office. This is a permanent obligation."(9)

The public statement of Messrs. Ford, Carter, Kissinger and others indicates that nothing has changed in the American elitist world-view. America is still seen as having some prima facie right to treat the world as its own. If it suits the purposes of American big business and investment to have the world rearranged on a global basis, then that's the way the world will be rearranged.

With the help of the world media, the United States successfully created the illusion that it is on a moral crusade (albeit uninvited) in defense of freedom. Pre-globalism the mission was 'to make the world safe for democracy'. That has now become 'democracy-and-free-trade' (President Clinton's words). But as Michael Tanzer pointed out, America does nothing abroad which does not further its own economic interests. Underneath every foreign policy initiative fulfilling the 'responsibilities of global foreign leadership', there is a motive of either protecting or furthering an American economic interest. 'Free trade' means the ability of TNCs and investors, particularly American TNCs and

investors, to move investment around the world at will, without hinderance from national governments trying to protect their countries or their people from exploitation. The ideology underpinning it is that 'what's good for big business and global investors is good for everybody', a globalised version of the old slogan 'what's good for General Motors is good for America'. The Australian government swallowed it. Whatever it involves, it's now 'good for Australia' too.

Today, on the one hand America claims a moral responsibility for 'global foreign leadership' and leadership on 'key global issues'. On the other hand, 'modern isolationism....seriously damages American interests'.(2) As President Clinton declared on October 17, 1997, in Buenos Aires, "Isolationist voices must be ignored as efforts proceed to fully integrate the political and economic future of the Americas....Globalization is irreversible....Protectionism will only make things worse."(10) Isolationism is the term applied now to a nation wanting to be independent, self-governing and not 'globalised'. Such an attitude stands in the way of American big business' plans for the world. So that while claiming a right to be the world 'peace keeper', America is also preserving and promoting its own economic interests: a curious combination of self-appointed referee, and key player in the game.

The correspondence of America's foreign policies with the global interests of big business is achieved firstly through a ready interchange of people between the corporate sector and the executive branch of government which advises the President. Leaders of industry and banking routinely are appointed to top jobs in the bureaucracy for a term before returning again to the corporate sector. A 'good working relationship' between the executive government and big business, with 'mutual understanding' and 'shared values' is the result. Australia now has a home-grown variant of this practice, with former politicians, including ex-prime ministers, taking up lucrative 'consultancy' jobs in the corporate sector after having proved their worth in parliamentary office.

Another way to ensure American foreign policy coincides with the interests of global big business is through the Council on Foreign Relations, which is the promotional arm of the ruling elites in the USA. Most influential politicians (including almost all presidential candidates), industry leaders, bankers, academics and media owners and personalities are members, and it uses its influence to infiltrate globalism into American life. Its 'experts' write scholarly pieces to be used in decision making, the academics expound on the wisdom of a 'united world', while the media members disseminate the message.

Where does Australia figure in this? After a Cabinet meeting on 20 January 1966 Robert Gordon Menzies, who was reluctant to involve Australia in Vietnam, suddenly and unexpectedly resigned after 17 years as Prime Minister of Australia, nominating as his successor then Treasurer Harold Holt. Holt announced almost immediately that Australia was to go 'all the way with LBJ' [then US President Lyndon Baines Johnson] into the Vietnam War. At that crucial point Australia severed ties with Britain and the British Commonwealth, and hitched itself behind the stagecoach of the United States of America. Australia has been going 'all the way with LBJ' ever since.

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MORE THAN DEMOCRACY AT STAKE

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9th October 1998

There is a false notion around the place, particularly among the media, that people can behave how they like yet still enjoy the benefits of civilisation.

Under the pretence of 'promoting tolerance' people have been browbeaten into turning a blind eye to behaviour which was once regarded as just plain wrong because it was individually and socially destructive. People now are being tricked into believing that disapproving of such behaviour is 'discrimination', and that civilisation can prevail with everybody behaving pretty much how they please, and achieving their ends without regard to the means by which they go about it. It's a hoax. The very concept 'civilisation' implies certain standards of behaviour.

Civilisation has two aspects: institutions (government, law courts, universities, media), and civilised behaviour. Both are necessary. Take away the civilised behaviour and what remains is a jungle with buildings, a dog-eat-dog existence in which social cooperation is not only impossible but positively dangerous. Once civilised behaviour is abandoned as 'arbitrary' or 'outmoded', it is only a matter of time before the institutions of civilisation cease to function too. They can only function while the people who operate them behave in a civilised manner.

What is meant by 'a civilised manner'? Historically, Western civilisation was built on the Judeo-Christian code of ethics. The 'Judeo' part was basically the Ten Commandments (thou shalt not kill, lie, or steal), while the Christian part was to be found in the teachings of Christ (treat others as you would have them treat you). But all that has gone out the window. Nietzsche (an authority on dieties) proclaimed that 'God is dead!'. Then the father of progressive education John Dewey declared that if God was dead there was no further reason to observe moral rules. The rules must only have been 'arbitrary constructs', methods of 'social control' under the dreaded 'bourgeois capitalist system'. The way was now open for a new bourgeois socialist system under which man would be free....free to

behave as he liked, to make up his own rules situation by situation, to have his own way by 'whatever it takes': like children when mummy goes out.

All this was based on the lie that people only abided by moral rules because God said they had to, not because it made good sense, or had something to do with civilisation, something from which they themselves could benefit. In fact the rules originated in patterns of behaviour that predated both Judaism and Christianity, patterns of behaviour which enabled man to come down out of the trees and form communities in the first place. They appear in the law Code of Lipit Ishtar of ancient Sumer, at least 2000 years before Moses and the burning bush.

Much is made today by so-called 'moral relativists' of 'other systems' which allegedly tolerate killing, assaulting, lying, cheating and stealing within the group. They are a myth.

All communities discourage these things. Communal living is impossible unless they are minimised. There are more similarities between the moral rules of different races and communities than there are differences, and that is so for a very simple reason: those communities that failed to adopt certain basic rules never survived to tell their story.

What are the basic rules? Civilisation is impossible without bans on the use of force except in self-defence, the honouring of promises (without which commercial contracts are worthless), and the preparedness of people to tell the truth, without which personal relationships are impossible. Which brings us to the Media, one of the institutions of so-called civilisation in Australia.

What happens when one of the institutions of civilisation ceases to act honestly, and begins instead to withhold, distort, and deliberately disseminate false information in order to shore up the power of an entrenched oligarchy in government? What happens when the media come to regard themselves as the protectors of vested interests, assisting to destroy rival political movements, and to subvert the democratic process by defaming and smearing people, and even deliberately disrupting political meetings? What happens when journalists come to regard themselves as political activists armed with cameras, recorders and notebooks, who see their role as propagandising, putting the correct 'spin' on things, and ridiculing, discrediting and intimidating people who challenge the monopoly on power of their bosses' political cronies?

The answer is that civilisation is to that extent destroyed, and it is only a matter of time before the other institutions of civilisation, including government, go the same way if they have not already done so. So that while the Australian media might be gloating over having successfully killed the Hanson cow, the price has been high. Not only have the actions of the Media and the entrenched oligarchy spelled the end of true

democracy in Australia, they mark the end of civilised society in Australia too. The public can now expect the relationships between government and the community, and relationships between groups and individuals within the community to deteriorate further, and for Australian society to become increasingly dangerous and ultimately impossible.

If any of the journalists who have participated in this assault on civilisation have children, they should spare a thought for the fact that, unless they have made arrangements for their children to go elsewhere,

they are going to have to live among the ruins of the social order their parents are helping to destroy. If today's journalists believe that once Hanson is laid to rest everybody will revert to telling the truth, respecting democracy, the rule of law, and the other institutions of society, then they are even more immature and impressionable than they appear to be. If they think the methods they are using against others could never be turned against them or their loved ones (presuming they bother with loved ones), then they are naive in the extreme.

There was an old saying known to civilisations both East and West; 'As ye sow, so shall ye reap'. Those allegedly 'simplistic', 'jingoistic', 'anachronistic', 'good ol' boys' of One Nation the media hate so much might have another name for it: shitting in your own bed. Welcome to the shit, Australia.

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BATTLE FOR THE PUBLIC MIND

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Tim Fischer was quoted [Australian News Network 14-10-98] as saying that One Nation needed to be "dealt out once and for all" from the democratic process in Australia. One might have thought it already had been 'dealt out', thanks to the efforts of Mr. Fischer and his political cronies in all the other Parties. After all Mr. Fischer's own Party polled only 564,000 votes and got a swag of seats, while One Nation polled 876,000 and got none. If that's not being 'dealt out' what is?

But Mr. Fischer can't leave it there. To him and the financial interests he serves the 876,000 One Nation voters present a problem: what to do about them, particularly since the time is not yet ripe for using concentration camps. So the strategy is to keep hammering the general public about One Nation and its alleged internal organisational problems through the media until the people are thoroughly exhausted, till they rue the day they even heard the name 'One Nation', until they publicly demand that the 876,000 heretics renounce their evil ways and let the entrenched political oligarchy control everything forever. Mr. Fischer wishes.

The idea of manipulating and controlling the public mind is ancient, but the modern techniques were devised post-World War II by the American advertising industry. The methods had their origins in a special kind of market research described as 'in depth', which employed the techniques and theories of psychiatry and the social sciences to determine why people made particular buying decisions, and to influence those decisions towards buying certain products [see Vance Packard, 'The Hidden Persuaders' (1957), and 'The People Shapers' (1977)].

After conducting 'in-depth' interviews with the buying public the researchers concluded that people didn't make conscious buying decisions at all. They mostly didn't know what they wanted. If they did they didn't know why. They were acting on whim, responding to irrational influences from their subconscious minds: fear, guilt, insecurity, narcissism, and so on. The way to flog products was to 'appeal to', in other words prey upon, those unconscious influences.

Corporate capitalism and the media put the knowledge to work in the interests of 'economic growth', generating the ever-expanding profits needed to service the ever-expanding interest payments on ever-expanding corporate debt. Instead of finding a need and filling it (the formula behind entrepreneurial capitalism), the strategy of monopoly capitalism was to create the need by manipulating the public psyche, and then fill it. This got around those pesky things called 'market forces' which monopoly capitalists recommend for every sort of business except their own.

Inevitably, however, after several decades of manufacturing needs the mind manipulators came to regard the public as having no mind of its own, other than what was put there by themselves and the media. The public mind was considered a blank slate on which anything could be written which furthered the interests and consolidated the power of the ruling elites. The public were to be conditioned to behave however the elites willed in the manner of Pavlov's salivating dogs and B. F. Skinner's button-picking laboratory pigeons [see William Sargant, 'Battle for the Mind', and B. F. Skinner, 'Beyond Freedom and Dignity']. There is no contempt like the contempt of a mind manipulator for the minds it manipulates.

It was also inevitable that these techniques, preying on the fears, guilt feelings and insecurities of the public, should be applied to the gaining and monopolising of political power. Political policies came to be looked upon as 'products' which needed to be 'sold' to the public in return for votes, and all the hype applied to the selling of consumer goods came to be applied to political campaigns, beginning in America around 1956. To sell the policies the voter could be conditioned by in-depth marketing techniques to respond to certain symbols in predictable ways: favourably towards those portrayed as 'good' ...like GST=good, duh?...and aversively to those portrayed as 'bad' ...like 'racism=bad, duh! Honesty, truth, morality and even rationality had nothing to do with it. They no longer had any place in business or politics. The end justifies the means.

Since it cannot tolerate market forces in the real marketplace, and since it needs a captive government to protect its interests, monopoly capitalism could not afford to tolerate market forces in the political arena either. The idiot public could have its goddamn democracy, provided there were only two permissible Parties to choose from, and both represented the interests of big business, a state of affairs secured in Australia by 1983. And since big business controls the media through its advertising dollar, it was inevitable that the media would jettison their role as the investigative watchdogs of democracy, staunch upholders of the 'public's right to know', and to adopt instead the role of mass-marketers, actively promoting particular policies and ensuring the 'right' people got into power.

As Vance Packard observed, forty years ago now, "Much of this seems to represent regress rather than progress for man in his long struggle to become a rational and self-guiding being." Indeed. Thanks largely to the employment of these techniques, that 'struggle' is now a death throe. A rational self-guiding being is the last thing big business or its political stooges want. They want a mentality arrested at the six year-old level, which is where most TV advertising is pitched. So pumped full of bullshit have people become, they are incapable of distinguishing right from wrong, good from bad, violence from fun, news from entertainment, or the real from the unreal. Western society is now in terminal decline.

Any qualms about destroying man as a ‘rational self-guiding being’ were put to rest by academic fraternity. As Ayn Rand showed [see Ayn Rand, ‘For the New Intellectual’] modern philosophy since Immanuel Kant has devoted most of its effort to ‘proving’ that there is no such thing as ‘a rational self-guiding being’, so how could something be destroyed which was nothing but a myth to begin with? Man is ‘just another ape’, is entitled to behave like one, and no consequences should flow from treating him like one, which includes pumping his mind full of garbage so he’ll buy the right brand of soft drink, and vote the ‘right’ people into power.

Imagine the chagrin of the Australian ideas-shapers when they discovered that despite their best efforts at demonising One Nation as ‘racist’, despite slandering its founder, despite all the lies, half truths, bias, propaganda and hate-journalism pumped daily into the public psyche for more than a year, there are still 876,000 people out there whose thinking is outside their control. The media’s response has been apparently to believe that what failed before the election will somehow work after it. They appear to think they can bring the 876,000 to heel by continuing to pound away at Hanson and One Nation. It’s not that simple.

It is one thing to recognise that people can be irrational and to play on that irrationality to influence their buying and voting patterns, but it is quite another thing to assume they have no rational faculty at all. The greatest enemy of public mind-controllers is the very real capacity of the human mind, every mind, for rational thought. It used to be called ‘common sense’. In-depth promotional techniques might succeed in suppressing it up to a point, but there is no evidence that the suppression is permanent. There is always a risk to the mind-manipulators that a catalyst of some sort will jolt the people out of their apathy and start them thinking for themselves.

That’s why Tim Fischer wants One Nation “dealt out once and for all”. It might just be that catalyst. The 876,000 might begin to grow as more and more people come to realise that their government is handing over their country to global ownership and control on the sly. The people might demand a return to proper democracy, and they might even cheer when the mind-manipulators try to demonise that as ‘populism’. They might also demand that Tim Fischer himself be ‘dealt out once and for all’, if his own Party hasn’t dealt him out in the meantime. And that’s ‘on the cards’.

[Return to Globalism Column](#)

The Biggest Sting of All

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Readers familiar with the motion picture ‘The Sting’ may recall that the cornerstone of the successful ‘Sting’ (fraud) was that the victim had to be unaware at the end of it all that they had been defrauded. Even if told, they would refuse to believe they had been duded.

In the case of the movie, the philosophy of the leading characters was that a fool and their money are easily parted. The people they were defrauding had money to lose in the first place. Such is not the case of the greatest fraud of all time presently taking place in the global economy, and the ‘fools’ being

parted from their money are the simple, basically decent, trusting, ordinary people of the world, who are obliged to work for a living.

The Sting goes something like this. Over a trillion dollars zooms around the world each day in the global markets, buying and selling currencies, corporate shares and government bonds, 'futures' (options to buy things which might come into being in the future), and 'derivatives', instruments based on some underlying financial asset, however remotely. Some of the money (not much) actually gets to be invested in productive enterprise, but most of it is used by speculators playing a huge global gambling game. The media, now staffed by capitalist groupies paid to glorify these people, fawn over the speculators and call them 'players'. Life is but a game, tra-la. Greed is good.

The sting is made possible because most of the 'money' the 'players' gamble with doesn't actually exist. It's pretend money, credit money extended to them by various banks, and ultimately the international bankers. The banks are able to do this....invent imaginary money out of thin air and charge interest on it....because of the 'fractional reserve banking system' whereby if a bank has around \$6 of depositors funds in its vault it is allowed by law to create \$100 of imaginary money and lend it out at interest. Banks do not, as Prime Minister Howard apparently thinks (or says he does), lend depositors funds. They don't lend money at all. They extend credit, which is new 'money' created as interest bearing debt, a practice called 'usury' and banned by the Church during the Middle Ages, but allowed back in by Henry VIII. But back to the Sting.

At this point the media enter the picture, media owned and controlled by men who are themselves ultimately beholden to the international bankers. An area is targeted, like Asia. The world media then talk the area up. They run stories about 'Asian Tiger Economies', and how the 'future lies in Asia', fortunes are there for the asking. The global speculators are encouraged to invest their hot money there by the billions, in all sorts of ventures regardless of the risk, and in assets regardless of how dubious their value. At the same time the local banks in the target country are encouraged to borrow from the international bankers and make reckless loans, hardly bothering to assess the viability of ventures or requiring adequate collateral. The myth is promoted that it's almost impossible to fail in the 'emerging economies'.

Then a crisis is precipitated: the spill of an ageing President, for example, something to spook the speculators and induce them to dump the local currency and pull out. If the worst comes to the worst a deliberate 'run' on the currency can be arranged using the massive global hedge funds (as in the Thai collapse). What happens then is a massive flight of capital from the target country, and a devaluation of its currency in the floating money market, because nobody wants to be caught short with it. As the currency value plummets, the local banks cannot service their overseas loans which are tied to the value of the US dollar. They call in their own loans but by this time the country's economy is so depressed by the flight of capital that the local borrowers can't meet their obligations. What is euphemistically called in banking circles the 'non-performing loan' becomes a local plague. The local banks then look like collapsing.

At this point the debt collector for the international money-lenders, the International Monetary Fund (IMF), is sent in to 'review' the situation, and to recommend a 'bailout package'. The pretext is 'to prop up the country's economy', but what that really means is bail out the country's private banks. And

where does the money for the 'bailout' come from? This is where politicians in quasi-democratic governments like Australia's join the Sting team. In munificent mode they 'pledge' billions of dollars of their taxpayers' hard-earned money....real money, backed up by sweat....to the IMF to bail out the profligate bankers in the target country. Losses by private bankers, who deserve to be driven out of business by the 'free market' they claim to espouse, are made good by hard-working taxpayers in the developed (G-7) countries. So much for the 'free market'. It's all part of the scam.

The governments who pledge their taxpayers' money don't actually deliver it in cash. They borrow it from the international bankers at interest, thereby increasing the national debt, ultimately repayable by taxpayers or through the sale of national assets like Telstra and the Snowy Mountains Scheme. In the meantime there's the interest. The interest on Australia's debt now costs the country's taxpayers around \$1.4 million an HOUR. The essence of the fraud is that imaginary money borrowed from the international bankers and 'lost' by irresponsible local bankers, is 'bailed out' with real money and assets stolen from the world's taxpayers by their own governments. It is fraud and slavery on a massive scale, a scale so massive nobody would ever believe it was deliberate.

It began when the value of money was severed from the gold standard by America in 1972. This enabled almost unlimited credit 'money' to be created. The precedent for using public funds to make up private bank losses was established when the Clinton administration bailed out the Mexican 'economy' (i.e banks) with \$40 billion US taxpayers' dollars in 1995. That removed the last source of discipline from the global markets....the possibility of making a loss. As Llewellyn H. Rockwell Jr., president of the Ludwig von Mises Institute in Auburn, Alabama wrote recently, it sent a message that bad debts could be protected from exposure to market forces if the gamblers involved had good government connections. Then they stand the chance of having their bills paid with other people's money.

The Mexican Sting was followed by a \$141 billion bailout in Asia, to which Australian taxpayers were made to contribute around \$5 billion. Then Russia had to be bailed out to the tune of \$20 billion in 1998 alone. Now there is a possible \$30 billion required for Brazil, and thereafter who knows? Japan, China, and probably Mexico again. To make sure the victims don't wake up that they are being defrauded, the sole purpose now of the Western media is to keep the people ignorant, to prevent them understanding anything of any consequence, to keep them in the dark or distracted with sex, sport, and the private lives of people like Princess Diana. Economics is portrayed as being beyond human comprehension, even of the best brains in the world. It's 'just happening'. Like the weather.

No it's not. This is fraud on a global scale: the milking of captive taxpayers by scoundrels with the help of paid liars in government and the media. Watch now for calls for a World Central Bank, which will create what American writer Anne Williamson, writing for the Internet news site WorldNetDaily, has described as "one global money monopoly that will be a final claim on [taxpayers'] national sovereignty and their wallets". She describes the world's taxpayers as 'the world's unwitting bottomless purse'. The object is "to socialise the risks of reckless banking amongst the [world's] population, while allowing the profits to be retained by, and then shared out amongst the political and economic elite".

As Doctor Goebbels said, if you're going to tell a lie, tell a big one, then nobody will believe it's a lie. The same goes for fraud. Do it on a global scale, and who would ever believe it was a Sting?

MANUFACTURED REALITY: THE 'THIRD WAY'

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Noam Chomsky has shown how the Western media 'manufacture consent', mould public opinion to suit the agenda of the ruling elites, and the governments they put into and keep in power. But the role of the media goes beyond that. It extends to the manufacturing of a particular view of the world, an elite-sanctioned false 'reality' tailor-made for the masses. This is achieved by withholding factual information which contradicts the 'politically correct' view, using labels without precise definition, and by adhering to certain 'authorised' versions of historical events which are frequently not borne out by the facts.

It is interesting to observe just such a false 'reality' in the process of being manufactured: the so-called 'Third Way' President Clinton and his counterpart across the Atlantic, Britain's Tony Blair, are trying to invent with the aid of Western academics and the media. It's supposed to be a 'middle road between Communism and Capitalism', a post-Cold War synthesis that will 'lead the world into the 21st century'. But the very notions of Capitalism and Communism were manufactured realities in the first place. Cold War ideology had it that they were the two great opposing political ideologies of history. The former (at least in the West) was supposed to represent democracy, free markets, and human rights, while the latter stood for tyranny, central economic planning and control, and the suppression of dissenting viewpoints. It was all made to be readily digestible. In fact it was nonsense.

For a start, Communism was never a social system at all, but a political MOVEMENT. There is a social system called 'communism', which literally means people living in communes (barracks), with no private ownership of property, no government, and everything shared out on the principle 'from each according to their ability, to each according to their need'. Communist ideology insists that tribal man originally lived in such a state (primordial communism), but there is no evidence for it. Apart from religious sects like the Essenes at the time of Christ, monks in medieval monasteries, and a few hundred failed attempts by small communities down through the ages, there has never been a communist society. The Israeli kibbutz qualifies, but that's not the sort of Communism Clinton and Blair are talking about in relation to the 'Third Way'.

The Communism they are talking about, which was supposed to have existed in the USSR, is again a false reality manufactured by the Western media. The social system in the USSR, indeed the social system installed by Communists wherever they seize power is, and always has been, Socialism. The initials 'USSR' stood for Union of Soviet Socialist Republics. Article 1 of the USSR Constitution stated: "The Union of Soviet Socialist Republics is a socialist state...." Article 4: "The Soviet state and all its bodies function on the basis of socialist law...." The Russian Communists didn't get it wrong. If anybody understood that Communism was a revolutionary movement and not a social system they did.

They always called their system Socialism. So does Cuba's Fidel Castro. So do the Chinese Communists.

So did Karl Marx. In his 'Critique of the Gotha Programme' (1875), he made it clear that communism was a long way down the track, after the State had withered away. "[Only] in a higher phase of communist society after....the division of labour has vanished....after the productive forces have also increased with the all-round development of the individual, and all the springs of productive wealth flow more abundantly....[only then would distribution be] 'from each according to his ability, to each according to his needs'". In the meantime the people were to have Socialism, with 'equal liability of all to labour'. Who does not work, does not eat.

Article 14 of the USSR Constitution stated: "The state exercises control over the measure of labour and consumption in accordance with the principle of socialism: 'From each according to his ability, to each according to his work'." As for the State withering away, somebody asked Stalin when that was going to happen. He answered that the State was being strengthened in preparation for its withering away, and if that sounded like a contradiction, such was the nature of the Dialectic. The promise of the communist utopia was bait, in other words. What the Russians got was Socialism, and that must be what occupies the Left-hand side of the 'Third Way' ledger.

Why did the Western media persist in calling the social system in the Communist bloc 'Communism' instead of Socialism? They did it to manufacture a false reality: to protect the reputation of another form of Socialism which existed in the West....so-called 'Democratic Socialism', socialism by stealth, socialism achieved through the 'permeation' of existing political institutions by members of organisation such as the Fabian Society, in order to influence the policies adopted by those institutions towards socialism.

