



# ON TARGET

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*The price of Freedom is eternal vigilance —*

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**THOUGHT FOR THE WEEK:** "The progressive magnification of waste and pollution has now produced its reaction in the self-styled Ecology Movement. This, I am convinced, began as a very genuine and long overdue warning and protest against the squandering of the earth's resources, the destruction of life, and the mauling and pollution of environment which are the inescapable accompaniments of the attempt to provide 'work for all' in the face of rapid technological advance, for the purpose of distributing money. Unfortunately the 'Ecologists' have not pursued their analysis far enough, and the psychological background they have created of vanishing energy sources and a soon-starving planet has been found all too useful by those who have a permanent interest in 'scarce resources' and in the maintenance of permanent 'economic crisis' as a justification for draconian measures of 'control'.....

- Dr. Geoffrey Dobbs

**THE PROSPECT OF AN EARLY 1992 FEDERAL ELECTION:** Prime Minister Bob Hawke is a born gambler prepared to take risks. Conventional political wisdom has Hawke facing inevitable defeat at the next Federal Elections, which need not be held until 1993. But Hawke cannot afford to wait until 1993. The Keating factor is not going to go away. Keating is driven by the same will-to-power which drives Bob Hawke. It is all or nothing with Keating, which means that the longer it is to the next election, the greater the destabilising influence of Keating and his supporters. Dr. John Hewson has demonstrated that the Opposition parties have learned nothing about political realities. Prime Minister Hawke, the gambler, must be starting to believe that luck is on his side as he witnesses the inept and fumbling attempt by the Opposition to promote their Consumption Tax policy. Anyone who saw tax expert Eric Risstrom debating Liberal Shadow Treasurer Peter Reith, must agree that if this is the best presentation the Opposition can make in favour of a Consumption Tax, they have already squandered hundreds of thousands of votes at the next elections.

A product of financial orthodoxy, and a former employee of the

International Monetary Fund, Dr. John Hewson insists that leadership has to do with making hard decisions. True leadership is about serving one's fellows: "He who would be the greatest among ye must be the servant of all." The Consumption Tax concept has nothing to do with taxation "reform" or "greater fairness"; it is designed to attempt to ensure that no one can escape the steady imposition of dictatorship by taxation. It is not without significance that the International Monetary Fund has been in the forefront of promoting the Consumption Tax programme. As yet Dr. Hewson has not released the details of his Consumption Tax policy, with every delay fuelling growing apprehension in the community.

Bob Hawke's greatest political asset is that while his policies have badly eroded electoral support, electors generally have no genuine confidence that the Opposition parties are going to be a genuine alternative. Any confidence must be badly affected by a long debate about the Consumption Tax. Hawke knows this and can continue to claim that it was he who has provided strong leadership by making decisions which had to be made for the long term benefit of the nation. While Hawke and his advisers are not going to change their broad strategy, they are in the position to make a few moves which could create the impression that at long last the way ahead looks a little more encouraging.

By going for an election early next year, Hawke would achieve two things: He would bring the Keating challenge to an end, with the Labor Members uniting behind Hawke knowing it would be suicidal to maintain a leadership challenge in a run-up to an election which, even under the most favourable conditions for Labor, must be close. And Hawke would be in the position to make the Consumption Tax the major election issue. Our view is that by staging an election, perhaps in March of next year, Hawke would have his best chance of being re-elected. Yes, the odds should be against him, but Dr. Hewson seems to be determined to shorten those odds. The best possible result would be a close contest with Ted Mack being joined by several other Independents, all pledged to work for the introduction of the Electors' Veto. Such Independents can be elected if candidates, and those groups backing them, are prepared to start the necessary hard educational work NOW. A Hawke gamble for an early election could result in a step towards National Survival. It is, of course, unthinkable that Bob Hawke and his fellow Fabians should be re-elected with a parliamentary majority.

**INDUSTRIAL NATIONS IN TROUBLE** (The comment, below, from Jeremy Lee): Considerable coverage has been given to Soviet President Gorbachev's presence at the G-7 Summit Conference. His survival at home depends

on "bringing home the bacon" in the form of massive foreign aid from the West.

