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The price of Freedom is eternal vigilance—

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Thought for the Week: "It has been said, notably by T.S. Eliot, that no culture has appeared or developed except together with a religion. The same applies to societal values. But one could go further and say that all societal values that have developed in the European Western World, and carried from there to their present homes, are rooted in the Christian religion. It is becoming more and more easy to forget, in the secularisation of life, that they are all set out in the Commandments of that religion. I would repeat that those values are the moral beliefs, standards and rules that a society considers to be necessary for its conservation. They add up to a consensus, that is a general conviction, of what is needed for stability and security. The society that owes its life to them is, in its observance of them, a conservative society."

- Dr. Walter Henderson, in Conservatism and Society.

MR. FRASER'S WAGE-PRICE FREEZE: "The Federal Government stepped up its campaign to win general support of its wage-price freeze by offering the unions a say in the price-monitoring mechanism".

The Australian, April 18th.

We don't wish to waste much space with this wage-price freeze gimmick - for that is all it is. Our first comment is that it won't work. This bald, aggressive statement of ours is based on hard experience, and on our knowledge of the esoteric mysteries of modern finance-economics. Wage-price freezes have been imposed in recent years both in Canada and the United States. The ninety day "freeze" in the U.S.A. in recent times merely resulted, as we could have told the instigators well in advance, in a wage and price explosion. Exactly the same will result in Australia if the "freeze" is implemented; which at the time of writing these lines is uncertain.

We think that Mr. Laurie Oakes, of The Sun (Melbourne) could be quite close to the mark when he suggests that the "freeze" was in fact the idea of Mr. Fraser. The idea may not have even been that of Mr. Fraser, but of another person, or persons, who put the idea into Mr. Fraser's head. Mr. Hamer may have been just the "front man" to float the idea.

The idea is politically clever, but it could rebound on Mr. Fraser and his allies and colleagues. Mr. Fraser does have part of the Australian Labor Movement, perhaps most of it, over a barrel because, for example the Labor Premiers, and the Union movement can't afford, politically, to be seen against a PLAN which could halt inflation. Even the cagy Gough Whitlam said the correct words: viz. he doesn't think the Plan will work, but it should be given a go. So he has his bets on - each way.

What is behind it all? Well, first of all, of course, abysmal ignorance on the part of those politicians and economists who think that the "freeze" could possibly be successful. Secondly, Mr. Fraser and his colleagues have scored a nice little political victory over the opposition: but what's that worth? In these days of highly volatile electorates, not much. Is there anything else behind it? Yes, we think so.

Mr. Malcolm Fraser and his colleagues are desperately playing for TIME. They want time, in which, they think, their economic strategy will be successful; or at least successful enough to get them back into power by the time the next Federal election has to be faced. And if Mr. Fraser can get his Referendum proposals through, particularly the Simultaneous Elections proposal: then he will have even more time up his sleeve. But there's more! Let us not forget that there is the small matter of the March quarter C.P.I. figures coming up soon: and they won't be coming up roses for Messrs. Fraser and Lynch. Some of the back-wash from Mr. Lynch's devaluation of last November will be pushed into those figures. The Treasury (Mr. Lynch front spokesman) didn't want the devaluation: Mr. Fraser and the N.C.P. did. Also, there will be the C.P.I. figures for the June quarter this year. They would be held off for a time.

So if the "freeze" is "on"; then the inevitable explosion will be charged by the March and June C.P.I. figures, along with the normal inflationary pressures which are spun off by the workings of our finance-economic system. If one thinks of a saucepan of water over a strong flame, with a brick holding down the lid, one can gain a ready understanding of what the proposed wage-price "freeze" will mean. It would be funny, if it weren't so depressing.

MR. JEREMY LEE, DEPUTY NATIONAL DIRECTOR OF THE AUSTRALIAN LEAGUE OF RIGHTS REPORTS AT THE CONCLUSION OF HIS NEW ZEALAND TOUR:

The same astonishing incongruities apparent in Australian economic policies under the Fraser Government can also be seen in New Zealand. The most recent Muldoon budget showed the usual tax increases now a commonplace in Western economies. Income tax increased by \$247 million; Customs by \$25 million; Sales tax by \$5 million (modest by Australian standards), Petrol taxes by \$20 million. Taxes have increased during the last year by over \$100 for every man, woman and child in New Zealand.

or \$400 for a family of four. The Muldoon Government, like the Fraser Government, claims that wages must be contained to halt inflation, even while it was implementing these tax increases. Total taxation in New Zealand now takes \$725 per head of population - or \$2,900 for a family of four. This is modest by Australian standards, but per capita income in New Zealand is also lower, so the impact is just as savage on New Zealand families.

