

"All that is necessary
for the triumph of
evil is that good
men do nothing . . ."
— EDMUND BURKE



THE NEW TIMES SURVEY

THE AUSTRALIAN

LEAGUE OF RIGHTS

Vol. 17 No. 04

Registered Australia Post - Publication PP343214 / 00016

April 2016

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THE REALITY BEHIND THE ANZAC LEGEND by Eric D. Butler

Self-sustaining legends like Anzac reflect a reality, which is akin to the very soul of the nation. The constant re-assessment of the meaning and significance of Anzac Day has served to increase interest in the legend. The controversy concerning whether children should be permitted to march has not been negative, but has helped to focus attention on the question of the future of Anzac Day. As RSL leader Bruce Ruxton observes, if the Anzac Day March is to continue to be a major feature of the celebration of Anzac Day, then eventually the children of today will be required to march.

But for both practical and emotional reasons, the majority of ex-servicemen do not at present wish children to participate. Men who have faced death together develop a special sense of comradeship, which they find it difficult to share even with their wives or children.

In contemplating how Anzac Day may develop into the future, it is appropriate to recall that the new Federation of Australian States had not long been born when the First World War provided the first opportunity for troops from the separate States to come together in military conflict. One of the driving forces, which helped to create the Federation, was the fear of military invasion. In one sense, Gallipoli was the bloody baptism of a new nation.

The majority of Australians saw themselves as part of the British Empire. The Republican movements of late last century, mainly based in Sydney, started to fade away under the impact of Federation. Further events associated with Gallipoli, as they became known, had played a major part in shaping a new Australian nationalism. Support for the Monarchy was strong and there was wild excitement when King George V sent a cable congratulating the first Anzacs for their "magnificent achievement". No great battles were won at Gallipoli. But the event had all the elements, which grew into a legend. Here were free men demonstrating both courage and resourcefulness as they attempted to storm cliffs that appeared insurmountable.

Epic events associated with military achievements are remembered in different ways, even among those with a common background. British troops were also involved in a campaign, which British strategists hoped will help to shorten the First World War by defeating one of Germany's major allies, Turkey. The bravery of the British troops was typical of British people everywhere.

But the efforts of the British troops never had the same impact upon the British public, as did that of the Australians at Gallipoli. There was a widespread perception in Britain that Gallipoli was a disastrous military failure, one which had a damaging effect on the reputation of Winston Churchill. No great military victories were achieved at Gallipoli, such as that in which the famous Australian Light Horse so effectively participated as Turkey was brought to its knees.

It is encouraging that a growing number of young Australians are now attending the annual Dawn Services, at Gallipoli and throughout Australia. They are seeking to discover their roots, and the significance of an event, which more than any other in the nation's short history, has taken firm root in the Australian psyche. The future of Australia requires that Anzac Day is seen, not merely as another public holiday, but a day consecrated to maintain and strengthen those values, which Gallipoli helped to symbolise.

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But what are those values? The ability to perform courageous acts; to demonstrate comradeship in time of major disasters? These and other values were all demonstrated at Gallipoli. But is there something else? Perhaps it was the achievements of the stretcher-bearer known as Private John Simpson with his Donkey, which provides a reflection of the deeper spiritual reality, and unlimited source of inspiration for carrying the Anzac legend into the future.

John Simpson Kilpatrick was a product of Northern England - a "Geordie" - who came to Australia as a ship's stoker in 1907, when he deserted his ship and dropped his name Kilpatrick as a form of disguise. He worked all around Australia, participating in a variety of activities - from cane cutting to gold fossicking. He was an early volunteer for the A.I.F. Because of his great strength he was assigned to ambulance work and immediately was carrying wounded men from the front lines to the relative safety of the beaches. Faced with the difficulty of carrying wounded men on his back over the treacherous terrain, he hit on the concept of using a little donkey, which he had commandeered. Over the next few weeks Simpson and his donkey made up to 20 trips a day, up and down the treacherous gullies, risking his life on practically every trip. On his return trips he took water back to the men in the front lines.

