



ON TARGET

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The price of Freedom is eternal vigilance—

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Thought for the Week: "In imagination Jesus saw the kingdoms of the world spread out before Him, and He was presented with a way to win, which on reflection, was to do homage to the power of evil and to use the methods of Satan. 'All this dominion will I give to you,' says Satan, 'and that glory that goes with it'. The Messiah in Jewish tradition was an earthly king. He could raise an army and sweep away all opposition, especially the Roman occupying forces, and would establish his throne in Jerusalem. In today's jargon, He was tempted to be the great liberator, after which He would begin a reign of peace and justice for all people. Jesus knew He had the power, and how strong must have been this temptation!... The temptation was to use force to gain the kingdom of heaven, and to make the kingdom something less than what God His Father wanted; to make men come in... the kingdom of God cannot be ushered in by political power play or programmes. If it is tried it will turn to ashes. Men cannot be forced to be good."

- The Rev. Canon A.G. Fellows in "The World Council of Churches and the Social and Political Gospel."

THE FINANCE-ECONOMIC ILLITERATES AT CANBERRA: In his address to the nation last Sunday evening, Federal Opposition Leader, W. Hayden projected the image of the "nice guy" who said that a Labor Government would change the type of "economic management" being applied by the Fraser Government. Mr. Hayden's criticism of the record of the Fraser Government was correct as far as it went: "The fall in inflation seems to have stalled, taxes are higher, not lower and unemployment has risen alarmingly instead of falling. Interest rates were supposed to come down substantially but the fall is only half of what was promised." But what real alternatives did Mr. Hayden offer? His "alternative approach would create 160,000 jobs, not wipe out 90,000." The only way in which Mr. Hayden could reverse growing unemployment would be by an expansion of financial credit. So far from proposing that consumer purchasing power be increased by

drastically reducing taxation, particularly Sales Tax, Mr. Hayden and his colleagues have in a number of statements left no doubt that they favour high taxation. A credit expansion programme by the orthodox method of further debt, coupled with continuing high taxation, would make further increases in the inflation rate mathematically certain. Like all Fabian Socialists, Mr. Hayden has always strenuously supported the axioms of "sound finance". His basic difference with Mr. Fraser concerns who can "manage" these axioms better. For his part, Prime Minister Fraser doggedly insists that his "strategy" will work - given enough time. Most electors have forgotten how Mr. Fraser promised before the 1975 elections that by 1978 he would have the Australian economy restored to a state of buoyancy. Twelve months ago he asked for a renewed mandate to continue with the restoration. But, the promised results, particularly on the employment front, have failed to materialise, a fact which Mr. Fraser admitted once again when he gave his monthly TV report to the nation last Sunday evening. He said, "There is no hope for a quick improvement in unemployment over a long, long while." On the subject of inflation, Mr. Fraser said, "We have already had great success in Australia in reducing inflation, much more so than in many overseas countries where inflation is starting to rise. By maintaining our policy, inflation will be forced down even further." A study of Mr. Fraser's statements on finance-economic matters over the past three years reveal that he is a financial illiterate. And like political leaders who like to project a "strong" image, he refuses to consider that he might be wrong.

It is impossible for the Fraser Government to force the rate of inflation down any further without at the same time accelerating the unemployment increase. And yet the basic finance-economic problem remains simple: how to make sufficient financial credit available to enable a community to use its productive capacity to the extent desired without at the same time creating inflation. The following type of programme would quickly have a constructive re-generating effect on Australia: 1. the complete abolition of Sales Tax, with an immediate fall in the prices of a wide range of articles and a consequent increase in consumer purchasing power. 2. the immediate increase in defence spending by at least \$2000 million, financed out of an issue of new credit at the cost of administration, this producing a "spin off" in increased activities in many sectors of the economy with a resultant increase in demand for labor. 3. new credits for housing to be made available at not more than 5% interest. 4. the allocation of, for a start, in conjunction with step 1, \$2000 million of new credits to finance a consumer price discount system, which would reduce the prices of basic items in the economy and make substantial wage increases unnecessary.