Democratic Socialism itself was based on a lie: that Socialism could be implemented peacefully through the ballot box. The implication was that if the voters didn't like it they could vote it out again. That was a hoax. Since Socialism does not permit private ownership of property, it cannot be 'democratic' in the sense of allowing a choice of political Parties. This is not a matter of ideology, but of logistics. It would be impossible to have a two Party system of genuine democracy, for example, under which the state nationalised all property including business when the Socialists were voted into power, then sold it all back to the people again when they were voted out. The intention of Democratic Socialism was (and still is) to be democratic just long enough to gain power. Then it will declare the 'end of history' and entrench itself forever, enforcing its politically correct speech and thought on everybody, and being just as tyrannical as its Marxist revolutionary counterparts.

The other problem for the media reality-makers was the tendency of Socialism to produce 'deviationists', like Hitler and Mussolini. Journalists papered over this problem by making out that Socialism's aberrations were much further removed from their socialist roots than they really were. Accordingly National Socialism, in the form of Fascism and Nazism, was portrayed as the very opposite of Socialism. That too was nonsense. The term Nazi stood for National Socialist Workers Party. Hitler didn't get it wrong, any more than the Soviets did. Both Hitler and Mussolini were socialists and their respective policies were nationalist variants of socialist policies, which were strictly

internationalist. The so-called 'far Right' was 'far Right Socialist', far Right Left, not Conservative as the media did their best to make out.

Hitler's Nazi Party started out as a radical anti-capitalist party. But Hitler knew what Lenin had known: that every socialist Party wanting to seize power, whether through the ballot box or by revolution, needs money. Hitler got it from the same place Lenin and the Bolsheviks did: from the international bankers [see Professor Antony Sutton, 'Wall Street and the Rise of Hitler' (1976)]. When Otto Strasser accused Hitler of wanting to strangle the socialist revolution 'for the sake of legality and a new collaboration with the bourgeois parties of the Right', Hitler retorted angrily, "I am a Socialist", and he meant it. It was just that he had to get his money from the Finance Capitalists. Everybody has to. That's the way the world is organised. [See also Alan Bullock, 'Hitler: a Study in Tyranny', pp.156-7].

Mussolini too was a committed socialist, who wrote articles for left-wing magazines from an early age. By 1903 he was preaching revolution, the class struggle, and the abolition of private property. He claimed to have met Lenin, and was coached in socialism by revolutionary socialist, Angelica Balabanoff. While he was editor of the socialist newspaper 'Avanti' between 1912-14 he had a portrait of Karl Marx on the wall of his office, and believed in the central teachings of the Communist Manifesto. When he was finally expelled from the Socialist Party for 'deviationism', advocating nationalism and involvement in World War II, his parting words were, "You cannot get rid of me because I am and always will be a Socialist." [See Denis Mack Smith, 'Mussolini'].

The perception in the West that Socialism is a 'more fair and just system', that it is even worth salvaging to become part of a 'Third Way', is also a manufactured reality. When evidence started to leak out of the Soviet Union that socialism was producing social inequality, slave labour and brutality, the Western media manufactured the idea that the problem was 'Stalinism', not Socialism. That too was a lie. The rot had set in long before Stalin, in the days of Lenin himself. As the documentary series 'The Spirit of Freedom' (SBS TV 1995) showed, the Gulag Archipelago slave labour camps began in Lenin's time, well before Stalin. In 1918 there were 3, by 1920 there were 8, by 1922 there were 56, and by 1923 the year before Lenin's death there were 65 slave labour camps in the USSR. As Alexander Solzhenitsyn pointed out in his essay 'The West's Betrayal of Civilisation' (1976), slave labour was not a distortion of the Socialist ideal, it was part of the programme.

Solzhenitsyn also warned that the West had been seduced by the 'misty phantom of socialism' into believing that it stood for justice. This belief, deliberately cultivated by the Western media, had enabled Europe to turn a blind eye to the annihilation by the Soviet regime of 64 MILLION of its own people. Said Sozhenitsyn, "There is not even a single precise definition of socialism which is generally recognised: all we have is a sort of hazy shimmering concept of something good, something noble." He charged the West with being hypnotised by it, failing to see the danger in it, and having lost the will to defend itself against it. He was right. The West is about to salvage this rotten system and make it part of the 'Third Way'.

When it comes to the Right-hand side of the 'Third Way' ledger the manufactured reality is equally false. For a start, Capitalism is supposed to be Capitalism, but that's not true either. There are two sorts of capitalism: private enterprise (entrepreneurial) capitalism, and Finance Capitalism, which includes Big Business financed on credit extended by banks. American writer Gary Allen in his book 'The

Rockefeller File' (1976) described the difference this way (at p.105): "A distinction must be drawn between competitive free enterprise, the most moral and productive system ever devised, and cartel capitalism dominated by industrial monopolists and international bankers. The difference is crucial: the private enterpriser operates by offering products and services in a competitive free market, where consumers have numerous choices offered to them, while cartel capitalists use the government to force the public to do business with them. These corporate socialist-fascists are the deadly enemies of competitive private enterprise."

Professor Antony Sutton agrees. In 'Wall Street and the Bolshevik Revolution' (1981) he says, "The financiers...could by government control...more easily avoid the rigors of competition. Through political influence they could manipulate the police power of the state to achieve what they had been unable, or what was too costly, to achieve under the private enterprise system." And later (p. 17), "Monopoly capitalists are the bitter enemies of laissez-faire entrepreneurs..." So as oils ain't Oils, capitalism ain't Capitalism. But through the technique of labelling, the Western media can brush over the crucial difference.

In the book **'Globalisation: Demise of the Australian Nation' (1998)**, I show that due to the application by globalising governments of false versions of 'free market' and 'free trade' economic theories, nationally-based free enterprise is being deliberately destroyed and replaced by global Monopoly Capitalist ownership and control of the world's resources. The Capitalist component of the 'Third Way' will not be free enterprise Capitalism, it will be Big Business/Finance Capitalism, something proving itself to be just as oppressive economically as Socialism is politically. The synthesis of these two oppressive systems is being sold to the public as the political 'way ahead' for the 21st century.

Are Finance Capitalism and Socialism even compatible in a Third Way? How real is the proposed reconciliation between the formerly irreconcilable? Again Professor Sutton is helpful. In 'Wall Street and the Bolshevik Revolution' he says, "....one barrier to mature understanding of recent history is the notion that all capitalists are the bitter and unswerving enemies of all Marxists and socialists. This erroneous idea originated with Karl Marx and was undoubtedly useful to his purposes. In fact, the idea is nonsense. There has been a continuing, albeit concealed, alliance between international political capitalists and international revolutionary socialists....to their mutual benefit." Later he says, "....the totalitarian socialist state is a perfect captive market for monopoly capitalists."

So that's to be the 'Third Way': the Socialists and the Monopoly Capitalists, united against the ordinary, productive people of the world, and both looking to the international bankers to finance their nefarious plans for global control and enslavement. This explains why, now that the Cold War is over and Capitalism has won, there is any need for a 'Third Way' at all. Why not just have Capitalism? Not on. Obviously a deal is being struck struck between the Stealth Socialists and Finance Capitalists, and the 'Third Way' is the ideological formalisation of that pact, the new 'social contract'. The Capitalists are to have the economic control, while the Socialists can have the social control, which is what both wanted all along anyway. The ordinary people of the world will live in a vise, copping it from both sides, and struggling to scratch out a living and a bit of happiness along the way. Perhaps the youth sense the misery and drudgery it promises, and that's why they are suiciding in ever increasing numbers.

THE ETHICS OF HATE

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Imagine a country waging war against a neighbouring country without having the decency to tell it. Under international law that would be a crime. But what if one class within a society waged war on the rest without telling them? Would that not be a crime also? Well that's the situation which exists now in Australia, and throughout much of Western society. For the most part those under attack are only vaguely aware that something is amiss. They find themselves the target of hate, yet they are accused of doing the hating; they find themselves discriminated against, yet they are told they deserve it because of discrimination in the past by people now dead; they are accused of being 'racist', yet if they try to defend themselves their viewpoint is suppressed; in Australia they are denied electoral representation by political trickery; they see the law hijacked by pressure groups; they watch in disbelief as their society is progressively destroyed, and they are mystified. It makes no sense. It appears to be deliberate, but who would deliberately set out to destroy a society which functioned well? That is the question being asked by the victims of an undeclared class war; a war understood fully only by those waging it; a war motivated by ideologically-inspired class hatred.

The social class waging the war is the bourgeois-Left, middle-class socialists who see themselves as the world's salvation, the only hope for the future of mankind. Recently they were joined by the bourgeois-Right, middle-class Monopoly (Big Business/Finance) Capitalists, who don't see themselves as anything in particular, other than rich. These two groups now comprise the 'Third Way' elite, and together they are conducting an undeclared class war against unsuspecting victims they call the 'ordinary' people of the world. Their aim is to destroy the existing social order based on independent nations, and to replace it with a global order which will better suit their own purposes. The Monopoly Capitalists want ownership of the world's resources and control of the world's economy. The Monopoly Socialists want social control, including control of people's attitudes, thought processes, and behaviour.

Since they are at war with the rest of society, these elites live by war ethics, harbour a war mentality, and adopt all the tactics applicable to a genuinely declared war. Society is divided into 'them' and 'others', and 'If you're not for them, you're against them'. Professor Morris Ginsberg, in his book 'On the Diversity of Morals' (1956), called it 'the ethics of enmity', the ethics of hatred for the enemy. It is real enough. Testifying before Kenneth Starr's grand jury in the United States on July 28, 1998, Linda Tripp stated, "There was always a sense in this White House from the beginning that you were either with them or you were against them. The notion that you could just be a civil servant supporting the institution just was not an option."

Having embraced these 'ethics of enmity', the bourgeois-Left employ the tactics of war against their fellow man. Thus one sees in Australia all the sorts of things one would expect to find in a State actually at war: state-of-emergency style rule by the executive, by-passing the parliament; government decision-making increasingly conducted in secret; the withholding or falsification of information about

the activities of government; lies and propaganda in the media; entertainment loaded with propagandist messages, pushing particular policies, attitudes and viewpoints; the encoding of the meaning of ordinary words ['democracy' means dictatorship (theirs); 'government is now 'governance']; the indoctrination of people, including little children, poisoning their minds against the 'enemy', including their parents; the persecution of people who question government policy as traitors and enemies of the State; constant talk of the 'need for social stability' and to fight 'devisiveness' (maintaining morale); an obsession with appearances rather than substance; and the idea that all means are justified in securing final victory. The only differences between class war and regular war are that the enemy is your own countryman, nobody tells him he is under siege, and if he wakes up and actually returns 'fire' (as in the case of Australia's nationalist One Nation Party) the force of the State is used to persecute, prosecute, intern, and ultimately execute him.

To justify this hostility towards the rest of the community, the bourgeois-Left project an image of being the champions of minority groups who need protecting. To do this they have first to invent 'enemies' who are allegedly 'victimising' the minority groups. Thus they create a whole pantheon of villains: rednecks, homophobes, xenophobes, globaphobes, femophobes, neandathals, troglodytes, good ol' boys, sexists, male-chauvinists, neo-Nazis, people with 'links' to the Ku Klux Klan, anti-Semites, right-wing extremists, patriots, urban terrorists, and so on.

The greatest scapegoat of all is the 'racist'. To create 'racism', challenges to government policy concerning racially identifiable groups are induced by legislating those groups special privileges. When the enemy (ordinary people) inevitably question the privileges, the act of questioning is deliberately misconstrued by the media as a 'racist' attack on members of the racial minority. It is, of course, nothing of the sort. The questioning of a policy is not a personal attack on the people the subject of that policy. But the purpose of the media in a State at war is not to tell the truth. It is to stir up hate for the enemy, and bolster the morale of the favoured side. The label 'racist' demonises the class 'enemy' and provides a moral justification for the class antagonism of the bourgeois-Left, who can then suppress challenges to their war agenda under the guise of 'fighting racism'.

So how did all this come about? It began with Karl Marx's Communist Manifesto (1848), Part 1 of which begins, "The history of all hitherto society is the history of class struggles." Marx announced the class war, and sought to legitimise it by inventing the idea that world history was being driven by certain 'ineluctable (inescapable) laws', discoverable by examining trends in preceding epochs. In the final stages of history, the laws allegedly said, the industrial working class would rise up and overthrow their bourgeois (middle class) economic oppressors, thereupon establishing a dictatorship of the proletariat (working class).

The Manifesto went on to urge the workers of the world to establish a one-world socialist government, to abolish private property, and to destroy individuality, personal independence and freedom, existing culture, eternal truths, existing law, the traditional family, marriage, countries and nationality, all religion, existing morality, and existing education, replacing it with 'social education'. Once those things were done, the promise was that the State would eventually wither away and there would be communism forever. It would be the 'end of history', heaven on earth. That is still the programme, except it is now called 'Globalism'.

Superficially it appeared to be a matter strictly between the working class and destiny, but a much-overlooked passage in the Manifesto gives the game away. It says, “....when the class struggle nears the decisive hour....a small section of the ruling class cuts itself adrift and joins the revolutionary class....a portion of the bourgeoisie goes over to the proletariat....” There, waiting in the wings, was the bourgeois-Left, hoping to use the might of the working class to ‘wrest by degrees’ the factories from the entrepreneurial capitalists, and to deliver them, along with a captive labour force and the reins of government into their own hands. Marx and his collaborator Engels were bourgeois-Left, not working class. Marx was a lawyer. The Engels family owned cotton mills.

The idea that Communism was a working class movement was nonsense. The misery theory of communism, that communism was the product of inequalities under capitalism, was pure ideology. In his book “None Dare Call it Treason” (1964) John A. Stormer showed that communism was strongest in the intellectual centres of the world. Leading communists come out of places like Harvard Law School, not factories. Writing more recently, Professor Ronald H. Nash, in ‘The Closing of the American Heart’ (1990) said [p. 142], “According to reliable sources some ten thousand American college professors freely identify themselves as Marxists. To this number can be added thousands of others who strongly sympathise with left-wing political and social values.”

Despite the intent of the Manifesto to incite the working class to criminal action, it failed. As the nineteenth century wore on, improved economic conditions caused the proletariat to become more ‘bourgeoisified’. A revolution of sorts was effected in Russia, but proletarian it was not. That ‘portion of the bourgeoisie’ ‘went over’ to the proletariat at the ‘decisive hour’ just as prophesied. Comrade Trotsky, who had been waiting in New York, ‘went over’ by chartered ship with a bag full of money and 265 trained revolutionaries from New York’s lower East Side, most of whom subsequently took senior posts in the post-revolutionary Soviet government. Comrade Lenin, who had been waiting in Switzerland, ‘went over’ in a sealed train with 29 other revolutionaries, escorted across Germany by the German government (at war with Russia) to Stockholm where more money was collected, and from there on to Russia to conduct the revolution. In his book, ‘Wall Street and the Bolshevik Revolution’ (1981), Professor Antony Sutton shows where the money came from. The title says it all.

In ‘What Is To Be Done?’ (1917), Lenin laid down the strategies for this bizarre one-sided social assault. He urged Social-Democrats to “go among all classes of the people as theoreticians, as propagandists, as agitators and as organisers.” Every action of the enemy was to be interpreted in class war terms, every petty event exploited to further the struggle for victory. Every revolutionary movement had to be supported, anything which tended to disrupt or fragment existing society. The task was to “utilise every manifestation of discontent, and to collect and utilise every grain of even rudimentary protest.” He referred to the revolutionary classes as “the social class which has declared war in order to commence the war”. The present system had to be disintegrated by “spreading enmity and distrust”. [See V. I. Lenin, ‘What Is To Be Done’ (1917), in A. Fremantle, Ed., ‘Communism: Basic Writings’ (1970), p. 93]. On top of that, the enemy was to be blamed for causing the social disruption.

Despite more than a century of this sort of agitation the bourgeois-Left had still, by 1960, failed to incite the working class to do their bidding and overthrow the ‘capitalist’ system. The time had come to abandon the proletariat and find another ‘vanguard of the revolution’, a New Left to replace the Old. This was found among the intellectuals and student radicals of the 1960s who were demonstrating

against the Vietnam War. But there was a problem: these groups had not figured in the original Marxist analysis which had unearthed the ineluctable laws of history. A new 'sociology of the intellectuals' had to be constructed which brought students and teachers within the Marxist model. In Australia this was achieved by a thing called the 'Arena Thesis', so named because of its association with the Melbourne-based New Left journal 'Arena'.

According to the Arena Thesis, the Marxist model had failed to grasp the 'role of culture as a form of social power'. The revolution in the ownership of means of production in factories (physical labour) was now superseded by a revolution in the ownership of the means of production in education (mental labour). The new negation of capitalism in its 'neo-capitalist' phase was 'intellectual culture', which was declared to be 'inherently socialist', and the new relations of production were not material but intellectual. The ineluctable laws of history were no longer driving the working class, but school teachers, university academics and students, and the bureaucrats and civil servants ultimately drawn from their ranks. It was now 'intellectual culture' that was destined by the forces of historical development, "to move from its passive and latent entrenchment, and to challenge the whole of industrial society". [See Richard Gordon, Ed., 'The Australian New Left' (1970), pp. 192-8].

The New Left, it was said, "was already strategically placed in the vanguard of the changing forces of production within the capitalist system". It certainly was. It had control of the education system and curriculum, including teacher training, and it soon permeated the other bureaucracies from which it could dictate and control the whole social 'reform' agenda, an agenda designed to bring down the existing social order from within. The 'intellectually trained' strata were now waging a one-sided class war against the rest of the community, the fact of it, the methods employed, and reason for it, being kept largely to themselves.

Inexorable laws of history aside, the moral justification for bringing down the social order of the West was, in the beginning, that it exploited and oppressed labour. That no longer holds true. The bourgeois-Left have now joined forces with the very people who exploit labour: Monopoly Capitalists. The true enemy, the real object of bourgeois-Left hate has, by default, come into clearer focus. It happens to be society's ordinary, basically decent people, whose value system includes independence, individualism, freedom from tyranny, human dignity, moral behavior, personal responsibility, common sense, matters of principle, a say in their own government, duty, honesty, kindness, family, law and order, country, perhaps God. They are the people, and those are the values that have to be "swept out of the way, and made impossible". And why? Because when all the pretence about 'redressing past wrongs' and 'eliminating discrimination' is stripped away, the truth is that the bourgeois-Left simply despise those values. That 's why they have to undermine them, stand them on their head, and shove their very opposites in the faces of the people who cherish them. It's a sickness called envy: hatred of the good for being the good.

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ETHICS OF HATE II: PRESSURE GROUP WARFARE

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The most effective tool for breaking up nations, fragmenting their societies into various warring factions or tribes, and rendering them ripe for globalisation, is the Pressure Group. The nature of pressure groups was analysed by Ayn Rand in a book 'The New Left' published in 1975, in a chapter entitled 'The Age of Envy'. The purpose of pressure groups is to divide the community, and to bring about social disruption justifying the imposition of totalitarian rule by stages.

The requirements for a pressure group are:

1. an identifiable group with a perceived weakness, allegedly being 'victimised'
2. an ideology blaming others for that predicament
3. a claim to be defending the group's weakness against the victimisers
4. the demand for legislated inequality in the group's favour
5. the establishment of a double standard, enabling the group to go about its business of social disruption without being held accountable
6. access to the media
7. non-democratic representation in the form of minority-appointed spokespeople.

The pressure group's CAUSE arises out of its perceived weakness, or the perception that the group is being 'victimised' by aggressors, real or imaginary. This alleged vulnerability or victimisation is then publicised by the complicit media, and calls are made for government intervention to protect the group. In a pinch it may be necessary to arrange incidents which serve to confirm the claims of vulnerability and persecution. The group's weakness can be of any sort: intellectual, moral, financial or numerical, but the Cause has to have a core of truth about it. Most of the claims of modern pressure groups were legitimate to begin with, but the object of a pressure group is not to bring about the resolution of genuine grievances; it is to cause social disruption.

The pressure group then needs an IDEOLOGY, a false story about the world which justifies its intended actions. The ideology blames the group's alleged vulnerability and victimhood on its class enemies, and to this end a range of villains can be invented. The villains need to be identified by short easy-to-say labels, which not only bring them into existence as a class where such a class may not have existed before, but it also makes them readily identifiable as scapegoats. To this end modern society is supposedly populated with tribes of rednecks, racists, homophobes, femophobes, xenophobes, anti-semites, neo-nazis and so on. The villains are said to be suffering from an irrational state of mind, harbouring unjustified animosity towards the favoured pressure group. Any transgression against the group then acquires special status as a 'hate crime', deserving of particular media outrage, government intervention, and special legislation to protect the group.

The gullible public, and many people commonly referred to as 'do-gooders', tend to believe it all, and assume that the real purpose of the pressure group is to rectify actual wrongs or injustices. This overlooks the reality of class warfare, and the ethics of hate. In fact the rectification of actual wrongs is

counterproductive to the group's real objectives, since it serves to dilute the legitimacy of the group's demands, and to reduce its effectiveness as a socially disruptive force. This is why, no matter how much public money is spent on the group, no matter how many special laws and privileges are conferred on it, the core grievances never seem to be resolved. It is for this reason also that reasonable people, who genuinely care about the welfare of group members, must never be allowed to represent the group. They are prone to come to terms with the class enemy when real demands are met. Only non-representative spokespeople acquainted with the ideology of social revolution and pressure group warfare can be permitted to speak for the group.

Along with special privileges and protection, the right to practice a DOUBLE STANDARD which divides and disintegrates the community is then demanded by the pressure group. It claims entitlement to behave toward the majority in an openly offensive manner, while strict codes of behavior are imposed on the majority as to how they must approach, think about, and speak to members of the favoured pressure group. Thus Aborigines can abuse and even assault whites with impunity, whereas if whites do the same to Aborigines they will find themselves in court. Women can be as offensive as they like towards men, whereas if men act the same way towards women they will be accused of 'sexism' and hauled before a tribunal.

If whites try to protect their culture it is 'chauvinism' or 'discrimination', but if Aborigines do so it is 'pride in their Aboriginality'. A black minority is welcome to taunt the white majority with claims that 'white men have no culture' (as though Mozart, Michaelangelo and Shakespeare and penicillin count for nothing), but if whites fail to fawn over primitive cave art with the required politically correct reverence, they are likely to find themselves in trouble. When men outnumbered women in certain university faculties that was said to be proof of 'discrimination'. Now that women outnumber men in the same faculties, that's 'social justice'.

During January 1992, Channel 9 Brisbane screened an hour-long documentary called 'Kenyan Trilogy', documenting the circumcision rituals of the Massai in Kenya. The commentary lamented the fact that such sacred rituals were 'under threat' through exposure to white civilisation. In other media during the same period circumcision in white Western society was being condemned as unnecessary 'cosmetic surgery'. What was culture and sacred when performed by the Massai, was cosmetic surgery and wasteful when performed by whites. The socially divisive effect of these double standards erodes the society from within.

The PURPOSE of pressure group warfare is two-fold: (1) to disintegrate existing society and render it ripe for communisation (globalisation) (2) to destroy the concept of individualism and of individual rights, thereby rendering the society amenable to collectivisation, essential to communisation. The idea of individual rights is replaced by the notion that rights accrue to individuals only through membership of an identifiable group. Affirmative Action for example (quotas of women in jobs, parliament etc.), serves not only to create strained workplace relationships between the sexes, it also militates against genuine individual career women. It assumes that gender counts more than ability and intelligence. As Ayn Rand (a woman) pointed out, feminism's most pernicious claim is not so much that men and women are equal, but that all women are equal.

The ongoing hold the pressure group has over the rest of the community is dependent on sustaining the notion of COLLECTIVE GUILT: that the majority, or members of it, are responsible for the group's predicament, and are therefore guilty and deserving of punishment, sometimes referred to as 'reverse discrimination'. If evidence in the present is lacking, particularly as group demands are met and it comes to enjoy privileges not available to the broader community, 'guilt for the crimes of the past' can be invoked. White people are accused of being stained with 'White Man's Guilt', responsible for the 'sins of Captain Cook', while men are accused of 'past discrimination' against women, past 'hate crimes' against gays and lesbians.

White Man's Guilt purportedly passes down through the generations and vests in every newborn child if its skin is white. And since guilt deserves punishment (for whites anyway), today's whites have to be punished for the 'wrongs of the past', allegedly committed by past whites against past blacks. It sounds racist, and it most certainly is, but pressure group ideology asserts that only white people can be 'racist', a blatantly racist assertion in itself. This is a great lurch backwards in social evolutionary time to an age before the concept of individual responsibility, to an age where tribal revenge, clan wars, and blood feud were the principle methods of achieving justice.

By the same token, feminists declare that the complementary cultural roles adopted by men and women over the past 10,000 years (men as breadwinners and soldiers, women as homemakers and mothers), were the outcome of a world-wide conspiracy by men to subjugate women and establish a 'male dominated society'. Men today have to be discriminated against to 'compensate for' past discrimination against women. When this is described correctly as 'reverse discrimination', the feminists respond with accusations that 'there have been 10,000 years of discrimination against women, and only 30 years of discrimination against men, so there's still a long way to go before the score is settled'. This is plainly tribal revenge masquerading as 'social justice'.

