

LIBERAL PARTY OF AUSTRALIA (N.S.W. DIVISION)  
DINNER IN HONOUR OF THE PRIME MINISTER, THE  
RT. HON. SIR ROBERT MENZIES, KT, CH, QC, MP

at David Jones' Restaurant, Sydney.

7th OCTOBER, 1964.

Speech by the Prime Minister, the Rt. Hon. Sir Robert Menzies

There are in our community, aren't there, people who are cynics, and there are people who are sceptics. The two animals are quite different. I have a profound respect for a sceptic, for a man who says, "But wait a moment, wait a moment, I want to be persuaded that that is true." That is a sceptic. And you and I, all of us, haven't we, been sceptics on a variety of matters. But the cynic, the man who doesn't want to be persuaded, but who believes that there is something - to use the homely phrase - "crook" about everybody, he is, I think, a common pest.

The cynic sometimes says, in Australia, "Well, it doesn't matter very much which side wins, things are much the same. Why should we waste our time on politics?" Now this is genuinely the cynic's point of view. "Well, you know, nothing much happens. Why should I concern myself? I'm so busy on other matters. Why should I worry myself about politics?" Well, Sir, all I can say is that if many of us had refused to "waste our time" on politics, then I wonder whether cynics today would have been so comfortable. (hear, hear) (Applause) This is a perfectly fair question.

I have spoken to hundreds of men in my life, men of consequence, men of intelligence, men of training and experience and I have said, "You know, you might make a great contribution to politics," and all too frequently I get the answer, "Oh, I'm much too busy," to which I have to say, "Well, do you imagine that I went into politics because I wanted a job? Do you imagine I went into politics because I was unemployed?" This is too stupid for words. This is the piece of nonsense that has unduly affected the history of politics, particularly on our side in Australia. "Oh, no, well, I couldn't take up my time on it", and the answer is that unless a lot of us are prepared to take up our time on these matters, then the standard of politics, the standard of administration in Australia will fall and fall and fall.

Now, Sir, having said that, I would just like to say a word to you about the current politician. May I so describe him, being one of them myself? Nowadays, it is essential for any responsible politician to know a good deal about various matters. I don't mean by a responsible politician somebody who can do the stuff in the local bazaars and all that kind of thing; I mean the kind of man that you want to see in Parliament, the kind of man that you want to discuss things with some day, with the great idea that he will understand what you are talking about.

And from that point of view, any responsible politician today ought to know a good deal, believe it or not, about applied economics. When I say "applied economics", I must say that I have been something of a student in my time. I am rather better than half literate, and always in my library I had "The Pure Theory of Economics" by Keynes and "The Applied

Theory of Economics" by Keynes, and I confess to you - I hope Bill McMahon won't use it against me - that I understood the applied theory rather better than I understood the pure theory. But at any rate, what we all need to know something about is applied economics because you gentlemen of business - though on the whole you don't know much more about it than we do, do you? - you like to say, "Well, politicians, what do they know?" and my answer is, well, we ought to know - and it is our business to know - a good deal about applied economics. And, indeed, you would be astonished to know how many people there are in Parliament - in Government and in Parliament - who devote an immense amount of time to this kind of problem. But any responsible politician ought to know something about these matters.

He ought to know something about public finance. Public finance is not one of those mysteries that financial editors write about when the Budget is produced. Public finance comes down to a series of basic ideas which we really ought - all of us who are aiming to be intelligent - to know something about. The politician in the Federal Parliament who aims to be qualified ought to know something about central banking and monetary policy. Now this is true, isn't it? How could you ever suppose that people could sit or speak in Parliament without knowing something about these matters which are at the very heart of financial and monetary policy from year to year, and, above all things, from your point of view, a competent and responsible member of Parliament ought to know something about the impact of banking and financial policies on all aspects of business and industrial undertaking.

Now, I look across here and I see a distinguished friend of mine who is a businessman, a manufacturer. He would agree at once that he would get nowhere in discussions with the Government unless he felt that he was talking to people who knew something, and preferably a good deal, about the impact of these policies on the activities of the business world.

Now, Sir, let's put it to you in this way. No Member of Parliament can offer to know something, however rudimentary, about these matters, except at the expenditure of tremendous application and tremendous hard work. Now all this, of course, is elementary to you; it is quite elementary, but it has a bearing on what I want to say next.