Both Australian and Turkish troops were amazed as Simpson and his Donkey survived until he was cut down in a Turkish counter offensive on 19th May. Legend has it that a deep hush fell over both Australian and Turkish troops. Simpson's rare type of courage was not that of a V.C. winner who generally displays his courage in one short flash of bravery, but one of calmly walking through the shadow of death day after day for several weeks.

KING O'MALLEY: Protecting the Lambs From The Ravenous Banking Wolves by ED Butler

King O'Malley, one of the Founding Fathers of the Australian Federation, was over eighty years of age when I first met him at 58 Bridgeport Street, his South Melbourne home. This was in 1939. In spite of his age, O'Malley was still a trim and alert figure. He lived on until, he suggested, he was 98, although there is some doubt about this.

Over the years O'Malley's home had become a type of 'holy grail' to which a large number of people of different backgrounds were drawn. Some were past political colleagues. O'Malley revelled in holding court and those attending were treated to some colourful reminiscences. Obviously some of these were exaggerated.

His second wife Amy dutifully provided cakes and sandwiches for visitors. O'Malley entertained visitors in the large drawing room of his house and there were

But what really motivated Simpson? Correspondence provided by his sister revealed him as a political radical, a non-Christian believer. He was no "God, King and Country" young man, a revelation which so upset well known Melbourne churchman the Rev. Irving Benson that for a period he refused to hand back the Simpson correspondence to Simpson's sister. Perhaps Benson was making the same mistake as those who criticised Christ for associating with prostitutes and similar people?

An American woman visitor to the Melbourne Shrine of Remembrance penetrated closer to the truth about Simpson when, after contemplating the statuette of Simpson and his Donkey at the Melbourne Shrine of Remembrance, wrote a poem in which she referred to the "Christ like chivalry" of Simpson. While Simpson would probably have rejected this description, in a realistic sense he was practising the famous Christian law of love: greater love hath no man than this that he would lay down his life for his own friends.

During his few short weeks at Gallipoli, the 23-year-old Englishman born as John Simpson Kilpatrick, created a legend which might well be the central theme of all Anzac ceremonies, these concerned primarily with discovering the very soul of the nation. As symbolism can be used as a powerful servant of Truth and Reality, it might be pointed out that the unborn Christ child was carried into history on the back of a donkey.

It has been said that God sometimes speaks to Man in strange and mysterious ways. Does the story of Simpson and his Donkey have a special spiritual message for today's Australians as they face the most critical period in their history? ***

many chairs with a special one for O'Malley. This was near his desk. Behind it stood bookshelves, which reached to the ceiling. I formed the opinion, confirmed by all the evidence I was able to obtain, that O'Malley was a well-read man. But he was a born actor and one had to attempt to sift fact from fiction. My one regret was that I did not have a tape recorder to record O'Malley's wide ranging comments on a variety of subjects. I particularly regret that I did not keep a copy of the generous cheque presented to me during my campaign to assist O'Malley during the anti-Casey bank legislation campaign.

While we all received a warm welcome at his South Melbourne home, the strongest drink offered was either tea or coffee. From his earliest days of preaching in the USA, O'Malley was a strong opponent of what he described as the evils of "stagger juice".

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(continued from previous page) Everyone was ‘brother’ to O’Malley. He was a genuine wit: in his latter years when filling out his taxation return he described his occupation as “dodging death”.

I first met O’Malley in 1939 as a result of my activities in opposing legislation concerning the Commonwealth Bank which was introduced at Canberra in November 1939, by the Treasurer in the U.A.P. Government, led by Joe Lyons, former Labor leader from Tasmania.

Much to the dismay of King O’Malley who had been the main driving force behind the original creation of the Commonwealth Bank, the Bruce-Page Coalition government had destroyed the independence of the Bank, when, in 1924, it had been placed under a Board of Directors comprised of men who were representatives of the private banks. The R.G. Casey legislation worsened the situation, with a suggestion that the control of the banks should be passed to the Bank of International Settlements based in Basil, Switzerland.

