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# ON TARGET

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*The price of Freedom is eternal vigilance—*

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**Thought for the Week:** "Progressive taxation, like political unionism, became a tool of communist economic-political warfare because it could be aimed at certain strata of bourgeois democratic society: the managerial groups, whose incentive and energy are so important to production. To the Communists, progressive taxation is not based on a principle but is merely a tactic that might serve a communist purpose."

"The long-range aim of communist demands in the major Western nations remains the same, namely to weaken capitalism's base of private enterprise and property by making these institutions insecure. Once the sense of security and stability is gone, there remains a condition of fluidity propitious for the various forms of communist political warfare." - William R. Kinter and Joseph Z. Kornfeder in The New Frontier of War. (1963)

**INFLATION THE ARCH-DESTROYER:** The Trudeau Government in Canada is the latest victim of inflation. It failed to impose the type of policy put forward by the New Democratic Party, which was in essence more Socialist measures. These measures would have been no more successful in halting inflation than those being applied by the Trudeau Government. But they would have helped to undermine much faster what is left of the free enterprise system in Canada. Harvard - educated Robert Stanfield, leader of the Progressive Conservative Party, advocates price and wage controls in order to curb inflation. Should Mr. Stanfield be successful in winning the coming Canadian Federal Elections, it is as certain as the sunrise that his policy will accelerate the rate of erosion of the Canadian free-enterprise system.

Irrespective of the labels of the Governments throughout the non-Communist world, including Japan, they are all now being forced further down the Socialist road as they impose inflationary credit policies. Taxation becomes progressively more oppressive. At long last even the most superficial observers are starting to realise that unless a constructive alternative to inflation is implemented, the institutions of the free society are doomed to complete collapse. Increasing centralisation of power is inevitable while inflation continues. This in turn spawns corruption of all types. The situation is ideal for the Marxist revolutionaries.

Joseph Kornfeder, co-author of The New Frontier of War, from which we have quoted in our "Thought for the Week", became one of the foundation members of the American Communist Party in 1919. He studied at the Lenin University's political warfare college in Moscow, eventually becoming a member of the Anglo-American Section of the Comintern. He broke with Communism during the 1930's. He and his co-author, William R. Kinter, drew attention to the manner in which the Marxists wage political

warfare. The following comment is most significant at the present time: "When the capitalist system is healthy, many communist sponsored demands are realizable with only a small amount of friction. But the Communists are interested in the generation of continuing friction, not the realisation of demands. Therefore, the sharper the formulation of the more extreme demands, the more friction created. The weaker the system gets, the more utopian become the demands and the bitterer the struggle... (These demands) are designed to admit the communist Trojan horse into the bourgeois camp and to induce elements in that camp to side with the Communists." This is a clear description of what is happening in Australia, the United States, the United Kingdom and all other nations. Statements from Moscow leave no doubt that the Soviet strategists are confident that the "capitalist enemy" is disintegrating and lacks the will to meet the increasing pressures being applied by the Soviet.

The answer to inflation and rising taxation has been known for over 50 years. We have for many years warned of what would happen if debt were accelerated, and outlined constructive anti-inflation financial-economic policies which would create a renewed confidence in the free-enterprise system and deprive the Communists of their most deadly assets. Events have now confirmed what we have predicted, and have over-taken our critics. Now is the time for all genuine anti-Marxists to come together to press for constructive alternatives to mounting debt, inflation and crushing taxation. (A Programme for Reversing Inflation, by Eric D. Butler, price 32 cents posted and Alternative to Disaster, by Dr. Bryan Monahan, price 47 cents posted, are essential handbooks for survival.)

PORTUGAL AND THE DEFENCE OF SOUTHERN AFRICA: By Eric D. Butler. The first news of the coup in Portugal, bringing General Antonio de Spínola to power, was coming through as I left Rhodesia for South Africa on April 25th. Naturally there is a deep concern in both Rhodesia and South Africa concerning the significance of the policies of the Spínola regime. The South Africans are painfully aware of their critical position should both Angola and Mozambique become hostile nations sheltering Communist-backed terrorists as are Tanzania and Zambia. Last year I reported from Rhodesia that I was of the opinion that the coming twelve months would be critical in Mozambique. If African terrorists have a free hand in Mozambique, South Africa's front-line of defence, Rhodesia, will face a desperate situation. The Marxist strategists are making it clear to their supporters everywhere that they see the coup in Portugal as a first major step towards intensifying the campaign against Southern Africa.

There were a number of factors leading to the coup in Portugal, not the least of these being the increasing strain on an economy not particularly strong. Inflation is also taking its toll in Portugal as elsewhere. Backed by the enormous resources of the international revolutionary movement, the terrorists, referred to in the world news media as "freedom fighters", have kept large numbers of Portuguese troops involved in Africa over many years. Young Portuguese sent to serve in Portugal's overseas territories have not generally shown the same will to meet the terrorists as have the Rhodesians. The coup by young officers in the Portuguese armed forces must be seen as a desperate attempt to solve the long struggle in Africa by a "political solution" along the lines advocated by General de Spínola. This type of solution was foreshadowed in Spínola's book, Portugal and The Future. Spínola will have no difficulty in coming to an agreement with peaceful residents in Angola, Portuguese Guinea, and Mozambique, irrespective of their racial backgrounds. There is no reason to believe that these residents will reject the concept of a confederation of equal Portuguese States. But will this end the wars?

