

# Defeat the Synarchists—Fight for a National Bank

## The CEC: The Nation's Fastest-Growing Political Party

The popular perception, studiously cultivated by the mass media, is that the “major” parties, hated though they may be for pushing economic rationalism and a police state, simply cannot be challenged because they are too big. And, for those who can't stomach the “majors”, an impotent safety valve is provided through the Synarchy's approved rebels, One Nation earlier and now the Greens.

A quick look at membership and funding figures, however, shows up the majors as Potemkin Villages—the wooden facades of villages constructed by the 18<sup>th</sup>-Century Russian army officer Grigori Potemkin as Hollywood-style sets to impress Empress Catherine the Great as she cruised down the Volga River. Even more important than the sheer numbers are the *trend lines*: the Liberals and the ALP are going down, down, down in membership and the average age of their members is going up, up, up, now standing at around 65 for the Liberals and probably not much different for the ALP.

Whereas party membership was well over 400,000 for both the ALP and the Liberals in the 1940s, what has leaked out about the actual numbers of the parties' present membership figures (a closely guarded secret) shows the parties to be dying. They are surviving only on corporate financial life support, supplemented by media fictions, but have virtually no real base in the population. Former Labor Senator John Button said on the June 8, 2003 *Sunday Program*, “I'm not saying that rigor mortis has set in, but I'm saying that it [the ALP] looks fairly terminal at times.” Added Labor MP Rodney Cavalier, “If the Labor Party was a nation, it would be on IMF watch.”

The ALP's official membership is around 30,000, or, as former ALP Senator Chris Schacht said in 2002, “less members than the Adelaide Crows [football club]”. These numbers, however, are inflated by the practice of branch-stacking, which has proliferated over the past two decades; it is acknowledged that genuine ALP

### ALP short of candidates

**DAVID WILSON**



**LABOR** will reopen nominations for five key seats at the next federal election because no one has applied to stand.

The seats are Aston, Casey and Menzies in the outer east of Melbourne, and the rural seats of Murray and Wannon.

The lack of candidates, particularly for Aston and Casey, is an embarrassment for Labor and the Victorian cent of winning Aston at a by-election in July 2001.

According to ALP documents obtained by the *Sunday Herald Sun*, nominations for the five seats will be called when preselections for all other Victorian federal seats are finished over the next few weeks.

The documents also show the state branch has put aside \$256,600 to help fight the Victorian end of the next federal election, which is

**Embarrassed: Simon Crean**  
At the last federal elec-

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By Political Reporter **LEAH CRAG**

FANCY yourself as the next Member for Morwell, Adelaide or Wipac? Well if you do, the Liberal Party is looking for you.

The party is advertising widely for potential candidates to stand in Labor and independent-held seats in the 2004 State Election.

Liberal Party state director Graham Jarochik said it was looking for “motivated, energetic persons”, but denied the party had any membership shortage.

Mr Jarochik said there was nothing new in advertising for candidates.

He expected many candidates to come from existing party branches.

“The only way we are going to defeat sitting candidates is to provide the best candidates possible,” he said.

Liberal-held marginal seats to be targeted by the Liberals

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Crean, who holds the marginal seat of Elston, accused the opposition of fleeing a “desperately seeking candidate” advertisement.


Early next year, the MP hopes to attend “candidate school”, where they will learn about the pre-selection process and what is expected of them as candidates and MP.

Pre-selection typically takes place about a year before an election, but could be brought forward by some marginal Labor and independent-held seats.

Mr Jarochik said efforts in recent years to restore

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For more information  
**ph (07) 3252 1316**

Authorised by Brendan Cooper,  
25 O'Connell Terrace, Bowen Hills 4006.

