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A WEEKLY COMMENTARY



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The price of Freedom is eternal vigilance —

Registered By Australia Post — Publication No. VBH 0999

Vol.26, No.22

June 15th, 1990

THOUGHT FOR THE WEEK: "Political language is designed to make lies sound truthful and murder respectable, and to give an appearance of solidity to pure wind."

- George Orwell

REGAINING AUSTRALIAN ECONOMIC INDEPENDENCE by Eric D. Butler: Only a nation with a self-sufficient economy is genuinely independent. Just as economic security is the basis of real freedom and security, for the individual, so does a nation require the maximum economy security if it is to pursue policies designed to preserve its identity against any possible external pressures. The progressive erosion of the Australian economy is undermining the nation's capacity to pursue independent policies. Free Trade is a seductive dogma which must be assessed against reality.

While the British policy of Free Trade during the latter part of last century produced enormous benefits, these were at the expense of a badly eroded British agriculture. This was not regarded as too important while Britain could draw upon relatively cheap food supplies from a British Empire with control of the seas by the British Navy. But Great Britain came close to defeat during the First World War when the German submarines seriously cut the nation's vital lifeline of food supplies. Free Trade had left the nation vulnerable.

The present turbulent plight of the world, with every indication that the turbulence is going to grow, highlights the urgent necessity to develop a national policy of economic independence, instead of relying upon export markets which might disappear overnight, as witnessed by what has happened to wool exports to the Soviet Union and Communist China. Australia's current foreign debt has soared to \$120 Billion while the progressive sale of Australian assets to Japanese investors is supported by the major political parties on the grounds that this is the only way to sustain the Australian economy. This is like

saying that a family with vast natural resources must mortgage the family home in order to live. It is a policy of national suicide which has been endorsed by a series of Australian governments, and one which must be challenged if traditional Australia is to survive.

There was a time, before the current mania of internationalism was imposed, when Australia effectively controlled imports, ensuring that there was no major trade deficit problem with foreign borrowing kept to a minimum. This type of policy was a legacy of the Founding Fathers, notably Alfred Deakin, who had a vision of an Australia of high wages and a high standard of living based on Australia's own productive capacity. The restrictive immigration policy was adopted for economic as well as social reasons. Cheap coloured labour was seen as a threat to the policy of high wages. The aim was to develop both primary and secondary industries behind the protection of a tariff policy which sought to ensure that Australian industries were not jeopardised by competition from low-wage nations.

This basically sensible policy was distorted by the famous 1909 decision of the Arbitration Court presided over by Mr. Justice Higgins, which in attempting to establish a "basic wage", said that it must be paid irrespective of the capacity of industry to pay. This led to the type of featherbedding and absurd demarcation practices which have become a way of life for Australian workers. Nevertheless, as demonstrated by the time of the Second World War, the Deakin concept had provided Australia with an economy capable of producing a flood of sophisticated and diverse production. This was achieved with a big proportion of the labor force being engaged in either the armed forces or in construction activities associated with the war effort. A liberal credit policy, linked to a consumer price discount system, provided a glimpse of the enormous Australian potential to provide a high standard of living without inflation. Australia ended the Second World War with an economy which made it possible for the nation to be economically self-sufficient, with exports such as wool being used to pay for necessary imports.

Any prospect of regenerating the British Commonwealth by any type of Commonwealth Trading Scheme, such as attempted during the Great Depression, was destroyed by the forces of internationalism when Britain was driven into the Common Market. The old sense of unity among the British Commonwealth nations was shattered, with Australians being told that their future was in Asia. But Asian nations, such as Japan, had lower-cost labour forces and the latest in modern technology.

In 1921 the Tariff Board had been established to protect Australian industries under the Industries Protection Act. Reacting to the

British entry into the Common Market, which it welcomed, the internationalist Whitlam Government replaced the Industries Protection Act in 1974 with the "Industries Assistance Commission", with the instruction "to encourage the growth of internationally competitive industries and to facilitate structural changes". "Restructuring" has become the "in" term, and as Senator Button never tires of saying, is designed to fit Australia into the international economy. It would be revealing to see a complete list of the number of Australian businesses which have either been destroyed by "re-structuring" or have been forced to re-establish themselves in Asian countries now providing what Australia used to make.

A Sydney refrigerator compression plant is a typical example of what is happening. The firm had manufactured 10 million compressors, some exported, but was forced to close in 1985 after operating for 38 years. A thousand jobs were lost. The chairman was quoted as saying, "Now we import compressors from our joint venture in Thailand."

In terms of priorities, the first essentials for halting the programme to disarm Australia economically, is to halt all foreign borrowing, to curb foreign investments, and to cease importing into Australia that which Australians can readily produce themselves. The banking system must be re-regulated, bringing those responsible for creating the nation's financial credit under the authority of the elected representatives of the Australian people. This would make it possible to drastically reduce interest rates and to adopt other financial measures necessary to regenerate Australian industries. In more robust times, the present policy of sacrificing Australian economic independence through a programme of internationalism would be vigorously attacked as treachery.

THE WOOL DEBACLE: Since our comment in last week's On Target concerning the crisis confronting the wool industry, we have discovered that the Wool Corporation is not currently borrowing off-shore, but on-shore, at an interest rate of 17 percent. As yet we have not been able to discover the source of the Board's borrowing, and other vital information. But we have discovered that the average woolgrower has little knowledge of how his industry operates. Clearly he has been badly advised, or not even advised at all concerning what has been happening. It would be instructive to learn how much speculation in wool has interfered with the normal law of supply and demand. The most commonsense question comes from a woman who wants to know why large numbers of Australians cannot afford to buy woollen products in the world's biggest wool producing nation, not even wool for old-fashioned home knitting. She asks if the members of the Wool Council

or the Wool Corporation have ever directed their attention to this question. If it is in the genuine national interest that the Australian wool industry be preserved, then an appropriate financial policy should be adopted to make this possible. Such a policy would have to arrest a continuing inflation which drives all producers to continue increasing production in a desperate attempt to meet rising financial costs.

BRIEF COMMENTS: Zionist influence at Canberra may be judged by the reaction to the first Canadian War Crime trial, which ended with a victory for commonsense and justice. All future trials are almost certainly going to end the same way. But unless the High Court rules otherwise, the war crime trials campaign in Australia is going to continue. Commenting on how there is a different standard of justice for the Japanese, Japanese correspondent Gregory Clark commented in The Australian of March 16th that while the Nazis were punished at the end of World War II, "... Japanese militarist leaders received the order of the feather duster. One of them even became Prime Minister and finishes up as a good friend of conservative Australian governments. Today, Canberra relentlessly hunts down former Nazi torturers and killers. Their opposite numbers from Japan come down as honoured guests, tourists and businessmen. One of them is doing very well indeed with his Gold Coast investments".

With the election of an Israeli government headed by former terrorist Shamir, and tens of thousands of Russian Jews pouring into Israel to be used in a further expansion programme against the Palestinians, and the Middle East on the verge of a major explosion, the Hawke Government's pro-Zionist bias can have disastrous effects on Australia's future. Halting the war crime trials would be a first step towards sanity.

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If, as some commentators suggest, Prime Minister Hawke's incredible decision concerning Chinese students was made in order to demonstrate that he was back "in charge" at Canberra, the future of Australia is gravely at risk while Hawke remains Prime Minister. It is to be hoped that the rising public concern about Asian migration, intensified by the Hawke decision on the Chinese students, will reflect itself in the ranks of Hawke's parliamentary colleagues. The immigration question is now becoming a major issue in Australian politics.