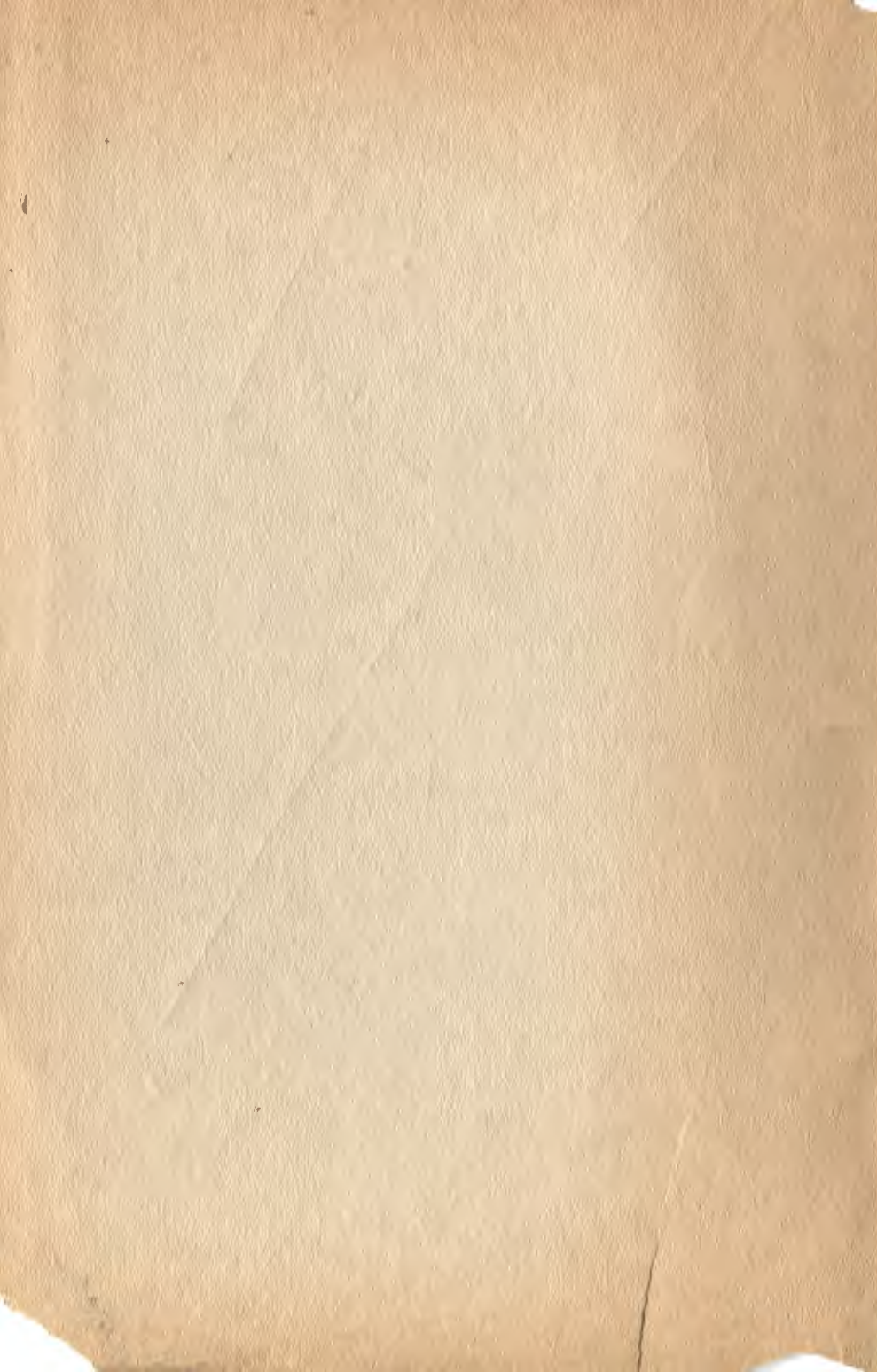


STEPS TOWARD
the
MONOPOLY STATE

An Examination of the Socialist Conspiracy

By ERIC D. BUTLER



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This booklet is a selection of featured articles which appeared in the Melbourne "Argus" between November, 1947, and June, 1949. The subject matter of these articles is of the greatest importance to all those Australians concerned with effectively defending the British and Christian way of life.



Issued by

The Victorian League of Rights (non-party and anti-monopoly),
343 Little Collins Street, Melbourne, in association with the South
Australian League of Rights, 91 King William Street, Adelaide, and
the People's Union of N.S.W., Wingello House, Angel Place, Sydney.

INTRODUCTION.

The publication of this booklet is the result of many suggestions that a selection of articles I contributed to the Melbourne *Argus* between November, 1947, and June, 1949, should be re-printed in a permanent form, thus enabling them to be given a much wider circulation than they have already had.

The articles deal with various aspects of the major problem confronting the peoples of this and other British countries: how to defeat the threat of the complete Monopoly State, a threat which has become so grave only because the great majority of people do not understand that the policy of Monopoly being imposed in all spheres of human activities—political, economic, and financial—has been advanced by a technique of what can be best termed Sovietisation by stealth and trickery. Until this technique is more widely understood, no effective action can be taken to defeat it.

The basic feature of Socialism is the centralisation of all power for the creation of what is known as the centrally-planned State. But the centralisation of power also appeals to a great many people who would object to being termed Socialists. It is essential that all genuine anti-Socialists be clear about this matter, in order that they can realistically assess the policies of all political groups, irrespective of their labels.

There can be no argument about the fact that we are passing through a revolutionary period which will decide the future way of life of our people for centuries to come. Although the Socialists and others cleverly suggest that the present situation is the result of "inevitable trends" which cannot be resisted, thus helping to minimise opposition to their policies, more and more people are beginning to realise that all policies are the responsibility of individuals.

It is appropriate in these critical times to recall the statement made by that famous English historian and philosopher, Lord Acton, in his "Lectures on The French Revolution": "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 and masked; but there is no doubt about their intention from the first."

There is "calculating organisation" behind the present tumult, and in my last article in this booklet, "The Financier-Socialist Conspiracy," I have indicated the identity of some of the "managers" who are generally unknown to electors. It is necessary to point out here that "The Financier-Socialist Conspiracy," the last of a special series of seven *Argus* articles, was not published. Although clearly stated in the *Argus* of June 25, 1949, that this article was to appear the following Saturday, neither was it published nor was any explanation offered to *Argus* readers. As the last series of articles was being carefully studied by groups and individuals all over Victoria, there was considerable consternation when the last of the articles did not appear.

It is significant that the suppression of this last article coincided with a change of control of the *Argus*. The *Argus* is now under Socialist influence. It was announced in June of this year that the interests controlling the English Socialist *Daily Mirror* and several other English newspapers had acquired, at well above the current market price, a large number of *Argus* shares. This was immediately followed by the appointment of a Mr. Elliott, formerly "political editor" of the *Daily Mirror*, as joint Managing Director.

It has been reported from England that Mr. Israel Moses Sieff, one of the individuals mentioned in my suppressed article, is one of the controllers of the English *Daily Mirror*. The reader might reflect upon this interesting fact.

I trust that this booklet will be of service to all those Australians who desire to challenge the policies of Monopoly. While my articles were appearing in the *Argus* I was gratified with the reception they were given, not only by the readers of the *Argus*, but also by the *Argus* itself in the form of considerable editorial comment. I now have much pleasure in offering them to a wider audience.

ERIC D. BUTLER,

Melbourne, September, 1949.

BANK NATIONALISATION AND THE CONSTITUTION.

Melbourne *Argus*, October 10, 1947.

Written Prior to the Victorian State Elections, 1947.

The League of Rights is a non-Party organisation with no Parliamentary ambitions and no brief for the trading banks.

It is primarily concerned with obtaining an informed public opinion in support of those fundamental British Constitution principles which, over a period of hundreds of years, were painfully evolved for the purpose of ensuring that there was a proper and clearly defined limit to the powers which any individual, or group of individuals, should exercise over the lives of other individuals.

Bank nationalisation, the Victorian elections, and the subject of the Federal Constitution are inseparably connected.

Bank nationalisation is a direct assault upon the Federal Constitution; it is merely a means to an end and not an end in itself.

As Mr. Chifley has been persistently publicised as a financial expert, it is obvious that his argument that bank nationalisation is necessary to prevent any policy of credit restriction by the trading banks is merely camouflaging the real objective. Is it not a fact that a person who cannot obtain financial credit from one bank can go to other banks? Surely it is elementary that, in the event of all the trading banks restricting their credit advances, the result would be increased business for the Commonwealth Bank.

Even the most rabid financial reformer cannot deny that the Federal Government already has more than sufficient power over general financial policy to implement any modifications deemed necessary.

The Real Objective.

The real objective of bank nationalisation is to further the imposition of a "planned economy" in Australia. Bank nationalisation is merely a part, admittedly an important part, of the general totalitarian strategy being pursued.

A "planned economy" necessitates the centralisation of all political, economic, and financial power into one set of hands.

Stripped of all camouflage, a "planned economy" means a Monopoly State in which all resources and all individuals are controlled by the central planners.

As proved in practice in Russia and Germany, and now in Great Britain under the Socialist regime, a "planned economy" cannot be allowed to be jeopardised by any individual having the power to contract out of the centrally imposed plans if he doesn't like them.

The Federal Constitution, which limits the powers of the Federal Government, is a barrier to the imposition of a "planned economy" in Australia.

IT MUST THEREFORE BE DESTROYED.

The preservation of the States as self-governing units depends upon the maintenance of the Federal Constitution. Local self-government is also a barrier to the totalitarian "planned economy" and must be destroyed. It can be seen, therefore, that the destruction of both individual rights—such as private ownership—and local government can be achieved by destroying the Federal Constitution.

Bank nationalisation seeks to obtain the main objective by a direct approach rather than by the much slower "whittling-away" process.

Defend State Sovereignty.

Having grasped the real significance of bank nationalisation, it will be readily appreciated that more than a mere anti-bank nationalisation vote is required by Victorian electors on November 8. Electors must elect to the Victorian Parliament members who are pledged to fight in every possible way to defend the Federal Constitution and the sovereignty of the State.

Not only must the Victorian electors halt the growing totalitarian drive from Canberra; they must insist that the State members they elect next month take the offensive to make Canberra disgorge some of the powers already filched from the States.

The League of Rights will be publicising a list of all candidates in favour of abdicating to the Canberra totalitarians, and will urge that electors work and vote to defeat them.

Those who doubt that bank nationalisation has any connection with State politics, which are directly related to self-governing rights, should carefully read the following statement by Mr. J. T. Lang, whose most bitter opponents cannot charge with being an admirer of the trading banks:

"Before he (Mr. Chifley) can enforce industrial conscription in peace-time, he must have absolute control of banking. By that means he hopes to obtain the economic powers that he has been denied by the people through referendum" (*Sydney Century*, August 22nd).

Nationalisation of banking is designed to crush the States. All Victorian electors must put aside their party and sectional politics and rally to defend the Constitutional safeguards which now bar the path of the totalitarians.

They must vote for principles on November 8th, principles which embody the accumulated political wisdom of our British forefathers.

THE MENACE OF OMNIPOTENT GOVERNMENT.

Melbourne *Argus*, October 25, 1947.

Written Prior to the Victorian State Elections, 1947.

After visiting Stalin in 1946, Professor Harold Laski, of the Fabian Socialist London School of Economics, made the statement that Russian Communism and British Socialism were merely two distinct roads to the same objective.

A similar statement could be made about the British and Australian Governments. Both have the same totalitarian objective, but different techniques are required to reach it.

The power and effectiveness of the House of Lords having been destroyed, and the sovereignty of Parliament and the Common Law undermined by the bureaucratic lawlessness warned about by Lord Hewart as far back as 1929, there has been little check to the totalitarian drive in Great Britain.

The written Federal Constitution and the High Court have compelled different tactics in Australia.

The maintenance of a Constitution of any description depends upon the state of public opinion.

Constitutional Safeguards.

Public opinion has been so confused and perverted by subtle-totalitarian propaganda that there are a great number of people who accept without question the idea that, once a Government has been elected to office, it should be free to do as it likes until the next elections.

Many people ask why should a Federal Government elected by a majority of the electors have its powers limited by a Federal Constitution framed nearly 50 years ago.

We have violent attacks made upon the State Legislative Councils, which are declared to be "anti-democratic," while increasing suggestions are being made that even the Constitutional powers of the Crown should be drastically reduced.

Laski has written: "There is no reason to doubt that the prerogative of the King seems to men of eminence and experience in politics above all the means of delaying the coming of Socialism." This is a particularly significant statement.

Laski said his fellow-totalitarians in all parts of the British Empire realise that the Monopoly State cannot be created while the powers of Parliament are limited by Constitutional safeguards. As these safeguards are the result of political experience gained over hundreds of years, we would be extremely foolish to allow them to be destroyed without first trying to discover why they were evolved and how they function—or could function, if the people made use of them.

Anyone who has carefully read Magna Carta must admit that our forefathers had far more political wisdom than most people realise.

They were concerned with the same basic problem confronting us today; the necessity of ensuring that no man or group or men had too much power over the lives of other men.

The system of Common Law, evolved to protect the individual against arbitrary acts by Governments, Kings or officials, sprang direct from the climate of opinion created by the Christian Church.

IT CONCEIVED OF THE INDIVIDUAL HAVING CERTAIN RIGHTS WITH WHICH NO ONE SHOULD TAMPER.

