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ON TARGET

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The price of Freedom is eternal vigilance—

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Thought for the Week : Both Facism and Communism have fundamental ideas which are incompatible with Christianity. --- T.S. Eliot.

ECONOMIST CALLS FOR ECOLOGICAL RE-APPRAISAL. "The world could face death on a massive scale, or even the extinction of life, unless man learnt to live in harmony with the environment and ended the system of destructive economic growth." -- The Age, Melbourne, 24th August.

This is really pretty "rich" coming from the former Governor of the Reserve Bank of Australia. We have always stated, and we re-state it, and will keep on re-stating it, that the fallacies in the modern finance-economic system, fallacies which we believe are well-known to those shadowy forces which control International Finance, themselves force more and more capital work, consumer production; most of this with intentionally inbuilt obsolescence, in order that this same finance-economic system shall not collapse. That it is on the very threshold of collapse now is obvious to us, and very many other people.

The gentleman who uttered the above words is Dr. H.C. Coombes, in his address to the Pacific Science Congress. He told his audience that the world's accelerating population growth, and the increased production and consumption of commodities, put rising pressure on finite natural resources. This is all right enough, but economists and politicians will not acknowledge the reality of the cause - the faulty finance-economic system which must either continue with the present mad expansion of economies, with all the absurd social, and other effects; or collapse NOW. Dr. Coombes's "remedy" is a Socialist's Delight" an Economist's Thrill. What is it? ... "Scarce resources could be economised to whatever degree thought desirable by effective use of the price mechanism". He admits himself that this would be complex. We wonder what the technicians of industry would have to say about this. The following words from Dr. Coombes will send waves of pleasure through the Socialists... "Many of the critical resources - oil, coal, minerals, are in most societies already the property of the State, and others could presumably be made so by legislative act and terms of their usage legislatively controlled". But wait for this! He suggested the establishment of ... "A scarce resources corporation". The already inflated bureaucracy will be sharpening its pencils in eager anticipation. This corporation, will, of course, have "over-riding powers". It will use progressively rising prices, or excise taxes to control consumption of a particular resource. We can't say that we haven't been warned.

BUDGET ASSAILED BY RURAL FINANCE EXECUTIVE. "The 1971-72 Federal Budget provisions for rural industry were essentially inconsistent and ad hoc, the executive director of the Scottish Australian Co., Mr. G.S. Le Couteur, told the Australian Institute of Management's seminar on the Budget yesterday". --- The Australian, 24th August.

Mr. Le Couteur's views are much in sympathy with ours - viz. that the Budget fails to come to grips with the basic issues in so far as the real needs of rural industry are concerned. He mentions only "long-term economic policies and planning". We are more specific. We say that the rural industries MUST be saved, and that Australia must not become an off-shore quarry for Japan, and other heavily industrialized nations. The immediate, urgent requirement is for long-term, low-interest credits for the rural industries, and a restructuring of rural debt, and the introduction of consumer subsidies, financed from fresh credits from the Reserve Bank. The orthodox economists, echoed by the politicians, claim that such notions are "wildly inflationary". It is interesting to bear in mind that consumer prices began to jump AFTER 1948, when the consumer subsidies on certain items were removed.

Mr. Le Couteur said that the present provisions for restructuring (rural debt) are so limited as to suggest either that the magnitude, complexity, and urgency of the problem is not understood, or that, for other than economic reasons, decisions have been influenced by the hope that the need for drastic re-adjustment may even yet be avoided. Only a small minority of applications for assistance under the State Rural Reconstruction Schemes have been granted, and those that were, were loaded with all manner of conditions. Coming to the broad issues of the Budget brought down by Mr. Snedden - his first (and some are saying, his LAST) - the general effect will be to give the wheel of inflation another sharp turn. Rises in income tax will be incorporated into prices: increased postal & telephone rates will go into general overhead, and then into prices. The orthodox explanation for such deflationary measures, repeated ad nauseam by the politicians, is that an excess demand from the community is bidding for a shortage in the supply of goods, and that this has the effect of forcing price levels upwards. The fact that there is NO shortage of any goods does not daunt these "experts" who then evaporate into a flurry of words about there being a distinction between 'production' and 'productivity'. We realize this all too well ourselves - and we state that increased productivity, a word beloved of the current economists, and our present Treasurer (Snedden), will exacerbate inflationary trends, not decrease them, as claimed, because increased productivity means that more and more production is being produced with less and less manpower, because of improved technology and methods. Thinking of this concept at the level of an individual production unit, then, yes, increased productivity lowers costs and boosts output, but considering it on a COMMUNITY level more and more production is being unleashed with less and less purchasing power, in the form of wages, salaries and dividends, to 'liquidate' it. The need then for export, becomes all too manifest. But all industrialized communities face the SAME problem. Hence the scramble for exports, and all that flows from it.

Several economists now, it is true, are having second thoughts about this 'demand' situation in the community, and one or two brave ones are denying that this 'demand' exists at all. To drive home this point, it must be obvious that for a 'demand' situation to exist the community must have really excess purchasing power at its disposal. At June 1969, the total indebtedness of the Australian people, public and private debt, was approx. \$50,000 Million. The amount of 'money' in the hands of the Australian people at the same time was approx. \$14,000 Million. We are sure that the imbalance would be WORSE now: two years later. Payroll tax has now been handed over to the States (it should have been abolished altogether) and has been increased by one per cent. Again this is passed into the price structure of consumables. The Budget will NOT halt inflation, but is likely to trigger a rise in unemployment. (Read "A Program for Reversing Inflation" Price 31 cents post free, from Box 1052J, G.P.O., Melbourne, Victoria, 3001.)

