



ON TARGET

- NEWS HIGHLIGHTS
- BACKGROUND INFORMATION
- COMMONWEALTH AFFAIRS

Registered
for posting
as a periodical
Category B.

The price of Freedom is eternal vigilance—

Vol. 10 No. 3

February 1st, 1974

Thought for the Week: "The only effective answer to concentrated money-power on the one hand, and concentrated State power on the other is a renewal of vitality - physical, intellectual, and spiritual - in Western civilisation itself. For both money and State are essentially abstractions, deriving power from the passivity of the real. Their sterilizing influence can, therefore, be countered only by a regeneration of the real."

-Jorian Jenks, British writer on rural life.

INFLATION GALLOP TOWARDS THE TOTALITARIAN STATE: "...the traditional casualty of hyper-inflation is democracy. No democratically elected government which has allowed inflation of 20 per cent a year or more has long remained in office."

- Bryan Boswell from London in The Australian, January 24th.

Rapidly increasing inflation throughout the non-Communist world now casts its lengthening shadows over what little remains of the free society. We have predicted over the years that any finance-economic system based upon the acceleration of financial debt must be progressively undermined by inflation. This prediction has been based, not upon some special form of crystal-ball gazing, but upon the simple realities of arithmetic. If all the community's money supply comes into existence as a debt, and that debt carries increasing interest charges, then it is elementary that a major portion of rates and taxes must be used merely to service the debt. And if increased wages are financed by still greater expansions of debt, then this must automatically increase costs and intensify inflation. Keynesian - Socialist financial policies have, as predicted by Marxist theoreticians like the late John Strachey, produced an insidious inflation which already has eaten away much of the foundations of the free enterprise system and responsible representative Government. There is much worse to come, as Australians along with other peoples are going to discover during 1974.

If it were not so deadly serious, it would be highly hilarious to record with appropriate comment what the "experts" have had to say. The greater the disasters which flow from their conflicting advice, the more dogmatic become the economists. The end result of present policies must be social disintegration and revolution leading to open totalitarianism. Consider the plight of the United Kingdom: Before the last British elections, Mr. Edward Heath airily promised that he would, if elected, bring inflation under control in a very short time. The overall result was massive unemployment and still more inflation. In desperation, on November 6th of 1972, the Heath Government froze prices, rents, dividends and wages.

The fact that this policy had failed in the United States apparently did not matter. Twelve months later the giddy inflation spiral continued, stimulated by the treacherous Common Market policy, with the inevitable result that wage-earners decided that they must have substantial wage increases to offset the inflation. The situation is ideal for the Communists in the coalmining industry, who are urging the coalminers to bring British industry to a complete halt unless pay increases are granted. The suggestion that members of the British Army will be invited to support striking coalminers, if the British Government attempts to use troops to produce and shift coal, is chilling evidence that the most stable social structure in Western Europe may be heading for civil war.

One of the dogmas of the "experts" is that increased production is the answer to inflation. Presumably it does not matter what form the production takes, so long as it is at an ever-feverish rate. The energetic Germans and the Japanese have followed this policy faithfully. Inflation in Germany is running at over 10 per cent and still increasing, while the Japanese rate for 1973 was an astronomical 30 per cent. Wage-earners are becoming increasingly militant and demanding higher wages. Communist influence is expanding. The Tanaka Government desperately imposes more controls, while Prime Minister Tanaka laments that "There is nothing in the text books which tells us how to handle inflation like that." Mr. Tanaka might consider throwing away the text-books!

In Australia the "experts" convinced the Liberal-Country Party politicians that the only way to curb inflation was a classical "credit squeeze" with higher taxation and higher interest rates. We predicted the inevitable result: Large-scale unemployment, economic dislocation - but inflation continued. The policy was dramatically reversed in a desperate attempt to win the 1972 Federal Elections. But it was too late. The Whitlam Government took over the highly expansionary programme set in motion by Mr. Snedden. And it was encouraged by the "experts" of the Melbourne University of Applied Economic Research who argued that unless a further stimulus was given to the economy, unemployment would rise during 1973. But what did increase was, of course, inflation. It is now running at an average rate of 14 per cent per annum.

However, Australians are urged by the Acting Treasurer, Mr. Hayden, who likes to consider himself something of an authority on finance-economics, and sees himself as Mr. Frank Crean's successor, to be "patient." Ritualistically intoning that "The Government's policies can and will work", Mr. Hayden then urged employers and employees to "moderate their demands." Mr. Hayden said that Labor refused "to resort to the damaging recipe always used by the Liberals in the past." Mr. Hayden promises that Labor's "gentler" measures may take longer to be effective, but they will do much less damage.

Commonwealth Treasurer Mr. Frank Crean has returned from his recent overseas meetings with international "experts" to predict with confidence that the inflation rate will slow during the next quarter. He declined to be specific, but did admit that discussions with International Monetary Fund officials and international bankers had not shed any light on the inflation problem. "New measures to combat inflation will not be easy to take", he said. But Dr. Jim Cairns, who not only poses as an expert on international affairs, also claims to be an economist. The press of January 29th. quotes him as predicting that the Government would take "far-reaching measures in the next few months to fight inflation." These measures would be a cut in interest and income tax rates, combined with tougher taxes on capital gains. But Dr. Cairns attempts to shift the burden of responsibility for inflation by the ridiculous statement that "inflation originated overseas but had spread through the Australian economy." The basic cause of in-

flation is the financial policy pursued by Dr. Cairns and his colleagues. Internal costs could be dramatically reduced inside Australia, placing Australia in a most advantageous position in the field of necessary international trade.