The menace of the Omnipotent Government, which now threatens the people of this country, is that the Government, having gone through the formality of getting a majority of votes, can then "legally" do as it likes to the individual. Anyone who doubts the value of the trinitarian conception of our State Constitutions, a House of Assembly, a Legislative Council as a house of review and a brake on "snap" legislation, and the Crown, should recall the fact that the 1944 Referendum, at which the electors of Australia overwhelmingly rejected Dr. Evatt's demands for sweeping powers for Canberra, was mainly the result of the Tasmanian Legislative Council's refusal to be a party to the House of Assembly's proposal to grant the powers without reference to the Tasmanian electors.

Use of the Upper House.

The Tasmanian Legislative Council's action was condemned as "reactionary," "thwarting the policies of the democratically elected House of Assembly," and all the other terrible things now being charged against the Victorian Legislative Council.

But when the 1944 Referendum did take place, an overwhelming

majority of the Tasmanian electors voted to retain the powers their "democratic" House of Assembly proposed to give away.

The action of the Legislative Council saved their rights. While there may be reasons for deploring the manner in which the Victorian Legislative Council forced the coming State elections, no liberty-loving individual should be tricked into supporting the abolition of a check on the policies of the House of Assembly.

Surely no Victorian elector wants a repetition of what happened in Queensland, where, having abolished the Legislative Council, the Labour Party so rearranged electoral boundaries that nothing short of an electoral landslide can remove them from office.

The principle of Upper Houses should, in the absence of any other check on the House of Assembly, be maintained. The more restrictions placed on the idea of Governments passing a never-ending stream of legislation, much of it designed to control the individual, the better.

And, if State Governments should have their powers restricted, how much more essential is it to preserve and strengthen the Federal Constitution in order to restrict the powers of the Federal Government, thus preventing any repetition of a Government elected to office by a bare majority of the electors ruthlessly advancing legislation designed to interfere with the liberties of all the people.

It is time to challenge the menace of the omnipotent Government. The Victorian election affords the opportunity.

THE POLICY BEHIND BANK NATIONALISATION.

Melbourne *Argus*, October 29, 1947.

Written Prior to Victorian State Elections, 1947.

The plan to create a Government monopoly of credit in Australia is an important aspect of the totalitarian war being waged against this and other British countries.

If the directors of this war are to be defeated, it is first essential that their identity and methods of warfare be widely exposed. Since the Canadian spy trials and the publication of the Canadian Royal Commission's report on Communist infiltration tactics, there can be no disputing the fact that Communism is an international conspiracy, the most effective agents of which are undisclosed Communists working in government departments and universities.

But not only the Communists use the technique of infiltration: the English Fabian Socialist Society, the fountain-head of the "planned economy" idea, had its programme advanced by permeating other organisations. One of the original Fabians, Mr. Bernard Shaw, outlined the technique as follows:

"Our propaganda is chiefly one of permeating. We urged our members to join the Liberal and Radical Associations in their district, or if they preferred it the Conservative Associations. We permeated the Party organisations, and pulled all the wires we could lay our hands on with the utmost adroitness and energy . . ."

The London School of Economics.

In 1921 the Fabian Society brought into being the London School of Economics, Sidney and Beatrice Webb, both ardent pro-Communists, being primarily responsible. When Lord Haldane, who said that his "spiritual home" was in Germany, was asked why he persuaded the famous financier, Sir Ernest Cassel, to finance this institution, he replied:

"Our object is to make this place an institution to raise and train the bureaucracy of the future Socialist State." (Professor K. H. Morgan, K.C., in *English Quarterly Review*, Jan., 1929).

That the objectives of the sponsors of the London School of Economics are being achieved can be seen in the fact that "key" members of Government bureaucracies in all British countries are products of this hot-bed of Socialism and Communism.

A study of the statements made by such economic advisers as Dr. H. C. Coombs, a London School of Economics product, reveals that these "advisers" are working to implement a "planned economy" run by a centralised bureaucracy. The more centralised and complicated government is made the greater the control of policy by the bureaucracy. Thus the persistent attempts to expand the powers of the Australian Federal Government.

A prominent instructor at the London School of Economics is Professor Laski, no less than 67 of his pupils being members of the British Socialist Government. In his book, *Democracy in Crisis*, Laski said that a Socialist government would:

"Take vast powers and legislate under them by ordinance and decree," and "suspend the classic formulæ of normal opposition."

This is exactly what the British Socialist Government is doing.

The same procedure for destroying responsible government is being used at Canberra. Dr. H. V. Evatt wrote in the preface to his book, *The King and His Dominion Governors*:

"I am also under obligation to Professor Laski, of the London School of Economics . . . for much encouragement and advice."

Laski expressed disappointment when Dr. Evatt's 1944 referendum failed. However, Dr. Evatt said the fight to increase the Federal Government's powers would go on.

Surely the real purpose of nationalised banking is now clear.

The great tragedy of these critical times is the manner in which sincere idealists can be used to further policies the ultimate object of which would terrify them if they but knew them.

Socialism in Practice.

The idea of a "planned economy," which centralised control of financial credit is designed to advance, may, in theory, sound very nice. But if this policy of centralisation is to continue unchallenged, if the Federal Government is to obtain more power and delegate it to an increasing army of officials, what will be the ultimate end of the individual?

He will be merely a cog in a machine. Those controlling the machine will argue that it cannot be endangered by cogs having any freedom of movement. This means RIGID COMPULSION.

Asked how Socialism worked in practice, Mr. Bernard Shaw replied:

"Compulsory labour, with death as the final penalty, is the key-stone of Socialism." (*English Labour Monthly*, October, 1921).

The chief speaker at the Fabian International Bureau's Conference in 1942 said:

"There is not much basic difference between the basic economic techniques of Socialism and Nazism."

It is totalitarianism that is being imposed upon us by Mr. Chifley and the Labor Party. We cannot walk the same road that the Germans walked and reach a different destination. For our own salvation we must make open war upon all totalitarian ideas, no matter under what guise—Fabian Society, National Socialist, Communist—or by what political group they are advanced.

The first step toward our own salvation can be taken by voting against Labor at the Victorian elections.

"FREE" MEDICINE EXPOSED!

Melbourne *Argus*, June 30, 1948.

It is unfortunate that the controversy between the Federal Government and the B.M.A. over the "free" medicine issue has obscured the real menace of a socialised medical system.

The fundamental purpose of a socialised medical system is to further the control of the individual by the all-powerful official. *Propaganda about "free" medicine and "free" doctors is, of course, essential to persuade individuals to surrender without opposition control of their own lives.*

In a completely centralised "planned economy" such as the Socialists and Communists advocate, it is obvious that the central planners must not only have control of all industry and all raw materials; they must also have the power to direct labor as desired. *No Socialist planner has yet been able to demonstrate that a centrally "planned economy" can be implemented without direction of labour.* At least one prominent Socialist, Bernard Shaw, was frank about this matter when he said that "Compulsory labor, with death as the final penalty, is the keystone of Socialism" (vide *English Labour Monthly*, October, 1921).

No Loopholes.

During the controversy between the British doctors and the British Socialist Government, the fact has clearly emerged that one of the major objectives of Mr. Bevan's State medical scheme is to ensure that there is no loophole left to any individual who does not want to be directed to work in any nationalised undertaking.

While private doctors continue as servants of the patient, there is a barrier to the complete monopoly State in which the individual has no rights whatever. When doctors become the servants of the State—and "free" medicine in Australia is a major step towards this objective—their main function will be to ensure that all individuals are kept fit to work for the State.

Those who feel that this is mere exaggeration should recall that, when Hitler came to power he found a centralised "social service" system a powerful ready-made instrument which could be used to control the German people. No State medical scheme can be run

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without the creation of an elaborate dossier system, with officials controlling the dossiers. *As the advocates of State medicine schemes insist that everyone must obtain "positive" health, this means that ultimately every individual has a dossier.* Surely there has never been a more subtle method of building up the police state. Paragraph 130 of the famous Beveridge Report, which is a great source of inspiration for Socialist planners in all English-speaking countries, speaks of "enforcement" of the citizen's "obligation . . . to take all proper measures to be well."

As Senator McKenna has warned that the "free" medicine scheme is merely the first step towards providing the people with a completely "free" medical scheme, it is urgently essential that both doctors and patients unite in exposing and opposing the policy behind this first step.

If the doctors continue to base their opposition to the Government's "free" medicine scheme merely on the grounds that it is not wide enough and because of penal clauses, they are fighting a rear-guard battle. The Government can afford to make certain "concessions" so long as the *principle* of the scheme is established. Other steps can be taken later to extend centralised control.

The Totalitarian Technique.

Once the "free" medicine scheme is established, it is certain that the financial cost will rapidly exceed present estimates. There will also be abuses. When this happens there will be an excuse for more rigid control of doctors, chemists, and, of course, patients. This totalitarian technique has been clearly outlined by the former Canadian Communist, John Hladun, who was specially trained in Moscow: "In a Socialist economy, one control tends to cause another, until, as a logical result, the State controls and finally owns everything."

The "free" medicine scheme is a form of control which, once established, will develop into further controls. In a genuine economic democracy each individual should have the greatest possible freedom to use his money "vote" to indicate what policy he requires. If he is allowed the free use of his own money, he may decide to "vote" for milk and fruit instead of bottled medicine. But the totalitarians work steadily to take the individual's money from him and only permit him in exchange what they term "benefits." When all get "benefits" from the Government, individual initiative and independence are sapped still further and resistance to further centralised control weakened.

What all genuine democrats should be demanding is, not "benefits," but rights, particularly the right to spend their own money as they see fit.

"Free" medicine means that the individual is to have little "free choice." Unless "free" medicine is clearly understood as merely a part of the whole Socialist strategy, arguments about the pros and cons of the scheme permit the authors of this totalitarianism to continue unimpeded with their plans.

SOCIALISM MUST FOLLOW THE COMMUNIST ROAD.

Melbourne *Argus*, September 4, 1948.

One of the greatest dangers confronting all democratic countries is a careful fostering of the idea that there is some distinction between Socialism and Communism. Labour leaders in Great Britain and this country contend that the Socialist State they are attempting to create is different from what is termed the Communist State of Russia.

But this argument neglects the fact that Russia is not a Communist State; it is a Socialist State. U.S.S.R. means the Union of Soviet Socialist Republics. Except as a term and a hope, Communism does not exist.

It is true that Stalin, in his *Leninism* (1926), wrote a great deal about Communism and Communist parties, but in dealing with their theory he always used the term Socialism. Two of the chapters of "Leninism" are entitled: "The Future of Socialism in the Soviet Union," and "The Fight for the Realisation of Socialism."

All students of Marxian theory know that Socialism is regarded as an intermediate stage between "bourgeois democracy" and Communism.

Russia a Socialist State.

In "Leninism" Stalin asks the question, "What is Socialism?" and answers as follows:

"It is the stage on the way from a society dominated by the dictatorship of the proletariat to a society wherein the State will have ceased to exist . . . a Communist society."

But so far from the State ceasing to exist in Soviet Russia, it has become more powerful, and more repressive. Socialism has not led to the classless society termed Communism, but to the growth of new and more privileged classes.

The fact that Russia is not a Communist State, but a Socialist State, is of tremendous importance. If Russia were a Communist State, Socialists could argue that its characteristics, such as forced labor, the one-party system, censorship, and the secret police, had no relationship to Socialism.

But these characteristics are those of a Socialist State, and indicate what the complete Socialist State can mean.

In the English Left Wing journal, the *New Statesmen and Nation*, of March 20th, 1948, the English Socialist M.P., Mr. R. Crossman, writes: "Three weeks ago, Czecho-slovakia was a country with civil liberties and Parliamentary institutions. Today that is no longer true. When I said this to a young Communist, he replied: 'But it's such a small price to pay for a great leap forward to Socialism.'"

This Communist's revealing reply means that a much more comprehensive Socialism can only be achieved by the destruction of individual liberties and Parliamentary institutions.

While it may be argued that the Socialists in British countries do not seek power by violence, it would be fatal folly to believe that Socialist leaders are adverse to destroying by a policy of gradualness Parliamentary institutions and constitutional safeguards in order to reach the Socialist objective.

Destruction of Democracy.

In an address to the Oxford Fabian Society in 1944, the well-known English Socialist, Mr. G. D. H. Cole, said: "*I do not like the Parliamentary system, and the sooner it is overthrown the better I shall be pleased . . .*"

In his book, *Where Stands Socialism Today?* Sir Stafford Cripps writes: "*It is now possible for an individual to challenge in the courts the use of any particular power so exercised by a Minister as being outside the sphere determined by Parliament. This inconvenience must be removed.*"

At the 1921 Australian Labor Party Conference the establishment of an elective Supreme Economic Council eventually to supersede Parliament was discussed. In 1931 a conference of trade unions and A.L.P. branches approved of the statement that "the necessity for a non-Parliamentary form of Government . . . is inevitable."

The fact must be faced that Socialism in British countries has most of the symptoms of Russian Socialism, and that it is leading inevitably to that extremer form of Socialism incorrectly termed Communism. There can be no compromise between the principles of a genuinely Free Society and Socialism. Those who work for Socialism, irrespective of the methods used, work for the same objectives as the Communists. Labor Party supporters who contend that they are fighting the Communists while still advocating Socialism should note carefully the following statement in Sharkey's *An Outline History of the Australian Communist Party*: ". . . the growing influence of the Communist Party brought about the adoption of the Socialisation objective of the A.L.P."

The Socialists must not be permitted to continue any longer with their argument that they are the barrier to Russian "Communism"; that in some strange way Socialism can save us from—Socialism!

PAVING THE WAY TO THE MONOPOLY STATE.

Melbourne *Argus*, October 9, 1948.