Why have we got into the attitude of mind in which we think Members of Parliament have a nice cushy job? They go and open bazaars. Oh, if anybody thinks opening a bazaar is a cushy job, I wish he'd do the next one for me. (Laughter) But there is this rather cynical approach, isn't there? "Oh, well, they just go around and kiss the babies and open bazaars and all that kind of thing." Look, governments come and governments go and governments change. Even a Prime Minister who has been a Prime Minister for so relatively short a period of time as I have been, has every now and then to say, "I would like to bring A or B or C in. Do I bring A or B or C in because he is ignorant or because he has this standard of information about the problems of the country that I think ought to be contributed to a Cabinet consideration?" In other words, the vital thing about politics, and it is the historic mission of our party to produce it, to perform it, is to bring into Parliament people who will be able to contribute on this high level to the settling of the problems of the nation; not ignoramuses - or should it be ignorami - but I don't mind - but

not people who are just having a stab at it, not people who are just amateurs at it, but people who have really, year by year, devoted their attention to it, as I proudly profess I have myself. (Hear, hear) (Applause) Now this is it.

The superficial onlookers - I name no names - are rather given to saying, "Oh, Members of the Federal Parliament, they sit X days a year, and if they are in the Senate like Alister McMullin, they sit X-Y days a year" and then they work out a pretty little sum and say: "X days, so many hours, well what a homely, hopeless proposition this is. These boys are being paid....." I've read this more than once. They say, "They are paid X (some improbable sum of money) per hour." Now if anybody supposes that a Member of the Federal Parliament worth having - I say nothing about the States which have immense responsibility - confines his labours to X days multiplied by so many hours and that's it, then all I can say is that he has another guess coming, because if I were a private Member of Parliament (which many people would very properly desire me to be), I don't think I would be measuring my effort by so many days a week, so many weeks a year or so many hours a day. I think I would be wanting to get stuck into the problems of the nation with all the Departments at my command or request so that every time I rose and spoke, I might say something of value, something that was a positive contribution to the affairs of the nation.

I mention this to you, gentlemen, because if you will allow me to say so, I think there is for some reason or other, a rather grudging attitude on the part of our people towards the people they send into Parliament to conduct the ultimate affairs which produce the ultimate judgments which in the long run determine the course of life of so many of us.

You must not have this grudging attitude. I said earlier, I don't suppose anyone thought I went into Parliament because I wanted a job, but you are not to look at it from my point of view. I have seen so many men come into the Federal Parliament of immense talent and I am happy to say, most of them on our side of politics (Applause) and I would like them to feel that the more time they devoted to the problems of the nation, the more would their labours be recognised by the people who vote and the people who talk and the people who write.

It is, I think, a grudging thing for people to say to a man who goes into Parliament, who is prepared to cut himself adrift - and believe me, on our side we must have more and more of them - cut himself adrift from the normal avenues of promotion, from the normal access to increased professional fees. "But, of course, you must understand that we are all sceptical about you. We are all cynical about you, and if you want to be paid an emolument that will compensate you for devoting one hundred per cent. of your time to the affairs of the nation, then you must of course recognise that you will get somewhat less than the salary of a branch manager in a chain stores system."

This is true. This is true, and the trouble is that in Australia we have produced this cynical approach. Now I am not concerned personally about this. Nobody compelled me to go into politics, nobody compelled me to become a Prime Minister, nobody sits over me with my own meagre financial affairs. I don't give a damn about those things, but if we, on our side of politics, are going to produce, every time we have an election, people who are calculated to be the statesmen of the future, then we are not to say, in a rather cynical way, "Oh, well, forget about it. Let him take the senior clerk's

salary." You can't do that. You can't impose on people a sort of involuntary sacrifice, because we are all different. Some people have wives and some don't (Laughter) and some have wives and children and some wives but no children. All our obligations are different, but speaking as the Leader of the Liberal Party to a bunch of people who are, in all essence, Liberal, I want to say to you that what we have to do is to make it more and more feasible that people of quality and character should go into Parliament on our side so that we may, over a long period of years, present to the people a standard of statesmanship, of quality, that this country and the world will need.

Now, Sir, there is one other thing that I want to say, speaking as the Leader of the Liberal Party. If somebody said to me, "What is the essential distinction between a socialist and a Liberal", I think I would say that the socialists live on a basis of dogma. They have a platform, they have their masters who say this is what you may do, this is what you may not do, and the result is that whenever any great national issue occurs, they are hog-tied by the dogma of their party, and after all, the doctrinaire socialists are dogmatic.

