



ON TARGET

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- BACKGROUND INFORMATION
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The price of Freedom is eternal vigilance—

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Thought for the Week: "What we see is always the same...adults deferring to the opinion of their children; the younger generation carried away by shallow, worthless ideas; professors scared of being unfashionable; journalists refusing to take responsibility for the words they squander so profusely; feeble societies whose defensive reactions have become paralysed - and spiritual confusion leading to political upheaval." - Alexander Solzhenitsyn in BBC radio talk, March 24th.

WHAT WILL PRIME MINISTER FRASER LEARN IN PEKING?: Premier Bjelke-Petersen of Queensland suggested last week that Mr. Malcolm Fraser would be better advised to visit Queensland than to visit Peking. We endorse the Premier's sentiments. But as Mr. Fraser made clear in a Sydney address last week, he sees his proposed visit to Peking, tentatively scheduled for June, as of great importance. Those who heard him speak must have been somewhat astonished to hear the Prime Minister support the diplomatic initiative of Mr. Gough Whitlam in establishing closer links between Canberra and Peking.

The Fraser trip to Peking is a logical extension of the Prime Minister's own limited understanding of International Marxism, and that of Foreign Minister Peacock as outlined in a statement issued by the Coalition parties before the last Federal Elections. Under the heading, "Key Policy Areas", the Coalition policy said that "The Liberal and National Country parties believe the appropriate attitude towards China in the mid-seventies is neither one dictated by ideological propositions nor one of ideological identification and sympathy. What is appropriate is a realistic willingness to respond to China's actions in terms of their merits and relevance to Australia's interest".

The above is a carbon copy of the type of statements issued by Western "experts" concerning the Soviet Union for over half a century. Irrespective of what Mr. Fraser and Mr. Peacock believe, all actions by the Marxists of Peking are designed to advance the Marxist cause internationally. They have no other "merits". It is true that Peking is in fierce competition with Moscow, and that Peking seeks Western support to counterbalance the Soviet. The Peking Marxists will therefore be able to "con" Mr. Fraser and Mr. Anthony into really believing they are staunch anti-Communists by increasing Australian exports to the Chinese Communists. Mr. Nelson Rockefeller will assist them to accept this approach, as he and his banking brother David have been advocating it for over twenty years. In the meantime there is a power struggle taking place in China, and it is possible that overnight the pro-Soviet Marxists in Peking could become the dominant faction. Those who know their Marxist history will recall how, in spite of all the American aid given to Marxist Tito of Yugoslavia - to keep him "independent" - when it appeared that the whole Communist Empire might crumble at the time of the Hungarian uprising in 1956, Tito bluntly said that if necessary he would have to fight on the side of the Soviet Union.

In the Coalition policy statement the remarkable and self-contradictory view is expressed that while Peking "continues to support and encourage insurgency movements, there are indications that China is currently concerned with maintaining stability in the Asian region and that to this end it welcomes a continuing American presence as a balancing factor." Peking is as much dedicated to supporting movements of "national liberation" as is Moscow. The ~~Thais~~ and the Malaysians are painfully conscious of this truth at present.

Mr. Fraser's limited understanding is expressed in a recent interview with the American journal "Newsweek". He is quoted as saying that "...how much of the Chinese actions in the present are motivated by Communist ideology and how much are motivated by a historical desire to secure the borders of China against foreign incursion of all kinds we don't know." This, again, is a carbon copy of an old thesis concerning the Soviet Union. We recall the days when it was argued that the Soviet was only in Eastern Europe because it was primarily concerned with securing its borders against feared aggression. And that Soviet expansion had little to do with Communism, but was a reflection of the old Czarist policy of seeking warm-water ports.

The truth is that Communist China is run by Marxist criminals just as evil as their fellow Marxists in Moscow. If Mr. Fraser wants to know what is happening in Communist China, we suggest that he visit Taiwan and talk to some real experts on the subject.

WHEN IS A SQUEEZE NOT A SQUEEZE?: "Canberra - There would be no credit squeeze in the coming months, the Treasurer, Mr. Lynch, said yesterday. He said he wanted to strongly rebut the alarmist cries of 'credit squeeze' which had been coming from some quarters. Mr. Lynch stressed that sufficient credit was available for prospective business requirements, including working capital". -
- Michelle Grattan in "The Age", Melbourne, March 26th.

Perhaps the kindest thing we can say about Treasurer Lynch is that he has no understanding even of the most elementary features of the modern finance-economic system. As revealed by official figures, the rate of credit creation has been drastically curtailed by the Lynch-Treasury policy. The argument is that there is "too much money". Queensland consulting economist Herbert has exposed this type of nonsense, and Premier Bjelke-Petersen has endorsed what Mr. Herbert has said. The truth is that after three months of optimistic headlines, the overall finance-economic situation remains as it was under the Whitlam Government. According to the latest government figures for retail and housing finance in the first months of 1976, adjusted for the effects of inflation, sales have actually fallen. The production system is producing abundance, or could easily do so if consumers had effective purchasing power. Application of the basic principles of the "Petersen Plan", drastically reduced Sales Tax and consumer discounts, would change the situation overnight.

But this approach has been ignored in favour of an attempt to re-stimulate consumer demand through capital expansion. We predicted that this policy must fail. Our prediction now is confirmed by a survey of business investment plans in the first half of 1976, published last week by the Bureau of Census and Statistics. The survey reveals that in spite of the 40 per cent. depreciation allowance, new investment spending is expected to rise only 1 per cent. compared with the second half of 1975. With little capital expansion, there is, of course, less need for new credit. However, the end result is going to be a progressive disintegration of the Australian economy.