In an attempt to allay the fears of electors who feel that the policies being imposed by the Federal Labour Government must eventually result in the complete Monopoly State, many members of the Labour Movement are now claiming that the Socialisation clause in the Labor Party platform does not mean complete Socialism. The minutes of the 1921 Labor Party have been produced to show that by a majority of 15 votes to 13 this conference interpreted the Socialisation objective by declaring that the Labor Party did not seek to abolish private property.

Because of this declaration, carried 27 years ago, electors of today are now asked to believe that there is no fear of private ownership and free enterprise being destroyed by the policies of the Chifley Government. Some Labor spokesmen such as Mr. Keon, M.L.A., even contend that the Socialism of the Labor Party strongly supports private ownership and free enterprise. But others make it clear that they believe that Socialisation means complete Socialism.

It is obvious, therefore, that the Socialisation objective of the

Labor Party can be interpreted to mean different things to different people; that it is in fact an omnibus term used to recruit support for an objective which is only clearly understood by those playing the leading role in attempting to reach it.

While it is true that Mr. Chifley recently said that the Labor Party does not want to nationalise such things as pie-stalls, neither he nor his political colleagues have enthusiastically and positively advocated widespread private ownership and free enterprise as the only successful foundation for that genuine liberty and security to which they pay so much lip service. In fact, one senior Cabinet Minister, Mr. Dedman, said at Canberra on October 2, 1945, that he was not very concerned about helping workers to own their own homes and thus become "little capitalists."

Every policy pursued by the present Federal Government makes it progressively more difficult for small and medium-sized enterprises in particular to function satisfactorily. Private ownership of homes, land, or industries becomes more difficult to attain.

A party which has recruited support on the plea that it protects the "small man" against the "big man" is actively engaged in furthering policies designed to crush the "small man" and concentrate economic power. This is, of course, classical Socialist technique, as bluntly outlined by one Labour member, Senator Large, at Canberra on March 2, 1945:

"I do not object to the formation of trusts, because, as a convinced Socialist, I appreciate the fact that such bodies gather together the threads which will enable us, when we decide to take them over, to do so quite easily and operate them without difficulty."

In other words, the Socialists advocate and are implementing a policy of Monopoly, a fact which should be clearly understood among all sections of the community. Irrespective of whether it is termed Socialism, Socialisation, Communism, Planned Economy, or any other label, it is a policy of Monopoly, the concentration of all political, economic, and financial power into fewer and fewer hands, which threatens our Western civilisation today.

It is this policy of Monopoly which the non-Labour parties in Australia must effectively attack if they are to help stem the totalitarian tide.

Unfortunately, however, far too many members of the non-Labour parties appear to be the unconscious victims of the very disease afflicting the Labor Party. Some even openly suggest that there must be a degree of Socialism, a point of view typified by Mr. Holt, M.H.R., in the following statement at Canberra on June 16 of this year: "That does not mean that we who belong to that group (opposed to Socialism) see no virtue in State guidance and planning, or in ownership by the State of certain utilities and monopoly undertakings. We believe that there can be virtue in such ownership . . ."

Now, significantly enough, this is the very interpretation of Socialisation given by some apologists for the Labor Party. They claim that Socialisation only means nationalising certain "Monopolies" for what is termed the "common good."

But surely it is obvious that once certain key industries have been nationalised under the plea that they are Monopolies or public utilities, the way has been paved to take over and control all industry.

The Communists clearly understand this, as can be ascertained by reading any of their literature. The Communists realise that the centralisation of power makes their proposed revolution much easier,

particularly if anti-Communists do the centralising. No revolution is possible without the preliminary policies of the moderates.

It is, of course, generally recognised that a Private Monopoly is a bad thing, but to suggest that the establishment of a State Monopoly is an improvement is contrary to all experience. While Government is kept strictly separated from industry, it is an instrument which electors can use as a balance against the monopolistic practices of any section of the community, but when a Government takes over a Monopoly it then has a vested interest in protecting that Monopoly.

The present Victorian Government, elected on a clear-cut anti-Socialist policy, has clearly demonstrated this in its transport policy, which seeks to maintain a transport Monopoly for the State Railways at the expense of private road transport.

Now that the taxpayers have been informed that the Federal Government's airlines have lost just over £800,000 over the last two years, it would be an appropriate time for the non-Labour parties at Canberra to state clearly what they propose to do about T.A.A. if elected at the next Federal election. If they intend to continue operating T.A.A. they will automatically have to defend its monopolistic practices.

Opponents of the Monopoly State must recognise the fact that there can be no further compromising on fundamental principles.

The false argument advanced by moderate members of the Labor Party, and by far too many members of the non-Labour parties, that complete Socialism can only be defeated by some Socialism, must be exposed and opposed. Electors must understand that once a policy of centralisation is started, it soon creates a momentum which automatically increases. Unless a determined and conscious effort is made to halt and then reverse this centralisation, nothing can stay the eventual arrival of the Monopoly State.

Electors are either going to have more centralisation or they are going to have less. This is the basic issue which the non-Labour parties must face now. To face it realistically they must first free themselves from the Socialist propaganda which unconsciously affects much of their political and economic thinking.

The inherent evils of centralised power can only be defeated by genuine decentralisation—decentralisation of political, economic and financial power back to the individual.

Let the non-Labour parties proclaim in definite terms that their major policy is to decentralise all power and they will be surprised at the support they will get.

LIBERAL POLICY AND THE SOCIAL SERVICE STATE.

Melbourne *Argus*, October 14, 1948.

A major feature of Socialist propaganda is the insistence that it is the function of Government to provide the individual with security from the cradle to the grave.

So successful has this propaganda been that even non-Socialist parties have succumbed to the electoral attractions of collectivist social service schemes which must eventually lead to the destruction of all personal liberties.

It was the Social Service State, introduced by the German Socialists late last century, which sapped the independence of the German people and paved the way for Hitler. We cannot walk the same road that the Germans walked and reach a different destination. Bismarck appropriately described the social service schemes as "golden chains around the necks of the workers."

Fabian Infiltration.

It was from Bismarck's Germany that the English Fabian Socialists borrowed most of their ideas, ideas which have been since propagated in all English-speaking countries. Bearing in mind that Hitler was the logical result of the Social Service State in Germany, it is not surprising that the chief speaker at the Fabian International Bureau's conference in 1942 stated that:

"There is not much difference between the basic economic techniques of Socialism and Nazism."

After outlining how the Fabians infiltrated into all the parties in Great Britain, Bernard Shaw, himself a prominent Fabian Socialist, has said that they soon had members of all parties advancing ideas *"that would never have come into their heads had not the Fabians put them there."*

It is all too obvious that Australian non-Labour parties have also adopted Socialist ideas without realising what is involved if they persist with them. The Liberals, in particular, would do well at present to read Beatrice Webb's recently published book, *Our Partnership*, in which there is much evidence of how Beatrice and Sidney Webb helped formulate the social policies of the English Liberal Party.

The English Liberals had such a poor understanding of their own principles that they allowed the Fabian Socialists to use them to import from Germany early this century the blueprints of the Servile State.

Liberal Party Policy.

Do Australian Liberals understand their principles any better than did the English Liberals?

Are they also prepared to seek political power by competing with the Labor-Socialists in offering the bribe of the Social Service State, irrespective of the future price to be paid?

These are questions which competent students of the real Socialist menace are asking.

The basic feature of the Social Service State is that the Government should compulsorily take from the individual an increasing amount of his money and only permit him to get some of it back under terms dictated by an increasing army of officials. The individual is offered a cart-horse security at the price of his personal liberty. He is asked to sell his very soul.

All genuine progress has resulted from conscious effort by individuals. Independence of mind and strength of character are only to be found when individuals are confident that they can make their own way by their own efforts.

The real issue at stake behind the increasing number of social service schemes being introduced is whether the individual is to have the right to make his own decisions concerning his own affairs, or whether those decisions are to be made for him by a Government official.

An individual who no longer has the right to make decisions soon loses his initiative. His will to resist more and more State control of his life weakens. It is generally overlooked that one of the strongest arguments in favour of genuine free enterprise controlled by the individual spending his own money is that it enables the individual to develop judgment. Judgment is a faculty requiring constant exercise, the exercise of choice such that competitive enterprise provides. Perhaps even more than learning, judgment moulds the character and shapes the abilities.

The Social Service State progressively eliminates choice, frustrates judgment, and saps the manhood of the nation.

The Socialists are well aware of this. They know that the introduction of every new social service scheme helps further to sap the initiative of the individual and to condition him for a passive acceptance of the harsher features of the Monopoly State.

Undoubtedly much electoral support for social service schemes has been encouraged by persuading some sections of the community that they are getting benefits at the expense of other sections of the community. But some months ago a competent research service exhaustively examined the present social service schemes in Australia and discovered that 81% of those contributing must lose heavily. If the losers were allowed to keep their contributions, invested them at 3% compound interest, they would, over the period of a normal lifetime, be up to £3,000 better off.

Those who wish to fight the introduction of the Monopoly State must be clear about the issue of social services. There can be no compromise. If the non-Labor parties are to prove themselves worthy champions of a philosophy of freedom, they must put aside the temptation to compete with the Labor-Socialists in offering social service bribes to the electors—bribes which the electors must more than pay for themselves.

Security and Independence.

The non-Labor parties must forthrightly challenge the anti-Christian collectivist philosophy underlying the Social Service State idea.

They must courageously proclaim that the function of Government is not to provide the individual with security from the cradle to the grave, but to further such political, economic, and financial policies that will permit the individual, in free association with his fellows, to provide himself with his own security.

It will, of course, be argued that surely the community, through its Governments, must accept responsibility for such social services: as old-age pensions and the various war pensions. But, because a comparatively small number of the community must receive pensions which will permit them to enjoy a reasonable standard of living, it is not necessary that either those receiving pensions or the rest of the community should surrender fundamental rights to the State.

The prosperity of a community depends to a great extent upon individual initiative. Let the Government remove every artificial barrier, whether it be political, economic, or financial, to the development of that initiative, and the resulting prosperity will provide a basis for genuine security and increasing freedom for all sections of the community.

This is the great task to which the non-Labor parties must set their hands if they are to offer a genuine alternative to the monopolistic policies of the Labor-Socialists.

THE RESTORATION OF STATE RIGHTS.

Melbourne *Argus*, October 19, 1948.

Genuine local government is the basis of individual liberty. The smaller the political unit the greater the degree of self-government.

The Federal Constitution was evolved for the specific purpose of protecting State rights by limiting the powers of the Federal Government.

But by devious methods all Federal Governments have steadily encroached on State rights to such an extent that unless firm steps are taken to strip Canberra of much of its present power, the arrival of the Monopoly State is only a matter of time.

More than fair words are required from the non-Labor parties if they are to rally electors to face this fundamental issue. Not only must they pledge themselves to decentralise political, economic and financial power; they must specifically outline the steps they propose to accomplish this purpose.

Uniform Taxation.

The principal weapon being used by the Federal Government to destroy the States is uniform taxation. The non-Labor parties must not only restore to the States their taxing rights; they must provide the electors with the opportunity of so strengthening the Constitution that never again can any future Federal Government attack the financial sovereignty of the States.

In examining the menace of uniform taxation it is essential to remember that the Federal Constitution was a special grant of powers from the States to the Federal Government. The Federal Government was brought into being to serve the requirements of the States on such general matters as Defence; the major responsibilities of Government were to be left with the States.

Now if the States are to have responsible Government they must have control of their own financial policies. The framers of the Constitution attempted to make provision for this by limiting the Federal Government's source of revenue. Unfortunately, just as Alfred Deakin predicted, all Federal Governments have exploited the weaknesses of the Constitution to expand their control of finance at the expense of the States.

Those non-Labor Party supporters who suggest that uniform taxation should be maintained, but that a Grants Commission be established to examine the States' requirements and to allocate them finance, merely confuse the basic issue of whether the States are to be genuinely self-governing or not. If, for example, the electors of Victoria desire a lower taxation rate than the electors of other States, they should be able to make their own decisions through their own local Government.

The electors of Victoria, not a Federal Commission, should decide whether their State Government is entitled to the finance it requests.

The Proper Federal Role.

If the Federal Government were reduced to its proper role in a genuine Federal system of government, the original sources of revenue provided by the framers of the Federal Constitution would be adequate for their requirements. Additional finance for any special purposes could be allocated by the States.

Surely it is preferable that the Federal Government, with its natural tendency to centralise power, should have to seek its special financial requirements from the States rather than vice versa.

As Defence is a genuine province of the Federal Government, and as this is a general matter, a formula could easily be devised whereby the States contributed to Defence an agreed amount per head of population. Those people who have succumbed to the specious argument that the Defence responsibilities of the Federal Government necessitate the States losing control of their own financial policies should note that the American States did not surrender their taxing rights to Washington even during the war years.

The non-Labour parties must demonstrate their support for State rights by making it definite that they will restore to the States their financial sovereignty.

They should go further and state that this vast continent cannot be developed unless there is political decentralisation in the form of new States. This genuine decentralisation of political power is the only effective method of reversing the present disastrous trend towards further centralisation in several capital cities.

Progressive Decentralisation.

It is not as well known as it should be that the great framers of the Federal Constitution actually made provision for the creation of new States. They realised that a country the size of Australia must progressively decentralise political power if it were to make genuine progress and protect the liberties of its citizens.

At present the Labor-Socialists are skilfully exploiting the growing pressure for decentralisation by suggesting that this objective can be best attained by granting all power to the Federal Government, which would then delegate it to a number of Regional Councils. It is not decentralisation of the *administration* of a *centralised policy* that is required, but the decentralisation of policy making back to electors exercising control through local sovereign governments.