To the surprise of many, O’Malley’s will revealed that he had died a relatively wealthy man, the result of careful property investments over a lifetime: starting back in the 1890’s when he was selling insurance for an American insurance company in Wangaratta, north east Victoria. It would appear that one of his first investments in Wangaratta was a solid brick home with a number of rooms, which he let, but kept one for his own use when later he made periodic visits to Wangaratta to keep a watchful eye on his investments.

One of those visits was in 1929. It was during this visit that O’Malley met with a number of prominent citizens in the home of Mr Tom Nolan, later to become involved in a strong local Social Credit movement. Present at the meeting was a 13-year old school boy, Noel Clark, brought by his father, prominent businessman Harry Clark who had persuaded his wife that his son Noel could miss his homework to attend the O’Malley meeting, which he would find ‘interesting’.

Also present at the meeting was another local business leader, Mr. George Morrow, who raised the “question of raising low-interest credit through the Commonwealth Bank to offset the emerging Great Depression, which could be implemented through the Victorian State Savings Bank. O’Malley expressed little interest in the concept.

Morrow became one of the leaders of the Wangaratta Social Credit group, with daughter Lorna later becoming a volunteer worker at the League of Rights in Melbourne. I became a close friend of the Clark family; Harry Clark subsequently becoming one of those who influenced the Country Party candidate at the 1934 federal elections John McEwen who became an advocate of monetary reform. 1934 saw my introduction to the political campaigning. Noel Clark remains a close friend and a Social Credit stalwart.

My summary of O’Malley is that he was a typical eccentric, a larger than life character whose formative early years were in the America of the ‘Wild West’ and later in a developing new nation. He would, with a missionary zeal, help to develop its own special place in the world.

Of English, Scottish and Northern Irish background, O’Malley’s roots were deep in the soil which formed what came to be known as the United Kingdom.

In his early political career in Australia, which started with his election to the Colony of South Australia, there was controversy about whether O’Malley, an American, was entitled to sit in a parliament of the British Crown. The controversy was never settled satisfactorily, and he, over the years, produced conflicting stories of his origins, depending upon the circumstances.

There appears little doubt that his mother, Jane, was of English stock born in Virginia; later she and her husband established a farm in the north of the USA close to the Canadian frontier. O’Malley’s mother’s sister lived across the border in Canada. According to one version of events, his mother crossed the border to be with her sister for her confinement, with son King.

O’Malley’s version of events was used to justify his claim in Australia that he was Canadian born. Later, when the matter was of more importance, O’Malley said that he was American and that his father died in the American Civil War.

He was taken in to the New York home of an uncle, Edward O’Malley and at an early age was introduced to banking. O’Malley’s interest in banking became a dominating influence for the rest of his life. He saw the creation and development of the Commonwealth Bank as the major instrument for achieving the Federal objective. He always spoke proudly of his role in the creation of the Transcontinental Railway.

Long before feminism became fashionable, King O’Malley was campaigning successfully for women to be given the Political vote; he was the toast of large numbers of South Australian women. His constant campaigning against the “demon stagger juice” was also linked with his support for the creation of stable homes. O’Malley’s campaigns for the status of women was not driven mainly by his political ambition.

Knowing O’Malley’s views, I was not surprised to learn when O’Malley’s will was published that in the NSW Trust formed out of his assets, he made provision for the study of domestic sciences for the benefit of young ladies. He commented concerning his project, “The world’s great women are the great housewives. Young women that made the home so charming that it was hard to leave.”

I always found O’Malley to be the perfect gentleman, particularly when in the company of women.

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(continued from previous page) In his later years O'Malley became increasingly critical of Labor leaders but formed a high opinion of Menzies. When O'Malley died during a heatwave in December 1953, Menzies, as Prime Minister, paid tribute to O'Malley as a national figure by giving him a State Funeral which was held at St. Patrick's Cathedral, Melbourne.

Although O'Malley did not appear to support any Christian church he continually spoke about Christian financial principles.

His funeral brought together men with whom he had fought public battles over the years. As one of his admirers said, King O'Malley was a great man but far from perfect - he did tend to mix fact with fiction. As the controversial J.T.Lang, another admirer of O'Malley, once said, "King was the last man to spoil a good story." I was privileged to listen to many such stories, told by O'Malley in his inimitable language. I recall him describing the Roman Catholic Archbishop of Melbourne, Dr. Daniel Mannix, whom he liked, as that "ecclesiastical rooster".