Mr. Crean predictably states that present tax schedules cannot be altered before the Budget. He knows that increasing wages to meet inflation automatically increases the Commonwealth tax revenues which it can then use to intensify its centralist policies. It can go on loaning tax revenue to the PMG, for example, at 7 per cent interest, a policy which Mr. Crean criticised while in the Opposition. The truth is that Mr. Crean, the current public relations officer for the real policy makers, does not really believe that there will be any serious decline in the inflation rate. "Even if it doesn't decline" he said, (vide The Age, Melbourne, January 29th.) it doesn't mean the end of the economy as so many Jeremiah's have predicted. Countries have lived with 600 per cent inflation." Well, that is clear enough. An inflation rate of less than 600 per cent after the First World War in Germany destroyed the middle class and ended with Adolf Hitler and National Socialism. No free society can survive for long an inflation rate of 25 per cent, still less 600 per cent.

And what do the "Opposition" spokesmen at Canberra have to say to all this? Call another conference "to draw up an urgent plan to halt inflation." While the Opposition plays party politics with the inflation issue, offering no clear-cut genuine alternative policies to those being imposed by the Government, it is just as guilty for the coming disasters of 1974. It is no use running harder when already on the wrong road. Australians must force a change of direction.

BASIC FUND STILL ADVANCING.

Since our issue of January 19th, 37 supporters have contributed a further \$1,541 to the League of Rights' 1973-4 Basic Fund, taking the total to \$20,361.40. A flood of smaller contributions from the great majority would finalise this project. Preparations for the historic Senate Elections and other campaigns are going forward. Ensure that adequate funds are there to carry them through. Queensland and Northern NSW contributions to Box 64 Maleny, all others to Box 1052J, G.P.O. Melbourne.

BRIEF OBSERVATIONS: The National Bank is opening a Hong Kong office to serve Australian companies trading with Red China. The Bank's General Manager, Mr. T. B. C. Bell, who was a member of the Dr. Cairns trade mission to China, says that Hong Kong was important to Australia as a trade link with Red China.

An American report states that Dr. Carrol Quigley, the famous liberal historian has attempted to deny the significance of his revelations in Tragedy and Hope concerning the nexus between International Finance and World Revolution. When these revelations started to be publicised in The Naked Capitalist and None Dare Call It Conspiracy, Quigley's book suddenly became "out of print", although it is known that the publishers still hold large stocks. It is now rumoured that a paper-back edition is to be issued with all the revelations deleted. It will then be charged that the extracts being used have been forged.

Many have asked us what has happened to the taped TV programmes made by Mr. Enock Powell when in Australia recently. Australian TV stations are not keen to have the programmes shown. Can it be that Mr. Powell would make too much of a favourable impression upon Australians in his debate with Mr. A. Al Grassby and his discussions with Claudia Wright, Bobbie Sykes and Mr. Don Chipp?

TYING THE ECONOMIC LINKS WITH THE COMMUNIST BLOC: "The Australian Government is drawing up plans for an overseas trading corporation to find new outlets for exports. The corporation would aim at diversifying Australian trade by placing a new emphasis on selling in, and buying from, developing countries and nations in the Socialist bloc."

- Mike Steketee in The Australian, December 24th.

Dr. Jim Cairns is the driving force behind the strategy of developing economic links to tie Australia to the Communist bloc of nations. As Australia becomes increasingly linked with Communist nations, permitting numbers of Communist agents to visit Australia disguised as trade officials, so will it become more vulnerable to Communist political pressures.

Officials of the Department of Trade are quoted as having expressed the view that Eastern European Communist countries were not keen on dealing with private Australian firms. If Dr. Cairns establishes his proposed corporation, no doubt it will also be provided with adequate credit facilities to finance Australian exports to the Communist Empire. This is the type of policy being followed by Dr. Henry Kissinger in his dealings with the Communists of both Moscow and Peking.

BILL OF "RIGHTS" UNDER INCREASING ATTACK: "...the whole deal is a waste of time. The guarantees in the Weimar Republic Constitution did not head off preparations for Hitler's Nazism. The New Constitution of the USSR proclaims basic rights-freedom of conscience, speech, press, and the inviolability of the person and the home, etc. Tell that one to the dissident writer Alexander Solzhenitsyn".

-N. H. Lane, Professor of Law, University of Sydney, in The Herald Melbourne
January 28th.

Thanks to the criticism of Christian Church spokesmen and men of standing of Sir Reginald Shell, former justice of the Victorian Supreme Court, and Professor Lane, increasing numbers of Australians are becoming aware of the real significance of Senator Murphy's proposed "Bill of Rights". The Human Rights Bill is presented as one necessary to implement the United Nations International Covenant on Civil and Political Rights. Relying upon its external affairs powers, the Bill is an Act of the Commonwealth Parliament to force far-reaching changes upon the Australian people without any direct reference to the people at a referendum. As the Bill would displace all existing State laws not consistent with it, it is but yet another subversive attack upon the Federal Constitution. Once again the Queensland Premier, Mr. J. Bjelke-Petersen has demonstrated his statesmanship by initiating moves to have the NSW and Victorian Governments unite with Queensland to resist Senator Murphy, taking the fight to the High Court is necessary.

In introducing his Bill of Rights, Senator Murphy claimed that 108 of the 147 "independent" nations of the world had Bills of Rights. It would be instructive to learn from the Commonwealth Attorney-General which of these 108 nations have any more freedom than is enjoyed by Australians.

"ON TARGET" is published by the Australian League of Rights, Box 1052J, G.P.O. MELBOURNE.

Subscription Rate: \$4.00 per annum

W. & J. Barr, (Printers) Pty. Ltd.,