If the Liberals and the ALP have so many members, how come they have to advertise for candidates?

membership numbers are far less, more like 10,000. For instance, of the 12,000 members of the Victorian branch of the ALP, fully 70 per cent are signed on at the lowest, concessional rate of \$25.00 and the great majority of these are acknowledged to be branch-stacked. The ALP recently couldn't even find candidates for Melbourne electorates, including two (Aston and Casey) which Labor has held in the recent past, nor could it staff all the electorate's polling booths in Fowler in the 1998 election, despite ostensibly having 3,500 members in Fowler. Both parties have been reduced to advertising in the newspapers, to find candidates for both state and federal elections.

The Liberals are no better off. The flagship NSW organisation of the Liberals has just 6,000 members (many of whom are over 65), Tasmania just 600 and Western Australia just 800, according to

Liberal insiders. The Liberals' WA Branch briefly lowered its membership fee to \$10 to attract members, before raising it again to \$25. They also have a huge branch-stacking problem. WA Liberal MP Don Randall told the August 4, 2002 *Sunday Times* that the number of “phantom” Liberal members was 90 per cent: “And many don't even remember they are members—it doesn't stick in their minds.” Given the collapse in membership and the advanced age of remaining members, Paul Sheehan observed in a study of the “major” parties in the *Sydney Morning Herald* of May 13, 2000, that the Liberal Party is “literally dying.” And both parties, he reported, “are no longer grassroots movements; they no longer reflect the mainstreams they purport to represent. Big money donors have never been more important to their survival.”

Sheehan concluded, “A gap is

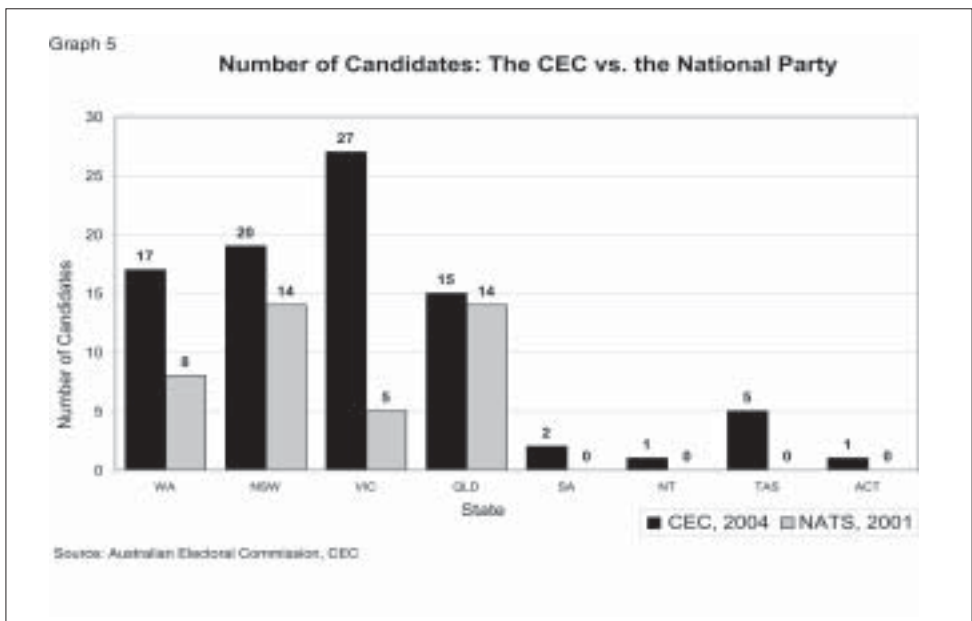
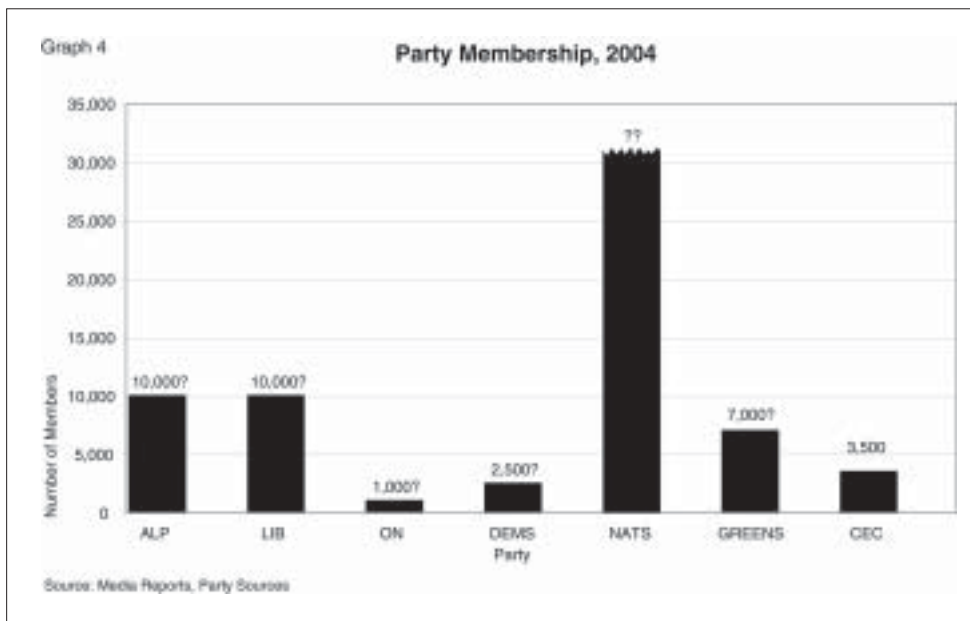
growing between the governors and the governed, with potentially profound implications for Australian society.” By far the main implication of that observation, is that the widely despised, dying “major” parties will resort to police-state methods in a desperate bid to hold on to power, particularly in a depression, and given who owns them in the first place.

