



- NEWS HIGHLIGHTS
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THOUGHTS FOR THE WEEK

“He (Hitler) skilfully suited his acting to his audience. ‘The furious German comes, with his clarions and his drums’: Macaulay was right, the German can be stirred by this appeal, and Hitler mastered it. Moreover, his rages, which were so transparently artificial, like those of a barn-stormer tearing Lear to rags, became real and lethal paroxysms when power to shed blood was his.

That great student of the French Revolution, Lord Acton (were he alive now, I think he would trace the unbroken thread from it, through Soviet Communism and German National Socialism, to the World Nihilist State which threatens us to-day) said

two things which seem to me to explain Hitler and the process of our times: First, the famous verdict: ‘All power tends to corrupt, and absolute power corrupts absolutely’. It has been repeatedly proved true in our century and means that even a man who does not consciously set out as a wrecker of nations, becomes one when he reaches out for power beyond public and parliamentary control.

Second: ‘The appalling thing in the French revolution is not the tumult but the design. Through all the fire and smoke we perceive the evidence of calculating organisation. The managers remain studiously concealed; but there is no doubt about their presence from

the first’. This, also, seems to me to have been proved true, much more by the events of the twentieth century than it was when he wrote it, towards the end of the nineteenth about the great upheaval of the eighteenth. It means, to my mind, that men who seize power find ‘a design’ and ‘managers’ waiting and become the instruments of these; they are only allowed to rise so far because their usefulness in the design is foreseen. Some of them, however, are privy to the design from the start, and among these I would include the man Hitler, alongside those he pretended to hate, like Marx, Lenin, Trotsky and Stalin...”

- - Douglas Reed in “From Smoke to Smother” - The Smoke 1933-1939  
 ([https://archive.org/stream/FromSmokeToSmother/smoke\\_djvu.txt](https://archive.org/stream/FromSmokeToSmother/smoke_djvu.txt))

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“Military war is an intensification of economic war, and differs only in method and not in principle. The armaments industry, for instance, provides employment and high wages to at least the same extent that it provides profit to employers, and I cannot see any difference between the culpability of the employee and that of the employer. I have no interest, direct or indirect, in the armaments industry, but I am fairly familiar with Big Business, and I do not believe that the

bribery and corruption, of which we have heard so much in connection with armaments, is any worse in that trade than in any other. So long, then, as we are prepared to agree, firstly, that the removal of industrial unemployment is the primary object of statesmanship, and secondly, that the capture of foreign markets is the shortest path to the attainment of this objective, we have the primary economic irritant to military war always with us, and, moreover, we have it in

an accelerating rate of growth, because production is expanding through the use of power machinery, and undeveloped markets are contracting. Any village which has two grocery shops, each competing for an insufficient, and decreasing, amount of business, while continually enlarging its premises, is a working demonstration of the economic causes of war – it is, in fact, itself at war by economic methods. Read further...

- - The Causes of War by C.H. Douglas

<http://www.alor.org/Library/The%20Causes%20of%20War-%20Douglas.htm#1a>

## ANOTHER THOUGHT FOR THE WEEK

"An age of conflict that must be thought of "as a whole" must also be capable of being explained and understood as a whole; therefore, it is a highly condensed and simplified synopsis of the history of our century that we must have if the seemingly interminable succession of "episodes" of conflict and tragedy is to be seen as a whole and understood.

The method I have chosen is to begin with a list of categorical statements which can be developed and expanded later and supported with an extensive bibliography. Here they are:

1. Our century of conflict is the product of an alliance of money and intellect, with intellect almost invariably subordinate to, and at the service of, money; money being in the 20th century the primary source of great power..."

-- Ivor Benson in "This Age of Conflict"  
<http://alor.org/Library/Thisage.htm#1a>

## ARE THE DRUMS OF WAR BEATING

### FOR WW III? By Betty Luks

According to *Natural News* August 12, 2014 by J. D. "World War 3 is coming, warn a large number of the world's top financial advisors. A number of top financial advisors, former government officials and others say that conditions are brewing globally that could very well culminate into a third world war. One such expert and global analyst is Paul Craig Roberts, a former assistant secretary of the Treasury under President Ronald Reagan, a former editor of *The Wall Street Journal*, listed by "Who's Who in America" as one of the 1,000 most influential political thinkers in the world, and a PhD economist.

