



ON TARGET

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The price of Freedom is eternal vigilance—

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Thought for the Week: "A world of facts lies outside and beyond the world of words."
- T. H. Huxley.

THE PREMIERS' CONFERENCE: "The Australian Government merrily bases its State grants calculations on the assumption that average weekly earnings will rise 22% in the year to March 31, 1976.

- The Age (Melbourne) June 21st.

The Australian (June 20th) had this to say: - "If the States still complain then there is one clear option open to them - to increase their own taxes and charges."

The Premiers' Conference, just completed, shows clearly that both the Commonwealth and the States are planning for continuing inflation. As in the 74/75 Budget, this has been put beyond doubt by the formula adopted. It was also made abundantly clear that Canberra is determined to have your railways and health services - for a start, that is. Against this background, Mr. Whitlam's concern about inflation, and Mr. Hayden's concern for the plight of private enterprise can be seen for what they are - camouflage. Apart from a few minor reductions in expenditure (like discontinuing subsidies to air services in the outback, where votes are very thin on the ground) not much was said about the necessity for stemming the dollar haemorrhage. After all, the Commonwealth is not likely to run dry, and as for the States - well, they do at least have that "one clear option". And the beauty of it is that when they exercise it none of the odium adheres to the boys in Canberra. And as the States are no sluggards themselves when it comes to spending, use it they doubtless will.

Predictably, the net result of the conference will be further increases in inflation and taxation, which, in Marx's expressive phraseology will, "like the upper and nether millstone", grind the middle class out of existence.

WHO'S FOR SIMONSTOWN?: "Announcing the end of the Simonstown agreement, the South African Minister of Defence, Mr. Botha, said he was glad to be rid of the ingrate guests."

- Sydney Morning Herald (June 21st)

With the opening of the Suez Canal the sea route around the Cape of Good Hope has never been of greater importance to the defence of the free world than it is today. Yet the ending of the Simonstown agreement with Britain was received in South Africa with little concern. This apparently surprising reaction reflects the declining importance of Britain in the defence of the West. A South African parliamentary observer is quoted as commenting - "What difference will it make to the safety of the Cape route? Britain used to rule the waves. But she has lost the will to rule anything. She cannot rule her

own little island properly, let alone the oceans of the world." Meanwhile, it appears, the U.S. and French navies are showing increased interest in the Cape route, and in the Simonstown naval facilities. It also appears probable that the Shah of Iran is not blind to the importance of the Cape in the defence of the Indian Ocean.

Could the moral be that whatever one-man-one-vote may lead a nation to, it is not greatness?

THE "ENTERTAINMENT" CESSPOOL: "Australia's top-ranking film, 'The Adventures of Barry McKenzie', has been banned from Australian television". - The Age (Melbourne) June 21st.

Mr. Philip Adams, one of our best known professional scoffers, who produced the film with the aid of a quarter million dollar grant from the Commonwealth Film Corporation, was not pleased. Censorship for Mr. Adams is a sure index to a backward society. And, he whines, if full frontal nudity is alright for us on the Box, then what's wrong with Bazza? We, too, are in the dark as to the censor's motive in banning Bazza.

Perhaps he was just revolted by the whole intent rather than any particular content. In any event, Mr. Adams must have been a bit bucked with the \$150,000 grant announced on the same day by the Commonwealth Film Corporation to make yet another film for us all.

He must also have been cheered by the report of the 2,350 people who watched "Sweet Movie" last week as part of the Melbourne Film Festival. This film is described by a film critic, Andrew McKay, as "set in a commune whose members are seeking liberation from their overcoats of conventional behaviour through an orgy of eating, drinking, defalcation, and sensual contact". Only 20 customers walked out.

The Director, Dusan Makavejev, is a Yugoslav who can neither make nor exhibit his films in Yugoslavia. President Tito doesn't think his work good for Yugoslavs. So Makavejev makes them in France and Canada, and shows them only in non-Communist countries - maybe on grants from their film corporations.

TAPE OF NATIONAL DIRECTOR'S ADDRESS AVAILABLE.

Mr. Eric Butler's address - "The Traitors of Western Civilisation" - has been taped and is now available to League supporters. This tape can be played at private house meetings, followed by discussion and literature sales: the overall procedure is most successful in interesting new contacts in League work. The tape cassette is \$4.00, post free, from "The Tape Librarian", c/o P.O. Box 331, DALBY. Qld. 4405.

PIFFLE FROM THE PULPIT: "If you don't want galloping inflation... you have to pay taxes."

- Mr. Harold Knight, Deputy Governor, Reserve Bank of Australia, in The Australian June 19th.

Mr. Knight is no doubt a very nice man who gave a secular address in St. Andrews Cathedral, Sydney, recently. It may not have yet dawned on the Deputy Governor of the Reserve Bank of Australia that Australians are one of the most highly taxed peoples in the world, yet, their rate of inflation is one of the highest in the Western world, and will soon take off into hyper-inflation.

Mr. Knight is still thinking back in the John Maynard Keynes days, along with many bankers and economists of his vintage. These were the days of "too much money chasing too few goods": an "inexorable economic law", to be ignored at our peril.