The relatively tiny active membership base of the “major” parties is obvious from their funding, particularly when contrasted to that of the Citizens Electoral Council (CEC), as the graphs show. Of the CEC's \$1.266 million raised in 2001/2002, only 14.5 per cent came from 30 disclosable transactions (those over \$1500), and all of these were from individuals: no Big Business, trade union or even government funding. (Graph 1, p. 55) The balance of the CEC's funding came from an astonishing 17,000 individual contributions—a level of grassroots

support unmatched by any other party in Australia.

The CEC's growing support is also reflected in recent state elections, where CEC candidates scored as high as 7.4 per cent in the 2001 WA state elections, 8.75 per cent in the 2002 Victorian state elections, and 7.3 per cent in the 2003 NSW state elections. In the latter, CEC State Secretary Ann Lawler polled 7.33 per cent of first preferences, but a remarkable 33 per cent of second preferences (*Newcastle Herald*, March 21, 2003), with the majority of those obviously from “major” party voters who didn't want to “throw away their vote”.

The moral to the story is: don't be a jerk and vote for one of the “majors” who have ruined Australia over the past couple of decades, just because you think they are the only ones relevant. That is exactly what the Synarchy and its media want you to think.



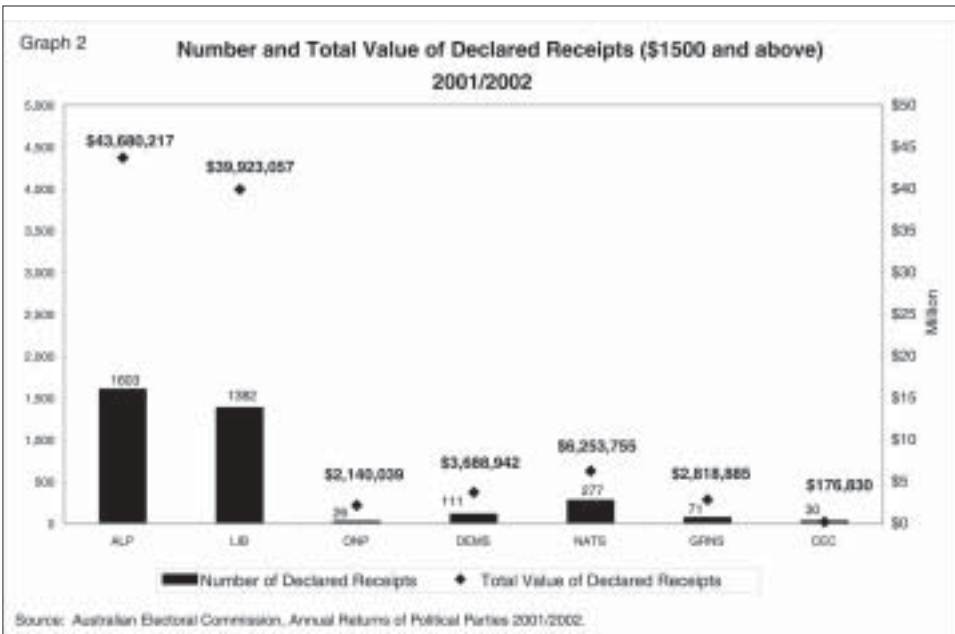