Undoubtedly the greatest menace confronting the non-Labor parties is the vested interest of the swollen Federal bureaucracy and the large number of well-entrenched Socialists and Communists it contains.

Some of these totalitarians do not trouble to hide their belief that while the present centralised political structure is maintained, even a non-Labor Government can be forced in the direction of further centralisation. They believe that any new Government must delegate its responsibilities to them in exactly the same way that the present Government has been doing. The non-Labor parties must face this menace by pledging themselves to restore responsible government by the complete abolition of the delegation of Parliamentary authority. If the Federal Government divested itself of powers which should be handled by the States, local governing bodies, and the electors themselves, it would have adequate time to assume complete responsibility for legislation within its sphere.

While it is true that the considerable voting strength of the Federal bureaucracy is a factor now recognised by all parties, the non-Labor parties must courageously state that they are going to reduce drastically the number of officials and only maintain a genuine civil service commensurate with the requirements of responsible government.

Electors don't want vague talk about mere "investigations" of

the Federal bureaucracy; they want definite statements concerning what immediate reductions can and should be made. Certain departments could be abolished completely or considerably reduced in status. It would be instructive to hear the non-Labor parties state what they propose to do about such departments as the Department of Information. They must realise that they cannot rally the electors unless they state objectives so specifically that electors can feel that there is no possibility of these objectives being perverted or watered down after the elections.

If the non-Labor parties really desire to do battle with the Socialist menace, they must first educate their own supporters on fundamental principles such as outlined in this article.

It is no use recruiting an army unless it is given a clear-cut objective and is equipped to fight effectively. The fighting slogan of the non-Labor parties must be: We are going to give back to the people the powers that have been filched from them; we are going to restore financial sovereignty to the States and encourage electors to work for the creation of new States where necessary; we are going to demobilise the bureaucratic army and restore responsible government; we are going to set the people free.

DECENTRALISE FOR STABILITY.

Melbourne *Argus*, December 8, 1948.

Although the immediate threat of serious industrial trouble in Victoria has been averted, it is surely obvious that there can be no permanent stability while Government policies—State and Federal—continue to foster increasing centralisation of economic power.

In its editorial of November 19 *The Argus* touched upon an important aspect of the fundamental issue confronting our community when it said: "Monopoly transport—vehicles owned by the State—can be too easily stopped by direct action. Therefore the Government has to provide permanent, competitive, alternative transport. It is not enough to license this alternative transport for emergencies only; the licences must be for a substantial period of years."

The function of genuine democratic Governments should be to foster policies which enable individuals to provide themselves with alternatives in every sphere of activity. But a centralised State transport monopoly is the basis for the centralisation of economic power generally. This is particularly true in Victoria.

The Communists are well aware of the advantages of a State monopoly of transport as a means to centralising economic power. Non-Socialists who have never given much thought to this matter should note that Karl Marx, in laying down the 10 basic rules for communising a State, urged the "*Centralisation of the means . . . of transport in the hands of the State.*"

Although the recent defeats of the Communists in some of the trade unions are pleasing, it would be folly for electors concerned with resisting the creation of the Monopoly State to ignore the fact that while the progressive concentration of economic power continues, industrial unrest cannot be eliminated. This unrest will inevitably express itself in one way or another.

Communists Support Centralisation.

Evidence from all over the world, including the U.S.A., reveals that the centralisation of political and economic power has reached the stage where individuals are suffering from frustration of the creative urge which is implanted in every individual. Frustrated individuals are very susceptible to the policies of all totalitarians. Progressive decentralisation is urgently necessary to reduce frustration and to allow the individual's creative urge full play. Only genuine free enterprise and widespread private ownership can provide the individual with a greater choice of alternatives.

It is significant that Communist leaders are bitterly opposed to any suggestion of decentralising economic power. In his book, Teheran—Our Path in Peace and War, former American Communist leader, Earl Browder, wrote: "This concentration and centralisation of the national economy will not and cannot be undone. To propose and discuss breaking up of this development is an occupation only for chatterboxes."

In his *Foundations of Leninism*, Stalin points out that "The unprecedented concentration of Russian industry on the verge of the Revolution" made the Bolshevik victory much easier.

Writing to his colleague, Engels, in 1870, Marx expressed the desire that Germany should be centralised because "the centralisation of the power of the State will be useful to the centralisation of the German working class."

The Communists and Socialists foster all policies of concentrating economic power for the very good reason that it enables them to organise employees into bigger and more centralised Trade Unions. The bigger and more centralised Trade Unions become, the less chance the individual Unionist has of controlling policy.

The Policy of Monopoly.

Socialist propaganda carefully fosters the idea that increasing economic centralisation is "inevitable" in order that it can be postulated that the logical final result of this process must be State control. Fortunately, there has in recent times been a growing opposition to the generally accepted ideas about economic centralisation being a natural process, which automatically results in greater efficiency.

One of Australia's leading industrialists, Mr. John Storey, who did such an excellent job for the Federal Government during the war years, recently contended that real industrial strength must be based upon a large number of small and medium-sized firms. He revealed that aeroplanes could never have been made in Australia if it had not been for hundreds of small firms.

After an investigation of all types of industry in the U.S.A., the Federal Trade Commission for the Temporary National Economic Committee of the American Senate on "Investigation of Concentration of Economic Power," found, among other interesting things, that workers in smaller and medium-sized industries had a greater productive rate per worker than had large industries. But, most significant of all, this American Commission reported on the growth of economic centralisation as follows: "*In nearly every case in which monopoly persists, it will be found that artificial factors are involved.*"

Most of these "artificial factors" are the direct and indirect results of Government policies.

The present Victorian Government has done reasonably well in

preventing industrial turmoil, but now is the time for it to realise that there can be no permanent industrial stability while the dangerous concentration of population and economic power in Melbourne is allowed to continue. It must encourage decentralisation for stability. An excellent start can be made by enabling free enterprise to provide alternative transport in every part of the State.

THE SOVIET INFLUENCE IN ISRAEL.

Melbourne *Argus*, January 1, 1949.

The Middle East has been well described as the key to the world. The controllers of Soviet Russia are skilfully attempting to get control of this key by backing the State of Israel in its aggression against the British.

After conferences with high British officials in October of last year, Brigadier J. B. Glubb Pasha, British-born Transjordan Army Commandant, made a special statement, in which he said Russia was seeking to dominate the Middle East through Israel. He also said:

"Arms are being smuggled illegally into the Jewish State from behind the Iron Curtain. Jewish youths are receiving military training in the territories of Israel and her satellites. Israel seems to be able to make the best of both worlds. The large financial subsidies which she receives from America she spends buying arms from Russia and her satellites. The longer the present disturbances continue, the more influence Russia will gain over Israel."

Base for Intrigue.

After the murder of Count Bernadotte, in September of last year, *The Argus* asked a question which is even more pertinent now than it was then: "Is it inapposite to remark that the number of people on the Soviet diplomatic staff at Tel Aviv is quite out of proportion to the smallness of the Jewish State?"

Events make it clearer every day that Israel has become a base for Communist intrigue in the Middle East. As this matter is of the greatest importance to the British Empire in its life and death struggle to survive the Communist conspiracy, it is instructive to examine how the Communists and political Zionists have worked together in recent years.

Although the Communists in all countries are at present loud in their praises of the Jewish State in Palestine, it is interesting to recall that Communist policy has not always supported political Zionism. For example, Stalin's book, *Marxism, Nationalism and the Colonial Question*, contains a chapter attacking the idea of Jewish nationality and a Zionist political State. But, about 18 months ago, this book was published in a new edition in which the chapter condemning Zionism was deleted.

Communist policy veered from previous opposition to political Zionism when the Zionists opened their anti-British campaign in 1942. In October, 1948, Ivan Maisky, former Soviet Ambassador in London, visited Palestine, and was shown over the Jewish collective settlements and colonies by Zionist leaders. Maisky clearly saw that the economy of the *kibbutz* (Jewish collective settlement) is based on traditional Marxian principles.

Eliahu Ben-Horin, well-known Zionist writer, in an article on

"The Soviet Wooing of Palestine," published in *Harper's Magazine* of April, 1944, commented: "*Palestine can boast of better achievements in the field of economic communism than Soviet Russia.*"

On January 4, 1948, the Cairo newspaper, *Al Balagh*, published a special article in which it was claimed that Mr. Sultanov, secretary of the Russian Embassy in Egypt, after a tour of Palestine, urged Moscow to collaborate with the Zionist Communists as the most effective way of establishing a base for the Soviet in the Middle East. It is significant that Mr. Sultanov has been since recalled to Moscow, and is now reported as having a key position in the Middle East section of the Russian Foreign Office.

Surveying events which led to British evacuation from Palestine, it can be now seen how terrorist activities in Palestine were directly connected with Soviet policy.

Soon after military hostilities finished in Europe General Sir Frederick Morgan, chief of UNRRA's Displaced Persons Organisation in Germany, caused a world-wide stir when he alleged that the Zionists had a well-organised plan for getting Jewish refugees out of Europe, and that many of these "refugees" were in reality highly trained Russian agents. The terrible plight of the genuine refugees was brutally exploited to further the policy of world domination.

The well-informed English Catholic review, *The Tablet*, in its issue of November 1, 1947, said: "They (the Americans) do not understand how big is the Soviet part in the organised Jewish illegal emigration from Europe; how, in the guise of Zionists, Soviet agents and terrorist instructors have been passed through Europe; how in the camps of Cyprus Stalin and Lenin are heroes whose portraits are displayed, and how the whole movement is intended . . . to weaken Britain in the Middle East . . ."

Communists Train Jews.

The eminent Canadian Jew, Dr. I. M. Rabinowitch, O.B.E., in a vigorous attack upon political Zionists, observed: "It is not an accident that the majority of the leaders of political Zionism are Russians or descendants of Russians . . ."

One of the most important links between Russia and Israel is Histadrut, the powerful trade union of which most Jews in Israel are members. Not only does Histadrut dominate economic life in the Jewish settlements in Palestine; it has also been concerned with all Jewish immigration into Palestine. Although the Communists in Palestine were opposed to Histadrut until the time of Russia's change of policy concerning Zionism, they have now infiltrated it to the extent that they practically control it.

From the large number of political training centres for Jews which Russia has established in Bohemia, Bulgaria, Hungary, Poland, Rumania, Slovakia and in Sub-Carpathian Ruthenia, Histadrut has been constantly infiltrated with an increasing number of well-trained Communists.

It was therefore not surprising that the arrival of the large Russian Legation in Israel resulted in widespread pro-Russian demonstrations.

Non-Zionist Jews in this and other British countries should realise that the bitterness displayed toward them by Zionists when they proclaim they are loyal British subjects is in line with recognised Communist technique. An outstanding American Jew, Mr. Benjamin Freedman, has ably summarised the Zionist-Communist

campaign as follows: "Soviet Communism will succeed in its attempt to conquer the world in direct proportion to the support given Zionism."

Local Communist propaganda in favour of Israel should be carefully noted by those who have any doubts about this matter.

THE NATIONAL HEALTH SCHEME.

Melbourne *Argus*, February 26, 1949.

The Labor-Socialists' new assault upon the medical profession is not merely designed to destroy the independence of the doctors and to make them servants of the State; it seeks to further the major Socialist objective of subordinating completely the policies of all individuals to a group of central planners. People who allow themselves to be used, as the Labor-Socialists so blatantly suggest, to bring pressure to bear upon the doctors, and thus compel them to enter the Government's National Health Service, will be merely forging the chains for their own enslavement.

It is unfortunate that far too little attention has been paid to the totalitarian features of the National Health Bill introduced by Senator McKenna on November 24 of last year.

This bill may yet prove to be one of the greatest tactical victories obtained by the Socialist monopolists—unless electors awake to the grave menace confronting them. The National Health Scheme is based upon the principle enunciated by Hitler: that people who will not submit to a complete totalitarian plan for society will not resist its gradual cumulative application.

The Social Service Power.

In examining the National Health Bill, it is essential to recall that it is based upon the constitutional power given to the Commonwealth as a result of the Social Services amendment to the Federal Constitution carried at the 1946 Referendum. Although Mr. Menzies and other non-Socialists advocating a "Yes" vote on the Social Services amendment at that Referendum apparently did not realise what they were doing, there is little doubt that the Socialist planners were looking well ahead and knew what they were about.

Every step taken to further the ever-growing process of government by regulations framed by officials, takes the community further towards complete totalitarianism.

This delegation of Parliamentary authority means that all matters connected with health can, without public debate in Parliament, be dealt with by the officials to whom the Minister for Health delegates his functions. The National Health Scheme can thus be altered at will by mere regulations.

As the bill grants enormous powers to officials, even the power to manufacture, its inherent dangers are obvious. Once the scheme is well established, the groundwork has been laid for further attacks upon the medical profession and the liberties of the individual.

It is hoped that electors will be bribed by the anticipation of a 50% reduction in their medical fees if the scheme operates; that they will overlook the fact that the Government will merely be using some of their taxes to finance the scheme.

If the Government overcomes the obstacles to the introduction of the National Health Scheme, it can already be seen what will happen then. The next step will be to limit the work of individual doctors. Senator McKenna has already announced that the Director-General of the scheme is to have the power to draw up lists of "specialists." It is then contemplated to limit the payment of fees by the Government for certain classes of work, to be progressively defined by regulations, to certain "approved" doctors. This would gradually narrow the field for general practice.

A Further Step.

