

# F.A.C.S. REPORT

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"Bringing into captivity every thought to the obedience of Christ" (2 Cor. 10:5)

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## *Religious Liberty Revisited*

by Ian Hodge

The Declaration on the Elimination of all Forms of Intolerance and of Discrimination Based on Religion or Belief has remained a part of Australia's law, despite the efforts of many Christians to turn the tide. It has also remained a part of the law of the land despite the rather peculiar claims that this Declaration is not law. If it is not law, since it's attached to the Human Rights and Equal Opportunity Commission Act 1986, then perhaps someone could explain why a document that isn't law contains enforceable penalties. A rather peculiar notion, we think, that an Act of Parliament is not law, and that Declarations attached to it somehow do not have the force of law behind them.

Defeated in the House of Representatives on September 1, (50 to 72) and the Senate on September 28 (34 to 36), the motions to disallow the Declaration were sure to be controversial. The Declaration, coming within the HREOC Act, is to be policed by the Human Rights and Equal Opportunities Commissioner. While he has little power to legally enforce the sentiments of the Declaration, it will be interesting to notice what occurs with other laws in the future. Is this Declaration mere window dressing? Or does it have as its purpose something more substantial?

In *Is This the End of Religious Liberty?* it was suggested that the principles of the Declaration enthrone the State as the all-controlling law-making entity in the country. This point was not once raised in the debate over the Declaration. Why not? I can think of two reasons. First, it was not raised because those debating the issue never read the book and realized

it was the central issue. Second, they knew it was an issue but decided to ignore it because they believe that ultimately the political state is not to be limited by the laws of God Almighty.

This point, perhaps more than any other, sets the modern Western world apart from its Christian roots. A lot of errors are put forth in the name of the "dark ages," with few people understanding the period referred to or its real achievements. One thing that sets it apart from the modern world is its view of the political state. We, however, do not live in the medieval age. Change has taken place. While the process of change is often hard to detect or document, it is clear that by the end of the process a change had, in fact, taken place.

Several things might indicate this change. But a key point is the idea that the political state is the highest social good. Few medieval monarchs had the authority or the extensive legislative power exhibited in the modern world. But the "turning point" in the change from the medieval to the modern world is the recognition that final authority would no longer rest in God, the family, or the Church, but in the political state. It was the "shift in loyalty from family, local community, or religious organization to the state and the acquisition by the state of a moral authority to back up its institutional structure and its theoretical legal supremacy" that is a key indicator of the arrival of the modern state.<sup>1</sup>

What has not been understood by Christians in this century is the place that government taxation and government financing plays in establishing the all-powerful state. It is this taxing power that establishes the sovereignty of the state. Thus, in the formation of the modern state, "It was only when a ruler had regular and adequate revenues that he could hope to extend and intensify his authority over his vassals or turn vague rights of suzerainty into

***A people therefore which abandons to State Supremacy the rights of the family or a University which abandons to it the rights of science, is just as guilty before God as a nation which lays its hands upon the rights of magistrates. And thus the struggle for liberty is not only declared permissible, but is made a duty for each individual in his own sphere. And this not as was done in the French Revolution, by setting God aside and by placing man on the throne of God's Omnipotence; but on the contrary, by causing all men, the magistrates included, to bow in deepest humility before the majesty of God Almighty. (Abraham Kuyper, Lectures on Calvinism, Grand Rapids, MI: Wm. B. Eerdmans, [1898] 1931, pp. 98-99.)***

1. Joseph R. Strayer, *On the Medieval Origins of the Modern State* (Princeton, NJ: Princeton University Press, 1970), p. 9.

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**FOUNDATION for the ADVANCEMENT  
of CHRISTIAN STUDIES**

P.O. Box 241  
Engadine NSW 2233  
Tel: (02) 548 1886

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Editor: Ian Hodge

rights of sovereignty"<sup>2</sup> Thus, the development of the political state as we know it was not possible without, as a very early step, the ruler setting up a mechanism of taxing the people on a more comprehensive basis.<sup>3</sup> In England, this had been achieved at least by the year 1300 A.D. It was the beginnings of the bureaucracy, men who would fulfil the wishes of the king. Bureaucrats often appeared to be less interested in the morality of their actions than they were in achieving their state-ordained duties. Things haven't changed much in 800 years of bureaucratic tradition.