The dishonesty of these arguments is revealed by the fact that the bourgeois-Left, who use pressure groups to wage their relentless class war, refuse to hold their own members accountable for their actions in the present on the grounds that their behaviour is determined by social 'causes' beyond individual control: people are 'products of society'. Yet while denying the possibility of self-responsibility in the present, the same ideologists proclaim that their class enemies can somehow be responsible for the actions of people in the past, who themselves supposedly were not responsible for their own actions in their own time.

It is significant that guilt for alleged past wrongs is never properly established in court of law with an opportunity for the accused to defend themselves. Past crimes are deemed to be 'self-evident'. Furthermore, guilt for the past can never be atoned for. The slate can never be wiped clean. It is important that it remain a blank cheque on which the pressure groups can continue to write their own amounts, to be paid by taxpayers, forever, or at least until the society collapses.

The upshot of all this is that pressure groups can conduct their programme of social destruction aided and abetted by the law, and if members of the wider community try to protect themselves or their society, those members will be reprimanded or prosecuted before various tribunals set up to protect the interests of the pressure groups. As taxpayers they are forced to fund the destruction of their own community.

Neat.

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ETHICS OF HATE III: ENVY

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In 1972 a 34 year old Hungarian Australian in Rome smashed Michaelangelo's Pieta with a hammer.(1) Why? If he wanted to vent pent-up frustrations why not smash something valueless? Why destroy something beautiful? Closer to home, people still thought of as misguided 'do-gooders' are systematically dismantling Australia, a once-great country, selling its assets to foreigners, giving the land back to the indigenes and turning life for its people into a struggle for survival. "Can't they see what they're doing?" is the question asked constantly. They can see what they're doing all right. The man who smashed the Pieta chose it precisely BECAUSE it was beautiful. The people destroying Australia are doing it precisely BECAUSE it was once a great place in which to live.

The destroyers, mostly from the ranks of the middle-class Left, are acting in response to a mental state called ENVY. Enviars want to destroy beautiful or good things BECAUSE they are beautiful or good, not only to works of art, but social institutions which work, cultures which advance civilisation, and noble values such as common decency, human dignity, and even civilisation itself. Envy is hatred of the good, for being the good.

The Oxford Concise Dictionary uses 'envy' and 'jealousy' interchangeably. Jealousy, it says, is concern about losing the things you value, or being envious of another person's advantages. With respect to the Oxford dictionary, this is not correct. Being 'envious' of another person's advantages (as the dictionary puts it) is jealousy, not envy. To be envious of another person's advantages is not to crave those advantages for oneself, but to want to see the other person deprived of those advantages, to want the advantages destroyed so they cannot enjoy them.

The crucial difference was pointed out by Ayn Rand in an essay, 'The Age of Envy', in a book 'The New Left' (1970). Jealousy is a normal emotion directed towards the possession, or the retention, of values. Envy is directed towards the destruction of values so that others cannot enjoy them. A jealous person is threatened by the LOSS of a value. The envier is threatened by the EXISTENCE of a value.

The essence of envy was captured by the novelist Emile Bronte at one point in her novel 'Wuthering Heights' when the character Catherine says, "Mr. Heathcliff never reads; so he took it into his head to destroy my books." A little later she says to her cousin Hereton, who was unable to read, "...you concealed [the books] in the bad spirit that as you cannot enjoy them nobody else shall. Perhaps your envy counselled Mr. Heathcliff to rob me of my treasures."(2)

The envier's value system is reversed. As Ayn Rand pointed out, "Deep down [the envier] does not want to be rich, he wants the human being to be poor".(3) The envier does not desire the value, but desires the value's destruction. The envier desires nothing, hates himself, hates existence. Their

reaction to a value is not love/desire/admiration, but hate. Their hatred is not just of any particular value, but of ALL values, of anything which enables people to survive and rise above the mud, hatred of life as such, and of everything living, including themselves.

According to American scientific researcher turned philosopher Dr. Frank R. Wallace,(4) envious are basically immature anti-intellectual people seeking to evade reality and honesty. They hide their crusade to destroy values behind noble 'causes'. They promote altruistic 'ideals' which drain values from productive people in order to subsidise the lazy, they crusade for fake 'social justice' and specious 'human rights' for minorities. They irreparably mutilate the minds of young people by getting into the school system and teaching the same hate for values. Their automatic reaction of hate towards the very things which might bring them enjoyment and happiness leads to a contradictory life with increasing anxiety, resentment, incompetence and unhappiness.

According to Rand, envy arises out of a recognition of values and virtues but a failure to achieve them personally. The result is "an emotional mechanism set in reverse: hatred, not of human vices, but of human virtues". The haters avoid introspection, "which permits them a virtually unlimited choice of rationalisations". They resent success, happiness, achievement, good fortune. They feel pleased when others fail, experience unhappiness or misfortune. She says, "If you have seen [envy], you have seen the naked face of evil." Australians are staring that evil right in the face.

To achieve their ends, envious usurp the power of the State. In Australia they are firmly in charge, and any threat to their monopoly hold on power will be met by the malicious lies, hate, and propaganda seen recently over the rise of the One Nation Party, a Party dedicated to the preservation and restoration of traditional Australian values. Once in control of the bureaucracies envious, under the guise of concern for 'social justice' and 'equity', rob productive people of earned values and redistribute them to layabouts. Under the guise of 'fighting discrimination' they discriminate against those in society who enjoy earned success. Under the pretence of 'redressing the wrongs of the past' they set about destroying the present.

Thus the Australian pastoral sector, which the middle-class Left regard as a 'squatocracy', will be destroyed using Native Title. They don't particularly care whether the Aborigines get the land or not, they just don't want whites to have it. They naturally embrace the Marxist moral code because it forbids the private ownership of property and justifies their stance. Certainly they themselves will be caught by the same prohibition, but the envious doesn't care whether they own property or not. They just don't want anybody else to own any.

Under the guise of defending gay and lesbian rights the traditional family will be destroyed. The entire United Nations Year of the Family came and went unnoticed because nobody could define 'family' in a way that satisfied gays and lesbians, or at least their spokespeople. The chance for millions of young people to have a biologically legitimate sexual orientation and to enjoy heterosexual relationships will be destroyed by promoting homosexuality or bisexuality to children as 'alternative life-styles'. Every chance for happiness by the majority is to be undermined under the pretext of helping minorities 'feel more comfortable' with their sexuality, their Aboriginality, or their whatever-ality.

Under the guise of 'fighting racism' white Australian culture will be destroyed, and why? Because it was good. Because it was infinitely better than the multicultural shit-fight now being foisted on

Australians as the 'way of the future'. The Australian flag will be replaced with something out of a newspaper design contest. Why? Because the existing flag inspires noble feelings in patriotic Australians. Men (and they were overwhelmingly men, despite the exaggerated coverage now given to women's participation in war) fought and died under the flag. So enviers will burn it, desecrate it, pelt it with faeces and urine-filled condoms.

Under the pretence of rectifying 'past discrimination' against women, maleness is to be destroyed, and the society made matriarchal. Guns are to be banned, not only in self-defence, but PARTICULARLY in self-defence. Nothing must be permissible, not even knives, which enables decent people to protect their greatest value: their own life, and the lives of their loved ones. Language, which has served mankind well for thousands of years must be obfuscated and rendered impotent. Why? BECAUSE it has served man well for thousands of years. Thus the enviers' 'politically correct' language rituals whereby fat people have to be called 'horizontally challenged'. Language must be abused and distorted because it is good, is useful, and can be used to express beauty. It is no accident that the best applications of language, such as by Shakespeare, are being phased out of schools and replaced with literary junk. The Enid Blyton and Biggles books, which gave millions of children pleasure for decades must be banned as 'politically incorrect'. The goal is to destroy happiness, and to turn life into a concentration camp.

The standard tactic is to take the decent values, reverse them, and rub the opposites in the faces of the people who hold them dear. Australians had better wake up to this evil which is destroying their country and their way of life, and fight it. Either way....whether they do or they don' t....they will not escape it.

REFERENCES

1. Readers Digest, August 1975, p.98.
2. Emile Bronte, 'Wuthering Heights', Chapter 31, emphasis added.
3. Ayn Rand, 'The Age of Envy', in 'The New Left' (1970), p.156.
4. Frank R. Wallace, Neo-tech Power (1990).

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ETHICS OF HATE IV: THE IDEOLOGY

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To justify their hate for political opponents enviers concoct what is called an ideology, a kind of story about the world which portrays their opponents as evil. The story can even be a lie but that is no disqualification, since its purpose is not to explain the world in any objective sense, but to stir up hate. An ideology invariably selects some facts and ignores others. If it runs counter to historical record, history must be re-written to fit. If it is contradicted by scientific evidence, that evidence will be ignored or suppressed, or an alternative researcher found who will bring to light more convincing

politically correct evidence. Because of this, an ideology can run quite contrary to reality, and the movement driven by it can end up living in a world largely of its own imaginings. Such is the case with the political Left.

In Leftist ideology the story goes like this. Once upon a time man lived in a state of blissful communism where there was no hate, no crime, no violence or war, only universal love. This was possible because there was no private ownership of property. Everything was shared by all and allocated according to the principle 'from each according to their ability, to each according to their need'. In fact nobody laid personal claim to anything, not even their own body. There were no moral rules or restrictions because there didn't need to be any, everybody could copulate with everybody else regardless of age or sex. The society was a matriarchy, ruled by women, and there were no such things as nations or national borders which might 'cause wars'. This was the human race in its original state, and because it was the original state (so the story goes) it must be the 'natural' state, the way it would still be, if it weren't for an awful thing that happened.

One day white men conspired together and invented private property, the institution of marriage to enslave women, nations and borders which caused wars, and turned the society into a heterosexual patriarchy using moral rules as a form of social control. Ever since then the world has been fraught with evil, guilt, crime, war and social injustice. What needs to be done is for the middle-class Left, the historically determined revolutionary class, to overthrow the patriarchal oppressors along with their private property, marriage, moral rules, individualism, rule of law, heterosexuality, nations and national borders, and let the human race revert to its natural communist state again. Then and only then will the people be 'free'.

Factually, it is pure fabrication. The idea that man was originally communist and matriarchal was proposed by Karl Marx's collaborator, Friedrich Engels. (1) Engels used as his model an ancient people called 'the Gentes', but as German jurist Hans Kelsen has pointed out, Engels' sources (Morgan's 'Ancient Society' and Bachofen's 'Mutterrecht'.... mother state) were disputed even in their own time and have since been proven wrong by scientific research. There is no doubt, said Kelsen, that the societies Engels referred to had laws, punishment, collective property in land and individual property in personal possessions. (2) So why does the Left continue to believe otherwise? Well when facts conflict with ideology, it is facts that are ignored. Once that happens, detachment from reality is not far off.

Nor is there any evidence that property was deliberately invented by capitalistic men. Anthropologist Margaret Mead wrote in 1961: "...in spite of the widespread notions of primitive communism, there is no known culture without some institution of private property". Misinterpretations of archeological evidence, she says, "Have misled some observers into thinking that no private property was held by individuals....[But] experience with attempts to impose...collective ideologies upon 'communitic' primitive people very rapidly exposes the error of this assumption". (3)

Nobel Prize-winning economist and jurist, Professor F.A.Hayek pointed out that the concept of private property has been recognised and accepted since the earliest recorded writings and has been challenged "only in comparatively recent times by....socialism (and the) erroneous idea that property had at some late stage been 'invented', and that before that there had existed an earlier state of primitive communism. This myth has been completely refuted by anthropological research." (4)

He quotes Hallowell as saying, "...property rights are universal [and]....a basic factor in the structuralisation of the role of individuals in relation to the basic economic processes." (5) According to Hayek, "There can be no question now that the recognition of property preceded the rise of even the most primitive cultures, and that....civilisation had grown up on the basis of that spontaneous order of actions which made it possible, by the delimitation of the domains of individuals or groups [i.e. property rights]". (6) Ask the Left, "So what about that?", and they will respond, "So what about it?", and they will go on believing what they believe. The purpose of the ideology is not to explain the world but to justify hate, and they turn a practiced blind eye to inconvenient facts.

Factual evidence aside however, even if communism did happen to be the 'original' state of man, it simply does not follow that it is therefore the 'natural' state of man, or that it was necessarily 'good', justifying an engineered return to it. If human society is evolving and it was originally communist, then it is highly unlikely that it should ever be communist again. There is no evidence that evolution, biological or social, goes backwards, or round in circles. But again, facts and logic cannot be allowed to get in the way of a good hate-generating ideology.

Leftist ideology has picked up and absorbed useful bits and pieces along the way. When Sigmund Freud expounded his theory that humans were ruled not by reason, but by repressed memories in their subconscious minds of infantile urges to copulate with the parent of the opposite sex, it was inevitable that the Left would pick that up and adapt it to its own purposes. Obviously civilisation was at fault here, for making children suppress their urges in the first place. The urges were natural and therefore 'good' (ignoring the fact that the 'natural being the good' is the 'naturalistic fallacy', the oldest logical fallacy in the book). It was civilisation that was unnatural and therefore bad, and had to be overthrown. The destructive urges of the Left were thus vindicated 'scientifically' [even though Freud arrived at his theory by self-analysis, recalling his own lust for his mother at the age of 2, and imposing it on the rest of the world]. (7)

When Leftist ideology has been found to be obviously at odds with reality, attempts have been made to bend reality to fit the ideology. Thus Alfred Kinsey carefully selected biased samples (prison inmates for the men's study, and female academics for the women's) and manipulated his data to 'prove' that 10% of people were homosexual. In truth the figure was closer to 1-2%, but nevertheless his fraudulent findings have been used to justify the Left getting into the education system and promoting homosexuality and promiscuity under the guise of 'sex education' in schools. (8)

Bit by bit the fabric of Western society has been deliberately eroded by Leftist 'useful idiots' in the belief that they are preparing the way for a return to the promised land of a propertyless society with no moral restrictions. The wreckage along the way is becoming a major embarrassment, especially the results of their deliberate destruction of morals, which are dismissed by the Left as artificial rules erected by the 'capitalist' system for the purpose social control. In place of moral rules they advocate 'situational relativism': people, including children, should make up their own morals, situation by situation.

It should come as no surprise then that in January in Britain a mob of schoolboys raped a 9 year-old schoolgirl at school during the lunch hour, pulling her into a lavatory, stripping her and taking turns holding her down and doing it. In July two middle class New Jersey students killed a newborn baby.

The girl gave birth to it in a motel room, then she and her boyfriend put it in a garbage bag and threw it in the rubbish bin out back where it froze to death. In September in America a woman gave birth to a baby in a moving car and somebody threw it out of the window onto the freeway. It was found later lying on the median strip almost dead, umbilical cord still attached. Another schoolgirl gave birth in the toilet during a high school prom, strangled the baby, threw it in a rubbish tin and went back to the dance. In August in America two boys aged 7 and 8 murdered an 11 year-old girl by knocking her unconscious with a rock and suffocating her by stuffing grass and leaves in her mouth and nose. Then they hid her bike. A state appeals court in New Jersey ruled that the Boy Scouts' ban on gay members violated state anti-discrimination laws. The three-judge panel ordered the Boy Scouts of America to reinstate an expelled gay scout master, who could then sue for monetary damages. In September the curtain went up on an off-Broadway play about a gay Jesus character who has sex with his apostles. In 1992, a woman in D.C. murdered her six-week-old daughter. A judge gave her three years of weekends in jail and the custody of her other child, a two year-old. Considering these sorts of goings on, the tip of an amoral iceberg, and it is no use trying to make out things are not much different from what they were in grandma's day.

As a rough guide, believing the 'capitalist' system to be all wrong, the Left work towards reversing all the present values and 'standing them on their head', as Marx reputedly did with Hegel. Thus Jay Severin could write (WorldNetDaily 24/11/98) that in what he describes as "the O.J.-Clinton era, right is wrong; wrong is right; wisdom is worthless; law is denounced, duty desecrated, honor mocked; an honest man is vilified for enforcing the law; the cop is the villain, the criminal the hero. Thus, the president of the United States lies under oath, obstructs justice, abuses his office (and, maybe, sells our enemies our secrets for campaign cash). But we don't care."

One of the most useful ideological devices has been to make out that what is 'true' is relative to different classes, and that the revolutionary class (the Left) has a monopoly on the 'true truth'. It follows that anything said or done to further the Leftist agenda, or by anyone committed to furthering the Leftist agenda (such as Democrat president Clinton) is 'true' by definition. It's a higher sort of truth. That is why Clinton can engage in workplace sexual harassment and lie under oath, and still not be impeached. He's one of the Left's chosen, and the Left control the American government.

Geoff Metcalf, writing in WorldNetDaily (24/11/98) predicted that Clinton will not be impeached because "58 Democrats in Congress are members of a policy group that is working with, and being promoted by the Democratic Socialists of America, the domestic branch of the Socialist International Party." According to the web site of the Democratic Socialists, "DSA is working with the Congressional Progressive Caucus, a network of more than 50 progressive members of the U.S. House of Representatives....working to affect a political agenda which includes....economic redistribution and social and environmental justice....DSA's members are building progressive movements for social change while establishing an openly socialist presence in American communities and politics...."

If they're there, they're here. And people still think it's all 'just happening', that Western society is 'calling for' its own destruction.

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[Return to the Globalism Column](#)

GLOBALPHILIA AND ECONOMIC BLINDNESS

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Alexander Downer set the tone of the 'debate' on globalisation when he announced it officially to the Canberra Press Club on December 1, 1997. People were either 'globaphobes', irrationally in fear of it, or 'globaphiles', irrationally in favour of it. A balanced viewpoint was apparently not to be permitted. One of the committed globapliles is a Mr. Gerard Jackson of [The New Australian](#).

Based on very scant evidence, Mr. Jackson has chosen to mount an attack on my views, or more correctly what he imagines to be my views. He has no way of knowing what my views are. He has not read either of my books. He bases his entire claim as to what I think on a very brief synopsis of my book on my website, and a couple of other articles only mildly related to the topic. Mr. Jackson is inventing views for me, then attacking his own inventions.

Some of his inventions are quite absurd. He accuses me of claiming that economic rationalism is the 'ideology of interventionism'. I claimed no such thing. It seems Mr. Jackson is one of the newer intellectuals who assume that if you challenge their views you must believe the exact opposite. The idea of a view in between seems to be beyond them. Still, if Mr. Downer's mind works that way, why not Mr. Jackson's?

Jackson accepts uncritically what he's been told: that economic rationalism is free market economics: '...it means free markets or it means nothing at all', he declares. And since it obviously doesn't mean nothing at all, it must mean free markets. Ole! 'That's why I call myself a free marketeer', he proclaims. And if that's not proof enough, Professor Fels agrees with him. Well, so far we've had a circular argument, a declaration of personal faith, and an appeal to authority, all of which are logically irrelevant.

You see folks, whether or not economic rationalism is genuine free market economics is not determined by what Mr. Jackson or even Professor Fels claim it is, but by the facts. And the facts are that a proper free market is not simply a market free from government regulation, it is an unregulated COMPETITIVE market. Even Professor Hilmer would agree with that, thus the National Competition Policy.

Furthermore, a competitive market is not just anything Mr. Jackson wants it to be, it is a clearly defined thing: a market of potentially unlimited competitors, competing on more or less an equal footing, in a market which newcomers can freely enter, and in which none can control price [Adam Smith, 'The Wealth of Nations']. Something like it probably existed for a while in Britain during the Industrial Revolution, but once big business came on the scene from around 1870 onwards, [Parkinson, 'The Rise of Big Business'], the truly competitive market disappeared and has never been seen since.

Why? Because big business bought up or destroyed smaller competitors in the marketplace and produced a situation called OLIGOPOLY....market control by a few large firms, with weaker competitors struggling to survive on the periphery. Oligopoly was not a competitive market, and until the advent of economic rationalism nobody seriously suggested that it was. Oligopoly was regarded as a symptom of market failure, only marginally better than outright monopoly [see Galbraith, 'American Capitalism']. It is all well documented, so there's no excuse for Mr. Jackson not knowing about it.

The reaction of governments was to protect smaller competitors in the marketplace with exemptions under trade practices legislation and other measures which enabled them to build up power which countervailed the power of the oligopolists. In that way the numbers of competitors were kept up in the marketplace and some semblance of competition was maintained. It is significant that government regulation was introduced in the first place in a bid to PRESERVE competition, not destroy it, a fact economic rationalists choose to overlook. Whether it succeeded or not is another matter.

The outcome was known as the **MIXED ECONOMY**, basically a market economy but with government intervention to cushion the public from its harsher effects, because markets cannot act morally [see F.A.Hayek, 'Law Legislation and Liberty']. The mixed economy was the form of economy which persisted in the 'capitalist' world for the last part of the last century and the first 80 years of this. Chomsky has argued that it, and not any mythical 'free market', is what built the wealth of the Western world. Sure it had Keynesian financing and welfare socialism superimposed on it from the time of Roosevelt's New Deal onwards, but it was still basically the mixed economy. According to Chomsky, countries which have tried full free market economics have ended up 'basket cases' [Chomsky, 'Prospects for Democracy'].

Suddenly in the early 1980s the economic flavour of the day was again 'free markets' and 'competition' ('Thatcherism' in Britain, 'Reaganomics' in the U.S., and 'economic rationalism' in Australia). This all

sounded like neo-classical free market theory risen from the dead, but there was one small item missing: the **COMPETITIVE MARKET**. The form of most markets was still that of oligopoly. Freeing oligopoly up by deregulating it could only have one effect: to consolidate oligopoly.

So how do economic rationalists get around the problem of a lack of a competitive market? Simple. They redefine oligopoly as the competitive market. Should the reader think I'm making all this up, here's how the Hilmer Report deals with it:

“Early economic work suggested that large numbers of competitors were important for the effective working of competitive forces. However IN SOME CASES competition between A FEW LARGE FIRMS may provide more economic benefit than competition between a large number of small firms.” [Hilmer Report, p. 3].

Fair enough, but what about all the other cases where it doesn't? No answer. They're what G. H. Lewes called 'provisional elements soon disregarded'. Oligopoly is it. The oligopolists dominating markets by this time were Transnational Corporations (TNCs), which is where economic rationalism fits in to globalism. Removing government protection from smaller competitors in the national marketplace freed things up so TNCs could buy up or destroy nationally based firms and integrate national economies into the global economy, which is precisely what has happened.

Under the ideology of economic rationalism ('oligopoly economics') free market language and free market concepts are bandied about, but the meanings have been changed. 'Free' now means freedom for large firms, particularly TNCs and firms owned by global investors, to do what they like, wherever they like, anywhere in the world, without interference from national governments and without having to accept any social responsibilities. Think I'm making that up too? The Australian government recently tried to sign the Multilateral Agreement on Investment (MAI) which would have turned precisely that scenario into international law.

THE PROMISES: Having changed the meaning of 'free' and turned oligopoly into a competitive market, the Hilmer Report then goes on to claim that oligopoly will deliver all the advantages which were supposed to flow from a classical free market....businesses will improve their performance, new products will be developed, there will be lower prices and improved choice for consumers, increased employment opportunities for the community as a whole [Hilmer Report p. 1]. It even tends to promote equal treatment of workers according to race and sex (it'd have to wouldn't it?) [Hilmer Report p. 5]. On the other hand Galbraith said oligopoly cannot guarantee new products, prices no longer reflect consumer demand, and it can lead to profitable and comfortable stagnation ['American Capitalism'].

But so much for the theory, what have been the RESULTS? So far economic rationalism has delivered on NONE of its promises, and the best economic rationalists can do is urge people to hold on a bit longer, have faith, withstand a bit more pain and eventually 'market forces' will deliver the gain. In New Guinea they call it cargo cultism. Here it enjoys the respectability of an economic theory.

WHAT ABOUT THE CHEAPER PRICES?: the best the Australian newspaper could come up with were these [The Australian, 5 August, 1998]: Pork was 3.8% cheaper and poultry was 1.5% cheaper in June than it was in March 1998 because of a 'surge in imports' from Canada and Denmark, and 'over-production at home'. Cheese prices had also fallen 'sharply' (sic) over the previous 12 months, by

2.1%. This was ‘courtesy of stiff competition from New Zealand and a local production boom’. Clothing prices fell by a whopping 0.1% in the 3 months to June ‘under intense price pressure from cheap imports’. The other “big winners from more open markets” were new car buyers. No figures were quoted, but the ‘trend’ was supposed to have been ‘downward’, except for the March 1998 quarter when the prices rose 3.1%. Imports again were the big winner, with Hyundai outstripping the traditional market leader, (the local) Holden, for the first time. Overall food prices INCREASED during the previous 12 months. The cost of living had INCREASED, ‘but only by a fraction’.

