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The price of Freedom is eternal vigilance—

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Thought for the Week: "It is possible so to twist the meaning of words, that policies which result in conditions which are progressively obnoxious to the majority of persons affected by them, can yet obtain a considerable amount of support, by an appeal to high-sounding words such as democracy, justice and equality ... The point which is so hard to make clear to the masses affected, is that a group is an entity which has a life of its own; it is the body corporate of an 'interest' not of the myriad interests of the human interests of the human units composing it, and the surrender of volition to a group means, quite inevitably, a surrender of the very things for which in most instances the individual is struggling."

- C.H. Douglas in Social Credit

THE REALITY BEHIND THE POLITICAL BRAWLING: Last week's political brawling at Canberra demonstrated the bankruptcy of the Opposition parties and the fact that the much-publicised Hawke-Keating economic strategy is about to be exposed for the sham it is. Apart from the muck raking journalists, who is interested in "Christine" at a time of deepening national crisis? And Treasurer Paul Keating may well talk about "crucifying" Opposition leader John Howard, while in fact he is continuing to crucify the hard-pressed Australian people. Instead of calling for Mr. Hawke to replace Mr. Keating with another Treasurer, the Opposition should be advancing a genuine alternative to the debt, interest and taxation policies of the Hawke government. But for Mr. John Howard to advance such a policy, he would need to repudiate the same policies with which the Fraser Government crucified the Australian people for seven disastrous years. Nothing basic would change if Mr. Keating were removed tomorrow. His successor would be grappling with the same mounting problems confronting Mr. Keating: How are the promised tax reductions now going to be given without further increasing the Federal deficit? Any substantial reduction in petrol prices means a substantial loss of tax revenue. During the so-called tax debate of last year, both Mr. Hawke and Mr. Keating demonstrated their intellectual arrogance by assuring Australians that they knew what they were doing and that

1986 was going to be a year of "steady progress". They will now have the opportunity to eat their own words. Neither is noted for his humility, and it appears that the Keating facade is starting to crack under the impact of reality.

The mathematics of the debt system are as certain as the sunrise: Increasing debt, essential as a type of drip to keep the economic system operating, requires high taxation to service the debt. If Opposition members want to demonstrate how "radical" they are, let them start advocating the use of some debt-free credit and a drastic reduction in interest rates. But not even Mr. Howard's "minder", Mr. Wilson Tuckey, would dare to mention the debt system. Not until an aroused electorate states that enough is enough.

DEBT- THE PARALYSING IMPACT: Newspaper reports in the last few months have finally caught up with the League's earlier warnings of the debt impact on Australian society. The huge foreign borrowing over the past two years, as a result of the Hawke Government's insane financial and tax policies is too big for anyone to ignore. The impact of debt on the farming community is also common knowledge. At the end of the year the Bureau of Agricultural Economics published its Rural Economy Outlook Report, with figures that are quite horrific. It said: "... The real net value of rural production is forecast to fall by 24 percent in 1985-86 Aggregate farm costs are forecast to be \$12,000 million, \$800 million or 7 percent above the 1984-85 estimate. Nearly half the increase is attributable to a rise in interest payments, reflecting both higher interest rates and higher levels of indebtedness. Total rural indebtedness is estimated to have been around \$7,220 million, and is forecast to reach \$8,000 in June 1986 .. In fact, the Reserve Bank report for February estimates rural indebtedness to have reached \$8,000 million last year. If Australia's 172,000 farmers were forced to repay that debt within a twelve month period, they would have to find between them approximately \$1 million every hour for a year - and they would still have the interest to meet at the end of it!

But the impact of debt runs right through society. The Melbourne Age (February 22, 1986) gave further details:

"Australian consumers are plunging into debt at a rapidly increasing rate. As the economy moves away from cash to plastic, financial institutions are owed more than \$20,000 million. National consumer debt rose by 20 percent during the last financial year, three times the inflation rate in the same period A further rise in the overall debt is inevitable because of interest rate rises and the tightness of bank housing finance. Industry sources said 'cocktail loans', where home-buyers took personal loans to top up mortgages, were becoming more

prevalent According to figures supplied by the Australian Finance Conference, every Australian 20 years old and older owed an average of \$1960 "

The figures, it should be noted, are simply "consumer debt". They do not include the farm debt, mortgages on homes and property, capital debts in business, - or the huge debts run up by government. Martin Mayer, in his book "The Bankers", gives this picture of the US: "In 1974, nearly 40¢ of every dollar of gross earnings by American business - compared to about 15¢ as recently as the early 1960s - was committed to interest payments, which were running at a rate of almost \$50 billion a year. In 1964 according to Henry Kaufman of Salomon Bros, "Total credit market value of equities by two hundred and ninety six billion dollars." A decade later, this "spread" had passed the \$1 trillion mark"

Who can guess what it is in 1985? But it is surely time for Australians to question politicians who offer "relief" to the current crisis with further loans - even at lower interest rates. The debt system will destroy the West, if the West does not destroy the debt system.

A GLIMMER OF LIGHT: By Chas. Pinwill, Qld. State Director.
The Australian of 14/2/86 reports Mr. Hendy Cowan, leader of the National Party in West Australia thus:-

"Mr. Cowan is eager to see the party adopt a more independent stance from the Liberals --- at least when out of Government"

"In particular, he wants the party to adopt a new line on interest rates and on-farm fuel taxes."

"If the Liberals could not be persuaded to give the policy their full support, the rejection would then be seen as marking an end to the Federal Opposition Coalition."

While the West Australian Nationals are a long way from power, a very long way indeed, this may come forward as the greater part of their strength. They have nothing to lose and everything to gain. The first requirement of the National Party by rural people must be that they advocate and demand a policy which will, quite self-evidently, allow the survival of rural industry if implemented. The Nationals could corner the market for this need as it is not offering anywhere else.

Advocating anything less than the minimum requirement for survival is cowardly, suicidal and common, extremely common if not universal. The full adoption and acceptance of a lesser policy would utterly destroy rural Australia. If one is to go "out the back door", whether one does so by a margin of \$100,000 or \$10,000 is both 1000% different and no difference at all.

Bankruptcy via a bang or a whimper is Hobson's choice of Buckley's chances.

"Uping the ante" to the point where survival is ensured after victory, is the only fight worth fighting.

It can not be escaped that both lowering interest rates and fuel taxes are essential ingredients of the Australian economy's survival.

Undefined though Mr. Cowan's demands may be at the moment he must be very lonely in the National Party in advocating something close to survival. He deserves help and support in so far as he goes.

BRIEF COMMENTS: In the mass of comment on The Philippines little reference has been made to the harsh policies imposed by the International Debt merchants. At the end of the current revolutionary situation, the big international debt will remain. The Communists will continue to advance everywhere until the Debt Merchants are effectively challenged.

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A well-known business news-letter offers to show business men "how to beat Keating at his own numbers game". Taxation is now widely perceived by oppressed taxpayers as an instrument of destruction. Rising taxes result in growing resistance, with taxpayers devising every possible legal method to minimise their taxes. Governments respond with greater attempted impositions and an increase of taxation officials. The overall result is the social disintegration of society and greater totalitarianism. The free society requires a taxation policy which is simple, easily understood, and which has the support of the people. (Essential reading: "Dictatorship by Taxation", by C.H. Douglas, Price \$1.50).

ONLY \$5000 REQUIRED: Last week 18 supporters pushed the Basic Fund up \$2,393, taking the total to \$46,453. Another \$5000 will take us past the target. Every cent required as the battle for Australia intensifies.

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