

# THE NEW TIMES

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ONE SHILLING & NINEPENCE FORTNIGHTLY

## “Better Than Ever”-Claim Those Who Attended Annual Dinner

### ANOTHER SUCCESSFUL SOCIAL CREDIT SEMINAR

The Eleventh Annual Dinner of "The New Times," held on Friday, September 20, provided tangible evidence of both the continued growth and virility of our movement. It is always encouraging to see new faces at the Annual Dinner, As the Chairman, Mr. John Johnstone, pointed out in his opening remarks, if it had not been for the fact that many regular supporters were unable to attend the Dinner because of sickness (most of these were victims of the influenza epidemic), there would have been a record attendance.

The third Social Credit Seminar, held on Saturday, September 21, was voted another outstanding success by those who attended. Three outstanding papers were presented, and those present felt that they had both extended and consolidated their knowledge. It was agreed that over the next twelve months considerable thought must be devoted to devising ways of ensuring that the Seminar is more widely publicised generally in order that more non-Social Crediters may be encouraged to attend.

### SOCIAL ASPECT

The social aspect of the Dinner was the best ever, Mr. and Mrs. George Miller must take quite an amount of the credit for this. The type of entertainment they provided was ideal for such a Dinner. During the evening Mr. Norman White, one of the Directors of New Times Ltd., made a small presentation to Mrs. Miller on behalf of "New Times" supporters for the generous contribution she had made to the Social Credit social events throughout the year.

### TRIBUTE TO C. BARCLAY-SMITH

Before calling upon the Rev. Hill to say Grace, Mr. Johnstone asked all to stand and to pay a silent tribute to the late C. Barclay-Smith. Mr. Johnstone briefly referred to the contribution which Mr. Barclay-Smith had made to the Social Credit cause.

### TOAST TO "NEW TIMES"

The toast to "The New Times" was most ably proposed by Mr. Dave Purcell, and seconded by the Rev. Norman Hill. In calling upon Mr. Purcell to propose the toast to "The New Times," the Chairman pointed out that it was traditional at the

annual Dinner for the toast to "The New Times" to be proposed by a comparative newcomer to the ranks. Mr. Purcell was Chairman of the Catholic Group working vigorously to interest both the clergy and laity of the Catholic Church in Social Credit. Mr. Butler had expressed the opinion that Mr. Purcell was one of the finest minds he had encountered at his study classes in recent years.

Mr. Purcell said that he felt both honoured and privileged to propose the toast to "The New Times." "The New Times" did not only publish a part of the truth, it dealt fearlessly with the whole truth. It was an achievement that such a journal still continued to be published today. Mr. Purcell paid a tribute to past Editors and said he was sure that the present Editor was maintaining the traditions of his predecessors. He also dealt with the work of presenting the Social Credit message. Great tolerance and patience were necessary.

In seconding Mr. Purcell's remarks, the Rev. Norman Hill urged all members of the Christian laity to ensure that the clergy were persistently approached. "The New Times" made available facts and information not available elsewhere. Trial subscriptions for the clergy would be a most worthwhile investment. "Never waste even one copy of 'The New Times'", said Mr. Hill. "Send it to someone. And don't forget your Member of Parliament."

He also said that he desired to make special mention of The Heritage Bookshop. This "New Times" service was providing Australians with the opportunity of obtaining books they would otherwise never see. He was personally indebted to this ser-

vice. He particularly mentioned "The Hungry Sheep," by Sir David Kelly, one of the great books of our times and one which every Christian should read. He had loaned—and lost—numerous copies. Mr. E. C. Finn, prominent South Australian Social Crediter, briefly supported Mr. Purcell and Mr. Hill. He was certain he spoke for all South Australian Social Crediters in wishing "The New Times" well. It bore witness to the Truth, and he had found the value of "The New Times" appreciated in the most out of the way places he visited in the course of his work.

(Continued on page 2.)

