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The price of Freedom is eternal vigilance—

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Thought for the Week : "I believe that the world's rulers will discover that . . . the lust for power can be just as completely satisfied by suggesting people into loving their servitude as by flogging and kicking them into obedience". - Aldous Huxley, author of Brave New World, writing in 1949.

THE FINANCE-ECONOMIC CRISIS DEEPENS : "From the sidelines it is easy to criticise Billy Snedden. But it should be realised that he is in an economic no-man's land. He has tried to cope with the double-bind of rising unemployment and rising prices. If he makes the conventional attack on unemployment by injecting more money into the community, it would feed inflation; an orthodox attack on inflation (by dampening demand) will create more unemployment. Possibly that is why some Ministers are saying that what this country needs right now is an unorthodox Treasurer. Billy Snedden is the man on the spot." - Allan Barnes from Canberra in The Age, Melbourne, January 25.

There have been a number of Federal Treasurers since the present Coalition Government was first elected in 1949, a major policy objective being "to put the shillings back into the pound". Mr. Snedden was preceded by Mr. W. McMahon and Mr. Leslie Bury, both of whom, unlike Mr. Snedden, can claim to have been schooled in the "science" of economics. But while Treasurers have come and Treasurers have gone, inflation has, like Tennyson's brook, continued on. And, as we have constantly predicted over many years, inflation, with all its disastrous consequences, will continue while present finance-economic policies are persisted with. Both the 1970 and the 1971 Federal Budgets were allegedly designed by the Treasury "experts" to combat inflation. We warned that inflation could not be halted by increasing transport, PMG and other costs. Challenged by their electors, Government Members wrote letters explaining how the Government's anti-inflation strategy would work out "in the long run". It would be instructive to hear now from these Members on why the 1971 inflation rate was the highest since 1956.

According to recent press reports, the Federal Country Party has sought the assistance of the Commonwealth Treasury for an analysis of a set of anti-inflationary financial policy proposals being put forward by The Institute of Economic Democracy, a specialist division of The Australian League of Rights. Having completely misrepresented the Institute's proposals (See A Programme for Reversing Inflation, Price 32¢, post free) the Treasury then pronounced them "nothing but a chimera". This is typical of the hypocrisy of the "experts" for whom Mr. Snedden in little more than a public relations man.

Following the announcement that consumer price index figures had increased by 2.3 per cent for the December quarter, Mr. Snedden issued a statement in which he starts with the breath-taking comment that "I hope the consumer price index figures for the December quarter just released

will bring home to all that inflation is the major problem facing Australia today... It is an indication, in the plainest terms, that the community as a whole cannot afford to relax its efforts to beat down this menace." But "the community as a whole" is not responsible for the financial policies producing progressive inflation. The free-enterprise system, working within the financial shackles imposed upon it, has continued to demonstrate its efficiency and capacity to provide necessary goods and services. It is instructive to note that Government and Local Government charges have been the biggest factor in price increases. Over the past five years, public transport fares have increased by 56 per cent. Local Government rates by 48 per cent, and PMG charges by 41 per cent.

Although the Treasury eased its credit restriction policy during December, permitting a credit expansion of up to \$500 million, Mr. Snedden insists that there will be no "major stimulus" to the economy because of the unemployment position, which Minister for Labor, Phil Lynch frankly admits will get worse before improving. The truth is that the dynamic of present finance-economic policies is such that while those policies remain unchallenged, growing economic dislocation, and consequent inevitable social unrest, must continue to get worse, a situation which the Marxists gleefully accept as evidence that they should increase their efforts to destroy the "capitalist monster". Mr. Edward Heath has the distinction of creating over one million unemployed in the United Kingdom with his anti-inflation strategy, but the inflation rate is still rising. Unemployment is also increasing in all Western European countries where inflation is also continuing.

If Mr. Snedden wishes to become the "unorthodox" Treasurer, his political colleagues desire, primarily so that they might survive politically, he could make a start by obtaining a copy of the Paper, "A Failure of Economics", given at the Monash University on July 26, 1971, by the eminent Professor of Economics at the London School of Economics, A.A. Walters. The Professor gave no answers, but he did frankly admit that finance-economic developments were demonstrating that the text-books were wrong. Referring to the God of the modern economists, John Maynard Keynes, Professor Walters observed that "many Keynesians... expect that high unemployment is associated with stable prices, and low unemployment with rising prices. Alas, neither the classical nor Keynesians can produce predictions which even remotely approximate to these events which we now observe". Having faced the truth that the "experts" have been proved wrong, Mr. Snedden could then become really unorthodox by informing his two top Treasury advisers, Sir Frederick Wheeler and the "brilliant" Mr. John Stone, that what he requires from them is a financial policy which will enable individuals in a free society, co-operating economically through the free-enterprise system, to be able to get access to what they have produced without increasing debt, taxation and inflation. If these gentlemen insist that they cannot provide a financial mechanism which will enable the economic system to be used without inflation or any other dislocations, they should be frankly told that they have thereby disqualified themselves as experts.

Professor Walters warned that inflation is the "main problem facing Western Democracy". It is certain that unless dealt with constructively, inflation will continue to prove to be Communism's major ally.

