



ON TARGET

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The price of Freedom is eternal vigilance—

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Thought for the Week: "I tell you that no nation is the enemy of another nation, no people the enemy of another people. There are no bad nations; there are only bad governments, which are taken over by men of evil. 'The spawn of Satan' as the Bible calls them".
 - Taylor Caldwell in "A Pillar of Iron".

HAWKE GOVERNMENT DISINTEGRATING: Those who heard and saw Prime Minister Hawke responding to the censure motion in the Federal Parliament last week were struck with what many believed to be a dramatic change in Mr. Hawke. The truth is, as we have consistently pointed out, that Mr. Hawke is a creature of the media and his advisers, and is only a fair-weather performer. Mr. Hawke merely reverted to his real self last week. The leopard cannot change his spots. This does not mean that Mr. Hawke cannot recover lost ground, and that the nightmare of the latest Morgan Poll surveys temporarily overcome. The polls reveal that an election at present would see Mr. Hawke swept from office. But what then? This is the question worrying those who know that the Opposition parties have yet to cleanse themselves of the disease which led to the destruction of the Fraser Government.

Anyone who doubts that former Federal Treasurer John Howard, now a devotee of Mr. Hawke's strategy for increasing indirect taxation, has learned anything should consider his eulogy of the American "economic recovery". What has happened, of course, is that the anti-Socialist Ronald Reagan has used the old Keynesian deficit budget technique to stimulate the economy while at the same time permitting the farmers to be squeezed in order to hold down the inflation rate. Under the Reagan Administration the deficit has reached new record levels. Federal Reserve Board chairman, Mr. Paul Volcker, told Congress last week that as the American debt level escalates, time was running out on the U.S. economy and that the present situation

could be compared to Latin America four years ago. Mr. Volcker made an urgent plea for a curbing of federal deficits as the "only alternative" to severe economic reverses some time in the future. Press reports state that Congressmen were astonished at Mr. Volcker's blunt language and that there was "nervous laughter from the packed committee room".

Generally overlooked is that heavy international investment in the U.S.A. has also helped to contribute to a stimulated economy. Mr. Hawke has also been following the American lead, with big increases in Australia's external debts. But debt is like a powerful drug and there comes the day of reckoning. Business leaders are urging that Federal Treasurer Paul Keating reduce the deficit at a time when it has been revealed that the increase in the money supply has been greater than projected in the last budget. Mr. Keating promises "no credit curb". Which explains the spate of propaganda about shifting the burden of taxation to an increase in indirect taxation. Mr. Hawke now faces a bigger explosion than that which occurred as a result of the MX missile test cancellation. It will be produced at the July "Tax Summit" Conference.

The Hawke-Keating strategy for indirect taxation will result in another conflict with the radical Left Wing of the Labor Party. The danger is that in an attempt to placate Members like Mr. Hand, calling for capital gains and similar taxation, the Hawke Government will also move in this direction. As we consistently pointed out, the feverish search for ever higher taxation is inevitable under the present policy of debt finance. The disintegration of the Hawke Government is inevitable unless there is a complete change of financial policy. Mr. Hawke is too much a creature of the debt-merchants to attempt this. But it is conceivable that in a state of deep national crisis, he could do what William Morris Hughes and Mr. Joe Lyons did before him; desert the Labor Party in an attempt to head some type of national "consensus" government.

It is ironic that while the storm clouds grow darker by the hour in Australia, Prime Minister Hawke announces that he has accepted an invitation to participate in a "Summit" Conference being staged by the Canadian Progressive Conservative Government, whose leader, Mr. Mulroney, obviously believes that there is substance to Mr. Hawke's rhetoric. Mr. Hawke says that the Canadian invitation is an occasion to report on Australia's progress in "the long-term restructuring of the economy. Canadians might ponder on why a government calling itself Conservative should be inviting a leading member of the Socialist International to lecture on his alleged achievements in Australia. Our Canadian friends should point out that for Mr. Hawke to be offering advice on economics to the Canadian Government is akin to a drowning man offering swimming lessons.

