



# ON TARGET

- NEWS HIGHLIGHTS
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*The price of Freedom is eternal vigilance—*

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Thought for the Week: "There is no such thing as a concrete equality. There cannot be. Any equality found in things is of their abstracts — of their qualities, quantities or powers. We cannot show a concrete piece of beauty or weight or force, but we discover these in concrete things. ...Very seldom is there in different men an equality of their abstracts; and when their qualities, abilities, and powers are unequal, it is impossible for them to express these in same, concrete forms. It is superstitious, mad and wicked to try to compel a concrete sameness of abstract differentials; for that is trying to force the absolute immortal to be the slave of the relative mortal."

- D. Watts in "The Equality Dogma Leads to Communism."

FUTILITY OF ECONOMIC SUMMIT CONFERENCE: As we anticipated, the "summit" conference of seven industrial nations in Bonn, West Germany did nothing to start removing the basic causes of the deepening finance-economic crisis. There were plenty of platitudes, but little evidence of an understanding of the nature of the crisis. The West Germans have for some time been under heavy pressure from their trading partners, to reduce taxation, thus stimulating demand. West Germany has, under Chancellor Helmut Schmidt, resisted this proposal because of fear of more inflation. Although it is one of the axioms of financial orthodoxy that a nation can only achieve prosperity by obtaining a "favourable balance of trade", and that such an objective is most desirable, the Japanese are being criticised because they have been too successful in pursuit of this policy. The Japanese have been told that they must reduce their massive export credits by bigger imports. But bigger Japanese imports must under present financial policies, have a most serious impact upon Japanese industries.

In the famous Report of the Economic Crisis of the Southampton Chamber of Commerce, issued in 1933 during the Great Depression, a group of responsible British businessmen pin-pointed the basic fallacy in the present finance-economic system, stressing that fierce interna-

tional trade friction, leading to military conflict, was inevitable under financial policies which generated debts faster than they can be met. In what has proved a most prophetic comment, the Economic Crisis Committee said: "It has been shown that the defect in the system renders it impossible for industry to recover its costs of production and liquidate its debt obligations. It follows that the weaker units of the industrial system and financial system must become eliminated or absorbed by the stronger units. These stronger units are stronger by virtue of their ability to eliminate their competitors. Thus a process of centralisation develops quite naturally in both the industrial and financial fields. Because the control of financial policy must carry with it the control of all economic activity, it would seem that the powers of government must pass into the hands of the most powerful financial group as financial power becomes centralised internationally. That this is by no means an unlikely result is plain from the proposals put forward for the centralisation of national banks under an international financial institution. It is being further suggested that national central banks should be made completely independent of control by national governments, so that any such centralised world hierarchy of finance would form a World Government with complete power over communities."

It is this development which Mr. Jeremy Lee examines in his exposure of how the international finance-economic crisis is being used to establish the "New International Economic Order". (Price \$1.15 posted). At the Bonn conference there was a pledge that more resources would be provided for the "Third World" nations. Loans which cannot be paid, may be converted into grants. Stalin would be delighted with all this. He wrote in his work on "The National Problem" that a World Socialist system was not possible unless the industrialised nations progressively transferred resources to the underdeveloped nations. The same theme was developed at the end of World War 2 by American Communist leader Earl Browder.

The practical men responsible for the Southampton Chamber of Commerce Report (\$1.15 posted) warned that "any steps to deal with the world situation should proceed from the seat of the trouble and nations should put their faulty economic systems in order as a preliminary to dealing with international trading relations. It seems both illogical and impractical that the opposite line of action should be taken." (Emphasis added). And yet this is what the politicians and their "experts" have been attempting to do in Bonn. It has been truly said that the eyes of the fool are on the ends of the earth. The first nation which starts to resolve its own internal problems by reversing the financial policies which generate escalating debt, and force the nation to engage in trade war, will show the rest of the

world the way to sanity. Prime Minister Fraser and Mr. Andrew Peacock have revealed themselves as internationalists, stressing that Australia's internal economy is at the mercy of the policies of other nations. The logical end result of this approach is acceptance of international programmes visualised in "The New World Economic Order". The first essential step to lower costs constructively in Australia, is to abolish the Sales Tax. Other follow up steps can then be taken.