A further step in the same direction could be taken by the mere formulating of a regulation deciding to pay, say, 80% of the scheduled fee, thus permitting the doctor to recover only 20% from the patient. By these and other steps private practices could and would be eliminated, and doctors made more and more dependent upon the Government for their incomes. Virtual nationalisation of the medical system would be achieved by indirect methods.

The general public must not be tricked into believing that the fate of the medical profession is no concern of theirs. Hitler's National Health Service was one of the most effective instruments he had for controlling the individual German. The complete Monopoly State necessitates that the individual shall have no avenue of escape from the dictates of the central planners. Under the fully planned society, individuals must not be permitted to interfere with the central plan by producing private doctors' certificates stating they are not well enough for work prescribed by the planners.

In such a totalitarian society as the Socialists contemplate, doctors would obviously be required by regulation to carry out examinations concerning fitness for certain occupations. There would be an increase in non-medical work by the keeping of records and the making of reports.

All this is no fantasy. It is urgently necessary that sufficient people realise in time that the proposed National Health Scheme is another thin edge of the wedge for which the Socialist monopolists are striving desperately to find a crevice in the democratic structure. All those who prize the little freedom they still possess should inform their doctors by letter, telegram, or telephone that they desire them to stand firm against the latest Canberra assault.

Federal non-Labor members would also assist considerably if they would make a definite statement that, if elected at the next elections, they will immediately destroy the National Health Scheme completely. It is possible to ensure that every individual has access to the best medical services while at the same time preserving the freedom of both doctors and patients.

THE SOCIALIST TECHNIQUE.

Melbourne *Argus*, May 3, 1949.

The most important aspect of ex-Communist Cecil Sharpley's recent series of articles on Communism is the fact that Mr. Sharpley says that his Socialist views remain unmodified. Mr. Sharpley still considers a centrally planned economy the key to genuine progress. He believes that Socialism can and should be introduced democratic-

ally through the ballot-box. and is looking forward to taking his place in the Labor movement for the purpose of furthering what is generally termed "democratic Socialism." In other words, Mr. Sharp-ley still believes in the same objective as the Communists, i.e., Socialism—but he now disapproves of the Communist methods of reaching the objective.

No doubt Mr. Sharpley, like large numbers of other Socialists, is quite sincere in his belief that a centrally planned economy can be implemented without destroying the individual's rights and liberties. But in practice the centrally planned economy, irrespective of whether it is termed Socialism, Fascism, Nazism, or any other "ism," leads to the complete Monopoly State. "Democratic Socialism" in Great Britain is leading to the very economic conscription operating in Soviet Russia.

Compulsion of Labor.

On February 29, 1946, Sir Stafford Cripps said in the British House of Commons that "No country in the world, so far as I know, has yet succeeded in carrying through a planned economy without conscription of labour."

Cripps and his fellow-theorists were going to demonstrate how to solve this problem by reconciling individual liberty with centralised planning, but by December of 1947 the results of their planning were used as the excuse for the necessity of direct manpower control under the Control of Engagement Order.

While it is true that the Communists denounce the Labor-Socialists and their "democratic Socialism," they welcome the inevitable chaos which all centralised planning creates. They then take the lead in demanding still more planning and controls to deal with the chaos. The Communists in Great Britain played a leading role in urging that the British Socialist Government introduce manpower controls.

John Hladun, a former Canadian Communist Party member who had been sent to Moscow for special training, made the following statement on November 26, 1948: "In a Socialist economy, one control tends to cause another, until, as a logical result, the State controls and finally owns everything. Out and out Socialism cannot help developing into Communism . . . Socialism is a dangerous experiment—a forerunner of Communism."

The greatest danger confronting the people of this and other British countries today is that while resisting the approach to the Monopoly State along the Communist road, they will succumb to the plausible argument that if they travel on the "democratic Socialist" road they will reach a different destination. Slavery can be introduced via the ballot-box and the perversion of the Parliamentary system just as effectively as it can be introduced by direct violence.

An individual can have his property taken from him at the point of the bayonet, or a political party with a temporary majority in Parliament can achieve the same objective by nationalising all property. What is the difference?

No doubt Professor Harold Laski, one of the recognised prophets of Socialism in all English-speaking countries, had the above point in mind when, after seeing Stalin in 1946, he said he was convinced that Socialism in British countries was leading to the same objective being sought by Stalin and his associates. Laski is the man who has also said that while it is true that "democratic Socialism" necessitates the Government compensating in money individuals who have had their

properties taken from them by nationalisation the Government can then deprive these individuals of this money by heavy direct taxation.

The Canadian Socialist journal, *People's Weekly*, in November, 1946, published the following: "Josef Stalin, Prime Minister of the U.S.S.R. . . . in a two-hour conversation in the Kremlin, told Morgan Phillips there were two roads to Socialism—the Russian way and the British way." "The British way to the Monopoly State was specially devised to meet the obstacle recognised by Karl Marx when he said that the British would never make their own revolution. The Fabian Socialist Society, the fountain head of Socialism in English-speaking countries, was brought into being for the purpose of perverting the Parliamentary system, breaking down constitutional safeguards, and introducing Socialism under the guise of democracy.

The Webbs, whose writings were studied by Lenin, and other pioneers of the Fabian Socialist conspiracy deliberately set out to encourage Governments to increase their powers to such an extent that these powers would have to be delegated to a growing army of permanent officials, empowered to make regulations having the force of law. Professor Laski has outlined the technique as follows: "The necessity and value of delegated legislation . . . and its extension is inevitable if the process of socialisation is not to be wrecked by the normal methods of obstruction which existing Parliamentary procedure sanctions."

Here is a clear admission of what should be obvious to any thinking person, that as centralised planning is extended to cover more and more of the nation's economy, the all-powerful officials doing the actual planning must be given authority to make their own regulations as they proceed without having to consult Parliament.

In his famous book, *The New Despotism*, published in 1929, the former Lord Chief Justice of England, Lord Hewart, warned the British peoples of the menace confronting them: "A mass of evidence establishes the fact that there is in existence a persistent and well-contrived system, intended to produce, and, in fact, producing, a despotic power which at one and the same time places Government departments above the sovereignty of Parliament and beyond the jurisdiction of the Courts . . . The whole scheme of self-government is being undermined, and that, too, in a way in which no self-respecting people, if they were aware of the facts, would for a moment tolerate."

Sovietisation by Stealth.

Genuine democracy cannot survive unless the Fabian Socialist programme of Sovietisation by stealth is exposed and opposed. Electors must realise that "democratic Socialism" is a self-contradictory term. One of the basic features of democracy is responsible Government.

Every new Socialist measure passed by Parliament inevitably furthers the destruction of responsible Government.

If carried to its logical conclusion, every aspect of the community's affairs must be governed by regulations passed by the central planning authorities to suit their own requirements. Parliament as now understood would then become a hindrance and could be abolished.

Speaking to the Oxford Fabian Society in 1944, the famous English Socialist, Mr. G. D. H. Cole, said: "I do not like the Parliamentary system, and the sooner it is overthrown the better I shall be pleased." Perhaps Mr. Sharpley might not agree with this version.

of "democratic Socialism," but, nevertheless, if he continues to work for Socialism he will be furthering the task of destroying self-government which he started as a Communist.

The Labor-Socialists cannot claim to be fighting the Communist programme until they abolish from their platform their Socialisation objective. At present they are merely arguing with the Communists about different methods to reach the same objective.

THE BRITISH EMPIRE'S CONTRIBUTION TO CIVILISATION.

Melbourne *Argus*, May 21, 1949.

(The first of a series in accord with the syllabus of a Study Course conducted by the Victorian League of Rights.)

At a time when there is tremendous propaganda fostering the idea of a centralised World Government, very few people appear to realise that one of the most successful *working examples* of genuine internationalism the world has yet seen, the British Empire, is being attacked by powerful forces from without and corrupted and betrayed by both knaves and fools from within.

Propaganda against the British Empire and the basic ideas underlying its growth has been so successful that many are either positively anti-British, while others are ashamed of what they have accepted as a history of exploitation and oppression.

Then there are those who do nothing to defend the cause of Empire because they have been indoctrinated with the subtle suggestion that all Empires have their day and "inevitably" pass away; that nothing can be done to reverse "trends."

British Heritage.

The British Empire has made vital contributions to civilisation in the past, and can continue to do so if its peoples regain faith in the fundamental ideas upon which their way of life was built. No people can survive if they lose faith in the fundamental ideas underlying their civilisation. How can people defend a heritage unless they clearly understand what that heritage is?

Genuine understanding of the British heritage has been so weakened that abstractionism which can only lead to tyranny is offered as an alternative to a reality which provided the individual with satisfactory results and the basis for further genuine progress. Men in high places, like Sir Stafford Cripps, state openly that they are working to "liquidate" the British Empire. Mr. Attlee has stated that he and his Socialist colleagues are deliberately placing a loyalty to what they term internationalism above their loyalty to their own country.

Dr. Evatt recently told Australians that the pivotal point in Australia's foreign policy is loyalty to the "United" Nations. Apparently loyalty to King and Empire is of secondary importance.

National Character.

But it was this very loyalty to King and Empire which enabled the peoples of the British Empire to make such a decisive contribution to the cause of civilisation in both World Wars. It is this loyalty which is now being subtly undermined by those who, either consciously or unconsciously, are weakening the keystone of the whole Empire

structure, the British Crown, by suggesting that it be subordinated to what they are pleased to call a "formula."

Loyalty to the British Crown is essential for the saving of the British way of life. The Crown and its representatives are far more than a part of the Constitution in every self-governing British country; the Crown is the symbol of the people's national and individual sovereignty.

The essential soul of a nation is in its character, its culture and tradition. It should be more widely understood that the King is the natural embodiment of honours and sanctions of culture and tradition, and, as such, is naturally the Supreme Commander of the Armed Forces in all British countries. Thus the vital necessity of the Oath of Loyalty to the Crown.

Those who would play an effective role in defending the British way of life must reach back into the past and strengthen themselves with a close understanding of the great heritage their forefathers built up.

What is termed Western Civilisation was rooted in Christianity. The growth of Christianity in England was synonymous with the growth of the nation. The political structure was directly influenced by the Christian idea of individual freedom, personal responsibility, and the subordination of institutions to the requirements of individuals.

Because of this fact, and, of course, racial characteristics, climate and geography, the Anglo-Saxon developed a feeling for independent and voluntary co-operation. One of his main characteristics has been resourcefulness without trickery. This characteristic can be seen to the best advantage in the love of games—the idea of a "sportsman." Probably no other people in the world could have evolved the game of cricket, with its predominating conception of character.

British institutions were evolved for the purpose of ensuring that fundamental individual rights were adequately protected.

Decentralisation.

Stemming from the climate of opinion created by the medieval Christian Church, English Common Law ensured the protection of the individual against the arbitrary acts of governments. But the protection of Common Law is today being destroyed by the fostering of the idea of omnipotent governments, not bound by any constitutional limits. In his long struggle for individual freedom and independence, the Anglo-Saxon discovered that local, decentralised government was essential for the individual to control his own affairs. The British Empire was successfully established upon the principle of decentralisation.

In spite of the success of the British idea, that the way to achieve genuine co-operation among the peoples of the world is to further the conception of genuine decentralisation, with all peoples preserving and developing their own customs and traditions, the prophets of the "New Order" everywhere advocate more and more centralisation. The centralisation of power is contrary to the fundamental British idea.

Prior to the British leaving India, apparently as part of the liquidation policy advocated by Socialist leaders, anti-British propagandists never tired of attacking what they termed British oppression of the Indians. This world-wide campaign had as one of its major objectives the destruction of British prestige, particularly in the U.S.A. The propagandists and their many starry-eyed dupes

have been particularly quiet on the subject of India since the British left, and the peoples of India suffered a wave of destruction and bloodshed without parallel in modern Indian history.

It was British rule alone which brought comparative peace and unity to India. From the time of the Indian Mutiny there was never more than a handful of British officials in India, the British idea being to encourage the Indians to develop their own administration. In India, as elsewhere, the British worked to advance the idea of self-government.

Those people who talk loosely about "giving" democracy to native peoples ignore the fact that democracy cannot be given to people who have no conscious conception of what personal responsibility and self-government mean. At the elections prior to the British leaving India, the Indian Congress Party, which claimed to "represent" the Indian people, could only muster less than 1 per cent. of the people to go to the polls.

The great indictment which history will level against the British and their association with countries like India and Burma, was not that the British were in these countries, but that they failed to continue carrying their responsibilities.

In the growth of the British Empire there were mistakes. But to try and expiate an error of the past by trying to reverse it now may lead to an even greater error in the future. Consider the state of India and Burma today and their proximity to Soviet Russia. It may be true that in the history of the British Empire the note of power has sometimes been too loud.

But what madness is it to suggest that, because an inheritance from the past was originally obtained by dubious methods, the British peoples today should throw this inheritance away?

If the British peoples will only accept their heritage, and the responsibilities which go with that heritage, the British Empire can be an even greater stabilising influence on world affairs than it has been in the past. But the British peoples must first stabilise their own affairs by destroying the policies which have so weakened them internally that British prestige has been temporarily dimmed in the eyes of other peoples. Within the British Empire are the major physical assets of the earth. Free enterprise and private ownership are essential for the purpose of providing the British peoples with genuine economic sovereignty. Only a strong and independent association of Empire nations, bound firmly together by a common loyalty to the British Crown, can play a decisive role in defeating the threat of world tyranny.

When Sir Stafford Cripps said that "It is fundamental to Socialism that we should liquidate the British Empire as soon as we can," he defined the fundamental issue which the peoples of all British countries must face: Socialism versus the British Empire.

BRITISH AND CHRISTIAN PHILOSOPHY.