There is no evidence whatever that the terrorist movements, backed by the Organisation of African

Unity's Liberation Committee, Moscow and Peking, will accept the Spinola formula. Over the last twelve months Red China's influence over all the anti-Portuguese "liberation" movements in Africa has increased substantially, with the result that Peking is the dominant Communist factor in Africa today. The Red Chinese are now in the final stages of building the Tanzam railway line from Dar-es-Salaam down to Zambia, and Mr. Whitlam's good friend President Nyere of Tanzania, has agreed that the tens of thousands of Chinese should stay in Tanzania to help with other developmental projects. Chinese women are arriving in large numbers. Peking's teaching on the "liberation" movements categorically denies the possibilities of any "political solution" along the lines advocated by Spinola. The new Portuguese leader says that he has no intention of negotiating with the guerrillas. But how is he going to bring peace without dealing with those responsible for the conflict? The Communists regard all negotiations as a means of increasing pressure on their opponents until there is complete capitulation.

Any capitulation by Portugal will not turn Angola and Mozambique into areas of peace, but into forward bases from which the Communist offensive against Rhodesia and South Africa can be intensified. General de Spinola certainly had some success in Portuguese Guinea where he introduced big social welfare programmes while fighting the terrorists. This resulted in some loss of support for the terrorists amongst the Africans. But irrespective of what policy is pursued, the future of Portugal's African territories depends upon whether the Portuguese have the capacity and the will to fight on against the Communist-backed terrorist forces. If the Portuguese fail, then Rhodesians, already suffering casualties on the northern borders, would be in the greatest peril.

The ominous developments in Africa are taking place as the Suez Canal is being cleared, one major result of this being that the Soviet Navy will shortly be able to move freely from the Black Sea through to the Indian Ocean and thus increase the pressure on Southern Africa while at the same time operating across the vital oil route from the Persian Gulf countries. All of these and other associated developments vitally concern the future of Australia. The shadows of coming events are now lengthening and deepening rapidly. A realistic defence and foreign policy was never more urgent for Australia.

NEW LOW IN PERVERSION: "The publisher of several Sydney sex magazines yesterday registered the title 'Festival of Light Pty. Ltd.', as a business name. Mr. William Horne, publisher of Ribald, Bawdy and Gay, registered the name with the Corporate Affairs Commission... Mr. Horne said yesterday the festival of light organisation had never registered the name so he had the legal right to use it. He said he intended to sue the Festival of Light organisation if they did not change their name soon."

- The Age (Melbourne), May 14th.

We agree with a spokesman for the Festival of Light organisation, Rev. F. Nile, that this is "a despicable act." Whatever the strict legal aspects, the Festival of Light is a voluntary, non-profit organisation engaged in attempting to let a little light into the moral gloom being created by the publishers of pornography which is like the stench of the sewer in the nostrils of decent people. But according to Mr. Horne, following his acquittal in the Sydney District Court of a charge of distributing an obscene publication, the decent people are "wowsers" and he has decided to apply for the Festival of Light title in order "to stir them up a bit." He said that "They will have to find a new name - I suggest they try 'Festival of Darkness'". Very funny, Mr. Horne.

The proliferation of pornography and obscene printing material and films is a manifestation of the sickness

undermining orderly, civilised society. We trust that there will be a healthy reaction to the Hornes of our society, expressing itself in strong support for the Festival of Light movement and its good work. (Recommended reading: Stand Up and Be Counted, by Dr. John Court. Price \$1.15 posted).

THE 1973-74 BASIC FUND: The magnificent response to the 1973-74 Basic Fund, which was over-subscribed by approximately \$2,500, is a reflection of the tremendous morale of League supporters, and also a measure of accelerating progress. The League is planning ahead all the time and the National Director reports after a short interstate tour following his recent return from overseas, "that those pundits who had convinced themselves that the League was losing financial and other support are in for some big shocks. The expansion over the last six months has been enormous. But I am confident that with the developing situation, we are going to have an even greater impact over the next six months. Those who provided the Basic Fund made it possible for us to expand our activities with confidence, this in turn generating that extra financial support so vital for our work."

BRIEF OBSERVATIONS: The major reason why the Soviet Union and its satellites are almost free of the inflation problem wrecking the West is because the Communists run their economies on a permanent war footing. The planners maintain rigid control. They dictate what consumers may have. The results are no luxuries, queues, and shoddy consumer goods.

The Soviet is seeking access to Sri Lanka's big naval base in Trincomalee. The Government of Sri Lanka has been resisting the Soviet advances, but may capitulate because of mounting economic problems. If the Soviet gains access to the former British naval base, this will enable it to further expand its Indian Ocean strategy. British and American naval strategists are concerned. The establishment of a base on the British-owned island of Diego Garcia was planned as a counter to Soviet strategy. But now comes disquieting news that there is a mounting American campaign to force the project to be halted. Leading opponent is Chester Bowles, former U.S. Ambassador to India. Bowles' consistently weak attitude towards Communism is a matter of record.

An opinion poll in Israel has found that ten per cent of Israelis want to emigrate out. In the 18-29 age group, 20 per cent want to leave Israel rather than serve in the Army. The Soviet Union is providing the biggest percentage of new migrants to Israel, although the Soviet has been embarrassed by the number of Soviet Jews seeking to return to the Soviet from Israel.

Well known American author and economist, Harry Browne, a strong free enterprise supporter, agrees with Communist leader Kunstler that 1976 will be the year of the complete collapse of the American economy - unless, of course, there is a change in finance-economic policies before then. John E. Sheehan, a governor of the Federal Reserve banking system has made a frank contribution to the growing discussion concerning inflation. Sheehan admits that the credit policies of the Federal Reserve system were the cause of inflation. But he argues that unless inflation was continued, there would be a major depression, widespread unemployment amongst the Negroes, race riots, the burning of American cities and communist revolution. Mr. Sheehan apparently does not realise that continuing inflation will also be disastrous.

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