



ON TARGET

- NEWS HIGHLIGHTS
- BACKGROUND INFORMATION
- COMMONWEALTH AFFAIRS

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The price of Freedom is eternal vigilance—

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Thought for the Week : "Two kinds of men generally best succeed in political life : men of no principle, but of great talent; and men of no talent, but of one principle - that of obedience to their superiors".

-Wendell Phillips, U.S. reformer (1811-1884)

CHILE... ALLENDE : We were unable, because of limitations of space, to complete our comments on Chile, in last week's "On Target".

Some sixty Federal "Labor" parliamentarians had signed a petition calling on the Government, after the event, to delay recognition of the anti-Communist military regime in Chile. The Left wing of the parliamentary party is enraged over the rather speedy recognition of the new Chile regime given by Mr. Whitlam. We were very interested indeed to peruse the September issue of "The British Link", a quarterly journal published in Melbourne by a group of loyalist societies. Writing on Royal Honours, the journal has this to say:- "There is nothing wrong with our present system of Royal Honours, military and civil awards. Though these date back hundreds of years in some instances, would 'Gough's Instant Gongs' be more prestigious? The Prime Minister, and the Government he leads object to Royal Honours conferred by the Queen, to whom they have sworn allegiance, yet the Prime Minister is a Member of the Collar of St. Agatha of Paterno, an award conferred by the Republic of Chile (our emphasis). Republican honours from a foreign State - Yes. Royal Honours from the Queen of Australia - No." Was this Chilean honour conferred on Mr. Whitlam by the former Communist President of Chile, Allende? Perhaps some members of the so-called Opposition may be seized with the desire to raise this matter at Canberra!

WHAT ARE THE MEDIA? There was a time when the mass media, as we know them now, took second place to the Church, as a moral guardian of the community. The Church did then protect its flock from the ravaging wolves now rampaging through the social structure via the media, Education, politics, and now - even the Church itself.

If Paul were alive today, and commenting upon 20th Century technological civilization, where only approximately one tenth of the population needs to be productive in the sense of which Paul spoke in the first century ("This we commanded you, that if any would not work, neither should he eat"), he would have been quick to point to the advent of God's bounty in ninety percent of the populace from that part of the "work" system needed to keep the community economically sound. He (Paul) would have been the first to point to the wonderful opportunity now available to release Man to work greater glories to God : not to be chained to a bureaucratic soul-destroying machine which makes a mockery of constructive work. He would have used the correct word for today's system : slavery. For men are chained

to something which should give them freedom; and Paul would have been quick to point to the legitimate fruit of Christianity: freedom. He would have been equally quick to castigate those whose teachings and lessons are enslaving mankind through political and economic policies. The 20th Century church has a long way to go before it catches up. The lessons read in thousands of Churches throughout the Christian world are meant to give the seal of authority to this life. They should not take a secondary place to the "lessons" promulgated by the mass media. None could argue that the lessons read in Christian churches sway large groups of people and determine policies; yet there is an inability to apply the "lessons" as they are read in the world today.

THE LIBERALS BECOME MORE PERMISSIVE : The stench of our decaying social structure, now so obvious, became even heavier over the last few weeks, especially in Victoria, where the Premier, Mr. Hamer, has announced his support for homosexual acts in private; and for the fluoridation of Victoria's water supplies. He made certain that neither issue was mentioned prior to recent State election. As a politician would, Mr. Hamer and his colleagues interpreted their "win" as an endorsement of their policies; instead of which it was largely the reaction of a badly disillusioned electorate shocked by the excesses of the Federal "Labor" Government.

Now it is a fact that Mr. Hamer's Liberals obtained the vote of that large section of the community which is sick to death of the antics of the "pomocult", lauding as it does sexual permissiveness of all kinds. The full houses for Mrs. Mary Whitehouse were an indication of the fact that this section of the community does have political significance, and Mr. Hamer may well regret the duplicity which has occasioned the exploitation of the votes of decent people, who thought they were voting for decency, and not depravity. The same will apply to his Federal counterparts, where the motion on homosexuality was initiated by Mr. John Gorton, and supported by a majority of his fellow party members.

1 Now that the Liberals have condoned depravity in private, and in so doing have assaulted the moral laws of God and the Christian community, it is only a question of how and when such immorality brings its own reward. The truth is that God is not mocked, and those who cause their fellow men to stumble, by condoning as legitimate that which is evil, will reap their own reward. We are not impressed one jot by the argument of those who say that they are against the practice of homosexuality; but accept it when performed privately: this is a matter for individual conscience. In the past; before the rise of liberal permissiveness, the Christian ethic was accepted in Christian countries. That evil which is practised in private pervades the whole social structure. It is like a festering sore; or a foul disease. Will homosexual politicians, school teachers, university lecturers, social workers, doctors, nurses, and others having intimate contact with the public; having gained legitimacy for their depravity, then not seek in any way to influence those with whom they have continual contact? only a fool would so delude himself.

Homosexuality is a direct affront to God, who has placed the procreative instinct in Man. It is a perversion; and this perversity runs right through the nature of a homosexual. It is a "twist away from God". Every civilization which has accepted homosexuality as legitimate has been in the throes of its own destruction. So with our own!

A MARXIST LOOKS AT INFLATION : "There is no simple single explanation for inflation. It is tied up with the deepest structure of present-day Capitalism in each country, and in the Capitalist world."

-Eric Aarons, Communist official, in "The Tribune" (Oct. 9-15)

We decided to pay some attention to this article, as we desire to be "up" with the current Communist thinking on the problem of inflation. Our statement in our issue of "On Target" of October 5th, viz.