O'Malley was quick to protest at any suggestion that he was not the founder of the Commonwealth Bank. He said that Senator Darcy had inadvertently suggested that he was not a member of the Fisher Administration which established the Commonwealth Bank. He wrote, "Yes Brother, I was there...O'Malley was a member of the Labor Ministry that established the Commonwealth

Bank...Will you please name the man who put up a fight from 10 o'clock in the morning until a quarter past six o'clock in the evening, and, after twenty one members went to dinner, won out by one vote!" O'Malley's remarkable five-hour speech was punctuated with numerous colourful terms. It can be read in the Federal Hansard December 9th, 1909. "**The lambs of society had to be protected from the ravenous banking wolves,**" and much more.

It was during the campaign against the Casey legislation that O'Malley produced a typical O'Malley brochure entitled: BIG BATTLE by The Hon. King O'Malley Founder of the Commonwealth Bank of Australia.

To save it from destruction by the political tools of Capitalism. The brochure was issued "**with the compliments of The Hon. King O'Malley**" and the cover of the brochure contained the following classic O'Malley comment, "**Oh would that I possessed the power to arouse the Australian people**".

Having listened to O'Malley in the drawing room of his South Melbourne home, it is easier to visualise him in his prime with his ten-gallon hat, frock coat, brown pants, goatee beard and a mop of hair that looked as if it had never seen a comb. Having seen King O'Malley in action, I can only say that he was one of the most remarkable men that ever strutted the Australian political stage. ***

SOCIAL CREDIT: AN INTRODUCTION FOR DISTRIBUTISTS by M. Oliver Heydorn

As every distributist knows, there are three basic economic systems. The first upholds private ownership of the means of production but concentrates it in the hands of the few, thus leaving the greater portion of the population *with no choice* but to sell the only thing that they own, their labour, in exchange for the means of subsistence. This is the capitalist system. The second system rejects private ownership of productive property in favour of collective ownership, whether this collective ownership be entrusted to the State or to a series of smaller community bodies. This attitude towards capital is the central tenet of socialism. The third and final alternative maintains the institution of private ownership, but insists that this ownership must be generally apportioned so that as many people as possible may enjoy their own share in the productive property of the nation. This is the model which has come to be known as 'Distributism'. Every economic system (whether extant or merely possible) is a variation on one of these themes or a partial combination of some of their key aspects and tendencies.

What many distributists may not know is that contemporaneous with the efforts of Belloc and Chesterton to provide a theoretical elaboration for the general economic orientation that had flourished under Medieval Christendom, and to explore ways by means of which the wisdom of that system might be restored under modern conditions, there arose, also in England, a small but influential movement for the regeneration of society. This movement operated on parallel lines. In common with Distributism, Social Credit was based on what turned out to be Christian principles.¹

Spearheaded by the Anglo-Scottish engineer, Major Clifford Hugh Douglas (1879-1952), the Social Credit movement sought to bring the institutions and conventions that regulate social life into alignment with what Douglas referred to as 'the Canon', i.e., the natural laws that govern reality. The goal was proper or healthy functioning and this required that the inner 'logic' of the universe be discovered and that it be obeyed through the application of appropriate mechanisms.

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"NewTimes Survey" is printed and published by The Australian League of Rights,
Level 9, Suite 8, 118-120 Queen Street, Melbourne, 3000
Postal Address: GPO Box 1052, Melbourne, 3001. Telephone: (03) 9600 0677
Subscription \$30.00 p.a.

All electoral comment authorised by Ken Grundy, Level 9, Suite 8, 118-120 Queen Street, Melbourne, 3000

(continued from previous page) In the domain of economics, this meant that the rules of the economic game and the institutions necessary for giving them effect should be determined not by what is most beneficial to the powerful few, nor by what enhances the status or aims of any collective, but by the common good of individuals. That 'common good' consisted in the fulfillment of the true purpose of economic association: the delivery of those goods and services that people can use with profit to themselves with the least amount of human labour and resource consumption.