They start off, don't they, by saying, "Well, now here's a problem. The State ought to run it," and we start off by saying, "Not at all. This is not a matter for the State to run. Can't private people run this? Can't private enterprise run this?" and it is only when we come to the conclusion that private enterprise can't run it that we begin to think of some government action. But the doctrinaire socialist, he says, "Oh, no. Start off with the government. We ought to nationalise this. We ought to control this." This is a very vital distinction. They are doctrinaire and we are not. We are practical, we are pragmatic on these matters. There are hosts of examples of this kind of thing in the history of Australia.

But our great danger is that in avoiding dogma, politically, in avoiding the dogma of the socialists, we may begin to think that we ought to go to the other extreme, and have no faith whatever. But my contrast is between faith, a deep-seated burning faith in how we handle the problems of the country and a mere wooden dogma at the other end. This is really, basically, the choice that people have in the modern world.

Now, Sir, it is because of these things that we reject what I have always said is the reactionary theory of socialism. Could I just develop that a bit? You know, Sir, in the nineteenth century, Great Britain went through the first industrial revolution. Mr. Stephenson and Mr. Watt, they produced all these marvels and Great Britain became the leader in the nineteenth century of the new world. This was the industrial revolution, and this, of course, meant inevitably that a great number of people became very rich and, no doubt, that a great number of people became very poor.

This was it in the nineteenth century. Then we had all the social revolutions in Great Britain. We are their descendants. We might as well remember these things. We had Lord John Russell and we had all the things that went on, industrially and politically, and it was towards the end of the century, and perhaps not so much towards the end of the century, that the socialists began.

All the people who hated inequality - very rightly - said, "Well, the only answer to this in this new bursting world is that we should make people equal" and I have never had any

difficulty myself in understanding why in that century and particularly in the second half of it, people were attracted by the idea that if you were to have social justice you must have equality, and if you were to have equality, you must have the government running everything. This, as a theoretical exercise in history, I've had no difficulty in understanding. But I have never had any temptation whatever to believe in it. Never. Because the truth is that if in the long run the best thing is to be done for the most people, then this is not just a matter of dividing up what exists, but a matter of adding to what exists.

This is the matter of developing the resources of the nation, and if you are to develop the resources of the nation, then you must encourage private citizens to get out and get busy and have them have some reward for what they do. It is the fundamental difference between the socialists of today and the Liberal and Country Party people of today. We believe in developing resources, we believe in stabilising the currency of the country, but we believe that we can do all of this by giving to every person the incentive of reward, or even if I may mention that almost indecent word - profit - upon what he is doing. Whereas our opponents, they go back, they are very reactionary. You must always remember that. They are very reactionary, they go back and say, "Oh, no, no. You mustn't do that. The government must run this particular thing."

I see an old friend of mine sitting over there saying to himself, "Now I wonder how the government would get on running the steelworks....?" Now that's right, isn't it Cecil? You know, this is it. It is a fatal belief that the government should be the master and that the government servants can do better because they are not excited by the prospects of reward, than ordinary people who, if not excited by the prospects of reward, at least hope to get them in due course. Now this, Sir, is the basic problem; it is one of the fundamental differences between ourselves and those to whom we are opposed. And I repeat that we don't live on a dogma, we live on a faith. We believe in the individual, we believe in encouraging the individual, we believe that in the long run the growth of our country will depend on what individuals do.

Now, Sir, there is one other thing that I would like to say to you. On our side of politics we must never become the advocates of special interests or of pressure groups. This is something that needs to be said. Our function is a wide and human function. We are not here, we are not in politics to be the advocates of special groups, of special interests, of pressure groups. We are indeed profoundly concerned with justice and not with subservience to any group of people. Now I just want to remind some of you how these principles apply to some of the great current problems.