In a recent column titled, simply, "War is Coming," Roberts noted:

As reported by Tyler Durden of Zero Hedge, the Russian response to the extra-legal ruling of a corrupt court in the Netherlands, which had no jurisdiction over the case on which it ruled, awarding \$50 billion dollars from the Russian government to shareholders of Yukos, a corrupt entity that was looting Russia and evading taxes, is telling. Asked what Russia would do about the ruling, an advisor to President Putin replied, "There is a war coming in Europe." [sic] Do you really think this ruling matters?" What Roberts said himself in his column is also telling:

The West has ganged up on Russia, because the West is totally corrupt. The wealth of the elites is based not only on looting weaker countries whose leaders can be purchased (read John Perkins' "Confessions of an Economic Hit Man" for instruction on how the looting works), but also on looting their own citizens. The American elites excel at looting their fellow citizens and have wiped out most of the US middle class in the new 21st century..."

Read further: [http://www.naturalnews.com/046418\\_World\\_War\\_3\\_financial\\_advisors\\_economy.html#ixzz3AK5UtCBS](http://www.naturalnews.com/046418_World_War_3_financial_advisors_economy.html#ixzz3AK5UtCBS)

## SELLING OUT TO MONSANTO AND THE BIGGER PICTURE

India: Selling Out To Monsanto. GMOs and the Bigger Picture: "On 15 August, India will mark its 67th anniversary of independence from Britain. It may seem strange to some that a nation would publicly celebrate its independence while at the same time it less publicly cedes it to outsiders. The gleaming façade of flags and fly-pasts will belie the fact that national security and independence do not depend on military might and patriotic speeches. Eye-catching celebrations will take place in Delhi and much of the media will mouth platitudes about the strength of the nation and its independence. The reality is, however, an ongoing, concerted attempt to undermine and destroy the very foundation and security of the country.

The bedrock of any society is its agriculture. Without food there can be no life. Without food security, there can be no genuine independence. A recent report by the organisation GRAIN revealed that small farms produce most of the world's food and are more productively efficient than large farms [1]. Facilitated by an appropriate policy framework, small farmers could easily feed the global population. But small farmers are currently squeezed onto less than a quarter of the world's farmland and the world is fast losing farms and farmers through the concentration of land into the hands of big agribusiness and the rich and powerful. If nothing is done to reverse this trend, the world will lose its capacity to feed itself.

By definition, peasant agriculture prioritises food production for local and national markets as well as for farmers' own families. Corporations take over scarce fertile land and prioritise non-food commodities or export crops for profit and markets far away that cater for the needs of the affluent. This process impoverishes local communities and brings about food insecurity. GRAIN concludes that the concentration of fertile agricultural land in fewer and fewer hands is directly related to the increasing number of people going hungry every day.

The Oakland Institute in the US recently stated that the first years of the 21st century will be remembered for a global land rush of nearly unprecedented scale [2]. An estimated 500 million acres, an area eight times the size of Britain, was reported bought or leased across the developing world between 2000 and 2011, often at the expense of local food security and land rights. This trend could eventually result in the permanent shift of farm ownership from family businesses to institutional investors and other consolidated corporate operations.

-- By Colin Todhunter, Global Research, 8 August, 2014

URL of this article: <http://www.globalresearch.ca/independent-india-selling-out-to-monsanto-gmos-and-the-bigger-picture/5395187>

# IT'S NOT THE 'NATIONS' WHO ARE THE VICTIMS & CASUALTIES OF WARS

By Betty Luks.

'Nations' do not physically suffer death and destruction in wars – it is individuals, actual, real people, and modern warfare does not discriminate, it is also the women, the children, the old and the sick who are victims, casualties.

It is not 'the people' of a modern nation who decide to conduct military wars, it is the leaders of modern nations who decide and take the people into wars. But it is not the leaders who fight the wars; it is especially the young and the physically healthy individuals who do the fighting and dying. That is, it is the 'cream' of the youth do the fighting and dying - those who would be the future leaders of the nations.

An email photo of a distraught father in Gaza trying to awaken his dead 2-3-year old child who had the back of her skull blown away still lives in my mind, and similar thoughts were brought to mind when reading of the ongoing war within the financial and economic powers for supremacy. Both WWI and WWII were fermented for the same reasons.