But John Maynard Keynes has wrecked his ~~havo~~ in the Western world, and is now "old hat". Keynesian economics has failed, and is a king-size flop! Many "new" economists have said so. One is Professor A.A. Walters, Cassell Professor of Economics at the London School of Economics. There is not "too much money chasing too few goods" at all: this is utter bilge! The hire-purchase debt, alone, will give the lie to that nonsense. Every man, woman and child in Australia owes the hire-purchase companies in the vicinity of four hundred dollars and the debt increases year by year. Many large enterprises have gone bust (Mainline, Cambridge Credit) and some fifteen hundred small manufacturing plants have closed in the past year, and as many again or even more could close in the next twelve months. Why? Money troubles! (They had too much money, Mr. Knight!)

Nevertheless, the Treasury hacks, now with Mr. Bill Hayden as their willing spokesman, will be advocating higher taxation in the next Federal Budget - "Hayden's Hope". That's all he will have - hope. It will flop, and be responsible for even greater unemployment than obtains at the present time.

THE INFLATION-UNEMPLOYMENT SEE-SAW: "After nearly two years of tottering on the edge of economic disaster, Italy has suddenly begun to stage a remarkable financial recovery."

- The Vancouver Province (Canada) May 22nd.

When we read the headlines in the Canadian newspaper: - "Italy Whipping Inflation, Averting Disaster" we thought out aloud: "at what price?!" The article mentions that Italy had an enormous balance of payments deficit last year, and utter doom lay ahead for the Italian economy. But now the country (Italy) is working towards a modest surplus.

Inflation in Italy last year was around 30% (for which Australia is headed next year), now it has been brought "down" to 20%, a great success, and it may yet come down a little further. The economists in Italy are jubilant. Now, that's fine, but where's the rub?

An awkward little factor like unemployment will thrust itself forward when not wanted. The article comments: - "But the price which the Italians have been forced to pay is rising unemployment, which may reach 10% or more. Strikes have become rampant and there is a danger that escalating wage awards will begin to fuel inflation once again."

The United States has a lower rate of inflation than does Australia; no-one seems to be sure just what it is, but again, the unemployment rate in the U.S.A. is some 9%: double the present Australian figures.

So we have an economic situation where the Inflation-Unemployment see-saw obtains. Unemployment up, inflation down a little: but not that much. Why? Stagflation!

We are on the brink of stagflation in Australia: the United Kingdom is right in it now. Stagflation is an economic climate wherein a rising inflation is accompanied by unemployment. Twenty years ago a deflationary monetary policy by any Western government would have brought inflation tumbling down and unemployment escalating sharply. This did actually happen in Australia in 1952: the cause was the Menzies-Fadden "horror" Budget. Remember?

But in 1975 the finance-economic climate is different to what it was in 1952, and inflation can not now be brought tumbling down by deflationary monetary policies as previously was the case. Yes, there is the unemployment right enough, as stated above; but that inflation still lingers, and will not come down as it "should". Mr. Hayden will have first hand experience of this if the Whitlam Government lasts its full term.

BRIEF COMMENTS: For some time there has been despondency among Public Service heads at the steadily diminishing number of countries worthy of an Australian Ambassador. Not any more. With the appointment of our first Ambassador to U.N.E.S.C.O., the log-jam is over. Now that we've rid ourselves of the rather childish convention (seen in retrospect) that ambassadors should be accredited only to countries, the future really broadens out for a government fuelled by patronage. Anyone for Disneyland?

There is much more to the Whitlam Government's plans to take over the State railways systems than meets the eye. A basic feature of the Socialist strategy is to impose centralised control of communications and transport. It is as certain as the sunrise that Canberra cannot run the railways any more efficiently than the States. Consider Canberra's bus service, which now under complete Commonwealth control has lost millions of dollars! Or the P.M.G. Mr. Whitlam is not concerned with relieving the States of their financial burdens, but with obtaining control of railways transport as a means of controlling the whole Australian economy.

Comparatively little publicity has been given to statements by Mr. Charles Perkins, senior official of the Department of Aboriginal Affairs: currently on a year's leave of absence, concerning the financing of his recent international trip, during which he denigrated Australia.

On his return to Canberra Mr. Perkins said that the international trip had not cost the Federal Government "one penny", but had been "mostly financed by the Israeli Government and the Melbourne Jewish community." This statement was made on May 27th, (vide The Courier Mail, Brisbane, May 28th.) Recent revelations concerning the relations between the Soviet K.G.B. agents and the Israeli Government provide further confirmation of the facts provided by Mr. Eric Butler in his Censored History. Soviet strategy is not directed towards destroying the Zionist State of Israel, so often contended by superficial observers of the Middle East situation.

Mr. Harold Wilson ('the Artful Dodger) Prime Minister of Britain, has lectured Britons on the state of their economy. He said: "There can be no appeal against the immutable laws which have ruled ever since man became a social animal". He mentioned that Britons cannot take a quart out of the pint pot: all very plausible stuff, of course, from the Dodger!

But Britons, like most other people in the Western world have been raising production from the dawn of the Industrial Revolution and pouring hundreds of gallons into the quart pot which have been soaked up by wars, planned obsolescence, space programmes, etc. And in spite of this they have been, and are being rewarded by higher taxation, mad inflation, erosion of their freedoms. Are these the result of the "immutable laws" of economics? What Harold Wilson thinks he is talking about is "productivity", which is supposed to reduce inflation: the "immutable laws" are not working.

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