And the price? A nation in return for a few cheaper groceries.

What about ‘**IMPROVED CONSUMER SERVICE AND CHOICE**’?: experience worldwide has shown these are delivered to the best paying 20% of consumers. The middle 60% get worse service and choice and pay more for them, while the bottom 20% can’t afford the services at all. This is the result of the cessation of cross-subsidisation between products which makes no sense to economic rationalists. Nor do they want the least profitable customers, who fall back on the government and the taxpayer. Here are some examples, mostly American but the trend is the same here too.

Banks now want medium to large ‘investors’, not small depositors. America’s second-largest bank is increasing the minimum balance for a standard, no-fee checking account to \$6,000 in New York and \$7,500 elsewhere. Certain banks are offering high-end customers substantially better interest rates on personal loans and other products than low-end customers. The American airlines are reducing the size of economy class cabin space to make room for more first-class seats. Services and comfort to economy class flyers have been cut back. Leg room in economy class has been reduced 15% by some airlines. Lower-fare passengers are permitted only one carry-on bag while full-fare business passengers continue to enjoy the traditional two. The telephone companies want long distance business calls which are profitable, but not the domestic market, and certainly not the bush. In privatised health, wealthy customers get private rooms and lobster salads on the menu. The bulk of the community put up with reduced services and higher health care premiums, while around 20% of the population have no access to any health care at all because the cost of health cover is beyond their means.

Economic rationalist ‘competition’ does NOT lead to better consumer choice or service for the community as a whole. It leads to cutbacks and price hikes for the majority in order to provide more VIP services to the best-paying minority. It’s a form of reverse cross-subsidisation. Instead of the wealthy subsidising the poor, the poor subsidise the wealthy.

What about the ‘**RISING LIVING STANDARDS**’?: a Melbourne University study released by the Governor-General during March 1998 found that 5.5 million Australians (30% of the population) now live below the official poverty line. In mid-1998 the media were flogging the line that the average wage was supposed to be \$712 per week. That was the figure for full time adult work. It ignored the fact that 1 in 4 jobs is now part-time. The average wage for part-time work was around \$420/week, which brought the real average wage across the board down to \$598/week. Even that was too high because not all part-time work is paid at the adult rate. Far from ‘raising living standards’, economic rationalism is lowering them, and it’s the same worldwide.

What about ‘**INCREASED EMPLOYMENT OPPORTUNITIES**’? In the 12 years 1985-1997, the era of economic rationalism, 3.3 million Australians were retrenched and had to find replacement jobs,

in what the Sydney Morning Herald described as a 'massive downsizing of the nation's workplace'. According to Mr. Jackson, this was NOT DUE TO ECONOMIC RATIONALISM, it was caused by wage fixation at a point higher than the market clearing wage rate. Ludwig von Mises said so. Where has Mr. Jackson been for the last 10 years? Union coverage is now at around 30% and NON-union workers are being paid marginally higher than union members under awards. While Mr. Jackson quotes theory, he ignores this:

Between 1990-95 Shell had shed almost 2,000 jobs, Telstra will 'cull' 25,500, the Commonwealth Public Service was cut by 27,000 permanent positions by the mid-1998, the number of public sector employees in NSW fell by 90,000 between 1991-7, BHP (now a TNC) will sack 2,500 when it closes its Newcastle plant, and another, 800 at Port Kembla. The four major banks eliminated 30,000 full-time jobs 1991-7, and will eliminate a further 60,000 by 2005. December 27, 1997: the financial services industry had reduced employment by more than 10 per cent over the past 5 years, despite the sector's burgeoning growth. The finance sector had pared its workforce by 16% since 1991. The insurance workforce had been cut by 35% in the same period, despite the managed funds industry's 'spectacular growth'. January 21, 1998, it was announced that National Mutual and MLC would merge, targeting cost reductions of \$200 million a year over 3 years by 'removing overlapping functions and through staff cuts'. February 1998: the ANZ Bank announced the layoff of 1,700 staff. The Commonwealth Employment Service was disbanded in May 1998 with a loss of over 4,000 jobs. March 7, 1998: Queensland's state bank Suncorp-Metway announced it would start rationalising its staff with hundreds of jobs expected to be lost as branches close. April 3, 1998: National Australia Bank announced it would cut an estimated 4000 jobs and close scores of branches. April 4, 1998: the Bank of Melbourne announced further job losses. June 27, 1998: BHP made a loss, and planned to sell assets worth \$ billion. It had already taken the responsible step of slashing 5000 jobs. August 6, 1998: 626 redundancies would result from waterfront reform. The official unemployment figures have been stuck on about 8% for years, but nobody really believes it. A person is classed as 'employed' if they work one hour a week. Then people who have given up looking for a job are excluded from the figures by introducing a thing called the 'participation rate'. Typically the participation rate is around 63%, which means that around 37% of people who should have a job, but have given up looking for one, are no longer classed as unemployed. The Australian Bureau of Statistics (ABS) estimated in 1997 that against an official unemployment figure of 800,300, the number of Australians unemployed and wanting to work, or employed and wanting more work was almost 2.5 million, which is 25% if there really are 10 million in the workforce. Long term unemployment is also increasing. In December 1997 the ABS found that 33.6% of unemployed people had been out of a job for more than 12 months, and that figure had increased from 30% eighteen months previously. The problem is not confined to 'blue collar' work. The jobless rate of graduates from various universities ranges from 14.2% to 36.1%. Excluding computer science graduates, 34% of those with a basic science degree were still seeking work 5 months after graduating.

And none of that is supposed to be due to economic rationalism! The fact is unregulated oligopoly (economic rationalism) is NOT creating the promised jobs, it is eliminating them and that is fact! The academics will tell you that after it stops eliminating them, it will start creating them again. The new 'Australian dream' is that Australia is going to become the 'great financial centre of Asia', and that jobs destroyed in 'traditional industries' will be replaced by jobs as 'financial advisors'. It's nonsense.

Professor Lance Endersby has pointed out that examples like Zurich show that financial centres are not great job generators.

THE PRODUCTIVITY COMMISSION itself, the watchdog of economic rationalism, in a recent report showed that 1970-1998: Unemployment has risen; the demand for labour has failed to keep pace with supply. The proportion of long-term unemployed had increased from 5% to about 30%. The long term unemployed are unemployed longer....a year or more, instead of 2 months. The extent of underemployment and hidden unemployment has also increased. Most jobs growth (>95%) was confined to just five industries: community, education and personal services, wholesale and retail trade, construction, and public administration and defence. Most job losses (>95%) were accounted for by different five industries: transport equipment and machinery; textiles, clothing and footwear; metallic products; electricity, gas and water; and food, beverages and tobacco. employers have “been driven to change workplace arrangements and to make other equally disruptive reforms – many of which have increased the capital to labour ratio” (they’ve done away with labour through ‘downsizing’). Job turnover and mobility rates suggest the equivalent of the entire national labour force has to find a new or different job every 4 to 5 years.

Despite what Mr. Jackson might have been told in economics lectures, economic rationalism began with the Hawke government from 1983 onwards when it began to implement the recommendations of the Campbell Report. Paul Keating as treasurer floated the dollar and allowed in foreign banks. It has been a staged process ever since then. The Hawke government also stopped the Franklin Dam by invoking a U.N. treaty, so those other aspects of globalisation, the transfer of political, legal, and cultural sovereignty away from nations and into the control of ‘institutions of global governance’, began then too. To suggest as Mr. Jackson appears to, that globalism is restricted to economics is absolute nonsense. Even Alvin Toffler defined it as ‘the notion that nations are obsolete’ [‘The Third Wave’]. Bill Clinton has described it as ‘economic and political integration’ [in Buenos Aires 1997].

As a result of the unregulated oligopoly policy over 90% of Australian big business is now globally owned. The levels of global ownership were (at last count): processed food 95%, motor vehicles 100%, chemicals 98%, pharmaceuticals 100%, mining and minerals 97%, electrical 98%, banking 86% (and rising fast), confectionary and beverages 84%, manufacturing 57%, insurance 82%, building materials 88%, hotels, major and resort 75% and oil and gas 92%, funerals over 50%. Allan Asher of the Australian Consumer Commission admitted on Lateline last year that 80% of the Australian economy is now foreign controlled.

THAT THE 'FREE MARKET' is all a **MYTH** is revealed by the following: As soon as the regulations protecting Australian-owned smaller business were abolished, foreign-owned TNCs began lining up for subsidies and protection paid for by Australian taxpayers and getting them. In January 21, 1998: Cabinet agreed to provide \$300 million in taxpayer funds to underwrite Australian trade contracts with Korea. January 22, 1998: Representatives of the tourism industry emerged from meetings with the Federal Tourism Minister, Mr Thomson, yesterday confident the Howard Government would consider extra funding in the May Budget to help the industry deal with the Asian currency crisis. August 1997: the Howard government announced a \$600 million taxpayer-funded package to help the Australian private health funds which were faced with membership defections. August 1997: ‘The chemical giant Du Pont was paid almost \$60 million in government aid to keep manufacturing textiles as tariffs were

reduced. [It took the money and ran]. Late 1997: The government announced a \$1.26 billion 'Investing for Growth' package which includes a \$556 million increase (increase!) in government support for private sector (big business) research and development. February 2, 1998, it was announced that two of Australia's biggest employer groups, the Metal Trades Industry Association (MTIA) and the Australian Chamber of Manufactures (ACM), would merge, creating a powerful voice 'to lobby the Federal Government on industry protection'. Both want to use their power 'to step up pressure on the Howard Government for more industry assistance'. February 2, 1998, John Howard said the Government would provide aid to businesses exporting to Indonesia, partly to combat 'actively avaricious competition from US exporters'. That assistance – which the Prime Minister said would be uncapped, in the form of export insurance, and on a case-by-case basis – follows a recent government decision to support Australian companies selling into the slumping South Korean market. January 29, 1999: the federal government has paid Comalco \$100 million-plus to induce it to go ahead with an alumina refinery in Gladstone. In December 1997 the federal government committed \$40 million to help Visy Industries decide to build a pulp mill at Tumut. The Federal Government's 'major projects coordinator', Bob Mansfield controls a pool of funding worth \$500 million.

In the meantime, as is to be expected in the absence of any regulation, OLIGOPOLY is merrily consolidating its way to outright monopoly, all welcomed by economic rationalists as 'increasing competition'. In 1997 financial giant Morgan Stanley Group Inc., merged with Dean Witter Discover & Co. to form an even bigger financial giant. In April 1998 US financial giants Citicorp and Travelers merged in a record \$70 billion deal, the largest corporate merger ever, to form an even bigger financial giant still: the world's biggest financial services company. Drug giants Glaxo Wellcome and SmithKline Beecham are going to merge creating the world's largest drug maker with a market capitalisation of \$160 billion and annual sales of more than \$27 billion. WorldCom is going to acquire MCI Communications for \$36 billion. Meanwhile BankAmerica is merging with NationsBank, Sanduz with Ciba Geigy, Mitsubishi Bank with the Bank of Tokyo, Union Bank Swiss with Swiss Bank Corp, Banc One with First Chicago NBD, and KKR with RJR Nabisco. AT&T Corp. acquired Tele-Communications Inc. for \$48 billion merging America's largest long-distance phone company and the second-largest cable-television concern. January 25, 1999: Vodafone and Airtouch of the US are going to mega-merge. January 1999: Zeneca pharmaceuticals shareholders must vote on a planned merger with Astra of Sweden next month.

AS FOR THE RURAL SECTOR which brought me under considerable fire from Mr. Jackson, it is fact that there were 172,000 farms in 1985 and that 40% of them have now gone. It is fact that 35 farmers a week are leaving the land never to return. According to Mr. Jackson this has nothing to do with economic rationalism either, the farmers were 'too inefficient'. It serves them right, they deserve to lose their farms. If some rural communities disappear as a result, 'so be it'. Stuff 'em. People have to learn to fit in with the econometric model or go find another planet.

As a result of 'financial deregulation', the value of the Australian dollar is now determined by the global markets. Over \$1 trillion a day changes hands in the global markets, and 95% of it has nothing whatever to do with the production and consumption of goods and services essential for the human race. It is speculation: the buying and selling of money, shares, commodities futures or other 'derivatives' the sole purpose of which is to make a 'quick buck'. Not only that but it is conducted

largely with imaginary money, credit extended by international money-lenders. The credit 'money' is backed up by nothing. It will exist only so long as people continue to pretend that it exists.

On top of that, most of the so-called securities traded on the global markets are only remotely based on any tangible asset...the so-called 'derivatives', derived from tangible assets, agreements to do things with tangible assets at some time or other. The global economy is 95% gambling using imaginary money, and trading in imaginary assets.

The slightest provocation, even whispering the words 'banana republic' (Keating in 1984, sending the dollar down to 57c US), can send the speculators into a panic, causing them to unload Australian dollars, driving down its value, driving up the price of imports, driving up the cost of interest payments on Australia's foreign debt. They can bankrupt companies who've borrowed too much money, and even destroy entire economies as it has done in Thailand, Indonesia, South Korea, Russia, and Brazil.

That is the unstable system Australians have been committed to by their own governments in the name of financial deregulation and 'globalisation'. Even some of the speculators themselves are becoming jittery, understanding just how close to global deflation the whole system is. In the wake of the Asian collapse, global speculator George Soros called for dramatic reforms to limit speculative capital flows. Soros: "The received wisdom of economic theory is that markets tend towards equilibrium. This may be true for the market for ordinary goods and services [it isn't] but it's emphatically not true for the financial markets." [Speech in Davos, 1998].

Mr. Fred Argy, Secretary of the Campbell Committee which recommended the deregulation of the Australian financial industry in 1981 said this fourteen years later: "I've become increasingly disenchanted with the behaviour of the financial markets. Quite frankly the benefits of financial deregulation are not what they were expected to be, or what they're made out to be."

In the meantime Mr. Jackson no doubt will stubbornly insist that the export of Japanese steel to the US is 'dumping' whereas forcing US bananas and hormone treated beef on an unwilling Europe is 'free trade'. He will also insist that the employment of child labour throughout Asia is doing those countries a favour....and on it goes. Mr. Jackson's greatest enemies are not 'globaphobes', they are facts, and an economic theory which is threatened by facts hasn't long to run.

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PHONY THEORIES OR THE 'T' WORD: TAKE YOUR PICK

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1st April 1999

So that politicians can globalise their countries economically without openly committing treason, two phony versions of well-known economic theories have been concocted: 'economic rationalism' and 'free trade'. These economic theories and policies based on them are transferring economic ownership and control out of national hands and into global hands. This is indisputable fact, the only question is whether or not it is intentional. Why do I say they are phony?

ECONOMIC RATIONALISM is supposed to be 'free market economics'. Is it?

To have free market economics you first need a market. A market is an economic system in which many competitors compete for customers by trying to provide the best quality products or services at the cheapest possible price.

So is a monopoly a competitive market (say Telstra before Optus)? No? What about a duopoly (say Telstra after Optus, or the 2 airlines under two airline policy)? A 'market'? No? What about an oligopoly, a market controlled by (say) 3 big operators (the Australian grocery 'market', 80% controlled by 3 big operators). Is that a market? Oligopoly is a market only if you stretch the meaning of 'market'. And THAT is the form of most markets in Australia today.

Suppose oligopoly is a 'market' (which is not conceded). A FREE market is one free ('deregulated') of government controls, including no preferential treatment for any of the 'players'. A 'level playing field'. So what if the government lets the big foreign players, but not the small national players, avoid tax (which it does), gives them R&D concessions (which it does), and in many cases direct subsidies (cash payments) to set up or keep operating (which it does). What then? Is that a level playing field? Is that a 'free market'? By what stretch of the imagination? Under a 'free market' like that, the big foreign players will buy up or wipe out smaller nationally-owned players, transferring national ownership of assets and control of national economies to global interests: exactly the programme of globalisation. Is that what's happening? Absolutely! Is it supposed to do that? Only a child (or a 'free market' economic mystic) would even doubt it!

Genuine free market economics allowed that some corporations and all public utilities could be owned by the public sector. Economic rationalism insists that they be sold. Who ends up owning them? Well, transnationals and foreign investors. Ownership of assets is transferred out of national into international hands. It's that li'l ol' programme of globalisation again. Amazing. What about the 'mums and dads shareholders'? What about the tooth fairy?

Let's consider FREE TRADE. Free trade means no barriers to imports or exports between nations.

Unless all the participating nations have similar costs of production, free trade will wipe out industries and farms in the higher cost countries unless they can reduce their costs (labour and materials) to match their lower cost competitors.

If their labour costs are inflexible, either due to minimum wage policies, or to the social expectations and living standards in their countries, all their cost savings must come from the other inputs of production (raw materials, fertilisers, etc).

If the cost of those inputs is relatively inflexible too, (for example, because the chief suppliers are transnational oligopolists and they keep their prices high), the industries and farmers in the high cost

countries will go bankrupt. They can then be bought up by foreign transnationals or investors at bargain basement prices, transferring assets and economic control out of nations and into internationalist hands: precisely the programme of globalism. Is that happening? Absolutely! Is it deliberate? Only a child or a free trade economic mystic would doubt it for a moment.

What about 'comparative advantage', countries concentrating on producing and exporting those things they can produce cheapest? Sounds good? Through debt for equity swaps, many countries no longer own or control the assets that might give them their comparative advantage. Global capital does. Few countries have an absolute comparative advantage (monopoly) which would enable them to maximise that advantage anyway. They struggle to compete in a climate of deteriorating terms of trade, getting further into debt and selling progressively more of their 'comparative advantage' to global capital. Is that happening? Absolutely. Is it deliberate? Oh, come on!

After levelling out the cost structures of the players, free trade will only continue to work if all players play by the rules. If the major players, particularly those who protest loudest for 'free trade' won't, then there is no free trade and the system is a lie.

America which claims to want free trade, wants it when it benefits America, but not otherwise. Thus when America wants to force bananas or hormone treated beef on Europe, that's 'free trade'. When Japan wants to export cheap steel to America, that's 'dumping', and America raises trade barriers. Similarly with Australian lamb. Free trade in that case is not free trade at all, but a device to advance American neo-colonialism.

Let's consider BOTH free markets and free trade. They are supposed to be 'good for the world'. Are they? So far, no. Why not?

Because they can only be good for the general population if that is the ultimate purpose of economic policy. If the ultimate purpose of economic policy is profits, not people, then it will further enrich the already rich, and drive the rest of the world down into neo-feudal poverty.

The meaning of 'rational' in economic rationalism means 'reason, not emotions'. 'Emotions' includes concern for the plight of people. Economic rationalism and free trade are (at present) amoral, and as such can only benefit global capitalists and their hangers on. Is that happening? Absolutely! Is it deliberate? Only 'free market' and 'free trade' economic mystics would doubt it for a moment!

In the meantime both these so-called economic policies and their underlying 'theories' (ideologies) are implementing globalism: destroying national ownership and control of economies, and transferring the assets and control to central TNCs and the international bankers that own them. And that, in my submission, is precisely what they are intended to do.

EVEN IF economic rationalism and free trade were the genuine articles (neo-classical economics, which is not conceded), the government has NO MANDATE to adopt economic policies which have the effect of transferring Australian economic sovereignty to foreign interests, destroying the farms and businesses of hundreds of thousands of Australian producers in the process, without the EXPRESS INFORMED CONSENT of the voters at referendum. No such consent has been obtained or sought. Unless and until it is, it is my submission that this government is fraudulently misrepresenting its

allegiance to the Australian people, and is in fact implementing globalism on behalf of the 'international community', whatever that is. There's a word for that sort of behaviour.

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Globalisation by one clenched fist

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In a previous article ('Will Globalism be Imposed by Force?'), readers were reminded how Russian defector, Anatoly Golitsyn, in a 1984 book called 'New Lies for Old', revealed that the Soviet Union and China had been manufacturing 'disinformation' about the state of affairs within the communist bloc since at least 1957. The exercise extended to creating a false picture of relationships within the communist bloc, including between Russia and China. The object was to fool the West into lowering its guard against the communist threat, and adopting policies which furthered, or at least did not hinder, communism's long range plans for world government. With the West off guard, the communist regimes could lay the groundwork for a 'major shift in communist tactics' in the 'final phase of policy' during the 1980s.

This 'major shift in tactics' involved daring new disinformation initiatives, including the false liberalisation of the Soviet Union and the demolition of the Berlin Wall, and economic reforms which appeared to introduce 'capitalism' and democracy. Despite the 'reforms', however, the reality of communism and its commitment to world government would continue unaffected.

Deceived by the apparent end of the Cold War, America would wind back its armed forces, thus rendering itself vulnerable. Then in the final stage of the 'major shift in tactics' there would be a 'Sino-Soviet reconciliation', in which the apparent policy disagreements between China and the Soviet Union would dissolve, giving way to the 'strategy of one clenched fist'. The US and the West, confronted with the reality of 'the overwhelming strength of communism' which would be 'virtually unanswerable', would have no option but to join in a 'supranational economic and political communist federation': submit to world communist government, in other words.

What Golitsyn did not predict, however, was that with the so-called 'collapse' of the Soviet Union, communism would be renamed 'globalism', and world government headquarters would be moved from the Kremlin to Washington DC. Preposterous? Observers have continually warned that globalists within the American government were working behind the scenes to change things within the USA to enable it to be merged comfortably with the communist bloc, thus bringing about world government. With world government (globalist) headquarters relocated in Washington, the scene could be set for the Clinton administration to assist the communist bloc to give effect to the strategy of one clenched fist. Only in these terms does the present behaviour of the Clinton White House in relation to China, Yugoslavia and indeed America itself, make any sense.

If there was any substance to Golitsyn's claim about the 'strategy of one clenched fist', the world would expect to see China and Russia arming themselves, and commencing talks to 'resolve' imaginary

differences. This has indeed been happening. Russia and China recently entered into an alliance for the specified purpose of challenging the dominance of the United States. Both countries have been moving troops off their shared borders, as military cooperation has been stepped up. Chinese Premier Zhu Rongji recently flew to Moscow for his first official trip to 'boost flagging trade' [The Australian, 23/2/1999]. Beijing has held talks with Russia on the US plan to create a theatre missile defence (TMD) system to protect its troops and allies in Asia [The South China Post, 13/2/1999].

In the meantime, president Clinton has not only been winding back his own country's defences but has actually helped the Chinese build up theirs by allowing American big business to sell them vital military technology. The Clinton administration has slashed defense spending and reduced America's military readiness. It has destroyed two-thirds of America's nuclear arsenal, leaving Russia with the largest nuclear arsenal in the world. According to Senator James Inhofe (R-OK), a member of the Senate Armed Service Committee, "[America is] in a more threatened position than we have probably been in the history of this country...We're at one-half the defense force we had in 1991. We don't have a national defense system!"

At the same time Clinton has signed waiver after waiver, circumventing Congress and the law, to export satellites, super computers, radars, secure communications and bombing navigation equipment to China. China has 18 intercontinental ballistic missiles trained on American cities, capable of far greater accuracy now, thanks to the new technology. It has the third largest military in the world after Russia's and America's. Chinese companies with close ties to the Chinese government now control the ports at both ends of the Panama Canal. If Clinton had had his way, COSCO, the Chinese government overseas shipping line, would have been given the old naval base in Long Beach, California.

According to Colonel Lunev, a recent defector from the main intelligence directorate of the Russian General Staff, Russia has been preparing for a war it considers inevitable. Though supposedly bankrupt, Russia has been stockpiling food and fuel, building vast underground nuclear war bunkers, developing and stockpiling new biological and chemical weapons as well as road and rail-mobile intercontinental ballistic missiles. The Russian Navy continues to improve its surface and submarine forces, deploying the largest ballistic missile cruiser of its kind, Peter the Great. The Washington Times reported recently that Russia's strategic bomber forces carried out simulated nuclear bombing raids against the United States in exercises that included test firings of long-range cruise missiles. All that was needed now was some pretext upon which to start shaking the 'one clenched fist'.

Then around 25 March, NATO forces at the behest of the Clinton administration, launched an attack on civilian and military targets in Serbia, allegedly to stop the Serbs killing Albanians in Kosovar. The action was not approved by the UN Security Council, and it was in direct contravention of NATO's own charter. NATO was formed as a purely defensive alliance during the Cold War solely to defend Western Europe from an attack by the now defunct Soviet Union and its Warsaw Pact allies, many of whom are now members. Serbia was never a member of the Warsaw Pact, nor has it ever attacked, threatened, or invaded any member of NATO. Even Clinton is not denying that Serbia holds a clear title to its Kosovo province.