Melbourne Argus, May 28, 1949

(The second of a series in accord with the Syllabus of a Study Course conducted by the Victorian League of Rights)

Before we can profitably study any type of policy—political economic or financial—it is first essential to understand that all policies stem from philosophies. Every policy is the result of the individual's conception of reality—his philosophy. To give rather a

simple example: If a person is walking across a street and sees a car coming towards him he immediately formulates a policy to meet the situation *as he sees it*. If an individual's perception of reality has been dulled or destroyed by propaganda his policies will naturally be based upon what he believes to be reality.

Even when people use the same terms it does not mean that they have the same conception of reality; that their philosophies are similar. The Socialist speaks about "democracy" and "freedom," but a little questioning soon reveals that he usually means the very opposite of what these terms mean to anti-Socialists.

The Totalitarian Philosophy.

If one person believes that the individual should serve the State, while another believes that the State exists to serve the individual, there is no chance of these two people reaching any agreement on matters of policy. For example, a different financial policy is required to subordinate the individual to the State from one which will enable the individual to control his own affairs.

There are two basic philosophies in the world, and, because these philosophies are diametrically opposed to each other they naturally result in conflicting policies.

The first philosophy is one which conceives of all power and authority arising from a point outside, or EXTERNAL, to the individual.

This philosophy, which can be best termed totalitarian, gives rise to policies which necessitate a highly centralised form of organisation to enable them to be *imposed* upon the individual. This philosophy leads to the conception of individuals as "masses"—so much raw material to be planned by those superior people who feel that they know what is best for all. Communism, Socialism, Nazism, Fascism, and various other isms are merely *different labels* for policies all stemming from this one basic conception or philosophy.

The inevitable result of the totalitarian philosophy is the Police State.

Christian Philosophy.

The second philosophy conceives of all power and authority arising from *WITHIN* the individual. This philosophy is the Christian philosophy, which conceives of reality as an environment in which the individual can make the greatest self-development. Christ summarised this philosophy when He said that "The Kingdom of God is within ye."

The Christian philosophy is one of genuine freedom.

—It has resulted in self-discipline, voluntary association, and the flowering of the human personality as opposed to regimentation, the stifling of initiative, and dull uniformity. The British way of life is rooted in the Christian philosophy, and, if that way of life is to be preserved and extended, the British peoples everywhere must face the fact that nothing less than a wider and better understanding of what the Christian philosophy means can provide a basis for enduring policies of any description. Those people who term themselves Christians and who at the same time support Socialist policies, clearly indicate that their understanding of the fundamental Christian philosophy is either confused or very blurred. Socialist policies are designed to subordinate the individual to the group—the abstraction—whereas the coming of the explosive Christian idea freed the individual from the domination of the group.

Principles of Association.

Having clearly grasped how all policies are rooted in philosophies, it is now essential to examine how policies necessitate some form of organisation for their attainment. All organisation has to do with the association of individuals. And, just as certain principles govern the associations necessary for, say, bridge-building, so do certain principles govern associations necessary for achieving political, economic, and financial objectives.

Individuals associate because they desire to obtain some common objective which would be impossible for them to attain if they worked for it separately. There is what can be termed an increment of association—a profit in the real sense of the word. To the extent that individuals forming associations are convinced that they are attaining the objectives for which they are associating, the associations will function vigorously, progress, and be successful.

But if individuals find that their associations are not producing desired results, they lose faith, and the associations start to disintegrate.

Before dealing with why the people's organisations are not producing the results desired, it is essential to outline the difference between policy and administration. The specification of results required in what is termed policy. The application of methods used to achieve these results is administration. The Socialists, in particular, deliberately confuse these two terms in order to foster the idea that the people can "*democratically*" own and conduct every form of organisation in the community. Genuine democracy enables the individuals comprising a community to decide policy—the specification of results. But administration must, if it is to be successful, be left to persons who are prepared to accept responsibility for obtaining the results desired. Probably the nearest approach to a genuine democracy yet seen has been in the economic field under a system of free, competitive enterprise.

Freedom of Choice.

Consumers as a whole have no desire to own shoe factories; all they desire is the democratic right to decide what type of shoes they want produced. They know nothing about the methods of producing shoes, only judging by results produced.

To ensure that his policies are implemented, the consumer requires effective means of control of producing and retailing organisations. He must possess sanctions. Now the most effective sanction possessed by the consumer under free, competitive enterprise is the right to penalise any business organisation by withholding his money "vote" and placing it with an alternative organisation.

This matter can be studied further by examining what happens in sporting organisations. While the individual has the democratic right to decide whether he will play cricket, football, or any other sport, it is fantastic to suggest that once a game starts it can be played on the democratic principle. A captain must be appointed, and all players agree to obey the captain's instructions while the game is on.

Instead of allowing the individual the right to use his own money "votes" as he thinks fit, the Government and the planners behind the Government take the individual's money from him and spend it for him. Progressive nationalisation under centralised Government planning results in the consumer losing control of the policy of pro-

duction, the wage-earner finds he cannot change his work because he doesn't like it, and there is no opportunity whatever for the enterprising wage-earner to start in business for himself. When the complete Monopoly State is created, as a result of centralised Government planning, the individual cannot even contract out of society.

The progressive destruction of economic democracy has been the direct result of the perversion of the people's political organisations. Instead of regarding governments merely as instruments through which they should lay down a general framework of rules for society within which individuals have the maximum of freedom to pursue their own policies, particularly in the economic sphere, electors have been misled into believing that all types of administrative matters should and can be decided by the political vote.

The political vote can be used by electors to insist upon, say, a general financial policy to enable the people to possess adequate purchasing power to buy their own production, but to try and use the political vote to decide how the individual shall spend his purchasing power can only result in tyranny.

To summarise: A people who wholeheartedly accept the Christian philosophy, upon which the British way of life was built, will make all institutions their servants, and insist that all policies permit the individual ever-increasing opportunities for self-development. The present confusion between means and ends will disappear.

WHAT IS FREE ENTERPRISE?

Melbourne *Argus*, June 4, 1949.

The third of a series published in connection with a study course conducted by the Victorian League of Rights.

The case for free enterprise cannot be stated without at the same time stressing the fundamental importance of the much abused profit motive. Persistent Socialist propaganda over a long period has been so successful that the mere mention of the term "profit motive" conjures up in the minds of many people something evil and anti-social. And yet a little dispassionate thought should convince all reasonable people that the actions of every person are motivated by a desire for a profit of some description.

There are only two ways of obtaining human activity in any sphere: *inducement or compulsion*. All the best work in this world has been done under the stimulus of inducement, even if only the inducement of mental satisfaction. Under an economic and political system which does not enable the individual to make any profits for himself, those who control the system must use compulsion to try and keep the system functioning.

Need for Compulsion.

The more Socialism a society has imposed upon it, the greater the necessity for compulsion. Individuals who are stimulated to give of their best when they feel that their efforts are going to produce concrete benefits for themselves and their families, are not very impressed with exhortations to work for the "common good"—particularly when the "common good" is synonymous with the power-lusters who run the complete Socialist State.

Profit can perhaps be best defined as a desirable result which accrues to individuals when they make the proper associations. When a seed is planted in fertile soil and there is sufficient sun and water the unseen forces of nature operate; and, for example, a fruit tree

results, a tree from which a harvest can be taken every year. The difference between the cost of man's effort and the ultimate result can be termed profit. Nature apparently does not recognise the wickedness of the profit motive!

When the proper associations are made under the free enterprise system of production and distribution a financial profit is made. It is the inducement of this financial profit which motivates the manufacturer to make the goods which he believes that consumers desire. Seizing on some of the abuses of a system of enterprise motivated by a desire for profit—abuses which are always associated with monopoly, private or State—the anti-profit advocates have developed a very plausible argument, which suggests that “production for profit must be replaced by the service motive.”

But it is fallacious to say that there is any irreconcilable antagonism between profit and service. Under free enterprise no profit can be made unless a service is first given. Socialist enterprises, operating for the “common good,” are not notorious for the service they provide.

The Money Vote.

The money system is the most marvellous voting system ever devised. When there is genuine competition between economic organisations all seeking to serve the consumer with better goods and services at lower cost, the consumer in possession of adequate money “votes” has economic sovereignty. By indicating that he prefers one type of shoe to another type, he automatically controls the shoe manufacturing industry. The consumer has the freedom to disfranchise any business organisation which cannot or will not supply the goods and services he requires. He can hold as many “elections” in the day as he likes. And so flexible is this money “vote” that even if a majority of consumers “vote” for a certain type of shoe, it does not prevent a minority from “voting” for another type. It enables majorities and minorities to obtain the greatest possible degree of satisfaction.

Many people uncritically accept the Socialist propaganda which damns a business man who employs a staff of 50 people and makes a financial profit by serving the requirements of consumers, never apparently noticing that under Socialism the business man may become a head of a government department controlling hundreds of minor officials all telling the consumer how his money should be spent or engaged in spending it for him. *Socialism destroys the very basis of all satisfactory human associations: personal responsibility.*

One of the great virtues of free enterprise is that it effectively fixes personal responsibility upon both producer and consumer.

Exploitation and Monopoly.

Many people often confuse profit with exploitation. But exploitation can only take place when there is monopoly, when the consumer has no genuine alternative. Those who oppose free enterprise governed by the profit motive conveniently select certain abuses by monopolies and use them to condemn free enterprise, and to urge the necessity of more Government control.

These people are careful not to point out that practically all the abuses they mention are the result of Government policies. For example, high taxation in recent years has been responsible for the concentration of economic power at the expense of small and medium-sized businesses. Heavy taxation as an instrument for furthering

the centralisation of economic power is well understood by Socialists. The concentration of economic power paves the way for complete State control.

Although the Socialist leaders are forever telling their followers about the evils of big business, which they erroneously claim is "inevitable" under free enterprise governed by the profit motive, it is significant to note that certain sections of big business in all parts of the world welcome Government policies which eliminate any competition. It was the late J. P. Morgan who said, "We are true Socialists. We have realised the advantages of combination (to eliminate competition), and we are going to take the profits of combination until the people have enough sense to take them for themselves." This statement was recently quoted with approval by one of Australia's leading Socialist writers, Mr. Brian Fitzpatrick, who claims that the activities of men like the Morgans provide the foundations for the Socialist State.

All individuals become corrupted by power without responsibility. Business men are no different from other men in this respect.

There are no shareholders' meetings to worry about, the question of making a profit is of little importance, and the consumers have little effective control. Consumer control of industry by the money "vote" is the only way in which the inevitable tendency to concentrate economic power can be curbed.

The desire to increase and extend profits has resulted in every invention, every improvement in production and distribution. One of the most ridiculous statements made today is the assertion that labour produces all wealth. The fact is, of course, that the modern production system is based upon the application of solar energy to automatic and semi-automatic machinery. The efficiency of the modern production system is the result of the urge for profit in the past.

In the physical sense we are today investing the profits from the past in the hope and belief that they shall yield greater profits in the future. The time has come when the advocates of free enterprise must state openly and unashamedly that they believe in bigger profits for everyone—that every individual in the community must be permitted to obtain increased profits from increased efforts and more efficient methods of doing things.

The Political Vote.

If genuine free enterprise is to be preserved and extended, steps will have to be taken to prevent the perversion of the political vote that is leading to the destruction of the value of the money "vote." Some serious thought will have to be given to necessary constitutional changes for making the political vote, like the money "vote," a responsible vote.

If, for example, all those who voted for a Socialist Party programme had to accept *personal responsibility* for all the results of this programme, including all financial losses, many of those supporting this programme at present would do some serious thinking. Under free enterprise, individuals who invest their money "votes" in a venture which fails must accept personal responsibility for all losses. Is it not a fair proposition to suggest to all Socialists that, if they are so certain that Socialism is preferable to free enterprise, they should be prepared to accept personal responsibility for their policies?

THE ATTACK ON THE FEDERAL CONSTITUTION.

Melbourne *Argus*, June 11, 1949.

The Fourth in a series connected with a study course conducted by the Victorian League of Rights.

The fundamental British idea of government is not that it is an end itself, but merely a means to an end. And, further, that although a majority vote, *particularly in small decentralised political units*, is a satisfactory way of electing a Government, it is essential to have constitutional safeguards which strictly limit the power of Governments and which guarantee to the individual certain basic rights which no Government, irrespective of the size of its majority, can take away.

If the idea of the Omnipotent Government is allowed to grow unchecked, then the time will surely come when Governments, having gone through the procedure of obtaining a majority of votes, will claim, for example, that they have the "democratic" right to put their political opponents to death. If Governments are not to be limited by any constitutional restrictions and by what our British forefathers termed National Law, then men will no longer hold their lives on lease from God but from the State.

Sir Hartley Shawcross, the Attorney-General of the British Socialist Government, epitomised the totalitarian conception of government when he said in 1947 that the power granted to the Government by the Constitution "depended entirely on convenience and expediency." Dr. Evatt, speaking at Canberra on October 1, 1948, put the matter even more bluntly: "I desire to make it perfectly clear that the amendment (to the Constitution) I propose will give the decision to Parliament itself, and no person will be able to challenge the validity of Parliament's decision."

The Function of Government.

In considering the legitimate function of government, it is essential to realise that British constitutional developments have always conceived of the powers of Governments as being a grant *from* individuals to Governments for the purpose of clearly defined tasks. The idea of Governments actually *governing* people as if it owned them, and of passing a never-ending stream of legislation to restrict their activities and liberties, is totalitarian and alien to genuine British tradition. It has been wisely said that the best governed communities are the least governed communities. Government should merely be a general committee for a community, with strictly limited and defined powers, through which individuals can lay down general rules, the fewer and simpler the better, which they consider necessary to govern their associations for their particular areas. For example, it is not the function of Governments to provide the individual with security from "the cradle to the grave," but to remove any artificial barriers, political, economic, and financial, which prevent the individual from providing himself with genuine independence.