Wallace Klinck of Canada recently wrote of the catalyst that brought America into conflict with Japan in WWII: "I do not think that there is any doubt that the USA provoked the Japanese who apparently repeatedly sought some sort of negotiated arrangements to the economic problems involved. The story of the deliberate sacrifice of Pearl Harbour in order to enrage the American public into acceptance of entering the War has, I think, been well-documented by such, I understand, as Rear Admiral Theobald, etc. (OT Vol. 38, No19 Bush 'Seized the Moment' – So Did Howard – The reality is something else again.

"The main dynamic of war is capitalism" wrote former international banking representative Lawrence Dennis in "The Dynamics of War and Revolution". Capitalism requires incessant industrial expansion to mop up the excess capital created by debt-fuelled economies. When the bankers create money out of thin air, and then lend it at interest, more money must be created to pay back the loan plus interest. War is just another means of perpetuating this usurious system".

**On Target 19 August 2011** records an earlier discussion on WWII *real* history

that is just as relevant today: "Was Japan Pushed Into WWII Because of Its Banking System?" Wallace Klinck, Canada: "The question above was recently raised over the internet in relation to the present world financial upheaval. In order to provide an answer to that question we have taken excerpts from Wallace Klinck's correspondence on the 'social credit' history behind the claim that Japan was pushed into WW II. He writes:

"My understanding is that the Japanese used their national credit to effect a reversed application of the compensated price on goods for export, rather than to assist domestic consumption, in order to force their way into export markets. The article in question Veterans Today discusses the role to which the Japanese central bank was elevated in controlling credit for production in accord with State policy. I do not have detailed information on this matter, but from appearances, the policy was centralised control of credit for State-designated economic policy. The fact that interest could be eliminated or minimised in the process did not mitigate this centralisation of power in the hands of the State.

### **What is the Core Defect in Existing Price System? Chronic Lack of Purchasing Power.**

The Japanese experience would seem to vindicate Douglas in criticizing the "usury-hunters" for obsessing about interest as the *bête noir* or "Black Beast" of economic injustice while overlooking the core defect in the existing price-system which relates to the inclusion of accumulating allocated capital charges in final retail prices, this being the primary cause of an increasing deficiency of purchasing-power and consequent dependence upon escalating financial debt..." Read further... (<http://alor.org/Volume47/Vol47No32.htm#1a>)

### **How will Social Credit Put a Stop to War?**

By cutting out the chief cause of war – the international scramble for Export Markets. The nations of the world are compelled, under the present Bankers' cause, under this system, they cannot make their home markets effective. This is the root of all modern war. Social Credit makes the Home Market effective, and by abolishing needless poverty at

home, avoids War abroad.

### **Surely Wars are Produced by Far More Than Merely Economic Causes?**

Why do you use the word "merely"? Without Food, Warmth, Shelter, you cannot remain alive. A careful examination of the history of mankind shows that most wars, among the more primitive peoples as among the so-called "civilised," are caused by pressure of economic circumstances, no matter what the high-sounding "excuse" may be for going to war. There is reason to believe, for example, that the religious Crusades of the Middle Ages were due in large part to the bad state of the roads in England at that time. There can be no doubt whatever that the main cause of all modern war is the scramble for export markets.

People are told that they are fighting for "freedom," and indeed they are fighting for freedom to live. There can be no freedom to live under the present financial debt-system without freedom" (an outlet) for exports. When the Dictators said, "Expand or explode", "Export or die," they were merely repeating what the Democratic Governments proclaim when they say, "We cannot live without exports."

This is the seething cauldron of war, and it is no use speaking of "merely economic" causes as though these were not the main causes. Almost all the impulses towards war are the outcome of these economic causes. To deal with the impulses arising, is to deal with the symptoms of the disease and not with the root-cause of it.

### **A Must Watch: "The Story of Stuff"**

"From its extraction through sale, use and disposal, all the stuff in our lives affects communities at home and abroad, yet most of this is hidden from view. "The Story of Stuff" is a 20-minute, fast-paced, fact-filled look at the underside of our production and consumption patterns. The Story of Stuff exposes the connections between a huge number of environmental and social issues, and calls us together to create a more sustainable and just world. It'll teach you something, it'll make you laugh, and it just may change the way you look at all the stuff in your life - forever".

Source: <http://storyofstuff.org> If you can't access Youtube – ring Doug Holmes (08 8396 1245) and ask his help.

We are ruled by the rich: this we all know. But what foul winds blow through their heads? What does having heaps of money and power do to one's soul?