## OUR POLICY

1. The support of all policies rooted in the Christian philosophy of freedom and based upon the Moral Law.
2. The preservation of Australia's sovereignty as a part of the British Empire, and the exposure of all internal and external groups which attack that sovereignty.
3. The preservation and extension of genuine local government.
4. The preservation and strengthening of all Constitutional safeguards for the purpose of protecting fundamental individual rights.
5. The encouragement of all activities designed to bring Governments under more effective control by the electors.
6. The preservation and extension of genuine free, competitive enterprise and private ownership, and opposition to all Monopoly, whether it be "private" or State.
7. The support of a financial policy which will (a) permit free enterprise to make available to all individuals an increasing standard of living and greater leisure for cultural pursuits, (b) result in no further increase to the community's indebtedness and the sound business practice of gradually reducing existing debt. Recognising that the basis of any sound economy is agriculture, the encouragement of agricultural policies which will ensure the preservation and building up of soil fertility by organic farming and gardening; and the prevention of soil erosion and the protection of forests and watersheds.

# ANNUAL DINNER REPORT

(Continued from page 1)

## CHAIRMAN'S RESPONSE

In responding to the toast, Mr. Johnstone said it was a major achievement that in spite of inflation and other financial problems, "The New Times" was surviving. One of the major reasons for its survival was the loyal support of a small number of volunteers. There were those who wrapped "The New Times" regularly every fortnight. Special mention must be made of Mr. Jack Ryan who looked after the company's books, and Mr. Neil Gerrand who attended to the auditing and associated matters. A tremendous amount of hard and valuable work had been done over the past twelve months. But this could only be continued and expanded if the flow of financial support provided by the self-assessment scheme was maintained. He appealed to all present to ensure that there was no slackening in financial support.

## MR. JAMES GUTHRIE'S SPEECH

The last speech of the evening was by Mr. James Guthrie of Hobart. It would be impossible to do full justice to an address such as only James Guthrie can give. He made two major points: Social Crediters must hold on firmly to the truth that this world was one of unlimited abundance. The poverty-stricken philosophy of Sir Arthur Fadden and others, who could not think beyond a paltry sixpenny reduction here and there in taxation, was in direct contrast to Christ's message of the life more abundant. The God we learn about in the New Testament is a God of love and endless bounty. In a Christian society there would be no need for the individual to take any thought for the morrow. There was no fear that God's abundance would end. The second point made by Mr. Guthrie was that Social Crediters were fighting black magic. Brainwashing was a dreadful reality. So-called educated men looked blank when he asked them was it not obvious that the purpose of labour-saving devices was to save labour, not to provide full employment. There appeared to be no limit to the extent of brainwashing. He was reminded of the story he had recently heard concerning dog-racing. He did not follow this sport himself, but he understands that the dogs were trained to chase a tin hare over which a skin was pulled. The tin hare ran on a wheel. One day a number of dogs were having some exercise in a paddock when a live hare was frightened from its hiding place. The dogs automatically started to chase it, but immediately halted when the leading dog called, "Stop, chaps, its a fake. It hasn't got wheel!"

## AN ANNUAL COMMUNION

As usual, those attending the Dinner found the time passed all too quickly. Although most supporters arrived soon after 6 p.m., they were loath to leave at 11.30 p.m. There is no doubt that this annual event has developed into a type of communion from which all those who attend derive considerable inspiration to carry them on in their service of the cause of Truth. Only those who have attended a "New Times" Dinner fully appreciate its significance. We sincerely hope that this annual event will continue to develop as a major part of the Social Credit tradition in Australia. It is not too early for supporters to make plans to attend next year's Dinner. And if they can obtain only one new recruit during the next year, and bring him along also, they will have done something of real importance.

## "Render Unto Caesar"

At the invitation of the Reverend Norman Hill, Mr. Eric Butler gave the address at Evensong in St. Mark's, Fitzroy, Melbourne, on Sunday, September 22. A number of supporters of this journal was present at the service and afterwards enjoyed the hospitality of Mr. and Mrs. Hill at the Vicarage.

Taking as his text Christ's statement concerning the rendering unto Caesar of things that belonged to Caesar while at the same time rendering unto God the things that belong to God, Mr. Butler said that this teaching by Christ had had a profound effect upon the development of Western Civilization. After referring to the unsuccessful attempt by the Greeks to prevent the State from tyrannising the individual, Mr. Butler said that Christ's teaching set a definite limit to the power of the State and together with Christ's other teachings paved the way for the creation of a civilization in which the individual possessed inviolable rights.