The dilemma facing Australia has been put clearly by Mr. Gordon Bruns, chief economist for the A.N.Z. Banking Group. He is quoted in "The Age", Melbourne, of March 30th, as saying that "The capitalist system in Australia was having its last chance." Mr. Bruns warns against credit squeezes and observes that the Government had to try to cure inflation at the same time as unemployment. "And we won't beat unemployment until the private sector recovers and provides more jobs". But the private sector cannot do this until there is much greater consumer demand. A new ray of light, adding to that being shone by Premier Petersen, H. W. Herbert and others has appeared: Mr. R. G. Fry national director of the Metal Trades Industry Association, said on March 8th, that Australia needed a policy under which wage levels and tax rates were related. He suggested that the Government could "trade off" wage increases against tax reductions, family allowances, food subsidies and similar concessions. This report appears to have been published only in "The Sydney Morning Herald". of March 9th.

ANALYSING THE LEAGUE OF RIGHTS: One reader of a front-page article on The Australian League of Rights, by Graham Williams, in "The Sydney Morning Herald" of March 23rd, writes to ask why most articles on The League of Rights be written in a slightly sneering type of manner, even in an article which was reasonably factual. The short answer is that the subject of the League of Rights acts on many academics and journalists in the same way that bell-ringing acted upon Pavlov's dogs; there is a type of involuntary **nervous** reaction. Even some who may privately be sympathetic to the League, feel that their professional careers could be in jeopardy if they do not make the appropriate critical noises. However, we have read much worse than the comment that the League "waves the flag of our great British heritage with the fervour of the last survivor of an empire that has long since crumbled".

Mr. Williams leaves no doubt that he is determined not to be thought sympathetic in any way to the conspiratorial view of history, but his extracts from Mr. Eric Butler's "Censored History" are at least factual and not taken out of context. They conclude with Mr. Butler's observation that "Practical Christianity is the complete answer to the exponents of centralised power; whoever they may be". It is not without significance that during the ~~eighteen~~ months since it was first published, no error of fact has been detected in this work.

We note with interest that Mr. Keith Richmond, tutor in politics at the university of New England is quoted by Graham Williams as having told a political science conference last year that "The League can be far more than a pressure group - it can be a viable political force if the supporters in an area wish it to be. Like the National Civic Council, it is a small, ideologically motivated group thirsting after power, but rejecting institutionalised means of attaining it. Both the League and the N C C should be seen as potentially dangerous groups if democracy is to be maintained".

When Mr. Richmond approached the League seeking co-operation for an in-depth study of the League in order to write a thesis for his Ph.D., approval was given by the National Director, Mr. Eric Butler, after consultation with the State Director for Queensland and Northern N.S.W. at the time, Mr. Jeremy Lee. Mr. Richmond was able to meet large numbers of League supporters, not only at League functions, but also in their homes, where he was accorded private hospitality. He was permitted to attend a "New Times" Annual Dinner, an event reserved exclusively for hard core supporters and their families. Asked what he thought of Mr. Richmond's thesis, after reading it in parts, Mr. Eric Butler said that "it was about what one might expect from a young man attempting to gain acceptance in the current climate of opinion in academic circles - particularly those who like to believe they are dealing with some science when they talk about politics. I feel sorry for any young person attempting to have himself

accepted in current academic circles by presenting an objective assessment of the League of Rights. There also is the problem of whether they really understand what the League is about, irrespective of how long they study it".

There is, however, no excuse for Mr. Richmond's suggestion that the League of Rights is a threat to democracy. Much abler men than Mr. Richmond, including the famous British constitutional authority, Professor Keeton, have observed that there is very little genuine democracy left today to be maintained. If, to quote the great Sir Francis Bacon, there is to be a "just relationship between the mind and things", terms like democracy must be used precisely to reflect reality. Democracy only exists where the individual has effective control over an institution. This requires the maximum decentralisation of power. Not even Mr. Richmond could quote any suggestion by the League that it proposes to seize power. But perhaps this is but another example of that sloppiness of thinking so prevalent amongst present-day self-styled academics. It reminds us of Lewis Carroll's Humpty Dumpty in "Through the Looking Glass", who said that "Words mean just what I want them to mean, no more and no less".

While on the subject of analysing the League, it is appropriate to recall that several years back Mr. Butler was approached by a Sydney journalist with a view to doing a study of the League for a well-known publishing house. Later it was decided that the book should be a biography of Mr. Butler. Every co-operation was extended, including hours of tape recording at Mr. Butler's own home. The book never eventuated. Mr. Butler has never bothered to try to find out why. Perhaps one journalist presented too favourable a picture? Since then a reasonably well-known academic teaching political "science", has approached the League, suggesting that past examinations have been unfair and inadequate, that time had arrived for a really objective examination. But the League has decided that it cannot waste any more time on such studies. It is far too busy expanding its programme and is prepared to be judged on results.

BASIC FUND URGENT: We again ask all supporters who have not yet contributed to the 1975-76 Basic Fund to heed our message of last week. The course of history is often changed because there is a failure to grasp an opportunity for decisive action at a certain moment. Since our last progress report, 53 supporters have contributed \$1,881.00, bringing the total to \$34,627.80. This leaves a balance of just over \$5,000.

500 supporters with an average contribution of \$10 can solve our problem.

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