BRIEF COMMENTS; We have on occasions lamented the failure of Mr. B. A. Santamaria of the National Civic Council, a brilliant commentator, to come to grips with the basic problem of a disintegrating Civilisation, the debt system. We record with pleasure, therefore, that "News Weekly" of February 20, republishes an article on finance by the famous British historian, Sir Arthur Bryant, who died recently at 80 years of age. Sir Arthur asked in this article, from "The Illustrated London News" of February, 1983, "why should it be considered more inflationary to issue a carefully calculated amount of money, with no interest-bearing debt attached to it, than to print an unlimited amount of money charged with heavy interest rates, payable in future taxation, forcing the manufacturer and public services to keep raising their prices?"

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Bishop Tutu of South Africa has allowed himself to be used in the mounting international attack against South Africa. The world's media have remained silent on the subject of how little support the good Bishop has amongst his fellow Christians. Despite the tremendous boost of having just been awarded the Nobel Peace prize, at the Johannesburg Church of England electoral college, consisting of clergy and laity, Bishop Tutu could only muster 89 votes of the 149 required for election. As a result of the deadlock, the matter was referred to the synod of Bishops who, ignoring the tradition of choosing an outsider as a compromise when there is such strong opposition to a candidate, selected Bishop Tutu. A mass defection of Anglicans is the result.

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Malaysia is a country which the multi-cultural devotees rarely mention. There have been bloody racial conflicts in the past between the indigenous Malays and those of Chinese background. The Constitution has ensured that the Malays are entrenched as the political rulers. Now comes the threat of a big Moslem revival, with strong support for radical Islam. Fears are growing that the fragile political system is going to collapse. Perhaps Mr. Al Grassby should be rushed to Malaysia to deal with the problem! Australia should take heed.

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Late in the Victorian election, the Liberal Party decided to do what the League of Rights had been doing weeks previously: distributing brochures on the threat to the Legislative Council. But the Liberal brochure warns that if Mr. Cain gains control of the Upper House, he will be forced by the ALP to abolish it.

If Mr. Cain deprived a "reformed" Legislative Council of the power to deny Supply, he will have gained the best of both worlds; an Upper House rubber stamp for the Government while still retaining jobs for the ALP Legislative Councillors. The Liberal Party has been as silent as the grave on the question of where do they stand on the right of the Upper House to deny Supply.

ETHIOPIAN AID GOING TO U.S.S.R.? Our Canadian contemporary, On Target, reports as follows:

"The Guardian, a New York Marxist journal, published a revealing report on the Ethiopian famine in its February 4th issue. Following, are excerpts:

"As drought in Ethiopia and occupied Eritrea worsens, the Ethiopian Government (Dergue) is responding harshly to increasing criticism of its distribution of international food aid,

"Despite widening protests that aid sent to Ethiopia by the European Economic Community (E.E.C.) is being used to feed the army, the Common Market announced that it had voted to continue its present aid...

"Of over 35,000 tons of grain sent to Ethiopia by the E.E.C. in 1981, 'none got through to the people who need it, and virtually none is getting through now'. Eritrean Relief Association member Mary Dines of London reported last month. Charging that 'an increasing amount of the food aid is being sent to the U.S.S.R.'. Dines told the London Times the Soviets 'have made it very clear that they expect the bills for arms to be paid. Food aid is about the only currency the Dergue has available, and there is growing evidence that much of it is being re-exported on Soviet cargo ships'.

A Soviet-controlled Communist regime rules Ethiopia.

FOUR WEEKS TO FILL BASIC FUND: Hopefully the usual last minute surge to fill the League's Annual Basic Fund started last week, 11 Supporters contributed \$1,360, taking the total to \$42,332. The Fund is scheduled to be closed at the end of March, which means that an average of nearly \$2000 a week is required. We CAN and MUST reach the target. Remember the advice from Confucius: "When struck by a thunderbolt, it is too late to consult the book of dates". There are tremendous thunderbolts on the way and the League must be ready. Get YOUR contribution away TODAY.

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