WARNINGS OF DEPRESSION BY MANUFACTURERS' BODY. "Warnings of a world depression and serious balance of payment problems for Australia have been made by the Victorian Chamber of Manufacturers". --- The Sun, Melbourne, 23rd August.

The Chamber announced in its weekly service bulletin that the 10% surcharge on imports from Australia into the U.S.A. would in many cases wipe out the profit margin of Australian manufacturers. (That is if they intend to sell their goods at the same price). The Chamber also claimed that America's action could provoke an international trade war. A complicated web is being woven - sales of Japanese cars to the U.S.A. will be hit hard, and then this means that the Japanese demand for metal ores from Australia will fall away, and this will tend to dry up the heavy capital inflow, which has been shoring up Australia's economy, and in the main responsible for Australia's favourable balance of trade. For example, Australia's (1970) imports cost \$838 Million more than the exports earned, and so the Treasury rejoiced in the capital inflow of \$1060 that year. A 'favourable' balance of trade of \$222 Million! How long will this continue? Incidentally, over 70% of the foreign exchange now being furnished by capital inflow now goes to pay overseas dividends and interest, and the percentage is increasing. Who owns Australia? Not only is this capital inflow, which now sustains the Australian economy, to dry up, but to make matters worse, much foreign money already in Australia could be 'repatriated' overseas. These are the opinions of a conservative body of manufacturers of the highest integrity. We know that what they say is correct, and we have other reasons, and avenues of understanding, which all confirm that a collapse of the world's finance-economic system is not far away.

MAKE A NOTE OF THESE BIG LEAGUE EVENTS

Monday, August 30th, 8 p.m. Collins Room, Federal Hotel, Melbourne. Mrs. Jean Luscombe, editor of Ladies Line, speaks on the mounting attacks on the family.

West Australian Annual State Dinner and Seminar, September 11th, 2.30 p.m.
"Women in The Rural Crisis", Mrs. N. Maugham, CWA State President, 3.45 p.m.
Mr. Don Maisey, MP., speaks on the family farm. 8 p.m. "Now! About Rocking The Cradle", by Mrs. Jean Luscombe. Venue for Seminar and Dinner: Park Towers, Hay Street. Dinner and Seminar, \$5-00 per person. Seminar only \$1-50 per person. Tickets from Mr. Ray White, Box 16, Inglewood. Or ring Mr. White at 74 6625 (priv.) or 71 9180 (Bus.)

National League Seminar, to launch The Australian Heritage Society, Saturday, September 18th, Melbourne, starting at 2 p.m. Papers by the Hon. George Reid, M.P., Sir C. Stanton Hicks, Sir Raphael Cilento. Entrance \$1-00.

COUNTRY PARTY EXECUTIVE DENIES LEAGUE ANY THREAT. "The Federal leader of the Country Party had over-reacted to allegations about the right-wing League of Rights, the secretary of the Queensland Branch of the Country Party, Mr. M.J. Evans said yesterday.

Mr. Anthony, the Deputy Prime Minister, and leader of the Country Party, launched an attack on the League at the annual Country Party conference in South Australia recently. Already the South Australian branch of the South Australian Liberal and Country League has disassociated itself officially from any statements regarding the League made by Mr. Martin Cameron (M.L.C.) of South Australia,

who fired the first salvo in the organized, nation wide "attack" on the League, which has turned out to be the best publicity in our history, and is bringing wave upon wave of fresh support to us. The Queensland branch secretary, and the Queensland Premier, Mr. Bjelke-Petersen (Country Party) both say now that the League is of no concern to the Country Party. Mr. Evans blamed the Press for the "over-reaction" to the League. We think that the real story is a little different to this, but are content to remain silent, for the time being. The strength of support for the Objectives of the League in all areas of Australia, has, we believe, simply staggered the political parties. We aren't interested in power for the "League" as such. What we are interested in is that as many good men and women as possible in the community everywhere are sufficiently concerned about principles in politics. These principles are embodied in the Objectives of the League of Rights, and stem from the Christian philosophy. If readers will pay special attention to the source of the current violent criticism of the League's Objectives, they will more often than not discover that this source is non-Christian, or even decidedly anti-Christian.

Mr. Evans says that the League is appealing to the rural areas because of their economic difficulties. He is mistaken; although he doesn't know that yet. He expects that the issue of the League will be over after the Country Party produces its pamphlet criticising the economic policies of the League. The economic policies of the League are based upon economic realism; Truth; and will burn ever more brightly as time passes, and the Anthonys and Evans are memories.

SOUTH AFRICAN CRICKET TOUR TO GO ON? "The Prime Minister (Mr. McMahon) has been urging the chairman of the Australian Cricket Board of Control (Sir Donald Bradman) to ensure the South African cricket tour of Australia went on, Mr. Cohen (Lab. N.S.W.) claimed last night".

--- The Age, Melbourne, 24th August.

Mr. Cohen, hostile to the League of Rights, praised a smear article of the utmost absurdity on the League, which appeared in a nasty little rag which erupts from Melbourne each Sunday. This is the rag which produced the "confidential" report on the League prepared by the Country Party secretariat. The Country Party is to pay a heavy price for allowing itself to be bamboozled by the smears which have their sources in the Communist Party, and elsewhere. But that is its misfortune. We believe that, as a matter of principle, if nothing else, the Cricket Tour by the South Africans, should go on. The principle is - the integrity of the lawfully elected Government of the nation. Even the left-wing Mr. Cohen does not deny that the great majority of people want the tours to go on, and his solution is a compromise arrangement: the Board of Control to bring out a "Rest of the World" team. We reject this because it is a compromise with principle. The Government must show that it, itself, is in charge of the country. It was elected into office to do just this, and must not compromise with left-wingers, subversives, nor allow itself to be intimidated by criminal hooligans who wield lethal weapons at sporting events. Against this element the forces of law and order must be utterly uncompromising.

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