The “major” parties' memberships are far lower than their inflated, branch-stacked claims of membership. The National Party's claim of 110,000 members should be taken with many grains of salt. As Paul Sheehan observed in the *Sydney Morning Herald* of May 13, 2003, the Nats' membership began to drop in the 1980s and dropped again in the 1990s. On the presumption that there is less branch-stacking in rural areas, the Nats may well have the largest membership base in Australia, but—their presumed large membership notwithstanding—the Nats ran fewer candidates than the CEC in the 2001 federal election. The Democrats' figures are taken from reports of the party's internal voting, and the Greens' figures are from what are reported to be internal Green party documents, cited by Crikey.com on Nov. 27, 2003. One Nation claimed 5000 members at the height of its Packer/Murdoch-assisted popularity; it has collapsed since.

Even more than the Liberals and the ALP, the Nationals claim to have a very large membership base. Well, if they are so big, how come they run so few candidates? The CEC ran more candidates than the Nats in the 2001 federal election, and, in all likelihood, will run far more than them in the federal election expected in 2004. Whatever their actual total membership may be, the reality is that the Nats are a dying party, just like the Liberals and the ALP.

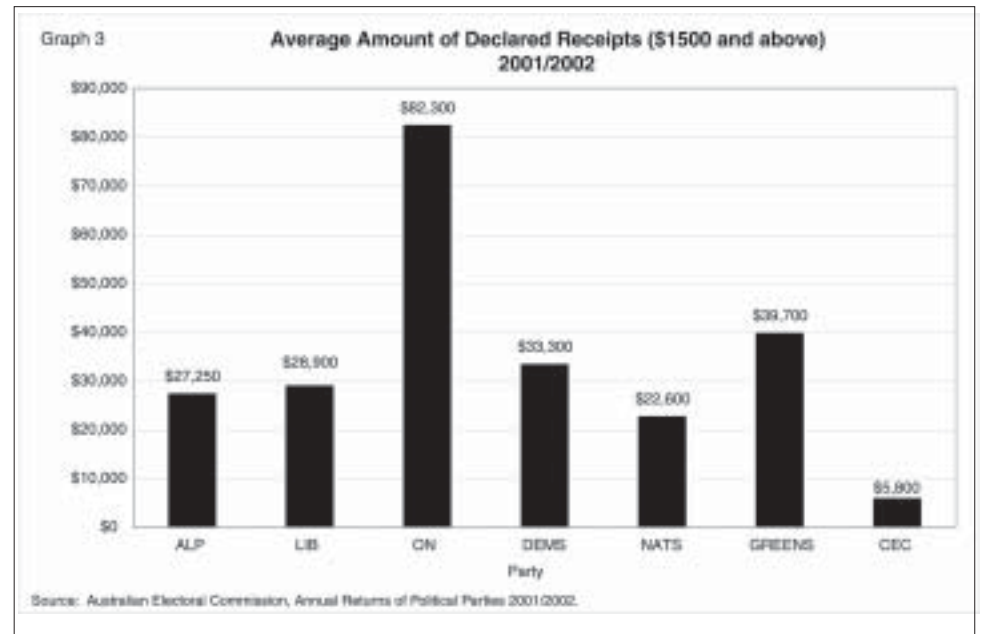
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Another look at how entirely dependent all the other parties are on mega-contributions (i.e., Declared Receipts—those over \$1500). Many of these are from Big Business, or, to a much lesser extent, from the trade unions, in the case of the ALP. Even the ALP derived an estimated 48 per cent of its funds from Big Business.