No monarch had the taxing power of a modern state, and in Australia we pay some of the highest tax rates in the world. This is arguable, but it is certainly true that at almost no time in history have tax rates been as high as they are in various countries throughout the world. With this increase in taxing power came an increase in control over the lives of people. Perhaps not since the ancient Egyptian civilization has state power been so pervasive; the Pharaohs attempted to tax all production. But the modern world allows no leniency for the delinquent taxpayer, unlike the Egyptians. Not even bankruptcy can be used to escape the demands of the modern state, whereas in Egypt the "policy of remitting taxes during hard times was a common practice. . . ."<sup>4</sup>

The attitude to taxes by the modern state is understandable, for the power to tax is a mark of sovereignty, of the taxing power over the

taxpayer. This explains why the modern state is so rigorous and comprehensive in its taxing powers. To permit the citizen to get away with paying taxes is to deny its own ultimate authority. The modern state, while ever it holds to the mistaken notion of its own sovereignty, cannot permit the citizen the privileges he would have enjoyed under Egyptian rule.<sup>5</sup>

The age-long struggle over supremacy between Church and State, even though it is an important issue, is not the critical topic of concern. The real debate is not over which institution shall have ultimate power, but *who is to be the source of law in the nation*. To permit that issue to be ignored is to lose the debate — and most probably surrender all the conquered territory to the enemy. The issue surfaced for a short while in the period of the Reformation, but Christians, apparently tired of the battle, capitulated to the idea that the political state would henceforth be the source of all power and authority, law and morals.

### Expectations

It was to be expected that sides would be taken in the current debate. There are those who through ignorance or deliberate mischief misrepresented our case before the public. Still others attempted to argue the silliest of all: that a law of the land has no legal standing. This, mind you, from legal experts within the hallowed walls of Federal Parliament. According to correspondence from the Attorney-General's Department, "The Declaration will not in any way . . . have the force of law in Australia."

What can this mean? The HREOC Act certainly contains penalties, to be applied in law, against certain offences. For example, a person who refuses to give information to the Human Rights Commission in its conducting of an investigation can be fined \$1,000. Since this Declaration provides new areas for the Commissioner to investigate, it appears that this Declaration does have the force of law in Australia.

Now it is true that the *Declaration on the Elimination of all Forms of Intolerance and of Discrimination Based on Religion or Belief* carries few penalties. Under the HREOC, any infringements of the Act are investigated by the Human Rights Com-

## ECONOMICS IN ONE LESSON

by Henry Hazlitt

Arlington House Publishers,  
Westport, Connecticut

reviewed by  
Matthew Hodge

I don't know about you, but when I hear the word *economics* mentioned, I usually think of complicated articles and books filled with charts and graphs and other stuff that only Einstein would be able to understand (And even he probably wouldn't understand it. He couldn't even make change for a dollar.) But then Dad gave me a book to read entitled *Economics in One Lesson*. It said on the back that it was the "shortest and surest way to understand basic economics." I was a bit sceptical at the time. But, I was proved wrong. Henry Hazlitt's book was an excellent introduction to the basics of economics.

Mr. Hazlitt says that the whole of economics can be reduced to one lesson. One sentence in fact: "*The art of economics consists in looking not merely at the immediate but at the longer effects of any act or policy; it consists in tracing the consequences of that policy not merely for one group but for all groups*" (p. 17, emphasis in original).

Starting with that point he then moves on to apply it to numerous areas of economics. Some of the topics covered are inflation, tariffs, the drive for exports (but not for imports), and unions. The book explains (in plain English) why tariffs are harmful to industry, why unions do not help raise *real wages*, and why inflation will not cure national debt and increase wealth. To give you an idea of what he is talking about, here are a few examples from the book.

Mr. Hazlitt's first example is Frederic Bastiat's story of the windows that get smashed by a village vandal. When the townspeople see the damage, they think to themselves, "Great! Now the owner of the windows will have to go to the village glazier to buy new windows, the glazier will have money to spend on other things. Everybody will profit!" But if the townsfolk looked at the other side of the matter they might have seen that *not everybody will profit*. The man whose win-

2. *Ibid.*, p. 69.

3. The other important ingredient in establishing an all-powerful state was for the monarch to take control over the courts. Later, Parliament was to take control from the monarch, and thus we have the state as we know it: an institution which knows no limitations to its jurisdiction.

4. Charles W. Adams, *Fight, Flight and Fraud: The Story of Taxation* (Curacao: Euro-Dutch Publishers), p. 15.

5. See Edward A. Powell & R.J. Rushdoony, *Tithing and Dominion* (Vallecito, CA: Ross House Books, 1976).

missioner and reported to the Parliament through the Attorney-General. But what happens with the Commissioner's report? What will the Parliament do when reported incidents of religious intolerance occur? Either they ignore the issue or else they introduce other legislation to prohibit religious discrimination. Thus, as we have argued, the Declaration is a step in a journey that, at the moment, has an uncertain end. It is a journey that some of us are reluctant to make.