To those who ask, "But can the country afford this type of program?" the short answer is that what is physically possible and desirable must be made financially possible. Both Mr. Fraser and Mr. Hayden reject this realistic approach to the nation's problems.

CHASING THE N.I.E.O. RAINBOW: Prime Minister Fraser has explained that while he had thought of not attending the coming trade conference in Jamaica, because this would take him away from his family at Christmas, "a lot of goodwill for Australia would be lost if I stayed." Mr. Fraser now leaves on Christmas Day. Mr. Fraser claims that the Australian Government "strongly believed a well-managed fund could help achieve stable commodity trade." He said that Australia has "led the way in trying to bring agreement between developed and developing nations on a common fund." In his book "Upon That Mountain" (\$1.25 posted) Mr. Jeremy Lee documents how the "common fund" is a major feature of the "New International Economic Order" and is to be financed, at least in part, by "international organisations". Mr. David Rockefeller is, naturally enough, a keen supporter of the N.I.E.O. concept, with his Trilateral Commission helping to prepare the ground for the establishment of the World State. No doubt Mr. David Rockefeller discussed these matters with Mr. Fraser when he was recently the Prime Minister's personal guest.

Mr. Fraser would be rendering his family and Australia a much greater service if he stayed at home over Christmas rather than attending a conference which can be of no real benefit to Australia's best interests. The host of the Jamaican Conference, Prime Minister Manley, is a militant Socialist. Also listed to attend is the Nigerian Prime Minister, Mr. Obisino, only where he is because he and his colleagues murdered their political opponents. But Nigeria is treated with much respect in international affairs because of its oil production. Its leaders are bitterly anti-Rhodesian. And then there is also Prime Minister Trudeau of Canada, another New World Order devotee. No doubt he will be discussing how Canadian wheat farmers can be fitted into the "New International Economic Order". Prime Minister Fraser will have some interesting people to meet in Jamaica at one more international conference aimed at taking more steps towards the World State. Instead of trying to take part in the international power game, Mr. Fraser should stay home and ponder on the implications of power as mentioned by Canon Fellows in this week's "Thought for the Week". The programme to create the World State is in reality a manifestation of madness. It can never achieve its objective. But the attempt to advance the programme can set the clock of civilisation back by a thousand years.

BRIEF COMMENTS: Defence Minister Jim Killen presented a long report to Parliament on November 23rd. in which he crushed the most vital sections of the report of the joint committees on foreign affairs and defence which recommended a substantial upgrading of Australia's defence industries. Mr. Killen attempted to justify the Government's attitude on the basis of the Government's financial policies, lack of an identifiable threat and reliance on military support from allies, principally the USA. Clearly the main reason - the rest being a dangerous diversion from realities - for Australia's deplorable defence situation is a treacherous financial policy. The vigorous Killen of Opposition days has been reduced to the role of a rubber stamp for those who make Australia's financial policies. He has become a pathetic figure.

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All the evidence points towards a major recession in the United States next year. Interest rate have been increased again, the new rate being 11.5%. The highest prime interest rate ever in the USA was 12% in July 1974. Historically, high interest rates in the USA have resulted in a slow-down in the economy and higher unemployment figures. The "experts" claim that higher unemployment is the price necessary to bring America's rising inflation rate down. A major American recession will have serious international implications for what is left of the free world. The situation highlights the urgent necessity for Australia to take the necessary steps to become nationally self-contained, and to have an effective defence system. Contrary to Mr. Killen's optimism about the USA, Prime Minister Fraser told visiting American journalist William Buckley that if there was need to call on the Anzus treaty, "the response of the U.S. would depend on our relations at the time."

BASIC FUND SWEEPS PAST \$20,000: Sustaining the initial inspirational response to the 1978-79 \$45,000 Basic Fund, 19 supporters last week donated or pledged \$3,387, taking the grand total to \$22,038. This means that a handful of supporters have in a few weeks guaranteed a fraction under half of the objective. A big flood of contributions, large or small, should see the objective at least within sight by Christmas. All northern NSW and Queensland contributions to Mr. Jeremy Lee, Kingstown, via Armidale, N.S.W. The balance to Box 1052J, G.P.O., Melbourne, 3001.

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