Another view of how all parties but the CEC are utterly dependent on mega-contributions, most of which come directly or indirectly from Big Business.

## POPULISM—THE ENEMY WITHIN

*“There’s no leader for a time of crisis who’s one damn bit good, unless he’s going to take on the people, and point out their corruption, in themselves, and tell them to change it, whether they like it or not.”*

—Lyndon H. LaRouche, Jr.

*“If any body of persons in Australia is to blame for the evils of our social system, it is the working classes. We have the intelligence and the power to change the conditions of life for the better; and have only to put forth our energy, and by unity of effort we can gain all that is required.... The masses must not only take a deeper interest in political questions, but they must make the politics of the country. The welfare of the people must be raised to the first place—must be the uppermost and foremost consideration. How best to secure the good of all without injury to any should be the aim ... the broadest justice, the widest extension of human happiness, and the attainment of the highest intellectual and moral standard of civilised nations should be our aim.... Let each remember that man had failed before because each carelessly left to some other the work of the Common Good. We must reverse that. Each must take his or her share. With unity above all as our watchword, the Common Good our aim, we will soon find common ground of agreement as to the way in which the goal should be reached. The best start we can give to our children is the certainty of better conditions; the sweetest memory of us to them the fact that we did so.”*

—William G. Spence, Founder of the Australian Workers’ Union, longtime Member of Federal Parliament.

Did Pauline Hanson raise the intellectual and moral level of her supporters, or was she given untold millions in publicity by Establishment media, precisely because she did *not* do so?

Populist movements are built upon the kind of blind, fear-driven rage which characterised Hanson’s politics: fear of immigration, fear of “outsiders” of all sorts, fear of loss of jobs or standard of living, etc. The Establishment plays the population’s fears, and perceived immediate greedy self-interests like a piano, herding the greedy, frightened populist sheep first in this direction, then in that one. With rare exceptions, this has been the history of Australian politics during the 20th and 21st Centuries.

Look back to Jack Lang. After

he was sacked by Governor Sir Philip Game in May 1932, 500,000 people—the largest crowd in Australian history—turned out to support him. Yet, in the election that immediately followed, the electorate voted overwhelmingly *against* Lang and the Labor Party, amid popular fears of the “Reds” and of fears of financial ruin whipped up by the press. So the population voted the Old Guard into power. Or look at the contrived “Red scares” and popular fears of financial insecurity propagated by the Establishment media against Chifley’s courageous nationalisation of the banks. Playing upon these fears, Menzies and the Old Guard/League of National Security-founded Liberal Party took power in 1949 and maintained it throughout the 1950s. Or look at the sack-

ing of Gough Whitlam on the same issue over which Lang and Chifley had been dumped—the control of credit. This was a blatant violation of Australian national sovereignty, yet, herded by media scandals, the population ratified the Crown’s dumping of Whitlam’s government by voting against the ALP in the following election.

Even with her limited political and intellectual experience, to the extent Pauline may have initially represented some real principles, she sold out. Yet her appeal to populist sentiments from the outset guaranteed that that is precisely what she *would* do. In other words, she sold out because she was too much like the scared, self-interested base who voted for her.



Pauline Hanson did not educate her supporters, but appealed to their blind populist rage. Photos: AAP Image/Sam Mooy

## Hanson, Costello on a National Bank: One Coward, One Liar

by Jeremy Beck

For many Australians, the actual policy issues behind the stunning rise of Pauline Hanson’s One Nation in 1997-98 have now faded from memory. Chief among these was national banking.