Federal Governments should not meddle in matters which can be best attended to by local Governments, while no Government should attempt to do for the individual what he can best do for himself. All policies should be designed to give the individual greater self-determination.

Those people who attack the Australian Federal Constitution ignore the fact that this Constitution was a grant of special powers

from the States to the Federal Government. The same as individuals are more important than government of any description, which exists to serve them, so was the Federal Government created to serve the States. The framers of the Federal Constitution attempted to embody in it what their British forefathers had learned about Governments over centuries. They realised the menace of centralised government, particularly in a large country like Australia, and the necessity of preserving local, decentralised Government.

Although the framers of the Federal Constitution did their best to produce a written Constitution which would effectively limit the powers of the Federal Government, from the very start of Federation the natural tendency of all Federal Governments to centralise power has resulted in the powers of the States being weakened either by amendment to the Constitution or by the devising of ways and means to by-pass the Constitution. The first major blow at State sovereignty was the passing of the 1928 Referendum, which severely limited the financial powers of the States. Uniform taxation removed the last vestige of the States financial sovereignty.

The Constitutional Barrier.

In spite of the steady increase in Federal powers at the expense of the States, the Federal Constitution is still a major barrier to the creation of the Socialist centrally planned society in Australia. Since their election to office early in the war, the Labour-Socialists, under the guidance and instruction of Dr. Evatt and the Canberra economic planners, have consistently tried in various ways to break down the constitutional barrier to their totalitarian proposals. It will be recalled that Dr. Evatt insisted at the 1944 referendum, which he thought the people would support because of war-time conditions, that the power over employment was the major power sought. Man-power control is a central feature of the complete Socialist economy. Having been defeated at the 1944 referendum, Dr. Evatt went to the San Francisco United Nations conference in 1945 and campaigned vigorously for the inclusion of two articles, 55 and 56, which he had drafted in the United Nations Charter. These two articles pledge all members of the United Nations to legislate for "full employment."

Both while on the High Court and since becoming a Federal politician, Dr. Evatt has made it clear that he believes that the treaty-making powers of the Federal Government enable it to enter into international agreements on employment and other matters, and then to use these agreements as a basis for legislation for the whole Commonwealth.

The framers of the Federal Constitution never visualised this type of back-door method of attack upon the Federal Constitution and States. But then they knew nothing about the totalitarian nature of Socialism and the methods its advocates are prepared to use to further their aims.

Control of Banking.

In 1945 the Labour-Socialists opened up another avenue of assault on the Federal Constitution with their banking legislation. The Federal Constitution prevents the Canberra Socialist planners from obtaining direct control of production and distribution, but it is hoped that by centralised control of the banking system and credit creation and issue, a major step can be taken towards the Socialist goal. Clause 27 of the 1945 Banking Bill is a clear indication of the

real intent of this legislation. It states: "(2) . . . the Commonwealth Bank may give directions as to the classes of purposes for which advances may or may not be made by banks and such banks shall comply with any direction given."

The appointment of Dr. H. C. Coombs, advocate of the restriction of individual liberties and the centralisation of power, as governor of the Commonwealth Bank is significant. The bank nationalisation proposals merely seek to extend the centralisation of banking policy initiated in 1945.

In 1946 the Labour-Socialists conducted another referendum for greater powers, this time shrewdly holding the referendum at the same time as the Federal election. This strategy was very nearly successful, the proposed constitutional amendments concerning orderly marketing and employment being only narrowly defeated. However, the social services power was unfortunately carried. It is this power that the "free" medicine and national health schemes are based upon. The totalitarian intent of the national health scheme is alarmingly obvious.

Before the 1946 referendum the eminent constitutional lawyer, Mr. F. Villeneuve Smith, K.C., gave his views on the proposed social service amendment as follows: "The proposed amendment would add immensely to the power of the Federal Parliament to legislate so as to limit the freedom of the individual. Subject to whatever may be found to be the meaning of the words 'but not so as to authorise any form of civil conscription,' this power would authorise the Federal Government to seize complete authority over the legislative area of each of the specified subjects to the exclusion of the State Parliament, and impose such conditioning and restrictions upon the medical and dental professions as to make them indistinguishable in anything but name from nationalised professions, i.e., virtually servants of 'The State.'"

Guaranteeing Individual Rights.

All liberty-loving citizens must realise while there is still time that neither parties nor governments can guarantee them their individual rights. It is a Constitution which guarantees the individual's rights and liberties, and curbs the will-to-power which is inherent in all governments.

Every effort must therefore be made to encourage all electors to understand this fundamental issue in order that they can successfully unite to protect existing constitutional safeguards and to have introduced any additional safeguards found necessary to halt the totalitarians.

On the Isle of Runnymede 734 years ago, our British forefathers successfully dealt with the totalitarian King John, who was compelled to sign *Magna Carta*. The modern totalitarians must be confronted with an enlightened electorate demanding a restoration of their ancient traditional British and Christian rights.

A new Bill of Rights will have to be introduced before this matter is successfully resolved.

THE RULE OF LAW.

Melbourne *Argus*, June 18, 1949.

"The fifth of a series connected with a study course conducted by the Victorian League of Rights.

One of the major tragedies of these critical times is the lack of general understanding concerning the vital importance of a Constitution as a guarantee of individual rights and liberties. Most human activities are governed by the idea of a Constitution of some description; the idea that it is necessary to define *in advance* relationships between individuals, and between individuals and groups such as governments.

The Upper House.

Upper Houses are a Constitutional safeguard. Anyone who doubts the value of Upper Houses as a part of the Constitutions of Australian State Governments should recall the fact that the 1944 referendum, at which the electors of Australia overwhelmingly rejected Dr. Evatt's demands for sweeping powers for the Canberra planners, was mainly the result of the Tasmanian Legislative Council's refusal to be a party to the Tasmanian House of Assembly's proposal to grant the powers without reference to the Tasmanian electors. Although all the usual arguments were hurled against the Tasmanian Upper House—it was "reactionary," it was a "House of privilege thwarting the will of the democratically elected Lower House," &c.—the 1944 referendum enabled the majority of Tasmanian electors to indicate that the Upper House had more accurately interpreted their wishes than had the Lower House.

What could be more genuinely democratic than Upper Houses and, if necessary, the Crown and its representatives, insisting that electors should be able to express directly their opinions on any controversial legislation or proposed Constitutional changes? Although always talking about democracy, *the Labour-Socialists have over a number of years made it clear that they are irked by the fact that they must submit all proposed changes to the Federal Constitution to the electors.*

The Need for Stability.

It is, of course, argued by most opponents of the Federal Constitution that it is very difficult to have this Constitution changed. But there can be no stability if a constitution of any description can be altered comparatively easily, perhaps by a small number of power-lusters temporarily stampeding people. Stability is essential for genuine progress in all types of organisations. Stability permits a continuous growth based upon tradition.

An important aspect of the British political tradition is the idea of the Rule of Law, which has been defined by Professor Hayek in his famous book, *The Road to Serfdom*, as meaning "that the Government in all its actions is bound by rules fixed and announced beforehand—rules which make it possible to foresee with fair certainty how the Authority will use its coercive powers in given circumstances, and to plan one's individual affairs on the basis of knowledge . . . within the known rules of the game the individual is free to pursue his personal ends and desires."

But the Socialists and other totalitarians do not like the idea of the Rule of Law. The idea of the Rule of Law should be clear to all English-speaking peoples in particular, because they are the heirs to the tradition of common law, the fundamental principle of which is that "all persons, officials, no less than private individuals are equal before the law, are judged by the same tribunals and are subject to the same rules." The supporters of the idea of omnipotent governments desire to be free to make their own rules to suit their own requirements. *They believe in what has been termed Arbitrary Law as opposed to the Rule of Law.*

Arbitrary or Totalitarian Law.

The difference between the Rule of Law and Arbitrary Law can be simply explained by a brief reference to road laws. It is right and necessary that a Government representing the electors of any area should lay down the road laws to be observed in that area. Although the Socialists are for ever advancing the superficial argument that all laws are a restriction of the individual's freedom and that a modern community automatically necessitates more laws, a little thought should convince all reasonable people that road laws, for example, do not restrict the individual's freedom of movement.

These laws actually make for greater freedom of movement and security:

Within the framework of these laws the individual is free to travel when and where he likes.

He knows in advance that he will be penalised if he breaks the laws.

All individuals travelling on roads, including those in the pay of Governments, are equal before the law.

The Rule of Law operates successfully.

But if Governments took it upon themselves to say who should travel on the roads, directed people to travel where and when they thought fit, and passed a stream of regulations to make their policies prevail, the Rule of Law would be destroyed by Arbitrary Law. The individual always rightly regards Arbitrary Law as a restriction on his freedom, and therefore not worthy of his respect. When the Rule of Law operates successfully in all spheres of human activities—political, economical, financial, &c.—little compulsion and policing is necessary because individuals realise that this type of over-riding law makes for greater individual liberty and independence. The increasing imposition of Arbitrary Law necessitates increasing compulsion and policing to try to compel individuals to do what they don't want to do.

The time has arrived when electors must protect themselves against the threat of complete despotism by insisting that governments, along with individuals, must be subject to the principle of the Rule of Law. In his classic work, *Law and Orders*, the eminent English constitutional authority, Australian-born Professor C. K. Allen, writes "that the (constitutional) position in the Middle Ages was the converse of that which exists today . . . all enacted law was subordinate in the last resort to a supreme over-riding Common Law."

Christian Origin of the Common Law.

An increasing number of students of history and organisation are beginning to assert that the salvation of the British way of life is only possible by the retracing of our steps, in the face of bitter opposition from those who assert that all change means progress, to that fork in the road of history where the wrong turning was taken. It is now obvious that we are on the wrong road, the road which can only lead to the creation of the Monstrous State and the destruction of all individual rights.

There is one major aspect of the subject of constitutionalism which must be courageously faced if there is to be a restoration of the supremacy of the common law and the consequent pruning down of Government powers which this will require, and that is the fact that the common law is in its origin a Christian system of law. The common law was evolved to protect what our forefathers termed the individual's "natural" rights. These rights were accepted as axiomatic by those who unreservedly accepted the Christian philosophy.

Anyone who takes the trouble to read that profound document *Magna Carta* cannot but be struck by the fact that the underlying purpose of this Bill of Rights was the desire to establish every individual in the community in his own rights, rights which no one, not even the King, could take away. *Magna Carta* insisted that even when an individual was thrown into prison for some crime, he should not be deprived of his tools of trade; the right to make his living in his own way. Modern governments display their "progressiveness" by robbing individuals of their tools of trade by nationalising them!

The steady destruction of the supremacy of common law is a deadly menace to practical Christianity. Common law was based upon an acceptance of the Christian principle that there are moral laws inherent in human nature and that all human associations, including governments, must conform to these laws. All realistic constitutionalism must conform to the laws of the universe, which obviously transcend human thinking.

The Socialist Principle.

But the totalitarians deny all this—Professor Laski says that Christianity has failed as a basis for human associations—because they will not accept the idea that the purpose of governments is to protect constitutional safeguards of the individual's inherent and inalienable rights. They claim that there are no immutable principles of human conduct, no ultimate standards of justice, and that governments are responsible to nothing but their own unfettered wills.

The inevitable corollary of all this is that, as the individual has no inherent rights, rights granted him by God, he must obtain all rights from the state. And what the state grants, the state can take away. Man therefore exists to serve the state, and a blatant mockery is made of the Christian principle that the Sabbath was made for man and not man for the Sabbath—that *individuals are superior to institutions and organisations*.

The threat of the Omnipotent Government, the destruction of constitutional safeguards of individual rights, and steady whittling away of the rule of law are challenges which must be taken up by every person who claims to be a Christian.

THE INTERNATIONAL COMMUNIST CONSPIRACY.

Melbourne *Argus*, June 25, 1949.

The sixth of a series published in connection with a study course conducted by the Victorian League of Rights.

Before starting the study of the Communist conspiracy, it is essential to make brief mention of the fact that there is no fundamental difference between the Communists and their Socialist "opponents"; they both seek to establish Socialism: the centrally planned State. Although Soviet Russia is, as Stalin has pointed out, the major base from which the Communists operate, it is not a Communist State. It is a Socialist State. In every country where Socialism has been applied the facts prove that the State becomes more oppressive and a new and all-powerful ruling class—the bureaucracy—is created to prevent the individual from revolting against centralised control.

The Socialists make much of the fact that, unlike the Communists, they seek to achieve the Socialist objective by "democratic" methods, but their methods are just as conspiratorial as are those of the Communists. The rank and file of both the Communist and Socialist movements are largely dupes who are being used to further objectives they do not understand. The Socialists, like the Communists, conspire to abolish the individual's rights and liberties. The Labour-Socialists have been persistently conspiring to destroy the Federal Constitution ever since they were first elected to office.

Communist-Socialist Connection.

The close connection between the Socialist conspiracy and the Communist conspiracy was indicated by the famous English Fabian Socialist, George Bernard Shaw, who claimed in 1946—at the Fabian diamond jubilee—that the Fabians "made Russia a great Fabian State . . ." After seeing Stalin in 1946, Professor Harold Laski, one of the principal instructors at the Fabian Socialist London School of Economics, said that the Socialist movement throughout the British Commonwealth was seeking the same objective that Stalin and his associates were pursuing. In other words, Socialism and Communism are different methods for reaching the same objective. *The Communists often attack the Socialists, but they invariably make use of the Socialists to suit their own purposes.* It may be that the Communists are more skilled in the conspiratorial technique than are the Socialists!

