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The price of Freedom is eternal vigilance—

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Thought for the Week: "Inflation is a capital tax which is not properly authorised by Parliament."

- Economist Lorenz von Stein (1815 - 1890)

CANBERRA CORRUPTION: The great Lord Acton observed that all power tends to corrupt and that absolute power corrupts absolutely. The Fraser Government has now become corrupted to the point where its leaders are cynically attempting to find a pretext for an early Federal election in a desperate bid to cling to power for a further three years. Naturally enough, back-bench Members, certain to be defeated in an early election, are protesting against Mr. Fraser's intended tactic. They want to continue drawing their parliamentary salaries. And, of course, they hope that perhaps their electoral prospects may improve next year. But Mr. Fraser does not believe that his finance-economic strategy is proving successful, irrespective of what he says for public relations purposes. He is therefore prepared to sacrifice a number of his parliamentary colleagues in order to survive.

If Mr. Fraser and his colleagues really believed what they are saying about improvements in the finance-economic situation, they should be prepared to wait next year until the latest possible date before facing the electors. Using "the broadly-based implicit price deflator", Mr. Fraser announced recently that his Government had now reduced the inflation rate to 9.2%. Speaking in New York last week to a group of international financiers and representatives of business organisations, Federal Treasurer Lynch boldly proclaimed the "success" of the Fraser Government's anti-inflation policy. The inflation rate was now 9% a reduction of a further .2% in just over a week! Clearly then if the Fraser Government continues reducing inflation at the rate it publicises, it would have a most convincing success story to place before the Australian people by late next year.

Whatever minor reductions have taken place in the inflation rate must be measured against the progressive wrecking of the economy, a growing number of business bankruptcies and large-scale unemployment.

Mr. Fraser and his Ministers know that if they continue with their present disastrous financial policies, there will be a further escalation in unemployment early next year as another group of school-leavers join the labor market. They fear that their electoral prospects will worsen still further.

It is nauseating hypocrisy for Mr. Fraser to be attempting to produce an industrial confrontation which would enable him to conduct an election on the theme of "Who is running the country?" If Mr. Fraser cannot govern now with a record majority, in what way could he govern more effectively after an election which would drastically reduce his majority? By seeking an early election he is leaving himself open to the charge that many of his past statements were humbug. He is the man who said that unless there were exceptional circumstances, a Government should run its full term in office. And what if he did manage to use the Governor-General to grant him a double-dissolution after two years in office, and no likely challenge to a big majority in two houses, the House of Representatives and the Senate? This would be seized upon by the anti-Monarchists and subversives as further evidence that Sir John Kerr acted "unconstitutionally" in 1975 to enable Fraser to come to power, and was now prepared to do so again in order to try to keep Fraser in power.

As we pointed out during the Referendum campaign, when there was an unholy alliance between Mr. Fraser, Mr. Whitlam and the Communists to weaken the Federal Constitution, Mr. Fraser and his colleagues were prepared to eat their own words of just over two years ago in an attempt to avoid a half-Senate election before the middle of next year. Like all power-hungry individuals, they were not concerned about the long-term damage to the Federal Constitution. And so at the moment Mr. Fraser does not worry about the destructive implications of his proposed early general election. Mr. Fraser can, of course, rationalise his cynical bid to hang on to power by claiming that "I am only doing it to keep that dreadful Labor Party out of office."

The most constructive move Mr. Fraser can take to keep Mr. Whitlam out of office is to continue in office himself and to take the necessary steps to end inflation and to enable Australians to use their vast productive capacity to provide adequate security for all, and to ensure that the country is adequately defended. Electors should tell the Fraser Government that instead of trying to avoid its obligations with an early election, it should get on with implementing the type of policies talked about before the 1975 Federal

elections. If Mr. Fraser insists that he is only concerned about the short-term policy of holding on to power irrespective of the cost to the nation, then it is time that his own colleagues removed him in favour of someone not so corrupted by the will-to-power.