As we show in an accompanying article, the Establishment created the populist Hanson phenomenon in order to distract attention from the enormous influence of LaRouche’s associates in the CEC, particularly in the rural sector. However, One Nation reflected that huge LaRouche influence in the bush through Hanson’s original

policies of tariff protection, re-industrialisation and national banking. And, as a Frankenstein’s monster which took on a sort of life of its own, notwithstanding its original creator, One Nation—in particular as it adopted a policy of national banking—struck terror into the heart of the same establishment which had originally unleashed it.

The stakes were extremely high. After its stunning capture of 11 of 89 seats in the Queensland State Parliament on June 13, 1998, polls showed the likelihood of One Nation capturing as many as 12 Sen-

ate seats (out of 76) in the Federal elections later that year. The Hanson victory also sent shock waves over the whole world, as reflected in media attacks in Europe, Asia and the United States. In Washington, D.C., in a meeting with two editors of *Executive Intelligence Review*, a top member of the patriotic faction of America’s intelligence community startled the *EIR* representatives by suddenly launching into a disquisition on the strategic significance of Australia, in the context of the war then raging between patriotic elements in the Clinton administration, on

the one hand, and the British Crown and the international Synarchist financier power on the other. Given the political ferment under way in Australia, which had been unleashed by the One Nation victories, and in the context of a mooted referendum on whether Australia should become a republic, the U.S. intelligence veteran emphasised that Australia had the chance, at long last, “to become a real nation-state, instead of an ersatz one,” controlled from Britain. “This would be a more serious setback” to the international financial oligarchy, and in particular to

the British Crown, he said, “than the reversion of Hong Kong to China,” and a development of “monumental strategic importance.” Given Australia’s position in Asia, and its cultural heritage, the country has the potential, he said, “to become the fastest growing industrial country in the region.”

In that strategic context, the issue of national banking—for which the CEC, after discussions on the issue with LaRouche, had already drafted legislation in 1994 and had circulated it widely all over the country—quickly took

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centre stage. Almost immediately after the polls closed in Queensland, the press and the government began a venomous attack on Hanson on that issue. On Australia Broadcasting Corp.'s 7:30 Report, Treasurer Peter Costello ridiculed Hanson aide David Ettridge, for his statement that "the government doesn't have to go overseas to borrow money. They can print their own money and they did this during war-time." Screeched Costello, "There is no country in the world that does that," ignoring the history of his own country, that of America, and indeed, of virtually every other country in the world. Furthermore, Costello intoned, "If a government started printing notes and putting them into circulation, inflation would take off"—a real howler from someone pushing the policies which have created the biggest hyperinflationary bubble in human history, including in Australia.

Initially, Hanson fought back. Responding to the government attacks, Hanson issued a press release on June 18, in which she called for the reassertion of national sovereignty through the sovereign control of credit: "In the long term, if Australia is to prosper and aspire to reach its full potential, we must reduce our dependence on foreign capital to finance our growth," she said. This could include use of Australia's \$230 billion in superannuation funds, or the issuance by the Reserve Bank of low-cost loans for agriculture and industry, as Jim Cairns had earlier mooted.



The Establishment's media created the populist Pauline Hanson phenomenon, in order to obscure the policies put forward by LaRouche and the CEC.

Furthermore, Hanson said, Australia used to have its own national bank:

"[My] policy is reflective in many ways of the original function of the Commonwealth Bank born in 1911 under the Fisher Labor government. The Commonwealth Bank was created to make national credit available to anyone with decent security to offer, help reduce public debt, and provide real competition to private banks. Any profits were returned to the federal government. Australian Labor Party policy in 1934 planned to have the Commonwealth Bank utilise the credit of the nation for the benefit of the people. In essence, even if only in a small way to start, this is our principle as

well.... In its time as a truly national bank, the Commonwealth Bank financed much of Australia's commerce and infrastructure including the entire war effort in World War I, and the East-West Railway. The need for a peoples' bank is as great now as it ever was, and we will inform the Australian people of its use and continue this debate regardless of the Treasurer's self-interest in stopping such discussion."