Where I sit in Canberra we have deputations - I see quite a few people here tonight who come from time to time to tell us their view and I am delighted to see them and to hear them. But underneath it all, I never forget that there are two things for which a government on our side of politics must stand. One of them is that there should be, as far as possible, a stability in the currency. Now this, gentlemen, is profoundly true. I don't mean that we are to be pedantic about this matter, but everybody here will realise that if we permitted a series of policies which meant that the value of the currency was jumping up and jumping down so that you had the consumer price index bouncing up and down, then this would be no great

help to us, either internally or externally. I believe that it is quite clear that we ought to aim at stability of the currency and the moment we say that, somebody says, "Oh, yes, well that means that you don't want growth." Growth is not inconsistent with the stability of the currency. On the contrary, I would venture to say that of all these hundreds and hundreds of millions that have come into this country in the last eight or ten years from other countries, only a fraction would have come if we were in the middle of an inflationary boom, with the value of currency going out through the roof. This is true. And therefore, stability in the currency, pursued within proper limits, and investment from overseas, investment internally and the growth of the economy are both on the same side. There is a great temptation to think that they have some classic sort of opposition to each other.

I will just give you one simple example. I apologise for giving it. You know, there is a great disposition among the economists, or some economists, to divide investment in Australia between investment in the public sector and in the private sector, the assumption being that investment in the public sector is in some way inconsistent with or hostile to investment in the private sector. This, I venture to say, is utter tosh.

How much investment in the public sector is there that doesn't come in aid of private industrial and economic development? Now I ask you. I look around here and I see a few famous.....tycoons - is that the right word?..... and they say, "Yes, but we want to concentrate on industrial development. We want to build a new factory. We want to do this." But bless my soul and body, what do the governments do, particularly the State Governments? If you want to have this, you must have roads, you must have bridges, you must have schools, you must have footpaths, you must have water supply.

You know, we live in a world of false dichotomy. One of the many reasons why I am a Liberal is that I am a great believer in the practical truth of what goes on, not in some theoretical division. The truth of the matter is that without a lot of public expenditure in the public sector - perhaps ninety per cent. of it - it would be impossible for industries to expand, to employ people, to have them housed, to have them transported, to have them supplied with water and light and power. This is so simple, isn't it? Perfectly simple. And what you must always remember is that it is because we understand those things that we are to be distinguished from the rather dogmatic people who make artificial distinctions between one and the other. Now this is, I think, tremendously important.

Now, I won't talk to you any more about our internal affairs but I wonder if I have enough time to say something about our external affairs because although it used to be said, not without truth, ten, fifteen, twenty years ago, that Australians weren't interested in foreign affairs, I don't think that's true any longer, I don't think there are too many people in Australia who believe that we can just go on looking down in the back garden and saying how the pumpkins are growing and forget that there is something over the road which may prevent the pumpkins from ever being harvested. Political affairs, externally, have become in our time, and since the last war particularly, of tremendous importance to Australia.

Now I am not here to provoke an argument about whether somebody ought to do this, or this, or this, because this gets down to detail, but I do want to say this to you: Where my Government stands is perfectly clear. We don't believe that Australia can be an isolationist country. Neither do you. We don't believe that we can sustain our future security without having well-chosen alliances, and my own Government has made them, not with very much approval from some other people.

We have made the SEATO alliance. Before that we made the ANZUS alliance. Is it always realised in Australia that if we hadn't entered into this Treaty with America and New Zealand and thereby evolved the ANZUS pact, that we might today be in no position whatever to say to the United States, "Well, it would be very nice if you could help us" whereas today we are in a position to say that under the terms of that treaty, if our troops are attacked in the Pacific, that is the business of the United States, and if the United States troops are attacked in the Pacific, that's our business. This cuts both ways. (Applause) I venture to say that the ANZUS pact will one of these days be looked back on as the most remarkable treaty that any foreign country ever made with the United States, and from out point of view, it is of vital importance.

Well, then, take the other thing. We have SEATO - the South-East Asian Treaty Organisation. We are members of that and so is the United States and so is Great Britain, so is France, though the French are not frightfully keen on it, you know. (Laughter) No, I think that's fair enough to say. And so are many Asian countries. It means something, doesn't it, when you are able to say there is a treaty between six or seven nations under which they all jointly and severally agree to come to the aid of the other in the event of an attack. This, I think, is tremendously important. And both ANZUS and SEATO have never had one word of warm-hearted praise by our opponents.