I came to reflect on this question while reading an extract from Anne Mane's new book "The Life of I: The New Culture of Narcissism", (Melbourne University Press, 2014). The extract appeared in July 8 edition of *The Guardian*. The opening line doesn't mince words: "As people get richer, they are more likely to feel entitled, to exploit others, and to cheat. That extends to politics too".

Mane is referring to interesting psychological experiments conducted by US psychologist Paul Piff. One such experiment involved observing

aggressive and selfish (often law-breaking) drivers and noting whether the car was a high-status vehicle or a poor person's chariot. It was found that the "rich" drivers were four times as likely to cut off as "poor" drivers and three times more likely to fail to stop at pedestrian crossings. Many other experiments demonstrated that being wealthy or even believing that one was, created a sense of entitlement and narcissism. Likewise for societies as a whole, the wealthier they became, the less concerned they are with the poor and vulnerable.

Mane points out that the Joe Hockey budget is relevant to these considerations, as the disposable income of lower and single income groups faced

cuts of 12-15 percent, but those on high incomes "only suffered a temporary cut of less than 1%". How is that fair you may ask given Hockey's world view which has "leaners" and "lifters" and where all shall suffer economic pain as a sacrifice to the great god, "BUDGET". Reflecting on this, that richness essentially has corrupting effects on people, we need to seriously question why there should be relentless migration, the ceaseless pursuit of economic growth, and even "balanced" budgets? What is this all for? Given that in Australia the richest 1% have the same wealth as the bottom 60%, the answer is: it is all for the rich!

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### AN ENVIRONMENTAL CRISIS DOESN'T NEED 'GLOBAL WARMING'... By Brian Simpson

Those rejecting the hypothesis of global warming, which includes most of us at this site should recognise that natural climate variability can still be cruel. As well, human population growth and resource use and abuse can create its own problems. One such problem is water usage.

California, for example, at present is facing its third driest year on record, with an all-time high of water use. The 2014 drought, according to the Study by the Center for Watershed Sciences at the University of California, Davis, will result in a 6.6 million acre-foot reduction in surface water for agriculture. Farmers will have to resort to pumping depleting ground-water. Mike Adams at Natural News.com [2 August 2014], himself a critic of global warming, argues that "much of California is simply not sustainably inhabitable with the population densities it currently hosts". Los Angeles is a city built on a desert and is dependent mostly upon water pumped in.

Adams predicts that it is inevitable that a mass migration will occur, but people may be reduced to a refugee level as the value of their own Californian property crashes. Areas of California will thus become ghost towns like parts of Detroit now are.

Water wars are possible in many other parts of the world. China is contemplating diverting the courses of some rivers, such as the Yarlung Tsangpo to meet agricultural needs in the arid north and northwest. This, however, will deprive India and Bangladesh of water that they crucially depend upon. China, contrary to its Western cheer squad, cheering it on to "Number 1", has a severe water shortage. Around 300 million Chinese have no safe drinking water and 400 of China's major towns have water shortages. China's water grab could adversely affect 1.3 billion people in the Himalayan river basin if its river diversion schemes go ahead.

[Source: "Water Wars: The Next Clash between India and China" at <http://oilprice.com/Energy/Energy-General/Water-Wars-The-Next-Clash-...>]

The need for energy production, churned on by economic growth, will also create water shortages by 2040. A study, with lead researcher Professor Benjamin Sovacool of Denmark's Aarhus University, found that by 2020 there will be no access to safe drinking water for 30-40 percent of the people on earth. Conventional electricity generation is the largest source of water use in most countries, keeping power plants cool. The power utilities, conveniently enough don't record how much water they use. There will not be

enough water to both drink and use in power plants.

As Professor Sovacool puts it: "If we keep doing business as usual, we are facing an insurmountable water shortage – even if water was free, because it's not a matter of the price. There will be no water by 2040 if we keep doing what we're doing today". [Source: <http://oilprice.com/Latest-Energy-News/world-News/Humanity-May-Face-...>]

The message for Australians, living in the driest continent on Earth is clear. Our present mass immigration programme is an insane "greed is good" "live for today, die tomorrow" policy of the elites that will doom millions in the future.