INTERIOR MINISTER HUNT'S FANTASIES : "Canberra - The Federal Minister for the Interior (Mr. Hunt) yesterday predicted an end to bad times for farmers. Mr. Hunt said, 'Given a good season the great majority of our farmers will be on the road to recovery by the end of the year'. Speaking at Moree, in north-western NSW, Mr. Hunt said he looked to 1972 as a year of 'some considerable

recovery for the rural industries'. He said, 'I can see the light at the end of the tunnel after one of the worst recessions in the rural sector since the 1930's.' - The Age, Melbourne, January 20.

Mr. Hunt is clearly suffering from a bad dose of fantasia. His ludicrous comment, like press headlines that "wool prices are soaring", merely provides fuel for those people in the cities who have been misled by a section of the news media concerning the truth about the rural crisis. Much more realistic is the comment by Mr. Fred J. Tritton, President of the Kennedy Inland Division of the Australian Country Party, and Chairman of the Richmond Shire Council, who in an article in Queensland Country Life of January 20, said "Let us leave out drought which is a recurring certainty, and price fluctuations, which can only be avoided by socialism, and let us look at the causes."... .."Good seasons will not halt the constantly rising financial costs which the primary producer cannot automatically recover. Does Mr. Hunt expect the primary producers' rates to stop increasing? While every wool producer will appreciate any increase in prices, however small, if he is a realist he knows that constantly rising costs will quickly obliterate the price gains made. Thousands are still retreating from their farms every year. They are unable to see that light at the end of the tunnel mentioned by Mr. Hunt.

Mr. Hunt is the Country Party Member who had another stroke of fantasia when he told a meeting in Wellington, N.S.W., last year, that League of Rights speakers were advocating a "splurge of note printing" in order to deal with the rural crisis. But when challenged by League National Director Eric Butler to attempt to substantiate his false allegations in public debate, Mr. Hunt took refuge in silence. We trust that Mr. Hunt's electors remind him of his "light at the end of the tunnel" address before the next Federal Elections.

WE MUST DO BETTER FINANCIALLY

Over the past week 10 readers advanced the League's basic fund of \$25,000 by another \$232, the grand total now being \$13,041.10. The crisis deepens, the challenge was never greater. Dare we fail?

THE SOURCE OF JOHN GORTON'S IDEAS : "...the writings that I believe most influenced my early thinking were never published as a book at all. They were a series of articles, described as 'Design for a Book' written by Walter Lippman and published in 1936 in the Atlantic Monthly".

- Ex-Prime Minister John Gorton in The Australian, January 23.

Walter Lippman, who in his later years was one of the most widely-read columnists in the English-speaking world, was an early member of the Fabian Society. Lippman was constantly wrong on the Communist question, but was presented as a great pundit. If John Gorton did absorb Lippman's basic philosophical ideas, this could help to explain his support for central planning. And his insistence that he was not an anti-Socialist.

THE VITAL IMPORTANCE OF THE NEWSLETTER : One of the most dangerous aspects of growing centralisation is the rapid growth of monopoly in the mass media of the world. Rising financial costs are forcing more newspapers to pool information sources. "Co-ordination" of news services means that an increasing number of people throughout the world are being presented with only a point of view. We have documented over a number of years how the news media of the world has dangerously

misled people on the great issues of our times. Politicians increasingly feel that they must adjust themselves to images created by the mass media. Consider the case of South Africa. And the blackout of the real truth about the nature and objectives of the Chinese Communists.

The only answer to a situation which grows increasingly perilous, is the independent newsletter with its own sources of information, and free to make its comments without the necessity of concerning itself about advertisers or other subsidisers. On Target is such a news commentary. It is a journal of The Australian League of Rights, but finances itself. Over many years of international travel lecturing and writing, Mr. Eric Butler has built up a large number of contacts. The League of Rights has brought a number of authorities on different aspects of international affairs to Australia.

But On Target has big problems to meet. The biggest of these is rising financial costs. There have been astronomical increases in mailing and other PMG charges, and more are about to come. And yet the policy of the League of Rights has been to make greater efforts to increase circulation in order to absorb the increased costs without the necessity of increasing the subscription rate which is today the same as it was when On Target was launched, \$4.00.

Present readers of On Target can ensure that this independent news commentary continues to provide its vital service by :- 1. Making a conscious effort to double the circulation during 1972. All that is required is that one reader should obtain one new reader.

2. Readers to pay their subscriptions promptly when they receive their first notice, thus saving on postage and time for reminders.

An increased circulation for On Target will not only preserve its financial independence, but widen its influence at the most critical time in Australia's history.

FOREIGN TAKE OVER OF AUSTRALIA CONTINUES : "A party of Japanese real estate developers arrived in Melbourne yesterday - with plans for investment in hotels, land and office blocks. Mr. Uichi Noda, leader of the delegation, said, 'Australia is the most promising country in the world. The Japanese people have big interests in this country and in the future many Japanese will come to Australia to invest'. - The Sun, Melbourne, January 22.

One of the most dangerous myths being used to persuade Australians to sell their birthright, is that an enormous flood of "foreign capital" is required for Australian development. As has been demonstrated by several of our more realistic economists, most "foreign capital" consists merely of a transfer of bank book entries. Australia should make every effort to maintain firm control of its own assets by providing its own financial capital. Unless this is done, Australians will find themselves operating an off-shore island quarry for the Japanese-Chinese industrial monster now starting to take shape. And Japanese moves to join with the Soviet in exploiting Siberia's vast untapped mineral resources, should warn Australians that they could prove expendable in the future.

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