The pressure from the media and "major party" politicians intensified, and, despite her noble words, Hanson and One Nation quickly caved in. Reflecting the pressure, at a meeting between the CEC's national leadership and that of One Nation in December 1998, One Nation's David Oldfield informed the CEC leaders that they henceforth intended to go with "personalities, not policies"—by simply promoting Pauline herself, and dropping all the "controversial" (and LaRouche-influenced) economic nationalist policies which had been the chief reason for their earlier success. The cowardly decision to promote a demagogue stripped of all policy content, in order to appeal to populist mob sentiment, sealed the fate of One Nation.

Ultimately, Pauline was gutless. And her opponent, Treasurer Peter Costello? He shamelessly lied: he had claimed, against Ettridge, that the Government couldn't just print money. Yet, in another interview that same year, 1998, he said, "Look, I won't go into the Reserve Bank but they are in the best busi-

ness in the world. They actually, literally print money. It's called seigniorage by the way." (See <http://www.treasurer.gov.au/tsr/content/transcripts/1998/010.asp>.) The Australian government, in the years both before and since then, has printed tons of money, and has "put it into circulation", however virtually all of this has been for speculation, as opposed to having been directed into industry, agriculture and infrastructure, as in a sane economy.

While Hanson and One Nation caved in to pressure and chucked

overboard their earlier ideals, the CEC, despite intense pressure, slander, media libels, and calls to ban the party by the ADC/Leibler gang, has stuck to its guns on the make-or-break issue of national banking, as on other essential issues. By contrast, the "major parties" sold their souls on this issue decades ago (the Liberals from their very founding), while the establishment-promoted Greens had no intention of ever financing agriculture and industry in the first place. So, whom do you think you can trust?



A 1948 ad warns that Chifley's bank nationalisation will "take your money away". The Synarchy manipulates the population's fears, as around "terrorism" today.

**Like Betty Freeland most of us prefer to do business the friendly way. At the bank, it is pleasant to know that you are a valued customer and that your requirements will receive prompt attention. How different if you had to queue up at a Government monopoly bank where you were only a number in a file. Your business then might take days, even weeks to complete. Remember, if you have no choice you have no freedom.**

## The Politics of Fear

by Robert Barwick and Allen Douglas  
reprinted from *Executive Intelligence Review*

The draconian sentence handed out to populist political leader Pauline Hanson is aimed at the growing LaRouche movement.

Populist icon Pauline Hanson was sentenced to three years imprisonment on August 20, 2003, following her conviction for fraudulently registering her political party, Pauline Hanson's One Nation, in 1997. For an essentially technical violation of electoral law, the sentence was draconian, and shocked many in Australia. One Government politician, Bronwyn Bishop, called Hanson a "political prisoner", and independent MP Bob Katter from Hanson's home state of Queensland expressed the sentiments of most, when he told the Aug. 21 *Australian Financial Review*, "As far as the public is concerned there will be a belief that anyone who stands up for what they believe in will be cut down."

One way or another, the Hanson sentence was aimed at Lyndon LaRouche's associates in the Citizens Electoral Council, the nation's fastest growing political party. Either, as Katter indicated, those thinking of supporting an option outside the "major party" structure of the Liberal Party and the Labor Party (i.e. the CEC), may be terrorised into not doing so, or, Hanson will once again be used by the establishment as she always has been—as a populist demagogue to draw attention and votes from the CEC.

Before her outrageous sentence, Hanson's political influence had all but collapsed. After her conviction, she first announced that she would re-enter politics if her sentence were overturned. After it was overturned, she said she would not

enter politics again. But, a federal election looms in 2004 and no doubt some in the Establishment would like to pump up Pauline again, to deflect votes from LaRouche's friends in the CEC. Recent years' state elections in Western Australia, Victoria and New South Wales, where CEC candidates polled around 8 per cent, have marked a growing rise in the party's influence.