**The Story of Stuff:**  
<http://www.youtube.com/watch?v=9GorqroiqqM>

One of our young people watched this Video in his secondary school class. We thought it a good update on Jeremy Lee's "Social Credit Versus Financial Credit" (on our website) where, in particular, Jeremy speaks of the built-in obsolescence now factored into the worldwide 'rampaging, unbridled' industrial systems.

C.H. Douglas warned the world this would happen if the 'chronic lack of purchasing power' under the present financial system was not corrected.

## I NOW REALISE: I DO NOT KNOW NATURE! By Betty Luks

I have a confession to make. After more summers and winters than I care to admit to, I have come to the realisation I really don't know much about Nature. A young friend earnestly encouraged me to read Masanobu Fukuoka's book "The One Straw Revolution" which I did and am shocked to learn how little I do know and my approach to Nature is quite wrong.

I have been a keen gardener (always done 'on the run' because of my very busy life) for most of my life and thought I had a good all-round knowledge of gardening – until I read this book. I now admit "I don't know anything about Nature". And an important observation this Japanese gentleman makes is that there are too many 'specialists' who also don't know much about Nature.

A 'natural' farmer, distressed by the effects of Japan's post-war modernisation, in 1975 he wrote "The One Straw Revolution", which is his manifesto about farming, eating and the limits of human knowledge and he presents a radical challenge to the global system we rely on for our food. He wondered why his Natural Farming methods had not spread, after all, many university professors knew of and had tested and proved his methods. He came to the conclusion: "I think that one of the reasons is that the world has become so specialised that it has become impossible for people to grasp anything in its entirety. For example, an expert in insect damage prevention from the Kochi Prefectural Testing Centre came to inquire why there were so few rice leaf-hoppers in my fields even though I had not used insecticide. Upon investigating the habitat, the balance between insects and their natural enemies, the rate of spider propagation and so on, the leaf-hoppers were found to be just as scarce in my fields as in the Centre's fields, which sprayed countless times with a variety of deadly chemicals.

The professor was also surprised to find that while the harmful insects were few, their natural predators were far more numerous in my fields than in the Sprayed fields. Then it dawned on him that the fields were being maintained in this state by means of a natural balance established among the various insect communities. He acknowledged that if my method were generally adopted, the problem of crop devastation by leaf-hoppers could be solved. He then got into his car and returned to Kochi.

But if you ask whether or not the testing centre's soil fertility or crop specialists have come here, the answer is no, they have not. And if you were to suggest at a conference or gathering that this method, or rather non-method, be tried on a wide scale, it is my guess that the prefecture or research station would reply, "Sorry, it's too early for that. We must first carry out research from every possible angle before giving final approval". It would take years for a conclusion to come down.

This sort of thing goes on all the time. Specialists and technicians from all over Japan have come to this farm. Seeing the fields from the standpoint of his own specialty, every one of these researchers has found them at least satisfactory, if not remarkable. But in the five or six years since the professor from the research station came to visit here, there have been few changes in Kochi Prefecture..." But what took my attention in particular was Fukuoka's

reference to one day waking up to his fields being covered in spiders' webs. A fascinating story, he observed the following day trails of broken webs with half a dozen spiders clinging to each one and being carried off by the wind – to who knows where. He saw the spectacle as another episode in Nature's never-ending story.

In 2012 parts of Australia experienced severe flooding and many folk had to evacuate their homes for dryer ground. The UK *Daily Mail* reported on the floods and another natural phenomena obviously resulting from the floods - millions of spiders had spun their webs across fields, just as Mr. Fukuoka had seen happen on his farm in Japan.



**Daily Mail UK photo captured the webs covering the fields**

**"Ghostly landscape of cobwebs: Millions of spiders turn green fields white as branches and bushes are cocooned in sticky silk".  
By Richard Shears, 7 March 2012.**

Spiders spun cobwebs as they escaped rising flood water. Residents return to their evacuated homes to find fields covered in webs. At first glance it looks like the fields have been blanketed with snow - but this ghostly white landscape in Australia is the work of millions of spiders.

As flood waters raced past the town of Wagga Wagga, in New South Wales, the spiders were forced to clamber up trees and bushes, spinning their webs as they climbed. The result was this amazing panorama - glistening sheets of web covering just about everything in sight."