BRIEF COMMENTS: Has it become obligatory for all prominent Australians to make a visit to Communist China? It would appear so, as witnessed by the announcement that Australia's next Governor-General, Sir Zelman Cowen, is visiting China as an invited guest of the Peking Government. Fan Yuan-pen, the former Red Chinese pilot who recently defected to Taiwan by flying a MIG jet fighter from Fukien on the mainland to Southern Taiwan, told his first press conference that almost all visitors to Communist China were "cheated" by what they saw. "Interpreters" were Communists who ensured that visitors visited specially regulated "scenic spots" or "model factories" where life appears to be ideal. Since defecting to Taiwan, Fan Yuan-pen has provided a grim picture of the life of the great majority of the Chinese people, one which he says is "beyond the imagination of foreign visitors."

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Mr. Victor Herman is a 62-year-old American suing the Ford Motor Company for \$9 million, claiming it sent him to the Soviet Union in 1930 and then abandoned him. Herman charges that he was among nearly 300 workers shipped to Russia in 1931 to help build a car-manufacturing plant. Herman, who believes that nearly all the other workers died in Soviet prisons or concentration camps, said he tried to negotiate with Ford officials when he returned from the Soviet last year. The Ford Company admits that their records show they had sent "a few employees" to the Soviet car plant, but that all Ford employees had returned safely in the 1930's. The Herman charges recall the vital contributions made by the West to the building of the Soviet economy, as documented by Dr. Antony Sutton in his book National Suicide (\$3.75 posted). The Herman case could prove embarrassing for the Ford Company.

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A National Party dinner in Melbourne last week-end was an interesting affair. Federal Minister for Transport, Mr. Peter Nixon, was amongst the 200 guests who heard Mr. Alexander Psalti charge that the Federal Liberal Party had been guilty of socialism by "stealth and subterfuge". Mr. Psalti, President of the Eastern Metropolitan Branch of the National Party in Victoria, accused the Federal Government of financing communist terror operations in Africa and trying

to stifle freedom of speech by closing the Rhodesian Information Centre in Sydney. He charged that Prime Minister Fraser and Foreign Affairs Minister Peacock had supported African terrorist operations to please the United Nations. We trust that Mr. Nixon has reported to Mr. Fraser that his anti-Southern African policy is producing growing hostility everywhere.

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It has been revealed in Winnipeg, Canada, headquarters of the Canadian Wheat Board, that Australian wheat worth \$50 million has been shipped to Vietnam via the Soviet Union in the past two years. News of the shipments, which are likely to continue, have not been announced by either the Australian Wheat Board or the Fraser Government, no doubt for political reasons. There is little doubt that the Soviet is providing the Australian wheat to Vietnam on most favourable terms in an intensive programme to ensure the maximum control of a reunited Vietnam. Winnipeg reports also reveal that the Soviet is sending Australian wheat to Cuba. It would be instructive to hear what those doughty anti-Communists, Mr. Fraser, Anthony and others, including Defence Minister Killen, think of Australia providing the Soviet with the economic blood transfusions which enable the Soviet strategists to keep their client States in Cuba, Vietnam and elsewhere under control. The West has the power to bring the Soviet threat to a halt immediately by withholding food supplies until such time as the Soviet leaders give positive evidence that they are giving up their concept of world domination.

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Having adopted a policy for substantially increasing the price of petrol, thus adding further to the inflationary spiral, Prime Minister Fraser has been trying to placate Australian primary producers by urging the oil companies to adopt a price equalisation scheme. The Whitlam Government abolished the policy of subsidising petrol prices to assist people in the rural areas. Mr. Fraser, attempting to defend Primary Industry Minister Sinclair against the censure motion carried at the beef producers' conference in Toowoomba, Queensland, last week boasts of all that the Fraser Government has done for the primary producer. But he refuses to reverse the Whitlam decision and now is considering a levy on oil companies to finance a price equalisation scheme. This will mean still higher petrol prices in the urban areas - and still more inflation.

"ON TARGET"

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Page 4 (152)