It makes no sense that NATO should think that a few weeks of bombing could end political and religious warfare that has consumed the Balkans for centuries, especially since similar tactics have

failed previously in Afghanistan and Vietnam. Nor has the alleged principle behind the action been applied consistently. In 1995, the world stood by while the Croatian Army evicted 350,000 Serbs from lands that they had lived in since the fourth century. Why were the Serbs of Krajina less deserving of protection than the Albanians of Kosovo?

Nor has the war against Serbia been approved by the US congress. It has been declared by executive order, in direct contravention of the US Constitution. Clinton claims the war is 'moral' and 'the right thing to do', yet the dishonesty of that argument is revealed by the fact that Clinton's own bombing, not the actions of the Serbs, has caused the tragic refugee problem. It has killed innocent people, destroyed civilian property to no purpose, and united the Serbs behind Milosevic to defend their homeland.

While the real reason for the assault remains unclear, it is definitely furthering the strategy of 'one clenched fist', first of all by providing Russia and China with an excuse to clench it. Both countries' leaders are expressing anger about the NATO attack on Serbia, claiming to feel betrayed by the assurances of this 'defensive' alliance that it would never use its military might in an offensive way, and try to impose its will on neighbors.

Secondly, the action is further depleting America's defence capabilities. After less than a month of bombing the US is almost out of cruise missiles, has no carriers in Asian waters, and has so depleted its military that it will have to call up reserves just to continue bombing. Now there is a call for 200,000 American ground troops to be sent, leaving the home soil that much more vulnerable. The US is already heavily committed to defending South Korea from an always threatening Pyongyang and conducting nearly daily bombing runs in Iraq.

Some analysts are surmising that with a strategic alliance forged between Beijing and Moscow, the Chinese might take advantage of the crisis to pursue their territorial claims to Taiwan or the Spratly Islands, while the US has been forced to move its last aircraft carrier battle group from Asia to the Persian Gulf. The US military would have a very difficult time, analysts say, fighting on two fronts. Fighting on three would be impossible. Thirdly, the bombing of Serbia, a Christian nation and former Western ally, is drastically reducing the morale of the US Armed Services.

On the other hand Russia has no military distractions other than the current events in the Balkans, and the attack on Serbia has united Russians against America. "Today, there is virtual unanimity among Russians that the United States and its NATO allies represent an aggressive, imperialist threat. Russians are demonstrating in the streets, volunteering for military service on behalf of Belgrade and mobilizing their military in a way not witnessed since the height of the Cold War" [Joseph Farah, WorldNetDaily, 16/4/1999].

According to Turkish intelligence sources, Russia is sending another nine-vessel naval battle group to the Mediterranean. Moscow is beginning to draft young men into military service with a preliminary target of 169,000 recruits. These events are largely being concealed by the Western establishment press whose journalists appear to have been taken in by the disinformation that Russia is destitute. But even in its so-called fallen state, Moscow boasts military forces at least triple the size of Washington's. The new recruits will make it four times larger than the US military.

As Joe Farah of WorldNetDaily points out, not only has the NATO mission failed miserably in its primary stated objective of humanitarian relief, it has moved the entire world precipitously closer to Armageddon. “Is it all a big blunder,” asks Farah, “or is there globalist calculation behind this apparent madness”?

Whatever else it is doing, the Kosovo attack appears to be establishing some sort of precedent for a world government to intervene in sovereign states to ‘protect’ allegedly persecuted minorities. Perhaps the Serbs have been singled out as an example because of their fierce nationalism, and nationalism has to be crushed and obliterated permanently in the new global order. The Clinton administration is acting increasingly like a dictatorial world government, claiming some inherent right to act as the ‘world’s policeman’, while NATO is obviously going to be the world police (‘peacekeeping’) force. Australians should be asking how long it will be before they too have the ‘one clenched fist’ thrust in their faces and are told to kneel before their new world order bosses.

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SOCIAL GLOBALISATION (1): THE IDEOLOGY and POLITICAL CORRECTNESS

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In parallel with the programme of economic globalisation, euphemistically called ‘economic reform’, is an ambitious programme of social globalisation. While economic globalisation transfers ownership of the world’s economic assets and the control of a single integrated global economy into the hands of monopoly capitalists, the social programme delivers control of the world’s people, including their thoughts and actions, into the hands of global monopoly socialists. The aim of the social programme is to completely remake human society, indeed human nature, to make them conform to leftist ideology.

National governments undertake to implement this programme by signing various treaties and agreements at the United Nations. Representatives are then sent to regular UN conferences, from which they return with agendas for implementation at national level. For every treaty there is a UN agency which ensures, through regular inspections and assessments, that national governments implement the terms of the treaty. To understand the programme and how it all fits together, one must first understand socialist ideology.

An ideology is a kind of story, a fantasy about the world intended to justify political action. The story need not be true, in fact in the case of socialist ideology it isn’t. Its purpose is not to explain the world in any objective sense (which distinguishes it from a genuine theory), but to motivate people to take political action. It’s like a faith, a political faith. If the believers are required to destroy an existing

social order, as they are in this case, the ideology portrays that order as 'outmoded' or 'unnatural'. Similarly, if the purpose is to overthrow the position of certain classes in the society, those classes are portrayed as evil, accused of 'discrimination', 'wrongs of the past', and so forth. The purpose of the ideology is to stir up hate for the existing order and the people that support it, and instill a belief in the true believers that they have been chosen by destiny to lead the human race to utopia.

If the ideology conflicts with history, the true believers ignore history, or try to re-write it. If it is contradicted by facts, they ignore the facts, and suppress them by curbing free speech, banning or burning books, or by trying to censor the Internet. If the ideology runs counter to scientific evidence, again that evidence will be ignored or suppressed, or alternative research faked which supports the ideology. In other words, facts do not bother the true believers. Their imaginary world is the real reality, the real world is only a temporary reality which is about to be changed. As Marx said, philosophers try to explain the world, the problem (for social scientists) is to change it.

The particular ideology of the globalist left is traceable initially to Friedrich Engels and his book 'The Origin of the Family, Private Property and the State' (1884), and it goes basically like this. Once upon a time man lived in a state of blissful communism where there was no hate, no crime, no violence or war, only universal love. This was possible because there was no private ownership of property. Everything was shared by all and allocated according to the principle 'from each according to their ability, to each according to their need'. In fact nobody laid personal claim to anything, not even their own body. There were no moral rules or restrictions, everybody was bisexual and could have sex with anybody and everybody else regardless of age or sex. The society was a matriarchy, ruled by women, and there were no such things as nations or national borders which might cause wars or conflict. This was allegedly the human race in its original state, and because it was the original state (so the story goes) it must be the 'natural' state, the way humans would still be, if it weren't for an awful thing that happened.

One day white men came along, and conspired together to invent private property. Then they invented the institution of marriage to enslave women. Then they invented nations and borders which caused wars, and they turned the society into a heterosexual patriarchy (the 'male dominated society'), and they invented laws and moral restrictions as a form of social control. Ever since then the world has been fraught with evil, guilt, crime, wars, conflict, and social injustice. What needs to be done is for an historically determined revolutionary class to overthrow the patriarchal system along with its private property, marriage, the family, moral rules, individualism, the rule of law, heterosexuality, nations and national borders, and let the human race revert to its natural communist, bi-sexual, matriarchal state. Then and only then will the people be 'free' to 'explore choices' and 'fully develop their human potential'. Only then will the complete human story have been told, and that will be the 'end of history'.

There is not a scrap of truth in any of it. It is pure fantasy. The primitive races Engels based the theory on (the Gentes) have since been shown to have had tribal ownership of land, private ownership of possessions, moral restrictions and laws [see Hans Kelson, 'The Communist Theory of Law']. No society has ever been found without those things [see Margaret Mead and others]. Society is impossible without those things [see F.A.Hayek, 'Law, Legislation and Liberty']. But apart from that, even if such a society had ever existed, there is no ground for saying that 'therefore' it is the natural or desirable state of man, justifying the destruction of existing civilisation so the human race can revert to it. The

propositions (1) that the original state is the natural state, or (2) that the natural state is necessarily a good state, are two of the oldest logical fallacies in the book. But as with facts, if ideology conflicts with logic, ignore logic. Logic is dismissed as an artificial construct of the patriarchy. The true believers have 'special ways of knowing'.

The programme of compulsion which forces this world view on the broader community has become known as 'political correctness' (PC). The name 'political correctness' originated as something of a joke, literally in a comic strip, and people tend still to think of it as only half-serious. In fact, it's deadly serious. It has left tens of millions of people dead in Europe, in Russia, in China, indeed around the world. PC is not funny. It has been described as 'cultural Marxism'.

The origins of political correctness are traceable to Germany, and the Institute for Social Research, established in 1923 by Felix Weil, Marxist son of a millionaire German trader, in association with Frankfurt University. The work of the Institute, which came to be called the Frankfurt School, was to translate Marxism from economic into cultural terms. Political Correctness as it is known today was created by that Institute. Essentially the task had been completed by the end of the 1930s.

Other key members of the Frankfurt School were Theodore Adorno, Erich Fromm and Herbert Marcuse. Fromm and Marcuse introduced the central sexual element into Political Correctness. The call for sexual liberation, which will supposedly lead to human sensual happiness, figures prominently in the work of the Institute. In a 1936 essay, 'Egoism and the Movement for Emancipation', Frankfurt School director Max Horkheimer discussed the "hostility to personal gratification inherent in bourgeois culture." He referred favourably to the Marquis de Sade for his "protest...against asceticism in the name of a higher morality." Marcuse called for a world of 'polymorphous perversity'. Erich Fromm advanced the idea that masculinity and femininity are not reflections of biological differences, they are the result of social conditioning.

When the Nazis came to power in Germany in 1933 they closed down the Frankfurt School and its members, mostly Jews, fled to New York where the Institute was re-established with help from Columbia University. When the second World War began in 1939, some of them went to work for the American government. Herbert Marcuse became a key figure in the OSS (the predecessor to the CIA), while others, including Horkheimer and Adorno, moved to Hollywood.

After the war, Marcuse wrote a key book, 'Eros and Civilization', which virtually became the bible of the student movement during the 1960s. In it Marcuse argued that repression of the sexual instincts was the essence of the capitalist order, causing hang-ups and neuroses (an idea borrowed from Freud). The repressive order needs to be destroyed, so that eros, the libido, can be liberated. The human race can then look forward to a future of 'polymorphous perversity', in which everybody can 'do their own thing'. 'If it feels good, do it'. It was Marcuse who created the phrase, 'Make love, not war'. He defined 'liberating tolerance' as intolerance for anything coming from the Right, and tolerance for anything coming from the Left.

The purpose of PC is to force people to think, speak and act in accordance with leftist ideology, even though that ideology conflicts with the facts of history, science, reality, logic, and social custom observed over the past (at least) 5000 years. The idea is to force people to live in a new reality 'legislated' by the left under threat of ostracism, persecution, prosecution and even execution for failure

to comply. The idea is that if enough people can be forced to think and act in accordance with a particular view of the world, that world view will become the reality. It is the ultimate rationalism, known as idealism: reality is all in the mind, in this case the collective mind of the populace. Get enough people to believe something, and that becomes real. The mind determines reality, not the reverse. As Hegel said (and the left believe it) 'the real is the rational, and the rational is the real'. Dreams can come true if enough people can be forced to dream them.

The people inventing this stuff don't believe a word of it. But the ideology, by appealing to the superstition, basic instincts particularly sexual, and desire of many to see perceived injustices of the past avenged, is used to recruit what Lenin called 'useful idiots'. Those useful idiots are persuaded, particularly in the social science faculties of Western universities, that existing civilisation is unnatural, a deliberate construct of white heterosexual males to dominate the rest of society, including the natural environment. The ideology then instills in the useful idiots a sense of moral righteousness, a belief that they are the 'historically determined' revolutionary class, and exhorts them to undermine and overthrow civilisation as it is now known. As the 'vanguard' of social change, their destiny is to 'liberate the human race', and allow it to revert to its so-called 'natural' state of primordial, pan-sexual, matriarchal communism.

In fact their efforts will bring about anarchy and social chaos, serving to 'prove' that the existing system is 'unworkable', and justifying the imposition of a global totalitarian state by a self-styled elite waiting in the wings: Plato's Republic on a global scale.

In the meantime, children are being pumped full of the ideology in schools by teachers encouraged in the social science faculties to regard themselves as 'change facilitators'. The world is reduced to a child-like medieval morality play: women, blacks, homosexuals and children are defined as good by nature, the 'victims' of white male aggression; white men, non-feminist women, old people, heterosexuals and Christians become evil by definition. The former are capable only of love, incapable of wrongdoing unless driven to it by heterosexual white men; the latter are capable only of hate, 'discrimination', various 'phobias' and 'wrongs of the past'. The former come to be identified automatically as 'right', and are justified in commandeering the power of the state and the law to secure their ends; the latter are evil and deserve to be vilified, mistreated, denied justice and democracy.

To intimidate and silence people who dare to challenge PC dogma, a whole range of nasty names have been invented. There are globophobes, xenophobes, homophobes, femophobes, male chauvinist pigs, sexists, rednecks, reactionaries, racists, populists, neanderthals, troglodytes, simplistic jingoistic anachronistic good ol' boys, ageists against youth, baby-boomers, right-wing extremists, religious fundamentalists, anti-semites, neo-Nazis, white supremacists, scaremongers and conspiracy theorists. Because most leftist 'argument' has to avoid confronting facts at all costs, it invariably boils down to senseless name-calling. That, plus the fact that leftist ideologues now dominate the media, academia and the teaching professions, explains much of the tragic decline in journalism, scholarship and public debate under the influence of PC.

Invoking Lenin's injunction to 'call your enemies what you are', the globalist left, while continuing their hate-driven war on civilisation, answer their critics by calling them names and accusing them of 'spreading hate'. It works. The masses still haven't woken up.

THE GLOBAL REIGN OF TERROR

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What is not fully realised is that the attack on Yugoslavia by NATO forces officially ushered in the new world order and the reign of terror which will characterise the twenty-first century. It could be said that the move to world government is all over bar the shooting.

A large segment of the world's population is still largely unaware of it. They have been lulled into a kind of sleep-walking state by world media owned and controlled by a handful of men and women, all of whom are committed to a rearranged world in which they will wield considerable power through the control of public opinion. To achieve their aims those people are prepared to use their media outlets to withhold, distort and falsify information, and to hire puppet journalists prepared to do likewise for money. The manipulation of information is already enabling the one-world warmongers to create an entirely false reality, and to portray human atrocities committed by themselves as 'humanitarian actions'. The moral obscenity has been promoted that killing people to prevent people killing people is morally good. So morally degenerate has Western society become, starting at the top, that such a proposition hardly even raises an eyebrow.

The first President of the World is William Jefferson Clinton, impeached and discredited in the eyes of all but his Democratic Party faithful, enthusiastically assisted by Britain's Tony Blair. Globalist collaborators have been manoeuvred into top positions in all NATO countries, and their armed forces are now serving to impose one-world government by force, starting in the Balkans. When Bill Clinton, in his inaugural address, as much as declared himself to be a globalist who intended to establish world government by executive order, nobody paid much attention. But he has done just that. Clinton now rules his own country as a dictator, ignoring the US Constitution unless it serves his purposes. The American Congress is paralysed by what appears to be fear. The congressmen are probably aware that the reign of terror has begun.

There were two possible routes to world government. The first way was to have openly declared the United Nations to be the world government, and to enforce its authority with a world army formed by placing the United States armed forces under UN control. This presented two problems. First of all, it would have alerted the people of the world that world government was a reality and not a 'conspiracy theory' and they may have resisted, particularly Americans, who tend to be nationalistic and who are not yet fully disarmed. Secondly, Third World countries are members of the UN, and many harbour anti-American sentiments. Millions of people have died and continue to die in the Third World while bankers based in Wall Street demand \$ billions in interest payments on unrepayable debt. Third World countries could not be counted on to approve moves for a world government which clearly favours American interests.

The second route was to use the Clinton Administration as the defacto world government, and an expanded NATO as an interim world army. Then at the appropriate time Clinton would become

Secretary-General of the United Nations and President of the World, and NATO forces would be placed under UN command to enforce the world terror regime and squash resistance. The second route was chosen.

NATO, it will be recalled, was initially set up as a defence pact between various European nations to resist possible attack by the Soviet Union, and not as an instrument of aggression. Its charter specifically forbade it to act aggressively unless one of its member nations was attacked. All that was ignored in the attack on Yugoslavia, and now the role of NATO has been officially changed to embrace the new policy and turn it into the world army. To commemorate NATO's fiftieth anniversary, Europe's politicians met during the weekend of 24-25 April in Washington, D.C. There they unilaterally expanded NATO's membership and power. Without any public debate and without the participation of the United States Congress, NATO declared that it will attack any European country whose leader violates the 'human rights' of his people, and after the present plan to level Yugoslavia has been completed, it will launch a massive reconstruction project for all Balkan countries reminiscent of the post-WW II Marshall Plan.

By this unilateral act NATO changed itself from a defensive to an aggressive organization, expanded its membership (providing more excuses to intervene in the affairs of former sovereign nations), committed Americans to fight in Europe, and committed billions of American (and no doubt other nations') tax dollars to rebuild what NATO itself is presently destroying. The NATO leaders are clearly not concerned with questions of legality, democracy or constitutionality. If they were all of those matters would have required approval by the United States Congress before they could be confidently announced. The Congress was consulted about none of them, even though ninety percent of the planes and pilots bombing Yugoslavia are American, and America is paying two-thirds of the cost of the present action. Might clearly determines what is right in the new world order, and the leaders have the blood lust.

The upshot of it all is that Bill Clinton is now the nominal World President, his administration is the defacto world government, and NATO is its private army, its 'peacekeeping' force. The United Nations in the meantime is maintaining a low profile, but the ultimate objective is the establishment of U.N. sovereignty. NATO political leaders have already said the only plan which would be acceptable for Kosovo would be the establishment of direct United Nations administration. Kosovo is to be the first territory under UN official sovereign control. Russia and China are sabre-rattling, but it is all for show. Chinese campaign contributions helped put Clinton into power and his policies have helped China gain access to US weapons technology. China and Russia are now rapidly resolving their 'ideological differences' which, according to reliable sources, were all a matter of disinformation anyway. This war is not between America and the communist bloc (the very same bankers finance both) it is between the permeated governments of America, China, Russia, and the NATO countries, and the so-called 'ordinary' people of the world.

In the meantime most of those 'ordinary' people are living in a manufactured reality. The media portray NATO's actions as necessary to prevent Europeans from killing each other, yet it is NATO which is doing most of the killing. While claiming it wants to usher in an era of humanitarian treatment for all Europeans, NATO is bombing bridges over the Danube, tying up the commerce of a quarter of Europe, and systematically destroying Serbia's economy and civilian infrastructure. While claiming it wants to

protect the Kosovan refugees, NATO has still failed even to provide safe and sanitary refugee camps for them, the only apparent explanation being that television pictures showing suffering Kosovars are more important to maintain the public perception that the war is just, than the plight of the refugees themselves. On the other hand, while claiming to be bombing Yugoslavia to prevent human rights violations, NATO is ignoring human rights violations by its own members, such as Kurdish ethnic cleansing by Turkey.

In reality this war and the new NATO policy are not about human rights, they are about power and world domination. After the job has been done, and the Serbs pounded into submission, NATO then proposes to use money extorted from the world's taxpayers to rebuild what it has destroyed. Since all countries which will be called upon to contribute are already deeply in debt to the international bankers, the so-called 'money' to do the rebuilding will be borrowed from those very same bankers at interest. The new millennium will be ushered in with people throughout the world not only living under the shadow of tyrannical world government and the threat of ideological cleansing through 'humanitarian' bombing, they will be economically enslaved forever.

Since it is too much to expect puppet governments like Australia's, busily delivering their countries into the new world order as fast as their treachery can carry them, to protect their people from the coming reign of terror, people worldwide had better start asking themselves a few pertinent questions. Like who will decide from now on what kind of act justifies a NATO invasion? Who will decide which country NATO will attack next? Will NATO bomb North Korea to stop it from starving 3,000,000 people to death? Will NATO bomb Pakistan and Indonesia to stop the murder of Christians? Will NATO invade India and China to stop the murder of tens of millions of girl babies through sex-choice abortions? Will NATO bomb the Sudan and Mauritania to stop slavery? Will NATO bomb Columbia and Myanmar (Burma) to destroy the drug lords? Will it bomb Australia if it refuses to grant Aborigines a separate state, or if its citizens refuse to surrender the rest of their guns, or if a truly democratic political movement starts to make significant gains and to challenge the entrenched globalist-dominated two-party oligarchy?

The prospect does not look good. Since the end of World War II, the defacto world government has bombed China 1945-46, Korea 1950-53, China 1950-53, Guatemala 1954, Indonesia 1958, Cuba 1959-60, Guatemala 1960, Congo 1964, Peru 1965, Laos 1964-73, Vietnam 1961-73, Cambodia 1969-70, Guatemala 1967-69, Grenada 1983, Libya 1986, El Salvador 1980s, Nicaragua 1980s, Panama 1989, Iraq 1991-99, Bosnia 1995, Sudan 1998, Afghanistan 1998, and Yugoslavia 1999. World President Clinton has despatched US forces to intervene militarily in the affairs of other countries on 33 occasions during his brief reign.

As George Orwell wrote in the book '1984', in the new world order 'war is peace', 'freedom is slavery', and 'two and two make five'. The global reign of terror has begun.

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SOCIAL GLOBALISATION: THE INTELLIGENSIA

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The present state of disintegration of Western society owes much to the efforts of the so-called intellectual class.... 'so-called' because, as Robert H. Bork points out in his recent book 'Slouching Towards Gomorrah: Modern Liberalism and American Decline' (1997), most of the intellectual class are not involved with serious mental work. While they make their living producing and distributing ideas and symbols they need not be, and often are not, very good at dealing with ideas. As Bork observes, they may not even be intelligent or sensible.

We can't say we were not warned. Novelist-philosopher Ayn Rand, never one to mince words, put it this way thirty years ago: "A country without intellectuals is like a body without a head. And that is precisely the position of America today. Our present state of cultural disintegration is not maintained and prolonged by intellectuals as such, but by the fact that we haven't any....After decades of preaching that the hallmark of an intellectual consists of proclaiming the impotence of the intellect, [modern intellectuals] are left aghast before the fact that they have succeeded....they have no answer to give those voices out of the Dark Ages who gloat that reason and freedom have had their chance and failed, and that the future, like the long night of the past, belongs once more to faith and force."(1) Hello culture worship and humanitarian bombing.

The modern intellectual class is generally critical of, if not actively hostile to, Western society and culture, and is susceptible to utopian fantasies. Nobel Prize-winning Economist and Jurist, Frederick Hayek observed: "The mood of [the West's] intellectual leaders has long been characterised by disillusionment with its principles, disparagement of its achievements, and exclusive concern with the creation of 'better worlds'."(2)

Why this might be has encouraged speculation. Economist Joseph Schumpeter has observed that while intellectuals have a lot to say, they have no direct responsibility for practical affairs, and are likely to have no first-hand knowledge of them.(3) That could be the reason. To that might be added the fact that in most cases their position of privilege insulates them from the consequences in the broader community of their own ideas and theories. They, personally, don't have to face the court of reality. They don't live in suburbs where the worst effects of multiculturalism are most vividly felt. Consequently, like their students, they are free to demand that reality be anything they think they can make it be. All of which suggests that they are well-meaning, but simply naive about worldly affairs. This is nonsense.

That explanation ignores the profound influence Marxism has had on this group. In his book, 'The Closing of the American Heart' (1990), Ronald H. Nash wrote, "According to reliable sources, some ten thousand American college professors freely identify themselves as Marxists. To this number can be added thousands of others who strongly sympathise with left-wing political and social values." The same can be said, perhaps even more so, about Australia. The current attitude of the Australian Intelligensia wears all the badges of Marxism: hatred of the existing order and its values; the idea that

they are a class 'chosen by history' to overthrow the existing order and replace it by something of their own making.

Australia's 'intellectual' Establishment is a clone of America's, despite an attempt during the 1970s to develop a truly Australian critique of so-called 'capitalist society'. That attempt, called the Arena Thesis, was published in a series of articles in the Melbourne-based New Left journal Arena, and was described as "the most highly developed Marxist analysis of the Australian education system". You see, by the mid-Sixties international socialists had come to accept the fact that the working class were never going to do their bidding and destroy existing society by revolution, so a new vanguard had to be found: the intellectual class. The Arena Thesis was an attempt to develop a 'sociology of the intellectuals' which would generate a revolutionary consciousness and political radicalism in that stratum or class within Australia.

