



ON TARGET

- NEWS HIGHLIGHTS
- BACKGROUND INFORMATION
- COMMONWEALTH AFFAIRS

Registered
for posting
as a periodical
Category B.

The price of Freedom is eternal vigilance—

Vol. 9, No. 38

October 12th, 1973

Thought for the Week : "But a civilization which supposes that what it chiefly has to offer mankind is more abundant bread - that civilization is already half-dead."

- Whittaker Chambers

BIG LEAGUE SURGE FORWARD IN QUEENSLAND : Following every occasion when the League-watchers have decided that the League is at last losing momentum, there is invariably a new surge of progress to confound the critics. Arriving in Brisbane on October 1 on the first step of his current inter-state tour, National Director Mr. Eric Butler addressed the first Brisbane Regional Dinner of the League, established to replace the State Dinner, now held regularly in Toowoomba. With many new faces, a large attendance, and intense enthusiasm, this function clearly indicated the new surge forward in Queensland. On the following day, Tuesday October 2, there was a "full house" at the business and professional mens' luncheon. A former State Member and a Member of the present Commonwealth Parliament were amongst those present. The function was covered by the media, Channel 9 televising Mr. Butler's address for that evening's news service.

Mr. Butler went on to an open-line radio program after the luncheon, with some extremely lively discussion about the League and its attitude to current issues. A hard-core organisational meeting was held in the evening.

On Wednesday, Mr. Butler arrives in Kingaroy to meet with the members of one of the most dynamic groups in Australia. A large and most enthusiastic meeting heard Mr. Butler in the evening, with a spontaneous resolution from the floor of the meeting calling for the establishment of a non-party State-wide movement devoted to backing the Queensland Premier and to the conduct of a campaign to increase the the local powers of the State, even if it was necessary to consider secession. Loud applause greeted this suggestion. The following day Mr. Butler did an extensive interview on the local radio. In the evening the Murgon meeting was packed with yet another intensely interested and enthusiastic meeting. Literature sales were massive at all meetings to date, and increasing numbers of new people are coming forward to join with the League's expanding programme. Mr. Butler predicts that the League is on the eve of the biggest advance yet made in its long history.

THE GOOD OIL : "The aim of Egypt and Syria is widely seen in diplomatic circles as being a 'limited war' through which world alarm is raised and a peace settlement, acceptable to the Arabs, forced on Israel.... Inherent in this is the use of the Arab 'oil weapon'."

The Age, Melbourne, October 9th

We have known for some time now that the leaders of the Arab world have decided to use their ace card - oil - to their advantage in their continuing struggle against Israel.

We have commented in recent months on the growing 'energy crisis' in the Western world; including the U.S.A., which now imports much of its oil; no longer can America provide her own oil needs. The oil reserves of the Middle East are now a vital factor in world politics; and everyone knows it. It is true that desperate efforts are being made in other parts of the world, including Australia, to rush oil wells into production, but this takes time.

We know that Arab extremists would (they certainly could) destroy the Middle East oil wells if they were pushed hard enough. Neither the Arabs nor the West want that; but if, as a hypothetical case, the U.S. Sixth Fleet landed marines in an attempt to secure control of the wells, then the wells would most certainly be destroyed. We believe that the machinery for their rapid destruction is now in the hands of the Arab leaders. Oil is their ace card, as stated; and they intend to use it as never before.

T.S. Monks, in "The Age" (Melbourne) October 9th, gave what we think is a competent assessment of the current situation in the Middle East.... "But it is not thought that either President (of Egypt and Syria) envisages a fight to the finish with Israel.

"They are believed to have in mind the new element in the Middle East situation - the potential power of the oil weapon to alarm Western nations into trying to secure a ceasefire and then a settlement. In previous conflicts oil has not been a significant threat. Now the situation is different, with oil in short supply and the United States having become a major importer of Middle East oil."

"King Feisal of Saudi Arabia, on whom the U.S.A. must primarily rely for the increased oil supplies it needs, has recently made it clear that he is prepared to use oil as an element of pressure on the U.S.A. to reduce its support for Israel."

This is no doubt the thinking behind President Sadat's move against Israel; whether it pays off or not, remains to be seen. The situation is pregnant with all manner of possibilities: the war could spread as the interests of various major powers become involved. The Zionist machine throughout the world will react violently if a "squeeze" is put on Israel to yield concessions to the Arab States; give up territory, etc. This Zionist machine, of course, is a driving force in the field of International Finance: what repercussions could accrue from Zionist reaction there could affect the lives of all people now alive in the West.

MR. SNEDDEN SAYS 'NO': "The Leader of the Federal Opposition, Mr. Snedden, said yesterday that giving the Labor Party power over prices and incomes would put Australia's social and economic system 'at risk'."

- The Australian, October 8th

Mr. Snedden, in his T.V. address to the Nation, outlined some of the points which were put in last week's On Target (October 5th) under the sub-heading, "The Prices-Incomes Referendum".

He rightly warned of the further centralization of power which the passing of the Referendum would place in the hands of the Whitlam Socialists. But Mr. Snedden's 'clear, positive steps' warrant further investigation.

"Cuts in Government spending" (including the Public Service): this is a deflationary move, and tens of thousands of people, dependent upon Governmental capital works contracts will be looking elsewhere for orders - workers will at the very least have their overtime reduced. All this adds up to less money in the pay packet on Thursday.

"ON TARGET"

October 12th, 1973

Page 2 (154)

"Action to stop demand exceeding supply of goods and services" : We know of no other way of this being done that the "siphoning off" of "excess" purchasing power via taxation. We are sure that the great majority of the readers scanning these lines are cursed with the burden of excess purchasing power (too much money) and will enthusiastically welcome higher taxation to relieve them of it!! We assert that Mr. Snedden knows of no other way of this being done either.