BRIEF COMMENTS: It is one of the realities of life that many people only learn through bitter experience. The latest public opinion poll in the United Kingdom has confirmed what most observers have been saying for some time: British support for the Common Market has progressively lessened since the British have been in the EEC. Compared with a survey taken twelve months ago, when only 35% thought the EEC was a good idea, now only 29% think this. The political problem is how do the overwhelming majority opposed to the EEC make their view prevail over their political masters.

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Soviet dissident Anatoly Shcharansky's wife has called for a political, scientific and sporting boycott of the Soviet Union. But whenever anti-Communists have put forward this type of policy over the years, it has been labelled "extreme" and "provocative". The "trial" of the Soviet dissidents has tended to obscure the fact that, as Solzhenitsyn has stressed, the Soviet has kept its concentration camps full of millions of victims through Government terror. Western Governments have turned a blind eye, stressing that their economies are dependent upon exports to the Communist Empire.

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Remember how in 1976 Prime Minister Fraser was urgently calling upon people to spend more to overcome the depressed state of the economy? Mr. Fraser said: "I say to all Australian families - if you intend to buy a refrigerator, buy it. If you intended to buy a car, buy it." As a result of the Fraser Government's financial policies, the Australian people have in fact practised the "restraint" which Mr. Fraser has claimed to be a virtue. If his Government increases indirect taxation, so far from overcoming a progressively deteriorating finance-economic situation, this will result in what in fact will be a penalty for spending. It is obvious that like his Federal Treasurer, Mr. John Howard, the Prime Minister is ignorant of finance-economic realities. Rather than admit that the Government's policy has been proved wrong, Mr. Fraser keeps repeating the absurd claim about "the hard won gains" which have been made and, as indicated in his address to the West Australian Liberal Party Conference last week-

end, stubbornly claims that his Government is not going to change course. The only answer to this pig-headed attitude is an increase in pressure on Government Members, demanding that Sales Tax be abolished to increase consumer purchasing power without stimulating inflation.

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When the United Kingdom introduced the Value Added Tax in 1968, there were 18,000 in the Customs and Excise Department. This number has exploded to approx. 30,000. This is one way to try to solve unemployment!

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When Prime Minister Fraser recently announced his Government's restrictive policies to the dismayed State Premiers at the Premiers' Conference Professor R. Henderson of the Institute of Applied Economics and Social Research bluntly warned in a TV interview that the Fraser strategy was a recipe for depression. Dr. Henderson's deputy, Dr. Duncan Ironmonger, has been a long-time advocate of the reduction of indirect taxes and the selective use of consumer subsidies. But we have seen no references in the press to the views of Dr. Henderson and his colleagues since the Premiers' Conference. However, the press has given some publicity to a statement by a group of Melbourne University economists, including Dr. Henderson and Dr. Ironmonger, calling for a reduction in indirect taxation to stimulate the economy without putting prices up. The group warns that any attempt to reduce the deficit must mean higher unemployment. Unless the Fraser Government can be forced to change its policies, unemployment will reach an even higher level in the future.

DR. S.M. DRASKOVICH FOR MELBOURNE: We have good news for our Melbourne supporters. One of the world's top authorities on Communism and the current international situation, Dr. S.M. Draskovich, author of the great work, "Will America Surrender?", will be visiting Melbourne next month. The League of Rights is sponsoring a Melbourne meeting for Dr. Draskovich on Sunday Afternoon, August 20th. in the Banquet Room, The Victoria, at 2 p.m. We regret that this brilliant man will not be available for any other meetings in Victoria, which means that all those desirous of hearing him will have to come to Melbourne. It is possible that League supporters may be able to hear Dr. Draskovich in Sydney and Adelaide. We will report on this next week. Supporters may invite friends and interested people to the Melbourne meeting.

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