*(Continued on page 6)*

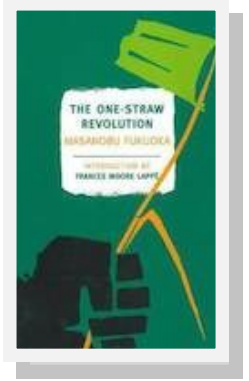
What the UK journalist did not wait to see was what happened to the webs and spiders, but Japanese farmer Mr. Fukuoka did. Next day he saw them 'migrating' on Nature's 'wings of winds'.

Read more: <http://www.dailymail.co.uk/news/article-2111390/Australia-floods-Spiders-cover-fields-cobwebs-flee-rising-water.html#ixzz3ALR7sn8u>

**Well worth reading: "One Straw Revolution"** - Masanobu Fukuoka \$15.00 posted from UK

**Now why have I brought this matter up you might ask.**

It is because no matter what modern profession or job or industry, most people now 'specialise' in their own narrow work field. Economists have been found to be 'badly wanting' in their understanding of how the financial/banking system works and yet they 'pontificate' on economic matters financial - matters that affect all Australians, rich or poor.



## FORGET ABOUT HYPE AND POLITICAL SPIN-DOCTORING – QUESTION IS:

Are you an Australian Homeowner with a Mortgage? The League of Rights was reporting on this scandal as it was unfolding in the US as early as August 1995. The headlines read:

**New Banking Regulations for the Global Market:** "The Bank of International Settlements, in Switzerland, has sent what amounts to a directive to the world's central banks, that regulations should now be introduced to force banks to raise additional capital in order to be able to absorb the kind of disaster that befell Barings Bank in Hong Kong. The Barings disaster came about allegedly as a result of junior traders speculating in currency or "derivatives" markets that exposed the bank to significantly increased risks..."

**Read further:** <http://www.alor.org/Volume31/Vol31No32.htm>

Are you an Australian Homeowner with a Mortgage? If so, you really should take the time to listen to a radio interview with Pastor Chris Field. "Pastor Chris Field Attracts Army of Vic Government Enforcers for Macquarie Bank's 2nd Eviction": -

<http://sosnews.org/newsfront/?p=622>

Pastor Chris Field of the state of Victoria was evicted from his home for the second time, not for refusing to pay his mortgage, but daring to ask who actually held the legal mortgage document to his home. He wanted to know where his mortgage payments were going.

If you have a mortgage on your home and you think the bank has the legal document safely stored in its vaults - you need to hear this interview. The situation may not be quite what you think it is.

<http://www.alor.org/Volume47/Vol47No15.htm>

A League supporter called to discuss *The Australian's* article by Andrew Burrell, Senior Business Reporter in Perth (12 August 2014). The headlines read:

**Pensioner represents tip of \$100bn sub-prime iceberg: advocate**

"Australia is facing a "massive" wave of house repossessions after thousands of subprime loans were given to low-income earners who are now defaulting on their repayments, says consumer-advocate Denise Brailey. Ms Brailey, who is credited with uncovering Western Australia's finance broking scandals in the 1990s, said her lobby group was receiving an average of eight phone calls a week - three times more than usual - from people defaulting on their subprime loans. "We have been in denial for years as a nation that we don't have a subprime problem, but we do," Ms Brailey said.

**Tip of the Iceberg:** "Perth disability pensioner Alana Smith, 40, is one of those vulnerable people. She was raped by a relative when she was eight and suffered severe injuries in

a car accident on Melbourne's West Gate Freeway at the age of 20 that forced her to stop working. Now Ms Smith, a foster carer to a 15-year-old boy, is facing the prospect of homelessness after she was convinced by a mortgage broker to sign up for a \$370,000 investment loan with subprime lender Liberty Financial five years ago.

Last year, Ms Smith stopped making her \$1600-a month repayments on the "low-doc" loan - a high-risk product that requires little paperwork or proof of income but is booming. She watched in horror as Liberty began charging her default interest at the ultra-high rate of 16 per cent, as well as expired -account fees and legal costs. When she received her loan statement last month, Ms Smith discovered the amount she owed had ballooned to more than \$1 million - a figure she will never be able to repay even if she sells both her modest properties.

Liberty has launched action against her in the Supreme Court in a bid to repossess the properties and reclaim the money. "Liberty just wants their \$1m — they haven't offered to settle. This has ruined my life," she said. Ms Smith said she had asked the Australian Securities & Investments Commission to examine her case but the regulator told her Liberty was a "non-conforming lender" that fell outside its jurisdiction.