And then the latest thing is Malaysia. Now I must tell you about Malaysia. This is really almost incredible. Now Malaya was there, Malaya a non-aligned country, if I may use that current expression, with the Tunku. He's a grand man. They decided they would like to establish a Federation. Oddly enough, that is what we did in 1899 and 1900, when New South Wales and Victoria were almost as foreign to each other as Singapore and Malaya, because you in New South Wales, now rich in manufacturers, were a free trade State. Remember? Of course you don't, you're too young, but they were. But here, the Tunku himself promotes a new Federal system - Malaya, Singapore and Borneo States, and this is adopted, and it is recognised by the Prime Ministers' Conference - the previous one that we had. We say, "Yes, right, Malaysia is in." It is recognised by the United Nations, because when the Tunku arrived on behalf of Malaysia, Malaysia was admitted to the United Nations, as Malaysia, not as Malaya or Singapore or something else, but as Malaysia.

Then when the ineffable Dr. Soekarno said this was not right, people didn't approve of it, the Secretary-General of the United Nations sent out a mission and they reported that this was in accordance with the will of the people in the Borneo States. So if ever there was a country that was ultimately born and christened as an independent State, it was Malaysia. Now, what is our position in Australia - and this is almost the vital question in the next two or three years? Do we look on indifferently? Do we say, "Well, we approve of the concept of Malaysia?" It is almost like saying that you

approve of the birth of your neighbour's child, the concept of Malaysia. This is hopeless.

We, being what we are, came out and said, "We believe in Malaysia, we think Malaysia has as much right to its independent existence as any other country in the world, and if Malaysia is attacked and Great Britain which has a special defence treaty says and Malaysia says to us, "We would like your help", we will give it." (Applause)

Sir, this seems to me to be all elementary. I am not underestimating the problems that we have. Not at all. There are problems of defence and of equipment, all these things, but that this country should renege on its obligation to help Malaysia be independent is to be so unthinkable that I couldn't be the head of a government that contemplated it. (Hear, hear) (Applause)

Well, all this is quite clear. We have forces in Malaysia, we have all sorts of obligations and they are constantly being changed and added to, but when you look on to the other side of the House (there is always a choice, never forget that) what do we find? Well, it is only the other night that one of the spokesmen of the Left wing of the Labour Party said, "Oh, yes, we approve of the concept of Malaysia, but there ought to be no Australian troops in Malaysia," so you see this is a noble, or ignoble, contradiction, according as you look at it. .... "There ought to be no Australian troops there"..... and his Deputy Leader denounced him, or repudiated him on this matter, and then the Leader of the Opposition said, "Well, on the whole, he thought the man who spoke first was a very good man, a very good Labour spokesman."

Gentlemen, this is not good enough. With a little bit of luck, with a little bit of wisdom, this man Soekarno may decide to play it quietly and may decide to give up his confrontation policy. I don't know and you don't know, but suppose he doesn't. Suppose he builds up his attack on Malaysia to a point where there must be retaliation unless a little war is to be lost, what side are we on? This is one of the great problems that we have to look at. I have no doubt myself as to what the answer is on that matter, but these are tremendously difficult matters, and because they are difficult matters, because it is essential that within an hour or two, questions should be put and answered, then it is vital that you should have people in a position to receive the questions and to make the answers who have no doubt or hesitation as to where they stand.

Now, I am not sabre-rattling on this matter. I don't think there is any future in that, but I don't think there is any future in appeasement. (Applause)

I don't think there is any future in allowing aggressive people to go on on the assumption that they won't be resisted and that they can go so far, so far, so far, and nothing will happen. This is really, in our part of the world, the greatest and most acute problem we've ever had. In previous wars, people have said, "Well, what do you say about Belgium? What do you say about Czechoslovakia?" These are a long way away. But in this matter, we are dealing with what happens next door to us. And I happen to believe most firmly that so be it that we stand firm and clear and have no ambiguities and do what needs to be done on these occasions. We are not going to produce a world war. We are going to produce a signal defeat for aggressive



dictators who have been chancing their arm. (Hear, hear)  
(Applause)

Sir, it is not for me to be labouring this matter because everyone of you has given thought to it, but I come back to where I began: Why are we on our side of politics? Are we cynics? Do we just say, "It doesn't matter who is in or who is out"? I will just test it by the last example I gave you.

Does it matter who is in or out? Do you want to have people in who are the victims of complete ambiguity and internal dispute as to where they stand on these matters? Or do you want to have people who, whatever their defects may be - and I am constantly reminded of mine - know exactly where they stand and are prepared to give a clear, honest, I hope, brave lead to our own country in dealing with them.

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