It was in the course of his work as an engineer that Douglas discovered, through a series of serendipitous events, that the main obstacle in the path of the economy's common good is finance or the money system. In a variety of presentations made before the Canadian Banking Enquiry in 1923, the British MacMillan Committee on Finance and Industry in 1930, and a legislative committee of the province of Alberta in 1934, as well as in a torrent of books, articles, commentaries, debates, and speeches beginning in 1917 and continuing up until the early 1950s, Douglas explained both what is wrong with the existing banking and cost accountancy systems and what could and should be done by way of rectification.² His proposed solution is an acknowledgment that the widespread and equitable distribution of private productive property is a necessity if the economy is to serve the common good. In terms of the threefold division of economic systems, Social Credit falls squarely in the distributist camp.

But if Social Credit and Distributism, or what I will refer to as 'classical' Distributism, are at one in calling for the return of the Proprietary State, that third option *beyond* capitalism and socialism, where do they diverge?³

The essential differences between the two models would appear to be three in number; these involve: 1) the *nature* of the ownership that is to be distributed, 2) the *methods* for distributing that ownership, and 3) the socio-economic *implications* of actually achieving a wider and more equitable distribution of ownership over the means of production.

Direct Ownership vs. Beneficial Ownership

Whereas classical Distributism seeks to enfranchise families, and when such family ownership is not practical, employees as *direct* owners of the property they use to produce goods and services, Social Credit does not aim at distributing ownership among the many in the form of family farms, workshops, trades, small businesses, ESOPs, or co-operatives, etc.⁴ Instead, the ownership which Social Credit wishes to accord to each individual citizen is a *beneficial* (rather than direct) ownership in the real capital, i.e., in the machines, equipment, and tools, of an industrialized society.

The type of contribution which the general capital makes to production (rather than the capital itself) is rightly regarded as common or communal property.⁵

Natural resources, the unearned increments of association (both human and mechanical), and the cultural heritage of society (the discoveries of past scientists, engineers, inventors, organizers, and adventurers, etc.) are what make the economy's real capital possible. It just so happens that these factors of production are also free gifts of God, nature, and preceding generations. For these reasons, each individual can legitimately claim, in common with his fellows, that he is or should be the chief beneficiary of the use of real capital. In truth, each of us is a shareholder in his economic association and is therefore entitled in strict justice to a proportionate share in the abundant production that power-driven machinery can deliver.

The Regulatory State vs. Monetary Reform

Both Social Credit and classical Distributism recognize that there is a role for the public authorities in achieving the Proprietary State. Whereas classical distributism countenances such methods as anti-monopoly legislation, differential taxation, guilds, co-operatives, and even the redistribution of ownership when appropriate (as was the case in Taiwan's Land-to-the-Tiller programme), Social Credit seeks to achieve the same general goal of widespread productive property ownership *via* monetary reform. That is, the distribution of a beneficial ownership in the communal capital to everyone would not require expropriating the direct owners of factories or other productive organizations, nor would it involve confiscating and redistributing, or otherwise altering the allocation of, corporate shares, nor would it necessitate redistributive or punitive taxation or state regulation of market activities in the form of guilds or similar institutions and conventions.

In order to grasp how the Proprietary State can be realized via monetary reform, it is necessary to understand the Social Credit analysis of the existing financial system.

Bank credit, i.e., enumerated abstractions, forms the bulk of the money supply (over 95%) in any modern country. Currency, or notes and coins, is the economy's small change. Every bank loan or bank purchase creates money in the form of credit and every repayment to a bank or redemption of a bank purchase destroys credit. Credit is being continually created and destroyed; i.e., it cycles in and out of existence rather than circulating indefinitely as the quantity theory of money would have it. Most production is financed on the basis of bank loans or overdraft facilities. For this reason, prices are not infinitely flexible; there is a lower limit which must be recovered by producers from consumers if businesses are to avoid bankruptcy.

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Now, Social Credit claims that this producer credit, while it builds up costs and hence prices in the course of production, also releases a lesser volume in the form of consumer incomes (i.e., purchasing power in the form of wages, salaries, and dividends) with which the corresponding prices can be liquidated. There is, in other words, a structural imbalance in the price system or a price-income gap.

