

# Mackay

## ON MONEY

### (AND OTHER THINGS)

BY AUTHORISED FINANCIAL ADVISER CHRIS MACKAY

*Regular readers of my column will know I've theorised the well documented Australian convict gene is responsible for the dodgy practices of which the Australian bankers have been guilty.*



Well, I've just made another scientific breakthrough. I feel a little like Dimitri Mendeleev. According to Wikipedia, he was the Russian chemist and inventor who formulated the Periodic Law, created a farsighted version of the periodic table of elements, and used it to correct the properties of some already discovered elements and also to predict the properties of eight elements yet to be discovered.

So, here I go with the second great genetic truth that has now re-manifested itself in the Australian Labour Party.

The gene I have identified is the "dumb dickhead dictator" gene. Here are some examples.

Modern insurance has been around since the early 18th century.

Successful insurance companies grew and prospered and have paid out tens of billions of dollars in claims, all because of sales generated by advisers who were remunerated in the main by commissions. No business, no pay. It was and is a great model. Why? Because it works. Last year Kiwis received \$1.3 Billion in claims paid from these successful companies. Cash at a difficult time when Kiwis and their families needed money the most.

Back to those across the ditch. A year or so ago the insurance industry regulators forgot the market sets the price, and dictated to the insurance companies what commission levels they must pay. Now Australia and New Zealand both have an under-insurance problem. It must stem from our joint "she'll be right" or "the government will look after me and my family" ideologies.

So, with this backdrop of underinsurance, the Aussie regulators, through their foolish and ignorant actions have caused the collective amount of new insurance sales to fall away. And the price of the product hasn't altered.

So, what is this newly discovered gene again?

Why, it's the "dumb dickhead dictator" gene. It manifests itself with people in a

power situation like politicians and officials.

The Australian Labour Party has promised if they get into power, they will completely ban commission on insurance sales. What idiots! This is an anti-free market, anti-capitalist and pro-communist plan of which that lunatic Venezuelan President at the time of writing – and dumb dickhead dictator – Nicolas Maduro would be proud.

*Continued on page 4...*

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Tom Manning wrote an article late last year which noted Maduro “has overseen disastrous mass nationalisation of businesses, foreign exchange controls and food rationing (Venezuelans each lost an average of 11 kilograms of weight in 2017). He has replaced the democratically elected Congress, and ruthlessly suppressed protests. The IMF reports Venezuela’s GDP has dropped by 45 per cent since Maduro took office, 2018 unemployment is 33 per cent, and it predicts hyperinflation at one million per cent in 2018 plus 10 million per cent in 2019.” Enough said!

Here’s the prediction. If the Australian Labour Party gets into power and bans commissions on insurance products, sales will plummet and the Australian life insurance industry will be ruined and with it the future economic lives of hundreds of thousands of Aussies and their families. If you’re Australian and read this, don’t vote for those Labour clowns.

There are historical precedents where dumb dickhead dictators have tried to legislate certain things where they have no right to interfere.

Here’s some history about a Pommy King who dictated how his subjects could dress. They are known as “sumptuary” laws. According to Britannica. Com, “In England, in 1337, Edward III ruled no one below the rank of knight could wear fur. The same

law also decreed only English-made cloth could be worn in England. This dual role of ensuring class distinctions and banning imported goods was common in Sumptuary law. In 1362, Edward III issued another edict aimed at preventing people from dressing above their station. Merchants could wear the same clothes as an esquire or knight, but only if they were five times wealthier. Yeomen and below could not wear silk, cloth of silver, chains, jewels, or buttons (which were then made of expensive materials or gems). They were not to wear the short coats or tunics worn by noblemen. Carters, plowmen, shepherds, oxherds, cowherds, swineherds, dairymen and farm labourers were to wear only russet cloth at a shilling a yard and undyed blanket cloth. Only lords might wear cloth of gold and sable furs. Esquires and gentlemen were not allowed velvet, satin, ermines or satin damask unless they were sergeants of the royal household. Women could not wear gold or silver girdles, nor foreign silk head covers.” No wonder my antecedents bailed out from Old Blighty!

Between 1348 and 1350 there was an outbreak of the Black Death in England. They reckon 30 to 40 per cent of the population died. Not surprisingly those farm labourers spared were in big demand and as we know, the market should determine prices and, in this case – wages, which as you would have guessed – went up. The farm owners had to pay higher wages to entice workers.

The very same Edward III was not content

dictating what the poor old Poms could wear. So along with his landowning gentry mates being worried the peasants would get uppity by being in big demand and earning more dough, in 1349 passed a new law – the “Ordinance of Labourers” which required a few things such as:

- Everyone under 60 must work
- Employers must not hire excess workers
- Employers may not pay and workers may not receive wages higher than pre-plague levels
- Food must be priced reasonably with no excess profit
- No one, under the pain of imprisonment was to give anything to able-bodied beggars “under the colour of pity or alms”.

This manky law was followed up by the Statute of Labourers in 1351 which attempted to reinforce the 1349 Ordinance of Labourers, both of which basically screwed the diminished pool of farm workers who should have been able to earn a reasonable quid for a period until the working population increased again.

In 1381, partly as a result of those laws and a whole lot of other crapola associated with being a poor disenfranchised farmhand and not a landowner, there was a peasants’ revolt.

The new boss, King Richard II, a mere 14-years-old did a deal with the peasants led by Wat Tyler and agreed to their quite reasonable requests for a better deal.