The Guardian Weekly (July 21st) described the position in the USSR:

"... The economy is experiencing hyperinflation (over 100 percent a year), collapsing industrial production (down 20 percent), an exploding budget deficit, inability to service its hard currency debts, and the possibility of a food crisis later this year as the 20 percent reduction in farm acreage wreaks its revenge ..."

While the theme played by western pundits is that it is in the interests of world peace to prop Mr. Gorbachev up with Western finance, another article in the same paper reviewed each economy of the G-7 members, showing that all face major problems.

In summary:

Britain: 23,000 firms went out of business in the first half of the year - an average of 125 per day. "The evidence is visible all across Britain - empty shop windows, going-out-of-business sales, for rent signs.." Unemployment is rising rapidly.

Germany: Unemployment in Eastern Germany is nearing 40 percent. In Germany as a whole, public borrowing has reached record levels. The foreign trade account is in the red for the first time in 10 years. Interest rates remain high.

France: "Unemployment has soared to 9.5 percent and Labor Minister Aubry bluntly warns it will get worse. That gloomy scenario is exerting enormous political pressure on the government to cut interest rates soon, or risk the kind of serious economic deterioration that could inflame a "hot autumn of strikes, street rioting and other forms of social unrest that some commentators believe would make the turmoil of 1968 look tame ..."

The United States: After months of recession-driven statistical gloom, the chairman of the Federal Reserve Board, Alan Greenspan, observed last week, "I think the evidence is increasing week by week that the bottom is past and the economy is beginning to move up..." (When bankers predict recovery, get ready for further hardships!)

Canada: "... The federal government's budget woes are proving a serious problem. The Federal debt is \$380 billion, equivalent to more than 60 percent of GDP. It costs more than \$40 billion a year to pay the interest ..." (That's \$1,600 annually for every living Canadian in interest on Federal Debt.)

Japan: Better than the others, with an expected 11 percent growth rate this year.

**FEEDING THE BEAR:** In a refreshingly sane article in the Newsweek section of The Bulletin (July 23rd, 1991), Fred Coleman urged no aid for the Soviets. "All Western aid will ultimately do is help the Soviet military threaten Western interests ... Soviet GNP this year will total 1.2 trillion rubles, or \$720 billion. Of that, some 25 percent goes to defence ... the Soviets are now spending \$180 billion a year on defence ... Moscow's swollen defence budget now finances the largest standing armed forces in the world - more than 4 million men. By contrast, China has 3 million and the United States 2 million ..."

**NATIONAL FARMERS' FEDERATION ALLEGES 'PERFIDY':** Mr. Rick Farley, in a letter to Queensland Country Life, July 2nd, 1991, went on the defensive. After setting out an incredibly modest defence of the NFF's record, he concluded:

"... There have been suggestions that the 1975 United Nations Lima Declaration commits Australia to transfer our wealth to developing nations. This is absolute bunkum, perhaps generated by the perfidious League of Rights ..."

One week after Mr. Farley's letter appeared, The Australian, July 18th, carried a lengthy report on a Customs Service decision to continue allowing the import of canned peaches and pears from China, Spain and Greece, while local producers continue to go broke. Commenting on the decision the chairman of the Canned Fruits Industry Council, Mr. Phillip Pullar, said:

"... The Government is effectively exporting Australian jobs ... Have we got to bulldoze our trees and close our canneries before the Government will concede that Australian workers are being sacked, and that imports are hurting our industry and growers ...?"

In this case - and hundreds of others - is the spirit of the Lima Declaration which Mr. Farley says is "absolute bunkum".

The Australian Financial Review (May 29th, 1991) revealed that farm organisations in Australia between them now collect \$20.2 million in membership fees each year from 66,900 primary producers. From this figure, \$2.7 million is passed annually to the National Farmers' Federation. Interest on the huge Fighting Fund collected in 1986 must return a further \$1 million at least. With an annual income approaching \$4 million, the NFF has yet to run one advertising campaign aimed at the general public, publicising such disgraceful episodes as the plight of our own fruitgrowers while we import canned fruit from China. Not one television commercial from the NFF has told the public about the \$2.2 billion food imports into Australia while our own producers go broke. (End of Jeremy Lee comment)