Ms Smith used the compensation from her sexual assault and accident cases as a deposit to buy two properties - one in suburban Glen Forrest and another in the WA country town of Northam. Her mortgage broker was Danny Bourke, who at the time worked for iWealth but had previously worked as the WA state manager for Liberty Financial. Ms Smith said she told Liberty at the time she took the loans in 2005 and 2009 that she was disabled and had sent documents on both occasions to prove it - a point the firm denies. Liberty said Ms Smith had agreed to sell

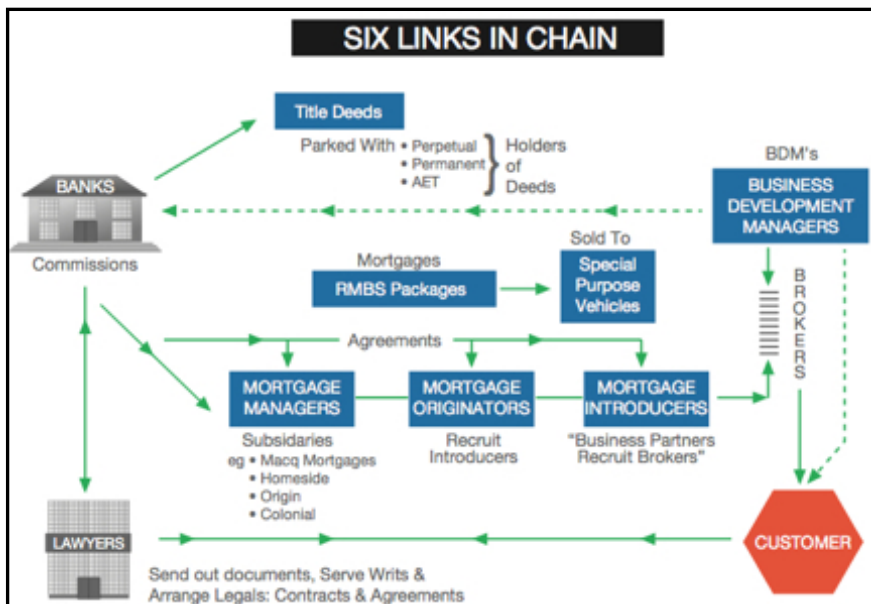
(Continued on page 7)

one of her properties within four months of the 2009 loan, but this hadn't happened, sparking the default. But Ms Smith said her broker had said this clause was a "technicality" and had promised the loan would be rolled over into a 25-year term.

(Consumer Advocate) Ms Brailey said the scale of Australia's subprime lending problem was massive. "In 2005, the industry believed it was a \$50 billion market for low-doc loans. Now it's more like \$100bn of mortgages that have been sold in the past six or seven years," she said. "If the average loan is \$500,000, there are probably 200,000 families in that situation".

Thanks to the marvels of the Internet we were able to look up Ms Denise Brailey and her organisation (Banking and Finance Consumers Support Association (Inc ...)) within seconds. They say: - "BFCSA investigates fraud involving lenders, spruikers and financial planners worldwide. Full Doc, Low Doc, No Doc loans, Lines of Credit and Buffer loans appear to be normal profit making financial products, however, these loans are set to implode within seven years. For the past two decades, Ms Brailey, President of BFCSA (Inc), has been a tireless campaigner, championing the cause of older and low income people around the Globe who have fallen victim to banking and finance scams. She has found that people of all ages are being targeted by Bankers offering faulty lending products. BFCSA warn that anyone who has signed up for one of these financial products is in grave danger of losing their home."

The website supplies the following diagram; Sunday, 10 August 2014



Under existing policies of ALL political parties there is no way out of the current debt system for most Australians.

- Why should we look at a National Dividend and national Discount as proposed by C.H. Douglas? And why should there be "debt -free money"?

### Oliver Heydorn answers those very same questions from a Japanese enquirer:

The whole point of injecting debt-free money in the form of the National Dividend and the National Discount is to balance consumer purchasing power with prices in such a way that all prices are finally liquidated; this is the only way of restoring a real equilibrium to the financial production-consumption cycle. Right now much of the gap is filled with debt-money (capital loans, government loans, consumer loans, etc.) and this means that future incomes will be mortgaged (through prices, taxes, or consumer debt-servicing costs).

Debt to fill the gap does not finally cancel costs but merely transfers the obligation to pay them out of incomes to a future point in time. This is inflationary and therefore destabilizing.