Unfortunately, we were under the mistaken opinion that the Declaration was the first step on what would be a long journey. But it is not the first step. It is several steps down the road to preventing religious ministries from exercising their faith. For example, religious institutions, such as welfare homes run by the denominations, are being told that they may no longer apply religious tests to potential employees if they take government funding. Thus, the Declaration is just another legal weapon in the armory of those who seek to abolish every religion except the religion of humanism: the all-controlling state.

### Friends & Enemies

**S**trangely, it is always the Christians who provide the most vehement attack on their fellow-Christians. This phenomenon is something that is difficult to handle, for it comes from within the camp, not from outside. Just as a General in the field finds it most difficult to deal with traitors among his troops, so it is trying to find misrepresentation, ridicule and uncharitableness from those who say they believe in the same God.

We've mistaken a Declaration for a Treaty, we were told in one instance. This Declaration was not law; it was simply an "ideal." In another instance it was bemusingly stated that we claimed that the Declaration would abolish all religious belief. Naturally, it was omitted that this was only half a sentence. (When you have a Ph.D. it apparently becomes difficult to understand sentence structure.) The original sentence stated: "Thus, the UN Declaration has as its purpose the abolition of all religious belief — except for the religious beliefs underlying the UN Declaration itself: the belief in the all-powerful, all-knowledgeable, all-wise, all-controlling political state." Perhaps our critic had a vested interest in not stating the full sentence. We can only believe that in this case he was a believer in the religion of the political state that underlies the UN Declaration.

We live in an age when truth is not considered important. After all, in an age of relativism, where everything is simply a matter of opinion, there can be no truth, just as there can be no lies. So we must suffer the nonsense that passes for great learning from those who neither know nor understand their own philosophical predilections.

Ridicule is easier to indulge in than argument. Argument leaves a person exposed. It makes him vulnerable. It puts him in a position where his opponent can find the errors in his judgment. Ultimately, of course, all argument rests on the truth of the propositions. So, in a truthless age, ridicule replaces argument and civil discourse.

Curiously, as stated previously, the point of the book was the issue of absolute sovereignty: should it reside in God or man? This is the fundamental religious question of our age. It is also the central point of any theological system. Yet one critic claimed that the book was "almost totally lacking" in any "theology or Christian values." Well, we tried our best, and for some this was insufficient. On the other hand, however, if we have indeed grasped the central point of any theological system, then it is our critic who lacks understanding.

One of the most interesting comments made in the parliamentary debate was that attributed to Senator Boswell. "No-one," he said, "rang me or asked me to allow this declaration to go through. All my colleagues on all sides of the chamber including the Democrats, were deluged by a string of letters and phone calls from people proposing the opposite." That tells us something very fascinating about those who voted in favour of the Declaration: they were doing so despite the fact that most of the correspondence to members of parliament was in favour of abandoning the Declaration. In short, they were going to vote in favour of the Declaration *irrespective of the wishes of the people*.

This should not surprise us, given the idea that the political state is our new god. It is a function of the god-head to determine what is good for people. This is the self-proclaimed position of a majority of the politicians in Canberra. Gods do not ask their subjects what laws they want. It is the nature of a god to know what is best, and therefore impose upon his subjects the laws he thinks they need. This is now the role of the Federal Parliament and those who control the

dows were smashed will have to spend \$50 dollars on another window and he might have been going to buy himself a pair of leather shoes with the money. He now has no shoes, neither does the shoemaker have any money. That is just one example of how we must look at both sides of an economic incident.

Another example used is taxes. The government may say that its taxes won't hurt anyone, because it only takes about, on average, 30% of people's income. But that is only an average figure. That would only be possible if everyone had the same tax rate. But people are taxed different amounts, depending on how much they earn, etc. So taxes may hurt some people more than others. As Mr. Hazlitt says in his book, "When a corporation loses a hundred cents of every dollar it loses, and is permitted to keep only fifty-two cents of every dollar it gains, and when it cannot adequately offset its years of losses against its years of gains, its policies are affected. It does not expand its operations, or it expands only those attended with a minimum of risk. . . . The result in the long run is that consumers are prevented from getting better and cheaper products to the extent that they otherwise would, and that real wages are held down, compared with what they might have been." (p. 38)

Have you ever heard people complaining that machinery destroys jobs? For example, let's say that a man owns a factory that makes clothes. Let's say the owner employs 100 workers making clothes eight hours a day. They produce 1,600 garments a day. In other words, it takes half an hour to produce a garment. Now if the owner heard of a machine that could make clothes in half the time it takes his employees, and the clothes are of the same quality, wouldn't it be worth it to buy those machines and thereby make more money?