This gap can be exacerbated by profit-making (including profits derived from interest), savings, the re-investment of savings, periodic deflationary policies on the part of the banks, and taxation, but it is fundamentally due to the accounting conventions that govern the financing and costing of real capital.⁶ To put it briefly, while every labour expenditure in the course of production registers as both a cost and as an injection of income into consumer pockets, and profit, while figuring as a 'cost', can be redistributed in the form of a dividend, capital expenditures (including allocated costs at the retail stage) are not distributable as current income. In some cases, such as the payment of capital loans (Capex in the narrower sense), the capital expenditure is not distributable as consumer income at all (money used to pay down a loan is destroyed), while in other cases, such as depreciation and maintenance charges, the expenditure, while being distributed as income at a later point in time, will be dispersed in a lesser volume than it was collected (because the capital costs of other companies also figure in the expenditure of Opex funds). If we let 'A' represent the flow of consumer incomes and 'B' represent the flow of capital costs, we could say that, over the economy considered as a whole, businesses are demanding 'A+B' from consumers in the form of prices, but are only concurrently distributing sufficient income to meet the A component of cost in the form of incomes.⁷

The existing financial system has two basic options for compensating for the inherent lack of consumer buying power. It can rely on businesses to sell at a loss (thus lowering prices) or it can attempt to increase the flow of A payments while keeping the flow of prices (A+B) stable. While both methods are relied on in practice, the latter has distinct advantages over the former. Unless government subsidies are involved, businesses can only sell at a loss for a fixed period of time before bankruptcy looms large. Thus, we generally attempt to ensure equilibrium by continually growing the economy at the required rate and by inducing as many consumers as possible to supplement their purchasing power *via* the expedient of consumer debt. In both cases new, additional money is created as debt by the banking system. Credit lent to governments for public works and other activities (such as warfare) can provide jobs and hence incomes, without, in the same period of time, expanding the cost burden on the taxpayer. In a similar

way, credit lent to business for expansion, especially expansion involving capital production and production for export, can distribute additional wages, salaries, and profits, without adding simultaneously to the flow of prices. Naturally all such production, whether public or private, will have to be paid for eventually, but by that time we can hope to muddle along by doing more of the same: additional economic growth and a further increase in consumer indebtedness.

Since the price-income gap is due, in the main, to the way in which the existing financial system incorrectly represents the costs of real capital (i.e., as price-values without accompanying consumer income), and since the beneficial ownership of real capital is rightly accorded to the individual citizens, Social Credit proposes to deal with the problem of the gap by altering the financial system so that it will henceforth provide an accurate or isomorphic representation of the physical economic facts.

In lieu of all conventional palliatives, the Social Credit commonwealth would monetize that proportion of consumer prices that is unrepresented by consumer income *via* the creation of 'debt-free' credit and distribute it to the beneficial owners of the communal capital. Prices and Incomes would be in an automatic balance and the financial system would become self-liquidating instead of relying on an ever-growing burden of outstanding debt to meet current prices. The direct payment would take the form of a National Dividend and be granted as a secure income to every citizen whether he be employed in the formal economy or not.⁸ The indirect payment, known as the National Discount, would effectively remove Capex charges from prices by allowing retailers to sell their goods and services at a price that reflects the real costs of production (which would be a percentage of the financial costs as normally computed). The discount would thus result in lower prices to consumers while providing retailers with a rebate so that their accounting costs could still be met in full.⁹

By making the monetary system correspond to the physical economic facts, Social Credit would transform the whole of society into a gigantic profit-sharing co-operative.

Do ut Des vs. Sharing of the Free Gift

Finally, Social Credit and classical distributism differ because the type of proprietary society that each would achieve, and the manner in which each would seek to achieve it, embody two radically different visions of the socio-economic order when it comes to the relationship between wealth and work. In the distributist system, all wealth must be earned through work (if we assume that all forms of economic rent will have been eliminated).