However, the big increases in taxation have also coincided with a stringent squeeze on government expenditure - chiefly due to the fact that the Deficit is being reduced by \$400 million dollars. However, if western politicians would get down with paper and pencil, they would discover that attempting to eliminate the public accumulated deficits of their economies would take more than all government revenue combined. So National Debts go on for ever, if current rules are not changed.

The Muldoon Government issued a Press Statement on February 8th announcing that a loan of 75 million Dutch florins (\$31 million N.Z.) was being arranged for New Zealand by a consortium of Netherlands Banks headed by the Amsterdam-Rotterdam Bank. Mr. Muldoon said that the interest rate of 8 per cent was very favourable by current standards.

No attempt was made to explain the absurdity of reducing the Government's deficit to its own Reserve Bank, while at the same time increasing its overseas deficit.

Perhaps it is explained in a further Muldoon Press statement announcing the retirement of the Governor of the New Zealand Reserve Bank, Mr. A.R. Low, and the appointment of his successor Mr. R.W.R. White. Mr. Low was working for most of his career with the notorious Dr. William Sutch, who shaped New Zealand's economic policies for many years while working closely with Soviet officials in New Zealand.

Both the new Governor and his Deputy Mr. Wilkes were seconded to the Bank of England for a year in 1953-54 - the same Bank of England which has pawned England to the International Monetary Fund.

During the last few days, which have included good meetings in Wellington and Dunedin, the most constant question I have been asked is about the recent craven statement of Australian Prime Minister Malcolm Fraser on the question of sport with South Africa. It is not pleasant to be forced into the situation of admitting that Mr. Fraser has not just been a disappointment, but an utter disaster. When asked by one elderly gentleman in Wellington whether the change from a Labor Government in Australia to a non-Labor one had in fact effected any change in direction, I racked my brains to think of some improvement the Fraser Government had introduced. All I could think of was that the Fraser Government had changed the Whitlam decision on the Captive Nations imprisoned by Soviet communist imperialism. But I had to concede that the Coalition Government in Australia had given financial assistance to the Marxist governments of Mozambique and Vietnam; I had to admit that it was discriminating against Rhodesia and South Africa to the advantage of the communist build-up in

Africa, that it had done nothing to reverse the progressive taxes, high inflation policies taking Australia to industrial anarchy; that it was trying to force through constitutional changes which it had strongly opposed when in opposition; that Australians were just beginning to grasp that a change of political parties did not necessarily mean a change of political direction, that we had moved from the frying-pan into the fire. However, more than one New Zealander has expressed the belief that the same situation prevails since the Muldoon Government gained office at the same time when Australia was saddled with Fraser. The fact that New Zealand, with less than a quarter of Australia's population, is so much more decentralised, has ensured that political reaction is less volatile than in Australia. However, there is a feeling that things are very wrong. Australian Deputy Prime Minister Doug Anthony, in what can only be described as a brash and vulgar speech to Auckland Chamber of Commerce upbraided New Zealand for its trading policies with Australia. The fact that trade between the two countries shows that Australia is exporting twice as much to New Zealand as vice versa only gained from Mr. Anthony's plea for an even greater imbalance. The New Zealand Herald (April 6th) came out with a telling cartoon showing Mr. Anthony in Aboriginal garb, trading Kangaroo meat for sweet potatoes from a New Zealand Trade Minister in Maori dress. But it was realistic economics in reverse, with Anthony wanting to increase his exports for even less imports of sweet potatoes.

I have suggested to New Zealanders that Mr. Anthony was one of those leaders hypnotised by modern economics, and that if he could double, treble, or even quadruple the amount of production Australia was sending to New Zealand, while eliminating reciprocal trade, he would be delighted. But in real terms New Zealand was getting the best of the bargain, with more real wealth flowing into that country than out of it. But the same decay can be seen in New Zealand - and the same diseased media bias, the same heavy concentration of Marxist thinking in schools and universities, the same frightening growth in the sizes of bureaucracies and the same economic discrimination against small businesses, home ownership, and the farming community. But there are, thank goodness, signs of a growing awakening; a marked spiritual regeneration, and a mood of real indignation which will burst out before long.