According to the revised theory, the old Marxist model had failed to understand the 'role of culture as a form of social power'. The new negation of capitalism in its 'neo-capitalist' phase was not industrial production, but the intellectual culture, and the new relations of production were not material but intellectual. Dialectical materialism became dialectical intellectualism. The inexorable forces of history were no longer driving factory workers, but intellectuals and student radicals, particularly in the social science faculties. It was now intellectual culture that was ordained by history "to challenge the whole of industrial society". The 'intellectually trained' strata were now the vanguard of the movement towards world socialism (now called globalism).

The student activists of those times are now in charge of the show: the university faculties, the bureaucracies, the education system, the media, the churches, even the union leadership. They are now in a position to ram their ideology of hate for the existing order and all it stands for down the throats of a reluctant populace, even though that ideology contradicts human nature, facts known to history and science, as well as reality and logic. To get around the latter, the Left even developed its own 'logic', which says that the truth of a proposition is determined by its inherent contradictions. It's called dialectical 'reasoning'. Truth, logic, history and science are now anything the intellectual Left declare them to be. Like the crazed Doctor Moreau they are out to remake the world according to their own recipe. Preposterous? Consider the following.

In 1969 Hillary Rodham gave the student commencement address at Wellesley in which, speaking for her class, she said that "...the challenge now is to practice politics as the art of making what appears impossible, possible...We're not interested in social reconstruction; it's human reconstruction". Twenty-four years later, now the wife of the President of the United States, she said that "remolding society certainly in the West is one of the great challenges facing all of us." Notice the totalitarian impulse, the unquestioned assumption that the intellectual Left has some innate right to reconstruct the world. It apparently does not occur to Mrs. Clinton that 'society' consists of people, and those people might not want to be remolded. Perhaps the most outstanding characteristic of the intellectual Left is their failure to believe for a moment that they might actually be wrong.

Sometimes their hatred of this civilisation leads to utterances bordering on the deranged. Ronald H. Nash (on p. 70) quotes a Harvard University educator as saying in 1973: "Every child in America entering school at the age of five is mentally ill because he comes to school with certain allegiances

toward our founding fathers, toward our elected officials, toward his parents, toward a belief in a supernatural being, toward the sovereignty of this nation as a separate entity. It's up to you teachers to make all of these sick children well by creating the international children of the future." That is now the education programme of UNESCO [see '22 Steps to Global Tyranny' (1999) p. 71, by the author], and UNESCO increasingly determines the school curriculum in Australia.

How did this class of destructive intellectuals come about? According to Maurice Latey in his book 'Tyranny: a Study in the Abuse of Power' (1969), the rise of an intellectual class dedicated to the destruction of the existing social order is a relatively recent phenomenon. The philosophers of the ancient world were expected to glorify their political masters, but not to actually invent ideologies which would justify their actions, and drum up active support for them among their subjects. But towards the end of the Middle Ages came Machiavelli who, in 'The Prince' (1640) set the tone of modern political ethics by declaring that anything is justified if it leads to the acquisition and retention of political power, including lying, cheating and killing; and Thomas Hobbes (1588-1679), who set the tone for modern totalitarianism by declaring that the state had to have absolute power over the citizens.

But it was not until the Industrial Revolution that an intellectual class was able to come into existence. Prior to the Enlightenment intellectuals were few in number and dependent upon the support of the church or some great patron. Ayn Rand in 'For the New Intellectual' (1961), p.13, states that "The professional businessman and the professional intellectual came into existence together, as brothers born of the industrial revolution." The dramatic rise in productivity brought on by the Industrial Revolution, beginning around 1750, enabled the numbers of professional intellectuals to expand into an identifiable class, based in the universities that sprang up in the wake of the Renaissance, and financed by the new wealth produced by business. It was from this class that the elaborate ideologies of modern dictatorships were to emerge.

Latey described the modern Intelligensia as 'alienated', yet the "most distinctive class of this revolutionary age". Such a class, he thought, is likely to arise wherever highly educated and intelligent men are unable to find any socially constructive outlet for their talents (p. 179). He describes them as being against all established standards, against religion, anti-bourgeois, and anti-capitalist (p. 183). They might also be described as not too intelligent and pretty short on talent as well.

Why they should be so hostile to the civilisation to which they owed their existence is a curious point. Some have speculated that they may always have been potentially hostile to the social order but were held in check by self-interest. Prior to the Reformation, had they been too critical of society they could well have found themselves being burned at the stake as heretics. But following the Industrial Revolution, relieved of their dependence on private patrons, they were free to indulge their hostility because the bourgeois state had lost the will to suppress dissent. As Professor Ferns says in his book, 'The Disease of Government', at p.13, "There appeared in the universities learned men inventing the most involved reasons to justify the crimes of government."

Georg Hegel (1770-1831) endeared himself to his boss Frederick the Great of Prussia, by claiming that the state was the march of God on earth. It was the source of everything. It could do no wrong because it defined what was right and wrong. Karl Marx (1818-1883) laid the basic ground rule for human social reconstruction when he declared in his 'Theses on Fierbich' (1845), that "philosophers have

only interpreted the world in different ways; the point is to change it.” Friedrich Nietzsche (1844-1900) removed any need for moral qualms in the choice of means by declaring that “God is dead”. In His place Man needed a secular substitute, in the form of the *Übermensch*, a human dictator.

The Fabian Society (formed 1884) declared that it was okay for Left-liberals to disguise their real motives (become ‘wolves in sheeps’ clothing’), and to infiltrate (permeate) and subvert democratic governments to undermine and overturn existing society by stealth and trickery. Old Fabian favourite George Bernard Shaw declared in his ‘Intelligent Woman’s Guide to Socialism’, that you couldn’t make an omlette (remake society) without breaking eggs (people). The Intelligensia in the form of the American Humanist Association declared in their ‘Humanist Manifesto I of 1933’, that since God was now ‘outmoded’, humanist intellectuals had the right to step into the void and direct the course of human history, including the course of human evolution. In a gesture of open-mindedness, they declared their commitment to socialism as the only permissible political system [see Humanist Manifestos I (1933), and II (1973), of the American Humanist Association].

By that time modern intellectuals had shed their medieval role as the handmaidens of religion, and become instead the handmaidens of politics, particularly totalitarian politics. In the book ‘The Fellow Travellers’ (1973), David Caute documents at length how Western intellectuals fawned over the Soviet Union while it was systematically exterminating 64 million of its own citizens for failing to love communism. When the grim truth leaked out, the intellectuals distanced themselves from ‘Stalinism’, but continued to hate their own culture and work towards its destruction.

Robert Bork notes that Left-liberal intellectuals now exert a cultural influence that far outweighs their intellectual stature. Their values and ideas dominate the press, movies, TV, universities, primary and secondary schools, books and magazines, many churches, and projects funded by the American tax-exempt foundations. Now that opposing ‘politically incorrect’ viewpoints are censored, Leftist intellectuals enjoy an influence out of all proportion to their numbers, to the point where their political and cultural attitudes are almost beyond the reach of rational argument. When the Left speak of ‘free speech’, they mean being able to express their views without fear of being challenged.

Why Western intellectuals should be overwhelmingly socialist is another interesting question. Sociologist Max Weber thought their need to plan and control everything that moves had something to do with a quest for a meaning to life, a demand that “the world and the total pattern of life be subject to an order that is significant and meaningful.”⁴ Whereas previously religion had supplied that meaning, now the intellectuals, having done away with God, sought meaning in a secular belief system. Leftist politics filled that need because, as Bork observes, “Leftist ideology offers a comprehensive world view and a promise of ultimate salvation in a utopia that conventional politics cannot offer.”

Modern American Left-liberalism believes in an ‘adversary culture’, which includes hatred of America and the West, alienation from the American system and lack of concern about threats to the regime. This explains the lack of concern in the US over the Cox report detailing espionage and treason in high places. It also explains why it was more important for the liberal Left to keep one of their own, Bill Clinton, in office, despite the disgrace he has brought to the position of president. The Left really would rather see the American system go under than see one of their own removed from office. It’s a

simple matter of priorities. Seen in that light the present attack in Australia on High Court Justice Callinan (not one of 'theirs') was totally predictable.

In order to defeat the remaining traditional values in today's culture, it is necessary to attack the roots of those values in the history of Western civilisation, even if it means re-writing history and distorting the truth. Western civilisation is portrayed as all bad, colonialism, slavery, empire and poverty, the guilt-inspiring picture now being taught to youth. Part of it involves fantasizing about past utopias populated by noble savages, which were allegedly destroyed by whites. This is more than sentimental nonsense, Bork observes, it is part of the moral assault on Western society and its institutions.

Not all intellectuals necessarily hold these views, but institutions have been politicised by minorities within them. According to some writers, all it needs is 20% of the faculty to be activists to intimidate the rest. There is also a tendency to make the excuse that those who do hold the views as well-intentioned but misguided. But most are not well intentioned at all. They are driven by hate for this society and its culture. They are driven too by the desire for notoriety, influence and power, and to see the structures built by others laid to waste. Unless and until these people are challenged, there is no hope for Western civilisation.

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AUSTRALIA'S 'DEMOCRATIC' DICTATORSHIP

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After the Australian High Court declared Britain to be a foreign power, Pauline Hanson was quoted in the Australian as saying, "If [Britain is] a foreign power, then why the hell are we going to a referendum in November this year to see whether we are a republic or not?" That's a good question. I'm prepared to go a step further and make a prediction: that even if there is a 'No' vote in the November referendum, the Howard government will ignore the result and declare a republic anyway. Furthermore, it is my opinion that that was always going to be the case.

It has been obvious for some time, though trusting Australians were reluctant to accept it, that THE Australian government is no longer AN Australian government. It no longer represents the interests of the Australian people as citizens of an independent sovereign nation. It conforms to the requirements of the international bankers acting through the IMF in economics, and of the international community acting through the United Nations bureaucracies in regard to social policy. Increasingly it ignores or rides roughshod over the real wishes of the Australian people in its haste to globalise their country, to hand over the ownership and control of it to 'institutions of global governance'.

So for all the posturing about Australia 'coming of age' and 'cutting loose from Britain', this former nation is about to become, at the hands of its 'own' government, an 'interdependent member state' of the new global order. And for all the questions about Heather Hill's citizenship and her qualification to

take her place in the Senate, there is now a mountain of evidence to sustain an argument that the Howard government itself represents a foreign power located in Wall Street and Manhattan, that there has been a quiet coup in the halls of Canberra with the concurrence of an extremely lame, or equally treacherous, 'Opposition'.

This federal government is sneaking or steamrolling a whole range of measures through the parliament (and some not through the parliament) without proper public exposure or debate, and to which the majority of electors are clearly opposed, despite spurious claims of 'mandates': the GST, the sale of Telstra and other public assets, the soon to be revived MAI, the signing of the Fifth Protocol to the GATS, the censorship of the Internet, the new ASIO Act, the Republic and proposed changes to the Constitution, the manipulation of the political process to exclude One Nation, and the list goes on and on. All of these measures serve to further the globalisation programme, and it is all being done in a big hurry, as though the government has a deadline to meet.

Government members approached by concerned voters are responding to legitimate questions about policy with what seem to be standard answers read from a FAQ sheet circulated to all politicians. Some of the answers are outright lies, such as "the Debit Tax has been comprehensively looked at and it doesn't work", "Australia has to rely on foreign investment because Australians are not good savers," and "the Prime Minister wants to sell all of Telstra to raise the level of share ownership in Australia." There seems to be a growing attitude in government that the electorate is variously ignorant, easily deceived, a nuisance, or a body of potential troublemakers trying to interfere in the affairs government. There is a growing attitude in government of "tell 'em anything, but get 'em globalised".

It might be thought that the 'vast majority' of Australians have so successfully been dumbed down by the media that they are beyond caring, that there is no longer any such thing as 'the interests of the Australian people'. But there is a section of the people, perhaps 2-3 million and rapidly growing, who do care, and do have an interest in the future of their country. Those people, who are entitled not only to expect their duly elected government to represent their interests, but also to be truthful about what it is doing, are becoming increasingly alarmed at what is unfolding in Canberra. In particular they are becoming aware that what this government says, and what it does, are increasingly at odds. They are starting to suspect not only that this government is not to be trusted, but that it represents a very real threat to their country, their national sovereignty, and their basic freedoms.

More and more people are asking, "How can 'honest' John Howard still talk as though Australia is a 'democracy' when the government blatantly ignores or rides roughshod over the wishes of the people?" The answer is to be found in yet another false theory, this time political. It's a theory which enables politicians to talk 'democracy' but to act totalitarian, and it is called the Theory of Democratic Elitism.

The term 'Democratic Elitism' sounds like a contradiction, and that's exactly what it is. Under classical democracy the ruling elite are supposed to carry out the wishes of the electorate, while under rule by elite, the elite decide what to do and force the masses to do it. How could such opposites be reconciled? Well it's amazing what can be done with some creative social 'science' theorising and generous grants from the Rockefeller Foundation. The result is this false theory, this ideology, which enables governments to globalise their countries without the approval of the voters, or even without their knowledge, and still be able to claim they have a 'democracy'.

The ideology of Democratic Elitism starts from an assumption: that since political power must ultimately be exercised by the few, rule by elites must be some sort of iron-clad law of nature. Democracy in the sense of 'government of the people by the people for the people' might have been a laudable enough idea in its day, so the story goes, but it can't work in practice. Rule by elites is unavoidable, so why fight it? Why not make it respectable, even desirable? And that's exactly what was done. During the post-World War II period, while the masses were hard at work generating the wealth to fund them, political elites in the social science faculties of American universities came up with this ideology which reconciled dictatorship by an elite with the alleged requirements of democracy [see Peter Bachrach, 'The Theory of Democratic Elitism' (1967)].

The usual excuses were trotted out to justify abandoning classical democracy: modern technological society, complex problems, the organisational needs of science and industry, need for experts with specialised knowledge and skills, the average person is an idiot, all the beliefs of the past are 'outmoded'. "Decisions and policies were matters for expert determination rather than parliamentary divisions or electoral counts." Only rule by an elite, could "cope with the shapeless mass created by urbanisation and industrialism." Classical democracy, with its emphasis upon equality, popular participation, and the responsibility of the governors to the governed, was not only anachronistic but also dangerous.

Why dangerous? Because it threatened something the theorists posited as THE most important feature of any political system: 'STABILITY'. What the people really needed most from their political system was not representation, not transparency, but 'stability', and since permanent elite rule gave the system 'stability', it was the political 'good'. The masses and classical democracy, on the other hand, posed a threat to 'stability', and so were inherently 'bad'. The people had to be protected from themselves. 'Stability' needed to be preserved at all costs, even if it meant lying to the people, manipulating the electoral process, and crushing dissent.

The problem then was how to make that look 'democratic', and the answer lay in the illusion of choice. Since democracy implied choice, something had to be found to create the impression the people were choosing something. The answer lay in alleged 'competition between elites' for power and for votes. The masses could still have their elections, but they would choose between 'competing elites'. That way it could be claimed that they still had 'democracy', even though they had no real say as to policy or anything meaningful. 'Competition between elites', it was claimed, would also prevent any one elite gaining and retaining a monopoly on power, providing the necessary checks and balances required by democracy. Sound good? And if that wasn't enough, the masses were welcome to aspire to positions in the ruling elites (make a play for a slice of the action, so to speak) so they were not really excluded. And there it was: a masterpiece of theoretical reasoning, democratic elitism, democratic dictatorship, the irreconcilable reconciled. The masses could now be told, "You've got democracy, so shut up!"

Well lets take an inventory of the more important claims of Democratic Elitism, and see how they have fared here in Australia.

(1) Competition between elites would prevent a monopoly on power.

The elites do not compete. In the same way multinational oligopolists in the economic marketplace form a club to share the market, the elites form a club to share the power. When 'stability' is the

primary goal of the political system, collusion between major political parties to prevent change (it's called 'elite consensus', or 'bipartisanship') is inevitable. The media even try to flog it to the public as a sign of 'political maturity'. Elite consensus, uniting to share power to the exclusion of newcomers like One Nation, displaces the competition between elites which was supposedly going to satisfy the requirement of democracy. The result is tweedle-dum, tweedle-dee politics with two parties, one set of policies, each taking it in turns to rule, and doing 'whatever it takes' to monopolise the power.

(2) The elites cannot render their power hereditary, because new social groups can gain access to the elite positions.

In practice, if 'new social groups' from the mass challenge the elites' grasp on power, all sorts of skulduggery is brought into play. The elites collude in the swapping of electoral preferences to exclude the newcomers, electoral boundaries are redrawn, electoral Acts are changed to make voting other than for the major parties informal, High Court challenges are brought to prevent the voters' choice taking her place in the Senate. And the halls of Canberra echo with the gleeful laughter of the elitists as they see the system working as it should, reaffirming their own monopoly on power.

Furthermore, the social scientists overlooked another crucial factor: media control by the elitists, and journalists prepared to jettison all journalistic ethics to smear and discredit the newcomers. The 'informed' consent of the governed, so crucial to democracy, has disappeared forever, murdered by the elitist-controlled media.

(3) The elites would have to draw support from shifting coalitions, so no single form of power could become dominant.

In practice the 'shifting coalitions' (ethnics, indigenes, feminists, homosexuals, greens) don't shift. They too form a club to which the elites pander to retain power. While the various minority groups may not always agree on everything, when it comes to vicariously controlling the political power they are as solid as a rock. When it comes to excluding newcomers who might wish to share that power they are equally united, inventing 'racism', finding boogiemens like the Ku Klux Klan under beds, and lying through their teeth to poison public support for the would-be intruders. One single form of power does become dominant: the coalition of minority factions....the same coalition, of the same factions.

(4) The elites dominating various areas of society (business, education, and the arts) will be prevented, by competition for power, from forming a common alliance.

In fact they become as thick as thieves. From their mutually congratulatory Honours List, their 'Australian of the Year', to their jobs for the boys and girls, the same old faces on boards and panels and committees of inquiry, to their Grammys and Mo and Art awards, to their lucrative 'consultancy' jobs for ex-PMs and the judiciary in private industry, the elites close ranks to form a nice little club which shares the power and the perques.

What about the claim that anybody is free to gain access to the elites, so they are not really excluded from the 'democratic' process? The qualification for entry into the coalition of elites is a willingness to become indistinguishable from the elitists: to bow to political correctness, to conform, to embrace all the elitist values and policies, regurgitate all the phony theories, and talk the pre-requisite elite-speak. When 'stability', ongoing rule by the same elites pandering to the same coalition of interests, is the

main requirement from the political system, different ideas are heresies. The result is, and increasingly will be, political, social and cultural stagnation.

So in practice 'democratic elitism' led to plenty of elitism, and no democracy, which was precisely what it was intended to do. The requirement of 'stability' was nothing more than an excuse for a defacto one party state. The coalition of elites, like a compacted wad of faeces stuck in a constipated bowel, now not only manipulates the political process to serve its own ends, but controls the social agenda, the media and the law. The elitists see themselves as the social class chosen by 'history' to lead the world to the globalist utopia. In the interests of 'stability' the masses must be disarmed, subdued, mentally reconstructed, and if they step out of line, bombed into submission. The worst fears of the classical democrats concerning rule by elite are being confirmed. And it's happening right here in good ol' Oz.

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Globalism, neo-tribalism and false reality

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Brock Chisolm, former Director of the (United Nations) World Health Organization, is quoted as saying, "To achieve world government, it is necessary to remove from the minds of men, their individualism, loyalty to family traditions, national patriotism and religious dogmas." [GWB quote of the day, 7/7/1999]. 'Remove from the minds of men'? Doesn't that sound like mental conditioning? How does that square with the Alexander Downer/Tim Fischer version of globalism as 'freer markets'? It doesn't, does it?

Some years ago another hero of the globalist-Left, B.F. Skinner, in his book 'Beyond Freedom and Dignity', mounted a concerted attack on what he termed 'autonomous man'. What was 'autonomous man'? Autonomous man was an independently thinking and acting, morally responsible, individual human being. Skinner, who formed his ideas by training pigeons to peck different buttons in the laboratory in order to get food, spent a whole book arguing that the human mind does not exist. Just what he thought he was using to develop his argument never seems to have occurred to him, but such is the standard of modern scholarship, at least in the so-called social 'sciences'. According to Professor Skinner (p. 196) science must abolish autonomous man if it is to "prevent the abolition of the human species....To man qua man (man as a human being) we readily say good riddance." Skinner advocated the mass mental conditioning of human beings by an 'elite' group of behavioural scientists. 'Beyond Freedom and Dignity' became a standard text in teachers' training colleges.

Why would socialists be so hostile to individualism, to 'autonomous man'? Even their opposition to the traditional family can be traced to its capacity to build independence of character and spirit, and to foster 'politically incorrect' ideas. National patriotism too is a uniquely individual emotion: the love of a country regarded as 'home' in defence of which men have been prepared to die in wars not of their

own making. Even the globalist hostility to 'religious dogmas' can be sheeted home to the Christian teaching that man was created as an individual by God in His own image, with individual rights inalienable at the hands of worldly governments, including the right to commune directly with the Creator without the interposition of a human intermediary in the form of a priest or pope. Such ideas are anathema to those hell bent on people control.

But what is it about the independently thinking individual that socialists hate most? Ayn Rand identified it as the ability to reason [see Ayn Rand, 'For the New Intellectual' (1960), pp. 10-57, esp. p. 44]. Why would socialists hate the ability to reason so much? Because they can't do it! And what they can't do, or otherwise control, they will destroy. They are driven by envy, and that is the nature of envy: the hatred of the good for being the good. The fact is, the independent thinking individual has always posed, throughout history, the greatest obstacle to attempts to collectivise human beings and now, in the latest version of this oft-repeated human saga, the greatest obstacle to global collectivisation at the hands of the social science elite is again the independent thinking individual with a sense of dignity and self-worth. But let's go back to the beginning.

When modern man first appeared on the earth about 45,000 years ago he was living in small tribal groups, surviving by hunting and gathering, and using primitive stone tools and weapons. Obligated to follow his food sources about, he was unable to form permanent settlements. Tribal society was socialist, the individual was regarded as a tribal 'resource', everybody was required to work, all labour was linked to tribal survival, and the proceeds of hunting and gathering were pooled and shared according to tribal custom. Professor Friedrich Hayek describes this as everybody having a 'visible common purpose' [F.A. Hayek, 'Law Legislation and Liberty', Vol.II (1976), p.134].

Around 8000 BC in Mesopotamia (now Iraq), certain tribes turned from hunting and gathering to cultivating crops and domesticating animals which enabled them to settle into permanent farming villages. Settled agriculture brought about productivity increases which allowed parasitic elites to form whose members did nothing but rule over the productive masses, tax them, and squander the spoils on wars, monuments to themselves, and leisure, including sexual depravity. So what's new? By 3,500 BC, the first civilisation, Sumer, had developed in southern Mesopotamia.

Somewhere between 45,000 BC and 3,500 BC man developed language, and in a book called 'The Origin of Consciousness in the Breakdown of the Bicameral Mind', American psychologist Dr. Julian Jaynes of Princeton University argued that since language is essential not only for communication but also for reasoned thought, man, prior to the development of language, must have operated in another mental state, a kind of semi-conscious mode he called the 'bicameral' or two-chambered (of the brain) mode. The person operating in bicameral mode would not be fully conscious in the sense of being a self-aware reasoning individual, but would still be capable of performing most tasks necessary for survival in a group or tribe, in much the same way as people automatically do up buttons without actually thinking about it. Tribal man, in other words, had a tribal mind which was not fully conscious in the modern sense.

The tribal mind would have had no sense of self, of being an individual separate and distinct from the collective. The tribal individual would learn their behaviour from other members of the group, and in novel situations would call upon hallucinated instructions arising in the right temporal lobe of the brain,

which were interpreted as instructions from the 'gods', much like a schizophrenic hearing voices. Jaynes presented evidence that man operated in this mode even into the fairly advanced stages of early civilisation.

As civilisation advanced, however, and agricultural production and trade expanded, the number of new situations the bicameral had to cope with daily increased and the bicameral mode was no longer viable. It began to break down and a new way of thinking evolved. This used the imagination to develop an internal map of the outside world, enabling an individual to reason through various alternative ideas or courses of action and to decide on the most appropriate. The learned action and automatic thought of the bicameral tribal mode was replaced by the self-willed action and independent thought which is now described as consciousness.

The important point Jaynes made was this: the transition to full consciousness was volitional, not automatic. The individual had to choose to adopt the new mode of thinking, and had to make a conscious effort to continue to think that way. Failing that, through mental laziness, by allowing others ('authorities') to do their thinking for them, people could readily lapse back into bicameral mode. The thing which initially encouraged people to exercise their consciousness was competition. Survival was still a problem then, and the fully conscious individual had a distinct competitive advantage over the person lingering in bicameral mode. Because of this competitive advantage consciousness won out over bicameralism. Until recently that is, but more on that in a moment.