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Everyone, or at least every family man or prospective family man, must work on his own capital (whether held individually or in common with others) to provide a livelihood for himself and for those depending on him. This is sometimes referred to in Social Credit literature as a *do ut des* economic system or the denial of the free gift as an economic reality. Social Credit agrees that economic rent should be terminated, but it does not follow that all wealth without work is necessarily bad, nor that an economic free gift is a metaphysical impossibility.

The phenomenon which is chiefly responsible for the increasing price-income gap is the same phenomenon which is responsible for the increasing tendency towards technological unemployment: the displacement of labour by real capital. By providing, on an equitable basis, a certain measure of access to wealth without work, the dividend (in conjunction with the compensated price mechanism) would do away on the financial plane with the necessity of full employment, just as technological advances have done away with any such necessity on the physical plane.¹⁰

Social Crediters view Douglas' proposals as a manifestation on the economic and material plane of the Christian doctrine of unearned grace as necessary (but not sufficient) for salvation. The economy needs the free gift in order to function properly and the people also need it in order that they may have the time and the means to take proper care of the many other pressing matters that lie beyond the sordid struggle for mere economic survival ... including, most notably, their spiritual lives.

Footnotes

1. Whereas the distributist economy, having developed organically under the influence of the Church in the Middle Ages, was explicitly grounded on Christian principles, the Social Credit economic model was based on a careful observation and analysis of reality. It only became evident later on that the principles thereby revealed were identical with some of the key principles of the Christian *Weltanschauung*.

2. Considering the enormous quantity, but also the high level of quality, of the writing which Douglas and his closest collaborators have left to posterity on a vast variety of subjects, it is astonishing that Social Credit, as a body of thought, remains relatively unknown to this day. Even where it is known it is often fundamentally misunderstood.

3. In his book, *An Essay on the Restoration of Property*, Hilaire Belloc described the 'Proprietary State' as "the state of society such as our ancestors enjoyed, in which property is well-distributed..." Cf. Hilaire Belloc, *An Essay on the Restoration of Property*, 2nd edition. (Norfolk, Virginia: IHS Press, 2009), 13.

4. This is not to say that Social Credit is opposed to these forms of productive property ownership. Indeed, insofar as decentralized and/or co-operative production of this kind serves a legitimate purpose in meeting economic ends, the introduction of Social Credit will provide a very favorable financial environment for their organic expansion and development.

5. 'Common' and 'communal' are used here in the distributist rather than in the socialist sense, i.e., as property upon which each individual can lay a claim for his own private share, rather than as something that is 'owned' collectively by a group.

6. Contrary to a common misunderstanding, 'Social Credit' is not about an 'interest-free' money system. Usury, in the sense of 'unearned profit' or economic rent-taking on loans, is certainly a feature of the existing banking system, but it is more a consequence than a cause of the price-income gap. Eliminate the gap along Social Credit lines and you automatically eliminate much of the potential for usury.

7. This is not Douglas' famous A+B theorem, but a generalized adaptation of it that seeks to isolate the core cause of the gap. It uses the same symbols (i.e., 'A' and 'B'), but in a slightly different way. My 'B' does not involve any and all 'payments to other organizations' because it is restricted to capital costs. Douglas' 'B' includes payments which represent past A expenses in the course of production.

8. The Social Credit dividend or 'National Dividend' must not be confused, therefore, with any conventional proposal for a 'basic income' that is financed *via* redistributive taxation and/or an increase in public indebtedness.

9. While it would be beyond the scope of this article to consider in any great detail, varied phenomena such as the recurring cycle of boom and bust, inflation (both cost-push and demand pull), oppressive levels of taxation, economic inefficiency, waste and sabotage, the increasing centralization of economic wealth, privilege, and power in fewer and fewer hands, the ever-increasing mountain of societal debt that is, in the aggregate, unrepayable, social conflict, forced migration, cultural dislocation, environmental degradation, and international economic conflict leading to war, are all heavily implicated as direct or indirect consequences of the imbalance in the price system. Resolving the imbalance along Social Credit lines is therefore likely to reduce, if not eliminate, these other sources and manifestations of economic and social dysfunction, in addition to restoring widespread property ownership as the defining mark of the economic order.

10. This is yet another way in which Social Credit seeks to make the financial system reflect or correspond to the physical economic reality.