Today the forces of the anti-Christ were unfortunately in the ascendancy anywhere. There was no clearer evidence of this fact than the steady growth of the power of Caesar, who not only robbed the individual of his material substance, but who also made it progressively more difficult for the individual to render unto God the things that belonged to God. In the anti-State the individual ant certainly had a type of material security similar to that provided for the individual in the Welfare State. But because the ant is dominated by the group, he must always remain an ant. Human beings will also become as ants unless they have genuine freedom to spiritualize their lives by making conscious choices.

Mr. Butler said that Christians everywhere were being cut off from any understanding of their heritage. They knew nothing of the great constitutional developments, including Magna Carta, which grew from a climate of opinion created by the Christian Church and the endeavour to limit the power of Governments. Voting and other political techniques were comparatively powerless against the modern Caesars. In fact, Governments use the majority vote as a means of legally infringing the rights of individuals in spite of the obvious facts that majorities cannot create moral values or reveal truth.

While the Communists are the most blatant advocates of all power to Caesar to plan life on a purely materialistic basis, there are many others, including some who call themselves anti-Communist who look at life from a purely materialistic basis and who also believe in extending the power of Caesar, generally under the specious plea of doing good to the individual. Perversion of the basic Christian teaching that we should love one another has reached the stage where even many Christians uncritically accept the collectivist doctrine that charity and other acts of love can only be undertaken through the medium of Caesar and his bureaucratic agents.

After briefly referring to examples of the extension of the power of Caesar, particularly in the field of education, Mr. Butler said that if Western Civilization collapses completely, it will do so because insufficient people calling themselves Christians are prepared to dedicate their lives, their whole lives, not only a part, to ensuring that God's will be done on Earth.

While there is still time for effective action, let all Christians serve the Truths which Christ revealed. Mr. Butler concluded by saying: "Let us courageously declare our faith in these Truths; That man does not live by bread alone; that every individual, however humble, counts and has God-given rights; that minorities as well as majorities should have their place in God's sun; that liberty is not a mere political contrivance, but a basic spiritual principle; that ordered liberty protected by constitutional safeguards is the highest prize of ordered society; that since all power tends to corrupt, it should be decentralized into the control of all men who should be made personally responsible for the exercise of the power they do possess; that the State was made for man and not man for the State; that Caesar does not exist to plan the individual's life, but to assist the individual to plan his own life in freedom and security; that all institutions should exist to provide the individual with greater opportunities to know God, love Him and serve Him."



# MESSAGES TO DINNER

The first message read at the Dinner was from Dr. Bryan Monahan, Chairman of the Social Credit Secretariat:

I am glad to have the opportunity of wishing the New Times Dinner its usual success. It is easy to be disappointed at the apparent results of Social Credit activities, but here, perhaps, appearances are deceptive. We have spread Major Douglas's ideas widely, and they are likely to come to life when the crisis, which can hardly be long delayed, approaches. At the very beginning, Douglas foresaw the importance of the existence at that crisis of a SMALL number of people who would know what to do, and how to do it. Many are called, but few are chosen."

The second message read was from Mrs. C. H. Douglas:

"It is a pleasure to be with you in my thoughts on the 20th and to offer my greetings and good wishes to you all. We have been enthralled and invigorated by Dr. Monahan's recent articles in "The Social Creditor", and are glad to be reminded in these words of wisdom and beauty of the vital and glorious things for which we all work. He analysed clearly and simply the core of the conflict, the philosophy of Social Credit against the spirit of these times. Our unit is a small one to struggle against such vast powers, but it is built in Truth and upheld by Reality. The other is founded on falsehood.

"As I read first this then that, I see how many non-Social Crediters are with us would they but acknowledge it. We work to remove as many restraints as possible. The enemy with their army of planners and bureaucrats and insidious propaganda would destroy even the creative personality of the individual, and liquidate creative ideas, not merely unorthodox ideas, thus by conditioning free will they would destroy the faculty of thought. This is recognised by many. Winston Churchill years ago at a Convocation of Technology spoke of the approaching scientific ability to control men's thoughts with precision. 'I shall be very content to be dead by that time,' he said. Well, he isn't dead and no one but he knows what he has done about it. Elsewhere I read 'The Roman Empire fell at last, sick unto death and beyond recovery, as we now see, from over-administration'. And Mr. Enemy has that wonderful weapon, the Welfare State, assuming our sacred responsibilities and thus disinheriting mankind. Taxation, of course, disinherits us all, and thus we are urged to turn for guidance to the State, no longer free, but docile fodder for and the pliant tool of inspired policy. But you know the story and I will conclude. You know how genuine are my very good wishes to you all."