With the rise of permanent settlement and the collapse of the bicameral mind, tribal society gave way to an individualist social order in which people were free to pursue their own goals in their own way, bound only by common rules of conduct (morals). The new order was based on production and exchange. A concept of private ownership developed, and the nuclear family replaced the tribe, or extended family, as the principle social unit. This new social order was to persist for the next 10,000 years. Socialists call it the 'bourgeois capitalist' system, because it is based on private ownership of property. Professor Hayek calls it a 'Great Society', and Professor Karl Popper an 'Open Society' [see Karl Popper, 'The Open Society and its Enemies' (5th. Edition revised, 1966)]. It was a society in which each individual was free to use their knowledge for their own, not tribal, purposes.

Not everybody welcomed the new social order. Some people wanted to lapse back into bicameral mode and avoid self-responsibility, longing for a return to the warm fuzzy feeling of being protected or taken care of within the tribal environment. Others, particularly the parasitic ruling classes, saw advantages in the greater degree of social control afforded by the tribal organisation. As Ayn Rand pointed out, there is only one means of survival available to those who live parasitically off the efforts of others: to control those who produce.

As a result, as Karl Popper describes it, "...this civilisation has not yet fully recovered from the shock of its birth...the transition from the tribal or 'closed society'....to the 'open society' which sets free the critical powers of man." He refers to the rise of 'reactionary movements' throughout history which have tried, and still do, to overthrow civilisation and return to tribalism. Totalitarianism, according to Popper, belongs to a tradition that is just as old, or just as young as civilisation itself [Karl Popper, 'The Open Society and its Enemies', Volume 1, Introduction]. Professor F.A.Hayek also identified Socialism and its variants, Communism and Fascism/Nazism as attempts to re-impose tribal values and a tribal

organisation on large modern societies [see F.A. Hayek, 'Law, Legislation and Liberty' (1972-9), esp. Vol. II, p.133 et seq.].

Globalism is merely the latest version of these reactionary movements, this time striving to create one big global tribe, or 'global village', an attempt to recreate paleolithic tribal society on a global scale.

What about the so-called big brave capitalists? How does big business fit into this picture? Martin Page, in his book "The Company Savage" (1972) drew the parallel between the modern corporation and the tribe, which he defined as "a group of people who superstitiously believe that, together, they add up to more than the sum of their individual beings." From this superstition springs another notion found in almost all tribal societies: that the tribe itself is a living force in its own right, which exists independently of the people who make it up. In Africa, says Page, tribesmen call this force the 'Tribal Spirit', in Britain it is called the 'Company Spirit'. This pagan belief is even recognised in corporate law as the fictional persona, the corporate personality. It is also the basis of the idea of the organic 'corporate state'.

Antony Jay, author of the book, 'Corporation Man' (1972), also recognised the similarity between the tribe and the modern corporation and even sought to apply the dynamics of tribal behavior to corporations in a bid to have them function more effectively. Professor Hayek also attributed the recent revival in tribalist thinking to the fact that more and more people were obliged to work in larger and larger organisations, both public and private.

Globalists are socialists and therefore collectivists, in other words, tribalists. They view society not as many individuals, but as various tribes, pressure groups, or 'human resources' whose interests are necessarily in conflict. They readily accept concepts such as inherited tribal guilt, guilt for past wrongs allegedly committed by people of the same tribe or race. It is therefore meaningful for them to apologise for the alleged crimes of their tribal ancestors, and to try to persuade others to do likewise. They are obsessed with issues of race, culture and group 'rights', while they ignore and set about abolishing individual rights.

The more disturbing aspect of global tribalism lies in the adoption of policies which are having the effect of causing the masses to revert to bicameral or tribal mode. Globalists are committed to mass people conditioning along the lines advocated by B.F. Skinner, and in a society supplied with an abundance of material goods, in which information is carefully controlled by the mass media, and in which independent thought is discouraged from an early age by an education system which rewards conformity, it is possible to achieve that. Masses of people, through the encouragement of mental laziness and reliance on 'authorities', can be lulled back into bicameral mode. Once there they can be induced to believe almost anything provided it comes from an accepted authority figure or source, such as political 'leaders', professors of this or that, newspapers with coloured pictures, teachers in the classroom, the lyrics of pop music, or the TV.

People can be persuaded to reject their morality and to adopt values actually threatening to themselves and their society. They can be induced to believe the butchery of defenceless civilians by NATO is a 'humanitarian action', that war-making is 'peacekeeping', and that it is wrong to judge people who do such things because moral rules are merely an outmoded form of social control, a conspiracy by naughty people from the old individualist order. Faced with ideas seemingly too difficult to grapple

with, bicameralists will reject them out of hand as ‘conspiracy theories’ or ‘just another person’s opinion’, and move on to easier things, like sport or gossip.

Large numbers of people in Western society now fit this description. In Australia it tends to be dismissed as political apathy. But the disturbing thing is that the self-styled elitists who now monopolise the institutions of governance.... global governance, and what’s left of national governance....are themselves exhibiting signs of bicameralism, increasingly inhabiting an imaginary world of their own making, and making statements which bear no relation to reality or to logical consistency.

That bicameralism should infect the institutions of governance is not surprising. According to Martin Page, tribalists gain from the tribe a sense of identity that they mostly cannot provide from within themselves. Expulsion from the tribe can lead to breakdown, even death, through the loss of this. It follows that the prospect of expulsion can motivate members to accept unquestioningly the beliefs and values of the group, no matter how bizarre they might be, gaining authentication for those beliefs from the fact that significant numbers of influential people subscribe to them.

Politicians, bureaucrats and academics operating in bicameral mode can believe that the world is warming up even though it isn’t, an economy can be ‘healthy’ even though it is over a quarter of a trillion dollars in debt, that globalisation can be ‘good for Australia’ even though it requires the surrender of the nation state, that increasing monopoly in economics is leading to ‘increased competition’, that banning unpopular views is consistent with free speech, that discriminating against discrimination prevents discrimination, that giving preferential treatment in the allocation of state benefits or employment to some groups at the expense of others promotes ‘equality’, and that a conspiracy between government and opposition to exclude parties like One Nation from the political process is consistent with ‘democracy’. They can also be persuaded that the sexual molestation of children is not paedophilia but ‘cross-generational sex’, that every child has a ‘right’ to a relationship with a ‘loving paedophile’, and that the merging of semen with faeces in an anus has equal legitimacy to its deposition in a vagina.

Ultimately, fed the right sort of bunkum, bicameralists in government, the bureaucracies, academia and the media can come to inhabit an upside-down world which has no relation to reality, in which the unreal becomes the real and vice versa, in which good becomes bad, lies become truth, ugliness becomes beauty, morality is dismissed as a social control conspiracy, in which evil becomes good, crime goes unpunished while innocence is condemned, perversion is normal, self-defence is a crime against the attacker, real assets can be bought with imaginary money, and tyranny is freedom (from the ‘tyranny’ of too much freedom). It’s the world of Rousseau in which men must be forced to be ‘free’, or of George Orwell in which ‘war is peace, freedom is slavery, and 2 and 2 make 5’. **Get used to it. That’s the new world order.**

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Globalism and bicameralism

19th July 1999

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People are starting to suspect, particularly those in touch with the realities of globalism, that the people engineering this massive reshuffling of humanity are living a different reality altogether from the rest of the community, even though they share a common world and (more or less) the same society. The statements of globalists are becoming daily more irrational and their behaviour more bizarre. They believe in greenhouse gasses, ozone holes, humanitarian bombing, guilt for the past, imaginary money, gambling as economic activity, panic in the year 2000, private ownership of rain, vast right wing conspiracies, and that eight year-olds should be having sex, preferably with a condom and flavoured lubricant. Increasingly the question is being asked, "Do these people really know what they're doing?" and the answer is perhaps -- but then again, perhaps not.

In his book 'The Origin of Consciousness in the Breakdown of the Bicameral Mind', psychologist Professor Julian Jaynes identified what he called the 'bicameral mind' -- the mind of Stone Age man before he developed language. Because language is essential for identifying concepts -- ideas such as right/wrong, true/false, and so on -- Stone Age man, according to Jaynes, would not have been able to think conceptually, and since concepts are necessary for reasoned thought, he would not have been able to reason either. Bicameral man would have been automatic man. He lived in tribes, and had to, because he had to learn from the tribe the behaviour necessary for his survival. In novel situations he would seek guidance from 'authorities', either from within the tribe, or in the form of hallucinated instructions arising in the right temporal lobe of his brain which he interpreted as being messages from 'the gods'. Bicameral man was not fully conscious in the sense of being able to reason, but he could perform most functions required for primitive tribal existence.

When settled agriculture replaced hunting and gathering, populations expanded and so did the range of new situations encountered daily by the bicameral. Both the tribal organisation of society and the bicameral mode proved inadequate and they broke down. The tribe was replaced by the Open Society in which individuals could use their own knowledge for their own, not tribal, purposes. The nuclear family replaced the tribe or extended family as the principle social unit, and the bicameral mode was replaced by individual mode, which used the imagination and language to form concepts which could be used by an individual reasoning consciousness. Behaviour no longer had to be learned from the tribe, the individual mind could work it out to fit new situations as they presented themselves, and bicameral man was no longer reliant on 'authorities'. The new man was 'autonomous' (self acting) man.

There was, however, a big proviso: the transition from bicameral to individual mode was voluntary. The person had to make a conscious effort to use the new reasoning faculty, and to keep on using it. They had to force their mind to become fully conscious, and to work at keeping it there. If they became mentally lazy, allowed their behaviour become habitual, or fell back on authorities instead of thinking for themselves, they could quite easily lapse back into bicameral mode. It follows that there is nothing to prevent people today from lapsing back into bicameral mode if they too did those things. They

would differ from their Stone Age counterparts only in the fact that they could speak, but even so what they say could be learned and recited without the backing of reasoned thought -- cliches, or lines taken from TV scripts or pop music lyrics, strung together into sentences and expressing ideas absorbed by osmosis from the culture.

Add to Jaynes' observations those of behavioural psychologist B.F. Skinner. In his book 'Beyond Freedom and Dignity', Skinner claimed that 'autonomous man' -- the independently thinking and acting, morally responsible, individual human being -- did not exist. According to Skinner, autonomous man was a superstition to explain what science had yet to explain, and that the individual conscious mind was a myth. He obviously gave himself credit for having one. What else could he have been using to develop his ideas? He also gave other behavioural psychologists credit for having them. The whole purpose of his book was to justify the mass mental conditioning of human beings by an 'elite' group of behavioural scientists, and there was no suggestion that it was going to be the mindless leading the mindless. So it was only some people -- the 'ordinary' people of the world -- that Skinner saw as having no independent mind. Unwittingly, the human being he describes throughout 'Beyond Freedom and Dignity', is a classic bicameral. Skinner obviously believed such a mind existed too, and in large numbers.

In her book 'Philosophy Who Needs It' (Chapter 4, 'The Missing Link'), novelist/philosopher Ayn Rand identified and analysed what she termed the 'anti-conceptual mentality' -- a mind which cannot grasp concepts -- ideas. It could perceive solid objects, and identify them with labels (names). It had conceptualised sufficiently to learn to speak, but the process of mental development stopped there, at the first levels of abstraction. It did not develop the ability to make the next step -- abstraction from abstractions -- required for conceptual thought. Rand regarded it as a 'missing link', a mind arrested in its development somewhere between the purely perceptual level of the animal, and the fully conceptual level of the properly developed human consciousness -- which is another description of the same mind described by Jaynes and Skinner -- a mind not fully conscious, operating in bicameral mode. Rand, too, believed the condition was widespread and on the increase because, significantly, the modern education system was specifically designed to create it!

It is suggested that significant numbers of people today are actually operating in bicameral mode, some of them because they cannot be bothered thinking for themselves, others because they have never learned to, or they have been actively prevented from doing so by the modern education system. This might be of academic interest only if it weren't for the fact that through a progressive lowering of academic standards, and the development of 'soft option' courses such as Women's Studies and the like, bicamerals can, by memorising and regurgitating sufficient 'politically correct' material, readily obtain university degrees from the social science faculties of Western universities. The numbers of these graduates have grown significantly over the past three decades, so that they now dominate the governments, bureaucracies, media and academic faculties of Western society. They control the social agenda, they populate the media as journalists, the law courts as judges, and they control NATO. And they literally are incapable of the conceptual thought necessary to grasp concepts such as 'right and wrong', 'truth', 'honesty', 'justice', and 'common decency', let alone 'freedom' and 'dignity'. What's more, they deny the validity of all those concepts.

According to Rand, the anti-conceptual mind does not process information properly. Instead of ordering its ideas, its subconscious mind consists of an indiscriminate accumulation of sundry concretes, random facts, and unidentified feelings filed into unlabeled mental pigeon holes. It works up to a point, especially when dealing with anticonceptual mentalities like itself, where no search for the entire filing system is required. The person can be active, even a hard worker. They might even be an academic: they can analyse results (concretes), provided they don't have to worry about their causes (concepts). They may uphold some abstract principles or profess some intellectual convictions, but they have been memorised without being understood. Asked what they mean by a given idea, they will not be able to give a coherent answer. They are counterfeiting conceptual thought by memorisation and imitation. Any reasons they give for their convictions will be thin and ill thought-out, and they will never have asked even the most basic questions.

If one can accept that such a mind can exist, and that people with just such a mind could come to dominate the institutions of governance -- global governance, and what remains of national governance -- for the reasons outlined above, then one can begin to make sense of what is happening to Western society.

It might be thought that the inability to grasp concepts is not too much of a handicap, until it is realised that understanding the world, as distinct from merely perceiving it, requires conceptual thought. As Rand put it, the laws of nature cannot be grasped by perception. As a result, bicamerals literally cannot make sense of the world around them. Because of that they cling to groups with learned ideas for support and safety. In other words, having the tribal mind they revert to tribalism, and since socialism is the political expression of tribalism, it is the natural refuge for the anti-conceptual mentality. Bicamerals are invariably socialists, though not all socialists are bicameral. It is significant that socialists regularly describe ideas they regard as 'politically incorrect' as 'dangerous'. Only a mind which fears ideas because it cannot deal with them could ever regard ideas, any ideas, as 'dangerous'.

The group provides the bicameral with the things they cannot find within themselves: a sense of identity, a repertoire of learned behaviour, a list of 'politically correct' things to believe, and a list of acknowledged 'authorities' to believe in. The authorities are thought to know the mysteries the others don't, and since the bicameral cannot evaluate concepts, people ('leaders', 'experts', 'authorities') are substituted for ideas, and the man-made is substituted for the natural -- thus their obsession with the planned and controlled society. The authorities are likely to be, as Jaynes put it, a succession of charismatic leaders who are highly visible and beyond criticism. There will also be a series of canonical texts which are somehow outside the usual arena of scientific criticism.

Unable to understand the real world, bicamerals invent their own world and 'explain' that. The explanations are not genuine theories based on factual evidence, but ideologies, fairy stories, which try to explain everything -- the whole world, the entire course of history -- in the most simple terms, or in the form of a single encapsulated idea. Thus Marx declared (Communist Manifesto), that "The history of all hitherto society is the history of class struggles", and to the bicameral that took care of history. The whole fantasy underlying socialist ideology, of the lost paradise of primordial matriarchal pan-sexual communism, supplanted by the capitalist heterosexual patriarchy, and of the triumphal return through global socialism, is just such a fairy story, unsupported by factual evidence.

Since bicamerals have no means of evaluating the beliefs they adopt, they can be induced to believe almost anything: that the world is warming up even though there is no evidence of it; that holes in the ozone layer over the poles (where there ought to be holes) have been caused by farting cattle or CFCs that are heavier than air; that banning unpopular views is necessary to ensure free speech; that guns commit murders; that bombing defenceless civilians is collateral damage; that the suppression and distortion of information is consistent with a free press; that there can be democracy with only one set of policies to choose from; that morals are a social control conspiracy by white heterosexual men in individualist mode; that condemning socially destructive behaviour is 'being judgmental' and therefore wrong, while the destructive behaviour itself isn't, and the list goes on.

Over the past three centuries the practical jokers of modern philosophy have fed a continuous diet of speculative rubbish to bicamerals who have swallowed the lot: the idea that all reality is in the mind (Berkeley, Hegel), and that consequently New York city would disappear unless somebody was watching it; that there are all sorts of filters which prevent man from perceiving the world around him (Hume, Kant); and that 'truth' is not that which coincides with objective reality, but a process whereby opposing ideas interact and merge and the whole 'truth' won't be known till the 'end of history' (Hegel). As Ayn Rand put it, they have been sold the idea that A is not A, and because it has come from 'authorities' they have believed it.

Unable to process facts or reason logically, bicamerals lay claim to a special way of knowing -- they 'intuit' truth -- in other words they feel it. So that while empirical studies repeatedly find that women initiate domestic violence against men as often as men do against women, bicamerals in women's groups dismiss the findings as 'counter-intuitive'. The facts conflict with their intuition (feelings) so they dismiss the facts. A recent report in the 'American Psychologist' claimed that fathers are 'not essential' components of family life, and in the traditional heterosexual family role might actually be detrimental to their wives and children. These politically correct conclusions ignored a huge body of evidence indicating precisely the opposite.

Again because they cannot reason from facts to logical conclusions, bicamerals 'intuit' the conclusions first, and then hope some facts come to light to 'prove' them. Such proof is always 'just around the corner'. In some cases -- such as the Theory of Evolution -- the proof has been 'just around the corner' for 150 years. Bicameral social scientists have even urged that governments legislate the Theory of Evolution to be true to save having to wait any longer. One supposes 'evolution denial' will then be made an offence to ensure that the truth stays true. Evidence which tends to confirm bicamerals' intuited conclusions is invariably proclaimed as another triumph of science, while evidence tending to disprove them is routinely ignored, or dismissed as 'politically motivated', part of some 'vast right wing conspiracy'.

A more disturbing development is the actual falsification of results to 'prove' the intuited conclusions. Under the influence of bicameralism, some parts of science are becoming a bit like the opinion poll: whoever pays for the research can expect to end up with the results they want. So it was with Kinsey's studies of sexual behaviour. By choosing samples loaded with sex offenders and manipulating his data, Kinsey 'proved' 10% of the male population of America was homosexual. The results have been shown beyond question by Dr. Judith Reisman and others (see 'Kinsey, Sex and Fraud', and 'Kinsey, Crimes and Consequences') to be scientifically fraudulent, but bicamerals continue to feed the lie to school

children as scientific truth. A similar scenario surrounds the accepted 'fact' that HIV causes AIDS, when again there is still no evidence that it does. There is evidence however that the homosexual lifestyle itself may cause the cluster of syndromes collectively called AIDS, but to say so is politically incorrect and thus taboo. So HIV continues to wear the blame, and may well do forever.

Since they have no way of grasping objective reality (concept), bicamerals have no understanding at all of 'truth', that which corresponds with it. They will solemnly declare that "There is no such thing as objective truth", and fully expect the world to accept that statement as being objectively true. Their difficulty in coming to grips with 'truth' even gave rise to a special branch of philosophy based on a particular definition of it, which anchored it to concretes bicamerals can understand. Pragmatism defines truth as 'what works'. Even 'what works' was too conceptual for the bicameral, so it was reduced further to 'true is what works for you'. Thus the philosophy of the 'me' generation was born, which places bicamerals at the centre of their own universe.

According to Rand's analysis, needing the tribe for survival, the anti-conceptual mind will display fierce loyalty to the group, but not to the ideas professed by the group (concepts), to the people in it and its leaders (concretes). Bicamerals must all protect one of their own, right or wrong, against outsiders. True to form, while American feminists were strident in their opposition to harassment of women in the workplace when it involved Judge Clarence Thomas, when Bill Clinton, one of their own did it, there wasn't a feminist voice to be heard. Even when Clinton was impeached for lying under oath, bicamerals in the American congress failed to see that as sufficient reason to remove him from office, such is the degree to which this phenomenon has permeated the society.

Being tribalists, bicamerals get very worked up about 'racism', but since racism is a concept they have absolutely no idea what it means. Since the only way they can deal with concepts is to anchor them to concretes, the only way they can decide whether an action is racist or not is by who did it. If whites did it, it was racist; if blacks did it, it wasn't. That's because white people 'are racist', and black people 'are not racist'. Bicamerals are incapable of evaluating the behaviour of either. Similarly they cannot understand that their own attitude is the very essence of racism the concept. As for the logical inconsistency of their stance, the very idea of logical consistency (concept) is, like racism itself, beyond their comprehension. Feminist bicamerals have even declared logic, along with genuine science, to be a deliberate construct of the patriarchal conspiracy to subjugate women.

In the field of ethics bicamerals are totally lost. Moral principles (good/bad, right/wrong, common decency and so on) are concepts. The bicameral has absolutely no idea what they mean, and no way of ever knowing what they mean. Bicamerals are amoral -- without morals. They may use the language of morals, but without conviction. If they do act morally it is purely by chance, or because it was necessary to gain some personal or political advantage. They are certainly incapable of a consistent pattern of moral behaviour, and for that reason cannot be trusted, even by their own. According to their fairytale explanation of the world, morals are nothing but arbitrary rules constructed by the individualist order for purposes of social control. After the triumphal restoration of pan-sexual matriarchal socialism, moral rules will disappear, so the story goes. In the meantime they teach little children that 'good' and 'right' are whatever you 'feel' are good and right 'for you'. Again the concept, which is incomprehensible, is anchored to something understandable -- self-interest -- which is ultimately the only thing the bicameral really does understand.

The idea of honesty (concept) is also beyond their reach. If bicameralism is as epidemic as this article suggests, lying and corruption should be widespread, and indeed they are. Recent studies have shown that people now lie routinely, some of them under oath. Much of the breakdown of marriage can be attributed to the failure of young people to place any significance at all upon their marriage vows. Similarly, corruption is a growing problem: in the International Olympic Committee, in the bureaucracy of the European Union, and in national governments which are lying to their people while they globalise their countries on the sly. The mass media constantly withhold, distort and falsify information, and bicameral journalists appear to see nothing wrong with it. If they do, they apparently see nothing wrong with continuing to work for organisations whose policy is propaganda.

Bicamerals are now gaining prominence among the judiciary, a line of work which, because of the need to understand and apply legal principles (concepts), more than any other requires the ability to think conceptually -- that is if concepts like 'justice', 'fairness' and 'impartiality' and 'consistency' are to remain pillars of the justice system. Predictably those concepts are rapidly being discarded and replaced by arbitrary and biased law, including 'hate crimes' and other nonsense. Unable to understand the legal principles enunciated in previous cases, bicameral judges are ignoring the theory of precedent designed to give the law consistency, and adopting instead a 'judicial activist' approach, making up the law to fit each case. It was precisely the lack of this sort of arbitrariness which distinguished the law of free countries from that of brutally oppressive regimes like the Soviet Union. That distinction is rapidly being lost.

Feminist bicamerals have terrorised the courts and juries into believing that women never lie, and never commit crimes unless driven to it by men. Mystical doctrines have found their way into the law, such as the 'battered wife syndrome' whereby everything from cutting off penises to murdering sleeping husbands can be excused; and the so-called 'repressed memory syndrome', whereby women 'just forget' things allegedly done to them by men, and then 'suddenly remember' them again years later. Increasingly judges are seeing their role as giving legal effect to socialist social policies, and facilitating the move to globalism and world government by circumventing Constitutions.

The inability of bicamerals to grasp concepts has had its humorous side: the feminist objection to the use of the word 'man' (concrete) for 'mankind' (concept), for example. To the concrete-bound bicameral mind the idea that 'man' can represent anything other than an actual man is inconceivable, and because of the political influence of feminists in American bureaucracies, the world has been treated to the silly spectacle of bicamerals sanitising the entire English language after 10,000 years to make it 'gender neutral'. The name 'manhole' has now been changed to 'access hole', and the myth thereby created that because the name change was necessary, women actually went down them.

But mostly the results of bicameralism are not funny, they are deadly serious. Bicamerals seek positions of power because, unable to understand the natural world, they crave control over material reality and other people. They cannot abide by the first requirement for living in an Open Society -- 'Live and let live'. They simply cannot leave other people alone. Under their neo-tribal influence, Western society has been fragmented into numerous pressure groups whose interests are perceived to be in conflict with the individualist community. The new tribes are united by the institutionalised paranoia known as 'victim psychology', a manufactured belief that the various groups (women, blacks, ethnics, homosexuals) are being victimised, or have been in the past, justifying special attention and

consideration by the state. The individualist community is expected to feel guilty, and to apologise for perceived injustices against former tribe members now dead, some of them dead for thousands of years.

As Rand explained, the anti-conceptual mind fails to ask the two cardinal questions: 'why?' and 'what for?' The lack of the 'why?' wipes out the concept of causality and cuts off the past, while the lack of the 'what for?' wipes out the long range purpose and cuts off the future. Therefore only the present is fully real to the bicameral. Memory remains -- bits and pieces of the past -- but without goal or meaning. Prediction is impossible. The future is a blank because it cannot be grasped perceptually. Predictably, socialists have never had any idea of what their future utopia would be like, and will not be drawn into discussions about it. All they can say is that we should continue to plunge blindly on towards it, whatever it might be.