TWO IMPORTANT NEW BOOKS ON THE HOLOCAUST: reviewed by Nigel Jackson

Dr Nicholas Kollerstrom, *Breaking the Spell: the Holocaust: Myth & Reality* (Castle Hill Publishers, UK, 2015, pb, \$50.00)

Gerard Menuhin, *Tell the Truth and Shame the Devil*, (The Barnes Review, USA, 2015, pb, \$60.00)

Periodically in human history powerful groups of human beings have persecuted other persons, often viciously and even lethally, for not believing the 'correct' or 'accepted' or 'God-given' religious, political and social beliefs. In the present age this fate has befallen 'Holocaust revisionists' (miscalled by their enemies 'Holocaust deniers'). In fourteen or so nations such revisionism is punished under a variety of thoroughly specious arguments, Germany perhaps being the worst offender.

Believers in genuine freedom of speech have no option, if they are to be true to themselves, but to fight the intellectual tyranny and wicked censorship that is involved. Our two authors have provided very useful texts to aid us in the struggle.

Dr Kollerstrom, who holds degrees from Cambridge and London universities, is a distinguished historian of science. For daring to turn his scientific knowledge and ability to an examination of aspects of the currently received Holocaust story, he lost his academic post of 11 years, became persecuted by various defenders of the status quo and experienced the pain of becoming a social pariah.

In *Breaking the Spell* he responds to this injustice by providing a cool and comprehensive demolition job on the greatest sacred cow of our times. He shows how many of the claims of Holocaust promoters are historically false and/or scientifically impossible. He analyses the British wartime Bletchley Park decrypts and discusses how their contents make nonsense of the establishment narrative.

He quotes Jewish writer Gilad Atzmon as noting that 'the Holocaust became the new Western religion.' In detail he compares the attributes of this pseudo sacred tradition with those of Christianity. He quotes 166 pre-Nuremberg Six-Million sources, starting with a 1900 claim by Rabbi Stephen S. Wise in *The New York Times*.

This is a calmly composed and measured thesis on the 'Holocaust story' and what seems to be the truth behind it. I was able to buy my copy from a Melbourne bookshop without difficulty.

Gerard Menuhin's 457-page work is of a different nature and tenor altogether. It is a passionate and extensively documented denunciation of the role of Jewish influence in Germany, in the Western world generally, in America and elsewhere. I found it a frightening and upsetting experience to read it.

Tell the Truth and Shame the Devil is a treasure trove of relevant quotations and documents. I found new and interesting items, including some from the Jewish disciple of Nietzsche, Dr Oscar Levy, one of whose statements was featured on the cover of Eric Butler's 1946 book *The International Jew*. The wide range of Menuhin's reading reminded me of the similar extent of learning shown in Wilmot Robertson's famous book *The Dispossessed Majority*. His detailed portrait of Adolf Hitler and his policies and deeds is an especially impressive feature of the account.

Late last year Amazon took steps to see that the book could not be purchased through their company. This was after it had already begun to sell unexpectedly well. They have thus correctly demonstrated that it is a book that truth-lovers should go out of their way to buy and study.

But a caveat needs to be issued. Menuhin's approach overall appears to be over-emotional and to demonstrate what might be called Judaeophobia. It is a mistake to allow oneself to become frightened of tyranny of any description. Alexander Solzhenitsyn's oeuvre makes the point existentially and brilliantly.

As a result of his terror, Menuhin's book is erratic and one-sided – as the title itself indicates. Some Jews may be powerful and acting selfishly; but that does not mean that 'the Jews' are, as it were, the Devil – or the 'synagogue of Satan', to use a phrase with an unfortunate history.

Another problem with Menuhin's book is that, while he offers copious documentation, it does not always appear to be given in academic format or to be complete. The reader should thus use caution when perusing it.

There is, of course, considerable overlap between the two studies; and in various respects each supports and strengthens the other. Finally, one must commend both authors for their audacity, industry and great courage in challenging the most dangerous taboo of our day.

Nigel Jackson is a Melbourne poet and man of letters. He is also a persistent defender of intellectual freedom.