Because he would have to get rid of some workers, many people say that this is unfair. "Look at the poor workers. They have no job now. These machines destroy jobs." It is true that these workers may be out of a job. But the machines do not destroy jobs. Now the owner of the factory can produce (and sell) more of his products. And, because he doesn't have to pay out as much money in wages, he can sell his products cheaper than before. He has more money now which he can use to buy, say, that car he always wanted. Now the car dealer has more money, which he can use, possibly to increase his industry, thereby making more jobs. So, as you see, though some people may have lost their jobs, machinery doesn't mean destroyed jobs; it actually helps increase industry by transferring workers to other opportu-

agenda within it.

Unfortunately, the opponents of the Declaration did not base their opposition on the biblical evidence that it would violate the law of God. Instead, they argued on pragmatic grounds. They believed it was unnecessary that the Declaration become a part of Australian law, or they were concerned about its vague definitions, or they thought there should be more public debate on the issue.

But these arguments beg the question: on what authority do they rest? If they do not rest on the authority of the Word of God Almighty then they rest on the authority of another god.

### Conclusion

**W**ere we successful in our bid to halt the Declaration? While it is true that our ultimate goal was not achieved, I think something else very important has been gained. It is this. It was the number of Christians who voiced their concern to the members of Parliament on the issue. I cannot think of many issues that have attracted such widespread concern among the Christian community. Perhaps not since the abortive Australia Card in 1986, or the failed attempt by

the Labor Party in New South Wales in 1987 to change the face of education for the worse, have concerned citizens been so active on any issue. And it was most encouraging to see that this concern crossed theological and denominational differences.

We thank our Lord and Saviour for all of you who participated in the struggle for religious liberty. But the war is not over. We may have lost this battle, but we live to fight another day. Your help thus far has been invaluable. Our thanks, also, to the Members of Parliament who debated in our favour to disallow the Religion Declaration. (We hope you'll write to these Parliamentarians with your thanks.)

We must, however, remain vigilant, for though there is a temporary halt in the attempts to maintain liberty, we remain ready to defend our faith as circumstances demand. We are reminded of the words of another great Christian statesman, Abraham Kuyper, who wrote: "When principles that run against your deepest convictions begin to win the day, then battle is your calling and peace has become sin; you must at price of dearest peace, lay your convictions bare before friend and enemy, with all the fire of your faith."

nities in the work place. The car dealer or anybody else who the clothing manufacturer wanted to buy merchandise from, wouldn't have that money if it wasn't for these machines. (If we are going to argue that machines destroy jobs, then the bloke who invented the wheel should have been shot. After all the more inventions we make the worse off we're going to be.)

Seriously, this example applies the economics lesson of looking at the whole picture, examining the effect on all groups involved. By the end of the book, I was thinking to myself, if it's all so simple, why do people still favour unions, tariffs, and inflation? The book was originally written in 1946. I read the 1978 version. There was an extra chapter at the end saying that after 32 years, governments still hadn't learned. For example Social Security, supposedly benefiting people who aren't earning high amounts of money, but doing so at the expense of people who are earning higher incomes. If these high earners are taxed large amounts, what motivation is there to be productive? Not a lot. Therefore, in the end, nobody benefits.

That was 1978. For a very up-to-date example, take the Sydney 2000 Olympics. You may have seen all the excitement about it. We're told that it is going to create jobs. But at what price? It's true, the Olympics will make more jobs for construction companies, bus depots, and lots of others. But who pays for it all? The taxpayers initially. So we might be creating new jobs in some areas, but also discouraging productivity in the people whose taxes are being used to "create" these new jobs. And what about after the games? Where will all those jobs be then?

Unfortunately, the Olympics will probably cause huge State debts. Apparently, Canada is still paying off its 1976 Olympics and Spain will be paying off the 1992 Games till at least 2009. Despite what the politicians have told us, that it's not going to hurt the economy, almost every time government has funded something like this, it goes deeper into debt.

Even now, in 1993, 47 years after the book was written (and the ideas were around before then), we still do not seem to have learned the basic lesson of economics, which is: we should look at both sides, all groups, the whole picture, in every economic decision or policy. This is the one lesson of economics that Henry Hazlitt teaches so clearly and simply.