"ON TARGET"

November 2nd, 1973

Page 2 (166)

that the systems of finance-economics followed by the West and by Communist countries are basically the same, is confirmed by the views put forward by this Communist official. Apart from changes in emphasis (particularly from 'wages' to 'profit') this article - "What Are The Causes of Inflation", could have been put out by some official from The Department of the Treasury. As expected, he does not get anywhere near the real cause of inflation (which is part and parcel of the financial system itself) but like the orthodox economists we know so well, merely points out the effects of inflation. He also draws attention to such morbid excrescences on the finance-economic scene as monopoly, price-rings, speculation etc., which derive from and are nurtured by the centralist financial policy which concentrates more and more "money in fewer and fewer hands. Aarons lists as the causes of inflation:- Boom Conditions - this is correct that in boom conditions the economy is being made to run faster by an expansionary banking-credit policy with the resultant "spin-off" of inflation from the financial system itself. A simplistic explanation, we know, (how the academics love the word simplistic!) however, the precise functioning of the inflationary process, although understandable, is inconclusive.

Monopoly : We would not deny that this evil in the Capitalistic system does play an inflationary role, inasmuch as the prices of some items are held unnecessarily high.

Government Deficit Spending : We must agree with the Communist - highly inflationary! But for different reasons. Aarons says that "money is supplied by the Government Bank, and whilst a debt may be recorded on paper, the extra money enters circulation and results in a drop in value". The 'money' need not issue only from the Government Bank (the Reserve Bank), it may issue from private banks, from public loans, or from loans overseas. There is much more involved than just a "debt on paper" - the interest payable on this money created as a debt, is recovered from the community by the Government via the taxation system (higher taxation). Again, deficit budgets make the economy run faster: more 'spin-off' of inflation. The cost of higher taxation, of course, is carried forward into prices; as any manufacturer/businessman will know. Some of the Treasury bureaucrats, who have never managed a business in their lives, would still deny that taxation is inflationary; and some men, such as Sir William Gunn and Mr. Snedden, have even been known to say that taxation is deflationary!

Speculation : We have to agree that this is an inflationary factor : it is not a basic cause. It is one of the effects, again, of inflation. Aarons quite correctly points out that ... "the holders of money seek to convert the depreciating currency they hold into assets which will increase in value. The main thing here is land, but jewels, artwork, antiques, etc., are desired objects".

We know, for instance, that even now swarms of Japanese 'collectors' are scouring Europe for antiques and art treasures which they are sending back to Japan for conversion into cash at an appropriate time (which we don't imagine to be far removed). This same type of speculation is the principal reason for the current wave of thefts of art treasures from the churches and museums of Europe - ready cash at the right time! There are plenty of international "fences" to convert Picasso into pounds, and Da Vinci into dollars, to coin phrases. Speculation is having its obvious effect on the building industry in Australia at the present time, although the bottom will fall out of this: it has levelled off already as we write these lines. The same type of speculation is basically the reason for the ridiculous prices of land and houses - buildings and building materials. Thousands of people, a few of these speculators, and the mass of small home and land buyers are going to get "caught", and lose money.

There now comes from Aarons some mention of the "money equation", which is generally accepted by both the Capitalists and the Communists. We view it as nonsense. It hinges on the

"velocity of circulation" theory of money; sometimes called the "multiplier theory". This asserts that each time a unit of "money" circulates, or is otherwise involved in a transaction, it liquidates a debt to that value. These pages are not the proper place for technical discussions on Finance : however, we can merely point out here that if this "velocity of circulation" theory were correct, and that it explained why the economy still functions more or less smoothly when the total debt in the community is some four times greater than the total money in circulation (bank deposits and cash) then there would be no debt at all! And the faster the money circulated, the 'richer' we would all be. Yes, it's silly.

Aarons has fallen, apparently, for the old shibboleth that banks lend their deposits.. "boom conditions..cause banks to extend more credit to more customers seeking loans..credits get 'multiplied' by being turned into deposits and loaned out again". We have yet to meet the bank customer who has had his account reduced by as little as one cent as a result of loans by that bank to other customers. Banks do not lend their deposits, but create money according to a conventional formula based on liquidity and deposits. We realize that most bank managers haven't the foggiest notion of the origins of money. Those who desire to delve more deeply in to this may order - "Money - Fact and Fiction" (Price 37¢, post free from all League offices).

Aarons points out that the workers "share " of the new value added in production has fallen over the last twenty years, whilst the "share" of profits, interest, and rent has increased - he is referring to, no doubt, the workers who are actually and directly engaged in production. He would be right: and the reason is that there are less workers directly engaged in the processes of industry as industrial technology becomes more sophisticated: less wages in proportion to company turnover, out of which come 'profits'. The "slack" of the work-force; those who would have been directly engaged in industry some one, two or three decades ago, are now taken up by the ever-burgeoning bureaucracy, as more and more Socialism is imposed on the Nation.

We note that this Communist anticipates, as do we, a major recession: the worst in history. A study of this article on inflation in The Tribune confirms us in our view that the Communists and the Capitalists hold generally the same views on the functioning of the finance-economic system. We hold that the 'accepted' views are erroneous: the very centralism inherent in them is leading the West into those last death throes in which International Communism exults. As for the Communist countries - those unhappy lands are already held down by a ruthless political tyranny: their citizens hypnotised by the same fallacious relationship between man and his economy as are their Western counterparts.

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