Encouragement to the private sector (of industry) to achieve greater efficiency in production. This sounds fine; but how? We wager we know one method which Mr. Snedden will not use - reduced taxation:

"Discouragement of, and resistance to, excessive wage demands." The Liberals labour under the false belief that the wage factor is the key one in inflation. This is not so at all. The cost factor is the key one in inflation. Wage increases merely maintain the momentum of inflation. Mr. Snedden may have some magical formula to prevent the wage-earner from demanding higher wages to keep up with inflation - we haven't seen any introduction of it yet; certainly not in the period during which he was Federal Treasurer.

"Halt moves for a 35 hour week" : this would be necessary in the present context. The introduction of a 35 hour week now would send a shock wave of increased costs throughout the economy.

"Action to prevent the country being disrupted by strikes." Fine. Again; how?

"Avoidance of any action adding to costs, such as increased taxes." We consider this to be political double-talk. "Excess" demand cannot be reduced without taxation increases; and if Mr. Snedden has learned anything from his disastrous 1971 Budget (which some people doubt) which did more than anything else to toss the Liberal-Country Party Coalition out of government, it should be that a reduction in demand: deflationary measures, are geared directly to unemployment. The stronger the deflationary measures, the higher the unemployment. Readers will recall, that despite all the political waffle from Mr. Snedden at this period, he unhesitatingly reversed fiscal policy with his 1972 expansionary deficit Budget (\$650 million deficit) which itself triggered the current burst of galloping inflation, and which has been added to the massive Government spending by the Whitlam Government.

The long and the short of it is that Mr. Snedden has not the foggiest notion of any effective methods of halting inflation. However, he has drawn attention to the dangers of increasing the powers of the Commonwealth Government (we don't like the terms "Australian", or "National" applied to Canberra). All State Governments are "Australian" also: the Australian "Nation" is made up of six sovereign States, which carefully divide political power, and reduce government to more manageable proportions, over which the individual can have some influence. Let us always remember that governments can only increase their powers at the expense of the individual. The more power a government has; the less power has the individual citizen. The reverse is true.

MORE ABOUT PRICES AND INCOMES POLICIES: "Prices and Incomes policies are fine in the abstract - it's the nitty-gritty that lets them down."

-The Age (Melbourne) October 6th

The Rt. Hon. Aubrey Jones was Chairman of Britain's Board for Prices and Incomes from 1965-70: abolished by the Heath Government in the latter year. He has written a book - "The New Inflation - The politics of Prices and Incomes". Mr. Tony Thomas, the "Age" economist, states that Mr. Jones's thesis is that prices and incomes policies can work, but do not work because of lack of persistence due to everyday political factors. This is his opinion: We know it is incorrect, but it does give some insight into the reasoning of doctrinaire economist. The rigid theoretician confers reality on his

doctrines, and any unwelcome results become unreal; lack substance. The prices and incomes policy is right, the results are wrong. It is not the policy which is wrong; the results are - therefore, more and more power to make the policy work.

Mr. Jones does make an interesting comment. He says that the "developed" world is entering a new and prolonged inflationary phase, against which fiscal/monetary restraints are inappropriate and cruelly mistaken policies. We don't think the phase is necessarily "new": the League monthly journal of political economy, "The New Times", has stated since its inception almost forty years ago that inflation would progressively become more acute, as has happened. It will continue to become still more and more acute - a rate of 20% is quite likely next year, unless the economy collapses first. The book ends on a sombre note:- "There has as yet been no effective prices and income policy in the U.K." Mr. Whitlam and Mr. Snedden please note!

FINANCIAL "AMMUNITION" REQUIRED FOR THE BIG BATTLES NOW
LOOMING

In spite of their electoral set-back at Parramatta, the Socialist strategists are desperately pushing ahead with their program to create a totalitarian Australia. They are determined to do the maximum damage to what remains of the Free Society in the shortest possible time, knowing that even the return of a weak Liberal-Country Party Government would not reverse the program of centralised power.

Seeking to stampede an electorate suffering accelerating inflation, they seek on December 8th to obtain a surrender of power by the Australian people which Dr. H.V. Evatt failed to obtain in 1948 with his Prices Referendum. And then they hope to push on to obtain a majority in the Senate, thus clearing the way for an unimpeded advance towards their ultimate objective.

Only a national non-party campaign based on principles, not party advantage, can now throw back the Socialist advance. Events are moving so rapidly that the League has not had time as yet to issue its annual report and appeal. But we are announcing that the annual financial appeal for \$25 000 is now open. In spite of inflation, we know that with this basic fund we can multiply it a number of times. As the new battles open we must not be caught short of adequate financial ammunition. All northern N.S.W. and Queensland contributions or pledges to Box 17, Alderley, Qld., 4051. The balance to Box 1052J, G.P.O., Melbourne, Vic., 3001.

MELBOURNE CONSERVATIVE SPEAKERS' CLUB DINNER : The October Dinner will be held on Wednesday evening, the 24th October, at the Hawthorn Football Club Rooms, Linda Crescent, Hawthorn, Melbourne. The Guest Speaker will be Brigadier R.T. Eason, Chairman of the Country Fire Authority of Victoria, who will speak on "The Institution of the Monarchy". The time: 7.00 pm. Tickets \$3.00 per person. Bookings may be made with the League office : payment must accompany each booking.

"On Target" is published by the Australian League of Rights, Box 1052J, G.P.O., Melbourne, 3001.
Subscription rate : \$4.00 per annum. W. & J. Barr (Printers) Pty. Ltd.