Mr. JOHN MITCHELL

The following thought-provoking message was received from Mr. John Mitchell, founder of the Christian Campaign for Freedom:

"Dear Mr. Butler,

"In sending my best wishes to you all at your annual re-union I should like to pay my tribute to you all for the splendid way in which you persevere in the struggle despite so much that is discouraging, and particularly to you personally for your courageous and inspiring leadership.

"It doesn't seem to me that, unless a substantial body of people can be brought to see that political respect for Rights has the same sort of compulsion to be part, of RIGHTNESS in the order of things as two plus two equals four, and that transgression of this order of things in politics and economics has no less dire consequences than an attempt to build bridges on arithmetical assumptions that two plus two equals five, that there can be any hope of checking the drift to Hell on earth.

"In the Thirteenth century the Church had an effective way of bringing this home to the people. King and nobles assembled twice a year in the Great Hall at Westminster to hear the Church pronounce against any infringement of the Charter. The wording of the curse given in 1258 was as follows: 'By the authority of Almighty God, and the blessed Apostles and Martyrs, and all the Saints in Heaven, all those who violate the English liberties, and secretly or openly, by deed, word or counsel, do make statutes, or observe them being made against the said liberties, are accursed and sequestered from the company of heaven and the sacraments of the Holy Church.'

"In default of action from the leaders of the Church I suggest we give consideration to the possibility that a secular body might conduct solemn public ceremonies periodically in suitable places to explain and declaim that those who violate natural law are accursed by it, and that they can only escape Nemesis by an active repentance and by refusing to give support to a person, party or policy which murders other people's rightful freedom."

(Continued on page 5)

W. A. DOUGLAS SOCIAL CREDIT  
MOVEMENT

A toast to you all for the good  
work you are doing.

CANADIAN ANTI-COMMUNIST  
LEAGUE

I send warmest greetings to all "New Times" associates and readers, and wish you a most successful Annual Dinner and Seminar. Your paper is "tops" in its field. Economic developments would indicate that developments might shortly be more favourable for the Social Credit message and a small but well-informed nucleus of Social Crediters might yet have a vital role to play—and in the not too distant future. Best wishes for the coming year Ron Gostick, Director.

MRS. B. M. PALMER

I have much pleasure in sending my greetings to all friends on the occasion of the "New Times" dinner of 1957.

I think I cannot do better than remind you of those words of Douglas which Dr. Monahan gave us in the "Social Creditor" of August 3rd.

"This country is not now the Policy of a Christian Philosophy and before it can again, as an organisation, put into practice successfully those Christian principles, for which Lord Darnley pleads, it must understand their application through proper mechanisms—not so simple a matter as he would appear to think it is. Failing that the children of this world are in their generation, wiser than the children of Light . . ."

To help us in this most worthwhile of a task, we have Douglas's Realistic Constitutionalism—a message as dynamic as those which came to us in the earliest days.

(Mrs. Palmer has been a prominent member of the Social Credit Movement in England for many years and has done valuable work in the British Housewives League. She is Editor of "Housewives Today.")

Mr. JOHN MACARA

Mr. Macara has been seriously ill since the last Dinner and wrote that his present uncertain state of health "will not permit me to attend 'The New Times' Dinner and thus join in that inspiring fellowship which has always been such a distinguishing feature of our Dinners . . ."

"For my part, I am becoming more and more convinced that the message we hold for the public, will be best delivered and most easily received, if it be couched in what we might call CHRISTIAN terms."

Mr. Macara suggests that if we accept Christ's philosophy, more serious thought should be given to Christ's technique of prayer. Mr. Macara writes: "Prayer by well-directed intelligent minds may have power beyond our knowledge."