From its inception, Pauline Hanson's One Nation was deployed as a counter-gang to the CEC, particularly in the volatile, hard-hit rural sector of the country.

In October 1992, LaRouche's associates in the CEC opened a full-time office in Melbourne, which terrified some of the nastiest elements of the Establishment, such as Isi Leibler, the right-hand man in Australia of booze baron and World Jewish Congress boss Edgar Bronfman. Leibler proclaimed that LaRouche and the CEC have "a disruptive capacity never before seen in this country." For once, Isi was right.

After circulating millions of newspapers throughout rural Australia ("the bush"), which was the CEC's original bastion of support, by June of 1996 LaRouche's influence had reached such a point, that then-Deputy Prime Minister Tim Fischer accused LaRouche of organising a 150,000 person anti-gun control rally in Melbourne, and Rupert Murdoch's *Weekend Australian* ran a banner headline with LaRouche's picture and the caption: "The Gun Debate: The LaRouche Link to the Bush Rebellion."

Almost immediately thereafter, Pauline Hanson began her meteoric



In 1996, Murdoch attacked the real threat to the Money Power: Lyndon LaRouche. Shortly afterwards, he and Packer began pumping up Hanson to draw support away from the LaRouche-associated Citizens Electoral Council.

rise to fame, courtesy of hundreds of millions of dollars of free media coverage by the media empires of Kerry Packer and Rupert Murdoch. The coincidence of Hanson's early ideas with those of the CEC—for national banking and reindustrialisation and against privatisation and the fraud of "Aboriginal land rights"—did not go unnoticed. Well-known commentator Philip Adams wrote in the *Weekend Australian* of May 3-4 1997, "It's been noted that Pauline Hanson's memorable maiden speech [in Parliament] was chocker with policies that bore an eerie resemblance to those of Lyndon LaRouche," while another Murdoch rag, the Brisbane *Courier Mail*, wrote that "she does have ideas, alas, and her ideas are essentially those of the CEC."

The Packer-Murdoch "attacks" on Hanson, together with her CEC-borrowed policies, had a predictable effect in a country well-known for its sympathy for the rural "battler". In the 1997 Queensland state election Hanson drew almost 25 per cent of the vote, and elected a stunning 11 members to state parliament.

As long as she advocated the CEC's policies, Hanson became a kind of Frankenstein's monster for

the very Establishment which had created her, and the Liberal and Labor parties set up a \$100,000 slush fund orchestrated by Liberal Government minister Tony Abbott—a close crony of Prime Minister John Howard—to attack her in court, a process which ultimately led to her 3-year sentence.

In the meantime, and under fire, Hanson had jettisoned all of her CEC-derived policies, becoming a mere populist demagogue. By late 2000 her movement had all but collapsed. The Packer/Murdoch media miraculously revived it

from the dead just in time to stop CEC Western Australian state Secretary Jean Robinson from winning a seat in state parliament in the Wagin electorate in the February 2001 election. As even Hanson's own candidate for Wagin admitted, without Hanson, the CEC's Robinson would have won.

Hanson's sentence has been overturned, as it should have been. The question now is, to paraphrase a pro-Hanson August 2000 cover story in Kerry Packer's *Bulletin* magazine, "Can this souffle rise three times?"

### Populist I.Q. Test: How Dumb Are You?

1. Do you think the "major" parties have membership bases as large as they claim?
2. Do you think Pauline Hanson ever represented a *real* threat to the Establishment?
3. Do you think the CEC "has good ideas", but you would be wasting your vote to vote for them, because they are "too small"?
4. Do you think the national and world economy are in "basically good shape", even with a few problems here or there?

If you answered "yes" to two or more of the above questions, Congratulations! The Establishment loves populist dummies like you. If you answered yes to one of the questions, it is time you rethought some of your basic axioms—the future of our nation depends upon it.