Anyone who doubts this should go back over recent Australian history and note how the Labour-Socialists have been used by the Communists. Take as a classic example the manner in which Mr. Dedman, as Minister for Defence and Minister in Charge of the Council of Scientific and Industrial Research, denied last year that two Canberra Communists, Dr. J. R. Atcherley and Mr. J. B. Pomeroy, were holding important positions in the public service. Mr. Dedman claimed that it would be impossible for any Communist to be employed upon defence measures. He made the astonishing admission that "the great majority of (Communists) hold positions which they could not possibly use in order to betray defence secrets." This statement could only mean that there were some Communists who could betray defence secrets.

Although both Dr. Atcherley and Mr. Pomeroy publicly denied that they were Communists—Atcherley had been engaged on defence

projects and Pomeroy was official photographer with the Council of Scientific and Industrial Research—Mr. J. T. Lang, M.H.R., was able to produce documentary evidence proving that both were important members of the Communist Party. Mr. Lang directed attention to the manner in which the Canadian Royal Commission's "Report on Espionage and other Communist Activities," revealed how Communists, many of them unknown as Communists, had infiltrated into "key" positions in important government departments.

The Corruption of Individuals.

Anyone wishing to understand the Communist technique of corrupting individuals to such a degree that they are prepared to work against their own country and their own traditional way of life, should study in detail the Canadian report, particularly the chapter entitled "Development of Ideological Motivation."

For example: "Perhaps the most startling aspect of the entire fifth column network is the uncanny success with which the Soviet agents were able to find Canadians who were willing to betray their country." The report proved that Communism is an international conspiracy with secret conspirators in every country, which can be successfully developed in a community without the members of that community realising what is happening.

Read this on "ideological motivation": "The evidence before us shows that in the great majority of cases the motivation was inextricably linked with courses of psychological development carried on under the guise of activities of a secret section of what is ostensibly a Canadian political movement, the Labour-Progressive Party; that these secret 'development' courses are very much more widespread than the espionage network itself; and that the Canadian members of the espionage network themselves took an active part in directing and furthering such courses for other Canadians which were calculated to allow them to draw suitably 'developed' persons later into active participation, and thus expand the network itself."

The Secret Network.

Then follows a detailed exposition of how various types of study-groups were used to bring potential recruits for the Communist conspiracy together. From these study-groups carefully elected individuals were, after having been developed to "an appropriate moral and mental state," initiated into the secret that the group was merely a front for Communist activities.

Most of the Canadians found guilty of espionage activities were not known publicly as Communists or Communist sympathisers. The report adds: "It seems to be a general policy of the Communist Party to discourage certain selected sympathisers among certain categories of the population from joining that Party openly . . . The categories of the population from which secret members are recruited include students, scientific workers, teachers, office and business workers, persons engaged in any type of administrative activity, and any group likely to obtain any type of government employment."

There is little doubt that the same policy has been followed in Australia. Large numbers of "front" organisations and groups have been established to recruit support from as many sections of the community as possible.

It is true that for a period the Australian Commonwealth Department of External Affairs made available a precis of the Canadian

report, but no real effort was made to inform the Australian people of the danger of the Communist conspiracy. Perhaps it is appropriate to recall here that the head of the department, Dr. Evatt, associate of Professor Laski, is on record as saying that as a result of having met the Russian leaders, he was convinced that they only wanted peace and security. Like his Socialist colleagues, Dr. Evatt has never made any real attempt to expose the Communist conspirators.

An interesting feature of the Canadian disclosures was the fact that a number of those convicted of espionage were educated at or connected with the McGill University, the president of which is Dr. James, another associate of Professor Laski's, and a product of the London School of Economics.

The Alien Influence.

Igor Gouzenko, the Russian cipher clerk, who was responsible for the Canadian espionage disclosures, said that one thing which struck him when he first arrived in Canada was how the great majority of Canadian Zionists were strongly pro-Russia, in spite of the fact that anti-semitism was rife in Russia.

The Canadian report also drew attention to this matter: "The evidence before us strongly suggests that anti-semitism and the natural reaction of persons of Jewish origin to racial discrimination was one of the factors played upon by Communist recruiting agents."

In spite of recent reports that Stalin and his puppets in the various Eastern European countries are now adopting an hostile attitude towards the Zionists, the pro-Communist attitude of far too many local Zionists is well known. Russia played a leading role in helping to establish the Zionist state in Palestine.

• The assertion by ex-Communist Cecil Sharpley that "foreign-born" manufacturers have helped the local Communists considerably with finance is interesting. It is to be hoped that Security is effectively examining the activities of all refugees who have come to this country who have previously been in Russian-dominated territories. Recent allegations that Communist sympathisers are coming in are very disturbing.

Know Your Enemy.

Although every loyal Australian can and should be on the alert to expose and oppose all Communist conspiratorial activities, irrespective of where these activities are being carried out, the real Communist threat, the plan to create the complete Monopoly State, can not be averted by accepting the same policy under the label of Socialism. Both Communism and Socialism stem from the same anti-British and anti-Christian philosophy.

Western civilisation, of which we are a part, is faced with a war to the death. And there is only one way in which to win wars: First, identify the enemy and study his strategy and tactics.

There are still far too many Australians who have no understanding of the evil threatening them. They must equip themselves effectively if they would do justice to the cause of freedom. The major objective of the League of Rights study course is to train what might be termed an army of competent British and Christian soldiers who will take the offensive against all alien doctrines and conspiracies.

AN EXPOSURE OF THE FINANCIER-SOCIALIST PLOT.

NOTE: This, the seventh and final article by Eric D. Butler, from the League of Rights study course, never appeared in the columns of the *Argus*. It was withheld from publication at the last moment, no reason or apology being given to the *Argus* readers who were expecting to see it, as advertised in the issue of July 2, 1949.

Although the Socialists never tire of claiming that all anti-Socialist movements are financed by "wealthy capitalists," an examination of the history of the Socialist conspiracy in English-speaking countries reveals that men of considerable wealth have helped finance this conspiracy. Socialism is a system which appeals to the will-to-power which is inherent in every human being, irrespective of what section of society he may come from. It is based upon a false and evil philosophy, a philosophy shared by rich men as well as poor men.

Thus we have Lord Rothschild leading the British Socialist Party in the House of Lords; Dr. Raymond Boyer, one of the wealthiest men in Canada, charged with espionage on behalf of Soviet Russia; Mr. Marshall Field, the American millionaire, financing Socialist activities in the U.S.A.; and Mr. Henry Wallace, a very wealthy man, first playing a leading role in furthering the Socialist New Deal legislation of the Roosevelt regime, and later emerging as a hero of the Communists.

It may, of course, be argued that the above men, and many like them, are merely idealists who have allowed themselves to be used for purposes they do not understand. But this argument is not very convincing when a close study is made of the history of the Socialist conspiracy in English-speaking countries. Karl Marx himself was practically dependent upon his friend, Friedrich Engels, the comparatively wealthy Manchester manufacturer, for financial support.

The Fabian Socialists.

Mrs. Beatrice Webb has revealed in her autobiography, *Our Partnership*, how she and her husband, Sidney Webb, were helped considerably by the Rothschilds, Sir Julius Wernher and similar men to finance the activities of the Fabian Socialist Society. Right from the start the Fabian Socialists made it clear that they were engaged in a conspiracy designed to infiltrate all parties and to influence their policies. Mr. H. G. Wells, an early member of the Fabian Society, subsequently revealed how the Fabians believed "that fair ends may be reached by foul means." He referred to Sidney Webb as having explained "that democracy was really just a dodge for getting assent to the ordinances of the expert official by means of the polling booth." This is the very technique the Socialists are following everywhere. The Fabian Socialist Society has been the fountain head of the ideas dominating not only Labour-Socialist parties, but also non-Socialist parties.

The London School of Economics.

Referring to the notorious London School of Economics, established by the Fabians in 1894, Professor Harold Laski has said that not until "its archives are examined by a competent historian" will

it be realised "how immense were its services in bringing the Labour Party to birth." This Socialist institution has been the main training centre in the English-speaking world for the producing of "key" members of the bureaucracies to which all modern central governments are delegating their authority.

Professor J. H. Morgan, K.C., writing in the English Quarterly Review of January, 1929, relates how he once asked Lord Haldane, a close friend of the Webbs, why Sir Ernest Cassel, the German-Jewish financier, had so heavily endowed the London School of Economics. Lord Haldane replied: "Our object is to make this institution a place to raise and train the bureaucracy of the future Socialist State." In 1920 Sir Ernest Cassel actually saved the very existence of the London School of Economics by a donation of £472,000.

In his last book, *From Smoke to Smother*, the English publicist, Mr. Douglas Reed, writes about the London School of Economics as follows: "I found it to be well known to Communists in Berlin, Vienna and Prague before the Second War, and some of these young men did not disguise from me their belief that it could be used by Communists who wished to pursue their political activities in England under the respectable mantle of 'economics' and studenship."

After leaving the Fabian Socialist Society and the British Socialist Party in disgust in 1946, Mr. Thorburn Muirhead, M.P., said: "Of the 300 Socialist M.P's., 230 (including 41 members of the Government) belong to the Fabian Society . . . The Society is organising a programme for the second five years of office that they hope the present Government will enjoy . . . The Fabian Society have a large leavening of foreign refugees, decrying most things British, and arbitrarily prescribing for Britain's conduct in the world arena. Meanwhile, they sing the Internationale and worship Russia, and try to tear down every sound institution."

A large number of the present British Socialist Government were educated at the London School of Economics under Professor Harold Laski. Here in Australia the principal economic adviser to the Labour-Socialists, Dr. H. C. Coombs, now Governor of the Commonwealth Bank, is a product of the London School of Economics. Dr. Evatt admits that he has received much advice and assistance from Professor Laski. In Canada, with a Liberal Government whose policies have been very similar to those of the Australian Labor Government, Dr. Marsh and Mr. L. Raminsky, of the London School of Economics, have been largely responsible for various policies of centralisation. The Roosevelt New Deal legislation was directly inspired by London School of Economics influence.

A classic example of the manner in which the London School of Economics and the Fabians have influenced Government policies in all parts of the English-speaking world, is the adoption of the famous Beveridge Report, published early in the war, as the basis of Socialist National Health Schemes in Great Britain, Canada, Australia, New Zealand and the U.S.A. Sir William Beveridge, a prominent advocate of centralised control, has been associated with the London School of Economics for many years.

P.E.P. (Political and Economic Planning).

Early in the depression years, the Fabian Socialists developed their conspirational technique still further by the creation of another organisation, the Political and Economic Planning Group (P.E.P.). Associated with this semi-secret Socialist organisation was Lord

Melchett, of Imperial Chemical Industries, a leading advocate of "rationalisation," which Trade Union leaders accepted as a step towards nationalisation. In recent years the most prominent figure in P.E.P. has been Mr. Israel Moses Sieff, well-known pro-Communist.

P.E.P.'s conspiratorial methods can be judged by the following instructions issued on April 25, 1933, in conjunction with a broadsheet outlining the policy of Sovietisation by stealth: "You may use without acknowledgment anything which appears in this broadsheet on the understanding that the broadsheet and the group are not publicly mentioned, either in writing or otherwise. This strict condition of anonymity . . . is essential in order that the group may prove effective . . ." The broadsheet mentioned outlined how manufacturers and farmers should be controlled by "duly constituted authority." Small retailers should be eliminated: "The wastes involved in . . . retail shops, one shop for every twenty households, cannot be allowed . . ."

Although the Fabians made considerable progress through P.E.P., even successfully infiltrating the British Conservative Party with their doctrines, in the P.E.P. journal, Planning, of October 4, 1938, they were forced to admit that it was "only in war, or under the threat of war," that "a British Government will embark on large-scale planning." It was also stated that " . . . emergency measures should as far as possible be framed in accord with the long-term needs of social and economic reconstruction." Like the Communists, the Socialists welcomed war to further their conspiracy. They did their best during the war years to use "emergency measures" exactly as P.E.P. suggested. Consider carefully the history of the steps taken by Professor Laski's friend, Dr. Evatt, to use war conditions to impose Socialist policies in Australia.

Institute of International Affairs.

Another organisation in which the Socialists have worked to further their ideas, is the Institute of International Affairs. During the Canadian investigation into Communist espionage methods, several of those found guilty of espionage admitted that their loyalty to their own country had been weakened by the internationalism preached by the Socialists and Communists. Genuine internationalism means, of course, the voluntary association of *sovereign nations*. But the Socialists are opposed to local sovereignty. No less an authority than Professor Arnold Toynbee admitted in a speech to the Institute of International Affairs in Copenhagen in 1931 that the conspiratorial approach was also being adopted in weakening people's local loyalties: "I will . . . repeat that we are at present working discreetly, but with all our might, to wrest this mysterious political force called sovereignty out of the clutches of the local national states of the world, and all the time we are denying with our lips what we are doing with our hands." The Communists also deny with their lips what they are doing with their hands.

It may be, as Mr. Douglas Reed suggests in *From Smoke to Smother*, that Socialism and Communism are merely aspects of a much greater conspiracy, a conspiracy directed against the British Empire and Western Christian Civilisation. Conspiracies can only be defeated by widespread and effective exposure, particularly exposure of the "policy of inoculation" outlined by Mrs. Sidney Webb, whose Socialist activities were, in part, at least, made possible by the fortune she inherited from her father.

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