But then in true dumb dickhead dictatorial style, the adolescent King Richard, after he had re-established order, reneged on his royal word and rounded up and executed any remaining peasant leaders, plus another 1,500 odd rebels. Wat Tyler had already been dispatched. It was fun being King! Not so much, for the rest of them.

Closer to home, we had the disastrous wage and price freeze between 1982 and 1984 imposed by our very own elected dumb dickhead dictator, Prime Minister and Minister of Finance Sir Robert Muldoon. According to [teara.govt.nz](http://teara.govt.nz), Muldoon believed the freeze would be an effective way of combatting inflation, which was running at around 16 per cent in 1980 and 1981 and 15 per cent in 1982.

“Most economists were sceptical; believing inflation would be suppressed rather than banished, and that changes in relative costs of goods would be hidden, leading to economic inefficiencies. The freeze was unpopular with both employers used to passing on costs, and workers used to securing regular wage increases.”

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Did Muldoon's crazy experiment work? Those baby boomers who can remember these times will tell you a resounding "no".

What happened in NZ? We didn't have a Wat Tyler leading a peasants' revolt; we had a general election in 1984 and Muldoon was well and truly spanked and David Lange took the helm.

Listen leaders. Leave the market to set prices and wages and commissions and what people choose to wear. Legislate instead for our safety, health, education and general welfare.

For our regular readers, to conclude, here's the first of "three true stories" following Chapter 5, that Kathryn's great grandfather Johannes Vlietstra wrote of his time in Australia in the 1860s. Her cousin Dr Ron Vlietstra discovered the original and had it translated from the Dutch and published in "Dutchman's Gold".

"My story would have ended here, had I not wanted to do my readers a favour by presenting three more real life stories, which I could not weave into the story of my experiences without disrupting its continuity."

"In the story dealing with my abandoning ship I have already mentioned that most people living in Tasmania are exiles. The people there, especially the farmers, know how to make use of these prisoners, sometimes for their own benefit. They apply to the government to be allowed the use of prisoners at the height of the farming season. Most times this is granted them when there are well-behaved prisoners available. They are usually hired for a year and paid very low wages. By the time the year is almost over, some cruel farmers maltreat the prison workers, trying to incite them.

When they succeed in this, they then charge the prisoners anew, they are punished again, and the farmer is released from paying them. But when their sentence has come to an end, the prisoners take revenge on the farmers by robbing them. They hide in the bush for five to six years while they are doing this. Having done enough robbing they often cross over to Victoria.

Such was the intention of two of these robbers, who went to a boat owner, who was also an innkeeper. But having been informed beforehand, the boat owner had gone to his ship, with some armed men, afraid that the robbers would seize it. When the latter arrived at the inn, they demanded a drink and asked where the boat owner had gone. When his wife replied that he wasn't at home they expressed their regret, saying they had come to summon his ship to cross over to the mainland. But when they learnt that he was on his ship they said they would go there.

*When the wife advised them not to go, saying he had armed men with him, they replied that they didn't care, and told her to go with them. They told her to walk in front of them and that they would immediately shoot her if she tried to resist.*

*The ship was moored in deep water, some distance from the quayside, but they could call out to each other. The armed men on the ship could not do anything, because they might kill the woman just as easily as the men. They summoned his ship, but added that they would also be satisfied with a rowboat. But only two men, unarmed, were allowed to bring it, or else the wife or the men, would pay with their lives. The boat owner consented, for fear of losing his wife, and the four men took the rowboat and, crossed over to Victoria.*

*They had a lot of gold and silver coins as well as Tasmanian paper money on them. To get rid of the latter, one of the men went to a store to buy something, asking for the money to be exchanged. The storekeeper said he could not exchange it, but another gentleman present indicated he was able to, if they would follow him to his office. He was a plain-clothes police officer, who had been looking for them. The bushranger was taken prisoner and forced to give away the hiding-place of his mate. Both were hanged for theft. On the execution day the mother of one of them arrived from England to give him his share of his father's inheritance and make him return to England with her. Her journey was in vain, for she found her son, how peculiar, but also how sad for her, on the scaffold."*

P.S. After writing this article, NZ suffered the horrific mass murders of March 15. And with them, Australian dumb dickhead politician Senator Fraser Anning's outrageous

*"What happened in NZ? We didn't have a Wat Tyler leading a peasants' revolt; we had a general election in 1984 and Muldoon was well and truly spanked and David Lange took the helm."*

comments. Our local MP Chris Bishop responded so eloquently on social media when he told the stupid Senator to "F\*\*\* off". Great call Bish!

Here's another example of the dumb dickheads from the class of 1996-1999 (the Bolger and Shipley governments) – making bad decisions. This from an article on stuff on March 19, 2019. "A Queens Counsel who helped write the Thorp Report says lives would have been saved in the Christchurch terror attack if semi-automatic weapons were banned as the inquiry recommended.

Simon Mount, QC worked alongside Sir Thomas Thorp on the government inquiry which made 60 recommendations in 1997 to tighten gun control in New Zealand.

One of those recommendations was to ban semi-automatic firearms – something Australia did in 1996 following the Port Arthur massacre which claimed the lives of 35 people.

But the Thorp Report was largely ignored and the National Government only partially introduced one of the recommendations in 1999.

Mount said even the proposed loose form of registration introduced in the bill was vigorously opposed by gun lobbyists and the legislation was not passed.

'Tragically, I believe if the Thorp recommendations had been implemented in 1997, the Christchurch attacker would not have been able to obtain the semi-automatic weapons he used in this country,' said Mount."

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