It will lead workers to demand an increase in wages to maintain the standard of living (which will, by then, be jeopardized by the added debt-servicing charges) and this will increase production costs and filter through as an increase in the prices of consumer goods, thus lessening the purchasing power of each unit of money. The American dollar has lost 95% of its purchasing power over the last 100 years or so.

The gap should also be filled with debt-free money because it is a simple question of justice. If the community can produce so many dollar millions worth of goods and services then the community (considered as the aggregate of individuals) has *ipso facto* earned the right to consume everything it has produced - without going into debt to the private banking system in order to obtain the permission to consume what it has already produced.

The bottom line is that, from a Social Credit and indeed rational point of view, the financial system should adequately or isomorphically reflect every change in the physical facts of economic life. If consumer goods exist and there is not enough consumer income generated in the act of their production to offset their costs (because of the A+B problem), then sufficient consumer purchasing power to represent these goods should be created and distributed to consumers. That money should be debt-free because the goods already exist. The cost of production is the consumption of the raw material and this cost, in the case of these existing goods, has already been paid for in the past. It make no sense to borrow from the future (via debt-money) to help pay for the financial costs of goods when those goods were already paid for physically in the past. It does not correspond to the reality of the situation.

An honest financial system, i.e., one that reflects reality properly, will be a system which will enable us to fulfil the true purpose of economic association and to achieve the most satisfactory results possible. Isn't that what we want?

## FROM THE NATIONAL DIRECTOR

Dear Reader,  
Eric Butler often said "We live in interesting times", true — but also now 'troubling' times at home and abroad.  
The Islamic State is demonstrating that it is as militant and barbarous as any in world history and with little hope of appeasement. Co-operation is only long enough to establish a majority and then — MAJORITY RULES!  
It is now we see Islam is NOT a religion of peace but a 'rule of terror' to all who are not of it.  
More troubling is the Abbott Government's possible recognition of 'Indigenous People' in the Australian Constitution. This will introduce an element of 'racism' to an 'Instrument of Government' that has served ALL Australians very well for 114 years.  
The Racial Vilification Act with the notorious section 18c could make potential criminals of any critics of Islam or Indigenous recognition.

### **Family First Senator Bob Day and any other politician who will support repeal of the 18c clause should be supported.**

On the referendum issue we are indebted to the Gillard Government for demonstrating how a 'one sided referenda campaign' can be conducted as was done in the 'never held referendum' to recognise Local Government in The Constitution.  
The Federal Government awarded the "Yes" case \$10 million but the "No" case only received \$500,000. The Government argued this was done on the basis of how many MPs voted for the referendum bill in the Lower House.

If there is no opposition in the Parliament (ie. the Bill receives bi-partisan support) then a 'No' case is not funded at all as happened in the 1967 'Aboriginal question'.

Then there is the planned 'de-construction' of Local Government in Victoria.

Victoria is now divided into eight local government regions. The latest Australian Local Government Association (ALGA) press release laments the loss of Federal Government Funding. *The decision in the 2014-15 Federal Budget to freeze indexation of the local government Financial Assistance Grants will cost councils \$96m this year, \$200m next year and more than \$300m the year after. All councils will be hit, but the impact is expected to be greatest on smaller rural and remote councils which depend most on the grants.*

As Local Government succumbs to the 'financial pressure' of inflation the machinery is in place to further amalgamate councils... only a change of financial policy will avert the direction towards more amalgamations.

**These people would never think to place the responsibility for local government funding where it rightly belongs... the State Government!**

**A State 'Local Government Funding Authority' would do wonders for local government in each State but sadly some people would rather die than give it serious consideration. Keep writing to the Senators and Government back-benchers!**

## BASIC FUND

The Basic Fund is steadily growing. Thank you to those who have contributed. The figures have reached \$51,286.51.  
It is the Basic Fund which allows us to plan ahead with programs like bringing M Oliver Heydorn Ph. D., author of 'Social Credit Economics' to Australia from Canada.  
Oliver will be going to Launceston late September and Perth early October to meet with supporters as well as being a special guest at the New Times Dinner in October.

### **Make up your mind to be at a function now!**

This is an opportunity to spread the Social Credit message at a time when it is needed like never before.

Bernard Gaynor, who is being persecuted by the Department of Defence for standing up for his Christian beliefs will also be at the New Times Dinner.

We look forward to seeing as many as possible attending.

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