It might be thought that the best thing that could happen to bicamerals would be to let them have their way and to watch their imaginary utopia degenerate into a bloodbath and collapse in a heap. But that has already happened -- in the Soviet Union. Still they are not convinced -- they want the world. Deprived of the ability to think, they hate those who can, and are determined to subjugate them. Their hatred of 'autonomous man' has erupted in violence at many points throughout history, from the forcing of Socrates to take hemlock for teaching politically incorrect things to the youth of Athens, to the confinement of Galileo to house arrest by the Roman Church for saying the earth revolved around the sun, to the wholesale purging and 're-education' of genuine intellectuals by communists wherever they seize power, to the beating, murdering and even eating (!) of genuine intellectuals by bicameral Chinese students during Mao Tse-Tung's cultural revolution.

Bicamerals are dedicated to the destruction of individualism, the nuclear family, and Christianity whose cardinal sin was to teach that God created men as individuals, not tribes, in His own image. As both Karl Popper ['The Open Society and its Enemies'] and F.A. Hayek ['The Road to Serfdom', and 'Law Legislation and Liberty'] have shown, throughout history bicamerals have tried to destroy the Open Society and return the human race to the tribal organisation, even though it is far too late for that. Bicamerals are now frantic for globalism, their latest attempt, this time to turn the whole world into one big tribe or 'global village'. To get their way they are lying and deceiving, openly committing treason, walking all over constitutions and individual rights, perverting the law, unashamedly indoctrinating children with lies, and bombing people who won't bow to their will. They regard themselves as chosen by 'history' to lead the world into the future, and the troubling fact is -- they are not fully conscious.

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Globalism, or an individual revolution?

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When modern man first appeared on the earth about 45,000 years ago, he was tribal, wandering round after his food, and surviving by hunting and gathering. Tribal man was socialist: everybody had the

same goal: tribal survival. Everybody worked for the tribe, and the proceeds of hunting and gathering were pooled and shared. Then around 8000 BC certain tribes started cultivating crops and domesticating animals, which enabled them to form permanent settlements. Settled agriculture led to food surpluses, which in turn led to better nutrition and population increases. The socialist tribe was no longer a suitable social organisation, and the individualist social order based on the nuclear family replaced it. That transition from tribal to individualist society is referred to as the 'Neolithic (new stone age) Revolution'.

The greater productivity of settled agriculture led to another development: it enabled a segment of the community that once had to hunt and gather, to live parasitically off the rest, and to concentrate on pursuits such as organisation and religious speculation [see Funk and Wagnalls Encyclopaedia, 'Man: Modern'].¹

Over time that parasitic segment developed into a full-time ruling class, in which four identifiable factions emerged, each with its own specialised area of control. The factions didn't always agree among themselves, but on one point they were unanimous: they had to keep the productive masses under the thumb, or their comfortable parasitic existence would come to an end.

So in combination they exploited the productive population: (1) the political elite centred around the king extracted taxes from them at the point of a sword, (2) the economic elite gained ownership and control of the means of production (initially agricultural land, livestock and slaves) and turned free farmers into tenant farmers, (3) the money power invented and controlled money, and kept the people hard at work paying the interest on debt, and (4) the priestly/intellectual elite invented reasons why the productive population should put up with being exploited.

Throughout history those four factions have ruled over the productive masses -- the working, farming and small business classes -- and exploited them. This is not simply ideology. Economic historians agree. Professor H.S. Ferns in his book 'The 'Disease of Government' says that the rise of this parasitic class marked the beginning of, "...the seemingly inevitable tendency in civilised societies towards the exploitation of the creators of wealth by castes of non-producers....Armed with the means of violence, administrative capacity and priestly magic, mixed in varying proportions, the castes of non-producers have, over most of the world and most of history, seized power and used it for their own purposes."² The economic historian Herbert Heaton says this on page 12 of his 'Economic History of Europe': "Throughout the rest of this book the influence of those who used spiritual, political, or physical force to appropriate without directly producing must be kept constantly in mind."³ It doesn't come any clearer than that.

Throughout history, having extracted wealth from the producer by these means, the ruling elites proceeded to squander it on wars, monuments in their own honour, and leisure. Much of encyclopaedic history is the story of the squabbles and power struggles of these parasitic ruling classes, who came to despise the people they lived off, and still do. The Greek philosophers Plato and Aristotle described as 'banauistic', anybody who actually worked for a living, 'banauistic' meaning low class or cringing [Karl Popper, 'The Open Society and its Enemies', Vol. 2, esp p.225].⁴

The secret of ongoing domination was to deny the masses education and essential information, and to control how they viewed the world and their own place in it. The priestly/intellectual elite invented the

idea that the king was a god, and that the gods decreed that some people were born to rule while the rest were born to serve them. Knowing no better, and having no means of knowing any better, the masses accepted it, throughout all the ancient civilisations right up to the fall of the Roman Empire around AD 400, and indeed throughout the Middle Ages that followed.

There is much made of democracy -- the idea of people ruling themselves -- in ancient Athens, but it was strictly confined to the ruling classes. Slaves -- more than half the population -- had no say, women had no say, and nor did the foreigners (mainly Syrians and Jews), who ran most of the business [Austin and Vidal-Nanquet, 'An Economic and Social History of Ancient Greece' (1977)].⁵ The same was the case under the Roman Empire.

After the fall of Rome around AD 400, of all of the four factions, the priestly power actually gained the upper hand. The Roman Empire was replaced by the Holy Roman Empire, under which popes crowned and controlled, through superstition, the kings of the Western world. The intellectual class became the 'handmaiden of theology', inventing theories to justify the power of the almighty Church in Rome, such as the theory of papal infallibility. They even forged documents such as the *Epistola Clementis* to justify the exercise of political as well as spiritual power by the Church. The money power financed the Church, and withheld support from those kings who threatened the dominance of the popes in Rome.

But the real power over the people again lay in the strict control of information. The Church refused to let anyone translate the Bible out of Latin, which meant the masses couldn't read it for themselves. Other books were forbidden and if found, burned. If people wanted to communicate with God, they had to go through various intermediaries, both earthly and heavenly, interposed between man and God by the Church. The Church controlled education. The only schools were those associated with seminaries. The only people who were educated were either people going into the Church, or working for the Church, and perhaps the sons of the nobility and land-owning classes.

Saint Augustine in 'The City of God' preached that poverty and serfdom were God's punishment for sin, and the exploited masses should accept their earthly lot and look for their rewards in the life hereafter. The masses accepted it. What else could they do? The penalty for challenging Church dogma was eternal damnation. Scientific experimentation was regarded as alchemy or witchcraft and forbidden. The Church formed the Inquisition, which sought out alchemists, witches, and heretics and burned them at the stake by the tens of thousands.

It was only around AD 1500 when John Tyndale translated the Bible into English and copies were printed on the printing press invented by Gutenberg, that those who could read could see at last what the Bible really said. It said that God had created people as individuals in His own image, not as tribe members, and that all men were created equal. It followed that some men were not born to rule over others as the priestly/intellectual class had been saying for over 2000 years.

Now it doesn't matter whether you believe in religion or not. The fact is people back then did, and that piece of information -- that each and every one of them was an individual human being, as valuable in the eyes of God as the members of the ruling classes -- was mightily subversive. The result was the Protestant breakaway from the dominance of Rome known as the Reformation. That in turn opened the way for scientific experimentation to take place legally, and for the dissemination of non-religious books, which in turn led to the great revival of non-religious thought and knowledge known as the

Renaissance. The power of the monarch was challenged too, and replaced by parliaments, and the foundations of modern democracy were laid. The Church's monopoly on education was broken and independent private schools were established. The modern world was born when the minds of the ordinary people were released momentarily from the control of the ruling elites, and allowed to express themselves.

Then around the mid-1700s tradesmen types in England started experimenting with machinery -- a steam engine, then spinning and other machines -- using their own money, or money raised in partnership with other entrepreneurs, not through borrowing from the money power [Sima Liberman (Editor), 'Europe and the Industrial Revolution'(1972), p. 425-7].⁶ It all happened at a time when there were tens of thousands of former serfs wandering the countryside begging, looking for work -- kicked off the land by the landowning aristocracy who had enclosed their estates for grazing -- so there was a readily available source of labour, and there were markets for the goods on the continent of Europe. This was the Industrial Revolution, and it was started not by the landowning aristocracy, or the priestly/intellectual class, or the king (now the parliament), nor was it financed by the money power. It was started by ordinary productive people on their own initiative and using their own money and ingenuity.

Former serfs flocked to the towns for jobs and the labourer was paid a wage for the first time in history. Savings banks and friendly societies were formed, not for the savings of the wealthy, but of the now working classes. The ruling elites (now back in control of information) are fond of stressing the horrors of the Industrial Revolution -- the 'shocking' working conditions in the factories and squalid living conditions in the towns, children up chimneys and down mineshafts. In fact there were children up chimneys and down mineshafts well before the Industrial Revolution. The revolution brought them out into the sunlight and put them into full-time schooling. It also enabled working class women, for the first time in history, to consider full-time motherhood as an option, something they've since allowed themselves to be persuaded they didn't want.

The historic fact is that before the factories were established, most people in England and Wales could not live off their meagre earnings, and the high disease and mortality rates prove it. Now they were paid better, and fed better, and the literal explosion in the population of England and Wales immediately following the Industrial Revolution attests to that fact [Peter Mathias, 'The First Industrial Nation' (1969), p.193].⁷

>From the perspective of the historical ruling classes, however, it looked as though the masses were about to break out from under their iron fist for the first time in human history. A meeting was convened in Germany by the money lenders, and representatives of the priestly/intellectual class and the landowning aristocracy were invited to attend. The nobility seem to have been largely left out -- power was to be shared only three ways from now on. A plan was drawn up to restore power into its 'rightful' hands, a plan for world government by the ruling elites. It is known that such a meeting took place and that a plan was drawn up, because the plan came into the possession of the German government, which published it in a bid to warn the monarchies of Europe. That plan has been in operation ever since, and is coming to fruition now. If it succeeds, never again will the productive masses have the opportunity to throw off the shackles of slavery.

An integral part of the plan was to regain control of information, and that has been done. The globalists acquired control of the major media outlets and wire services feeding information to the people. They also gained control of the education curriculum through so-called 'progressive education' theories. The Western world is now back to a situation analogous to the Middle Ages, where information and education are within the control of those wishing to control the populace, and to place in the minds of the masses ideas conducive to rule by the elites. This time, global rule.

But another problem has arisen, strangely reminiscent of the invention of the printing press and the translation of the Bible, an independent source of information -- the Internet. Through that medium people are now finding out for themselves just what has been going on for the past 5000 years. Could it be that the world is on the verge of another revolution -- an Individualist Revolution -- that completes the work of the Reformation, Renaissance, and Industrial Revolution and liberates the individual mind? Or will the political stooges of the parasitic elites use the excuses of pornography on the Internet, the threat of 'terrorism' and panic in the streets over the Y2K bug, to shut down the new medium and deny once more the 'ordinary' people of the world the opportunity to break out from under the yoke of exploitation, and to start thinking for themselves? The answer to that question is largely up to you, the reader.

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WHAT ABOUT THE REPUBLIC?

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I am frequently asked the question, "What are your thoughts on the Republic?" My answer is probably not what people expect. I remind them of the record of the last three Australian governments, including this one, and ask them to give me one good reason why they should cooperate with this government on any matter at all, short of breaking the law -- the Republic or anything else. I have not had one good argument yet. The following is just some of that record.

- (1) To get himself elected, John Howard swore there was never going to be a GST, never never, never. Now there is one, and all sorts of deals were done to get it in.
- (2) Australia was supposed to need a GST so 'everybody will pay their fair share of tax'. The country has to have a GST because foreign multinationals (MNCs) and global investors avoid tax with the acquiescence of the federal government.
- (3) Mr. Howard claimed he was introducing a GST because the people gave him a mandate. The people are getting a GST because the IMF told the Australian government it had to introduce one [see 'Globalisation: Demise of the Australian Nation' (1998), pp. 68-69, available from the author].
- (4) The government refers to the GST as comprehensive tax reform. It is an additional tax. Anybody who believes the taxes being abolished will stay abolished misunderstands the nature and purpose of taxation. Everything that can be taxed, will be taxed, except multinational corporate profits, the tax on

which (if it is not avoided) has already been reduced twice during the term of this government.

(5) Howard says the GST rate will never rise above 10%, never, never, never. Anybody who believes that, isn't paying attention.

(6) The government claims that alternatives like the debit tax and the 2% easy tax were 'thoroughly looked at and they don't work'. In fact they were thoroughly ignored because they tax big business, and the Australian government represents foreign big business.

(7) While talking about a 'level playing field' and abolishing concessions for Australian business, the government transferred those concessions to foreign MNCs. It allows them to avoid tax, allows them R&D concessions, and even gives them cash payments (direct inducements) of taxpayers' money to set up or keep operating. The result has been the wholesale foreign takeover of Australian business -- globalisation.

(8) When in opposition, the Howard government promised it would not reduce the sugar tariff if elected. When elected it abolished it altogether, boosting the profits of MNC soft drink and lolly makers at the expense of Australia's producers. The Australian sugar industry is now the only one in the world without some form of government subsidy or protection.

(9) The Australian government, more than any other government in the world, has honoured agreements such as the Lima Agreement and the GATT (General Agreement on Tariffs and Trade), presiding over the deliberate destruction of more than 40% of Australian farms in the last 15 years. Its response -- allocate taxpayers' money to help farmers to leave the land faster.

(10) No more than a third of Telstra was to be sold. Now the government is pushing for the sale of all of it. Selling a third was a ploy -- the thin edge of the wedge.

(11) The government claims that after Telstra is completely sold it can still guarantee services to the bush. There is no way it can make that guarantee. Such conditions cannot be imposed on an outright sale. Even if they could, the government intends signing the Multilateral Investment Agreement which will make such a condition illegal.

(12) The government claims it is 'selling Telstra to the Australian people'. Telstra already belonged to the Australian people. It now belongs to only 5% of them. The rest belongs to Wall Street.

(13) The government claims it has to sell the people's assets to 'retire government debt'. The government incurred that debt in the first place, now it is selling the people's assets to retire it. If anybody else did that they would be in gaol -- which is arguably where Australia's politicians deserve to be.

(14) When it was trying to get elected the Howard opposition constructed a 'debt truck' and drove it all around the country saying how bad foreign debt was for Australia. Under the Howard government foreign debt has risen 25% to from \$145 billion to \$250 billion.

(15) The government is quick to explain that not all of that is government debt. Some of it private sector debt. So what is private sector debt doing lumped in with government debt and called 'national debt'? Have Australia's taxpayers been made guarantors for private sector debt? They were made guarantors for private debt in Asia, why not Australia? Australian taxpayers were forced to bail out the private banks in Asian countries to the tune of \$5 billion.

(16) The government keeps saying 'globalisation' is 'good for Australia'. Good for whom, and in what way? It has not been good for the 90% of major businesses bought up or bankrupted by globalisation, or the 3 million workers in industries closed down or driven offshore who were sacked and had to find

replacement jobs, or the 26% of them whose replacement jobs are now only casual or part time, or the university students who now have to take out loans to pay for their education.

(17) The government claims the economy is healthy. It is over 80% foreign owned and controlled, nearly a quarter of a trillion dollars in debt, and has a trade deficit of \$1.5 billion a month every month.

(18) The government boasts that the country has 'economic growth', even though it is closing down its industries and its citrus growers are bulldozing their fruit trees. How can that be? Because economic growth measures spending in the domestic economy, 'strong domestic demand' -- in other words, the consumer spending of credit. A country living increasingly on borrowed money and selling public assets to pay for it, is lauded as having 'economic growth', the 'best performing economy in the world'. Best performing according to whose interests?

(19) The government says unemployment is 7.4%. That's the level of 'unemployed job seekers'. There is another 37% of people of working age who aren't 'job seekers' because they've given up looking for work. They're hidden in a thing called the 'participation rate'. Real unemployment is closer to 16%.

(20) The government has been saying (until recently) the average wage is \$35,000/year. That was the average full-time adult wage. Factoring in part time and junior jobs and the the real average wage is something under \$30,000/year and falling.

(21) While talking about 'transparency in government', the federal government has signed dozens of so-called 'multilateral treaties' without proper debate in the parliament, handing over control of Australia's affairs and natural resources to the United Nations and its agencies, and turning the federal government into a slave government according to the bogus principle of 'subsidiarity'.

(22) The parliament is now little more than a theatrical performance, put on for busloads of school children in the public gallery. The real decisions affecting Australia are made behind closed doors.

(23) The government was caught trying to sign the Multilateral Agreement on Investment (MAI) in secret at the OECD, handing over Australia's right to control its economy. Caught in the act, the government appointed a 'committee' to take public submissions, then ignored the lot because nearly all were opposed. A resumption of negotiations on that very same treaty is about to begin at the World Trade Organisation.

(24) While the people were preparing submissions against the MAI, the government (without proper debate in the parliament) signed the Financial Services Industry Agreement (FSIA), permitting greater foreign ownership of Australia's financial institutions, insurance companies and stock brokers.

(25) While the people were preparing submissions against the MAI, the government signed (without proper debate in the parliament) the Fifth Protocol to the GATS, which allowed foreign takeovers of Australian banks.

(26) While the people were preparing submissions against the MAI, the government signed the Multilateral Investment Guarantee Agency Agreement (MIGA), which set up a fund of taxpayers' money to guarantee MNCs reimbursement for losses incurred through 'non-commercial risks'-- in other words, losses of profits caused by the actions of governments opposed to globalism.

(27) In 1992 at the so-called Earth Summit in Rio de Janeiro, and without proper debate in the parliament, the government committed Australia to Agenda 21, an 800 page, forty Chapter programme designed to make virtually every aspect of life in the twenty-first century subject to UN planning, oversight and control.

World totalitarian socialist government, in other words.

(28) Implementing that Agenda, and without proper debate in the parliament, the Australian government has embarked upon a whole series of programmes designed to limit access to rivers, limit access to areas declared biosphere reserves, and to introduce land use controls on Australian freehold property.

(29) Pursuant to that Agreement the Australian government has allowed the United Nations to dictate that Australians must now pay for rain that falls on the Australian continent, including rainwater caught in private tanks and dams. Owners of city suburban blocks will not only pay for water, but also a drainage tax for runoff.

(30) Pursuant to the globalist requirement that national pride be destroyed, Australia's youth are being encouraged to be ashamed of their flag, their history, and their cultural heritage and to apologise for them all. With the full knowledge and support of the government, children are taught that the settlement of Australia is a cause for 'unutterable shame', that they should feel 'guilt for the past', and turn their national day into a National Sorry Day.

(31) Mishandling by successive governments of the Native Title issue has resulted in 85% of the continent now being subject to native title claims.

(32) Children in school, with the full knowledge and support of federal and state governments, learn how to put condoms on bananas and 'explore sexual choices', while 30% of them emerge from the system unable read or write properly, or do simple arithmetic, and full of globalist propagandist force fed to them as historical and scientific fact.

(33) Children line up at school daily for mind-suppressant drugs like Ritalin for 'Attention Deficit Syndrome', as many as 10% of the students in some schools. Australia now has one of the highest youth suicide rates in the world.

(34) While ignoring and abolishing the basic individual rights of all Australians, the government has signed treaties agreeing to create special rights for groups favoured by the United Nations -- women, children, indigenous people and homosexuals. Offences against those groups are about to be classed as 'hate crimes' -- thought crimes, attracting extra penalties.

(35) While most people can no longer afford access to the legal system, the government, pursuant again to UN treaties, has allowed minority groups to hijack parts of the legal system -- such as the Family Court -- and turn them into instruments of radical social change.

(36) The government in the preamble to the Women's Treaty committed the country to total and complete civilian disarmament. It has now made the possession of a weapon for self defence illegal, while criminals run around armed to the teeth, confident of meeting no resistance.

(37) While claiming this is still a free country, the government is moving to clamp down on the Internet, with controls comparable only with those of communist China.

(38) While claiming this is still a free country, the government's new ASIO Act will give that organisation sweeping new powers to invade privacy and increase government surveillance of potential critics of the government.

(39) The Australian government (again secretly until recently) is a participant in an international surveillance ring called Echelon which monitors all private phonecalls and e-mails.

(40) While charged with the protection of our shores, the government has neglected its responsibilities to such an extent that boatloads of illegal immigrants now disembark on Australia's beaches in broad

daylight.

(41) While calling people who want Australia for Australians 'racists', the federal government itself sponsors a blatantly racist immigration policy which discriminates against migrants of British background in favour of Asians, and refuses to heed the wishes of the Australian people regarding immigration policy.

(42) Successive federal governments, including this one, have scaled back Australia's defence forces to where the country is not adequately defended, yet have consistently given taxpayers' money in military aid to Indonesia, knowing full well some of that aid may have been going to fund special units conducting genocide in East Timor.

(43) The federal government came to an agreement with the international community to globalise Australia without the consent of the Australian people, and without even having the decency to inform them. Having done so it now quashes debate by accusing potential critics of suffering from 'globophobia', or 'reform fatigue', or of failing to accept that globalisation has to have its 'losers' as well as its 'winners'.

(44) People trying to become 'winners' by relocating their affairs offshore and learning how to take advantages of the global market are now being harassed by government agencies. It would appear this government's job is to see that the benefits of globalisation are reserved exclusively for the Big End of Town, and to selectively apply tax and other laws to keep its own citizens poor and small.

(45) The federal government and all major political parties have conspired to destroy Australian democracy. When the One Nation Party began to gain support, the corrupt Australian media were permitted to conduct the most cowardly campaign of lies, distortion and propaganda in Australia's, possibly the world's media history. Prime minister Howard called her 'deranged' and National Party leader Tim Fischer said she had to be 'dealt out once and for all'. What was 'dealt out once and for all' was Australian democracy, and both men should answer for it.

(46) The entrenched parties colluded in the swapping of electoral preferences, electoral boundaries were hastily re-drawn, and electoral Acts were changed overnight to make voting other than for the major parties virtually impossible. Ultimately, despite the fact that One Nation got nearly one million votes and out-pollled both the Nationals and the Democrats, those parties got a swag of seats, while One Nation got one.

(47) A High Court challenge was then mounted to prevent that one representative from taking her seat in the Senate. The High Court upheld the challenge, holding, in the course of deciding, that Great Britain was a foreign power.

(48) Since the Australian Constitution is Section 9 of the Commonwealth of Australia Constitution Act (1900), an Act of the British parliament, it follows that the Australian Constitution has no legal effect in this country, and the federal government, and the High Court have no legitimacy. The Australian government and High court continue to function despite the legal effect of that decision.

(49) None of the other 31 politicians who hold dual citizenships with foreign powers has been disqualified from sitting in the parliament.

It is clear from the above events that they had nothing to do with dual citizenship or the Constitution. They had to do with keeping an honest representative of the people out of the parliament. Nothing was to be spared, not the truth, not the law, not legitimate government, not the constitution, not democracy,

not even the highest court in the land. Everything was to be sacrificed, if need be, to keep her out. That is the depth to which the Howard government has allowed this country to sink. Why?

Because One Nation is a nationalist party -- it wants to keep Australia for Australians -- and that is now forbidden -- the globalists have decided. Everything has to be owned by Wall Street, and administered by the United Nations and its agencies. It's called globalism, The Third Way, an incestuous marriage of monopoly capitalism (a tool of totalitarian economic control), and totalitarian socialism, once called communism, which is a sick, proven failure, which leads to poverty, oppression, and mass murder wherever it has been applied). THAT is what the Australian government has committed this country to. One Nation looked like getting in the way.

As for the Republic, the government is saying that changes to the Constitution are going to be minimal only. But there are Wall Street bankers lurking among the people in the Republican camp, and big money behind the Republican cause, interfering in what should be strictly a matter for the Australian people. They should get out of the way, and take their government with them.

In view of the above, I challenge anybody to put forward one good reason why the Australian people should cooperate with this government on the Republic, or anything else for that matter, short of breaking the law. Or why Australians shouldn't all send a clear message to Canberra through their political representatives (who might as well do something useful), that until this government starts respecting the existing law, and gets back to representing the interests of all Australians -- the people it took an oath to represent -- it will get absolutely no cooperation whatsoever from the Australian people. There is no principle in political science or law for that matter, which says people must cooperate with, or fund, their own destroyers. If the only argument is that they'll get the Kosovo treatment, then let's get on with it. At least then the true nature of globalism will be out in the open. Vote 'no' -- to everything.

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