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# The New Times

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## "Realistic Constitutionalism"

*"There is a great deal to be learnt in regard to a desirable political democracy by considering the calamities which have befallen economic democracy . . . . it is firstly necessary to recognise that we have allowed ourselves to accept a false theory of sovereignty, false not merely politically but structurally; a theory which is a departure from our own Constitution. To a very considerable extent, we must retrace our steps, in the face of many false guides, to the fork in the road somewhere about the time of the so-called Reformation.*

*"It is necessary to provide individuals, as individuals, not collectively, with much more opportunity to judge political matters by results, and to be able to reject, individually and not collectively, policies they do not like, which involves a large measure of power to contract out. Common law is something which, if it changes at all, ought to change very slowly indeed, and the greatest difficulty should be placed in the path of an attack upon it, both by insisting on its supremacy over House of Commons enactment, and by making it subject only to something at least as arduous as an Amendment to the United States Constitution. It appears to me that a properly empowered and constituted House of Lords, Spiritual and Temporal, is the natural guardian of Common Law, as the Barons demonstrated at Runnymede . . . our problem seems to resolve itself into a real understanding and restoration of the functions we have allowed to decay.*

*"I should be most sorry if anything I may have said produces an effect either of spurious romanticism or abstract Scheme-building. Close attention to the evidence has convinced me of degeneracy from a marvellous Constitution in the last three hundred years, accompanied by the atrophy of a sense of continuity — the idea that history is disconnected episode, instead of being, as it is, crystallised policy.*

*"You will have noticed that I have confined myself rigidly to the Constitutional aspect of the problem with which we are faced, together with some slight suggestions as to possible methods of approach. That does not, of course, imply that a mere rectification of the Constitution is all that is required — far from it. But conditions have developed in this century . . . which make it imperative that we put the frame-work of our house in order to enable us to rectify both our housekeeping and our external business. Our present situation is not adventitious — it is the outcome of a venomous hatred and envy of our indigenous qualities. If anyone is foolish enough to suppose that the prestige of this country and the Empire, and with them, the welfare of the population, can be restored by an appeal to an anonymous, irresponsible, and misinstructed ballot-box democracy, I can assure them that, if their opinion should prevail and our destinies be submitted decision by that process, the outcome is a mathematical certainty - our final eclipse."*

— C. H. Douglas in "Realistic Constitutionalism" (1947)

## D. J. KILLEN M.H.R. SENDS DINNER MESSAGE

I would like to say how sorry I am that I am unable to attend your dinner, and to meet you all. However, I would like you to know you have my very best wishes.

I don't suppose it is an exaggeration of the situation in which the world now is, to say that humanity faces its greatest challenge. This second half of the twentieth century seems to offer either extinction of the great virtues of free association, or a revival of their significance.

At times we somehow or other seem to get a little confused as to the real nature of the struggle in which we are engaged. That is understandable. And yet if we can pause now and again, step back and take a good look at the scene, the clouds of confusion roll away, and, yes, we see the continuing struggle in its right perspective — the struggle between good and evil.

Occasionally the pattern of the struggle may change—but never the basic objective. That is why we must keep in mind that it is fundamentals which are at stake.

It is very easy to get cynical and somewhat despairing about what is going on about us. I remember how I felt after I had criticised the Bulganin/Khrushchov visit to the United Kingdom. So many people said I was wrong, that I was beginning to think that maybe I was. But then one day a New Australian came to see me, and to thank me for what I had said. Then I knew I was right, and I was a little ashamed that I had had doubts. The New Australian understood. You see, he came from Latvia.

If the decent things in life are to be maintained, if the great institutions of the British people are to be preserved, if the moral law is to find its proper place in the scheme of things, then we must be prepared to keep on being resolute. Great causes are never lost because they provoke enemies, they are lost when they lose their friends.

To those many people who from time to time have sent words of encouragement to me, I give my sincere thanks. Your kindness has given a little more determination to a very young man.

In all your work—good luck. Remember, integrity is a powerful friend, and a valuable weapon.

## NEW NIGHT FOR NEW TIMES LIBRARY

The "New Times" library will now be open on Wednesday night each week instead of Friday. Hours are from 7 p.m. until 10 p.m.

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## DINNER MESSAGES

(Continued from page 2)

### FROM FRENCH-CANADA

Social Crediters of French Canada are glad to send herewith their greetings to their Australian brothers on the occasion of the "New Times" Annual Dinner.

The Social Credit force is obviously growing everywhere, not only in number, but as well in determination, experience and effectiveness. More and more Social Crediters assume their responsibility, the personal responsibility for each one to be a light, a flame, a motor in his community. This is felt here; and this is also reflected in correspondence and literature reaching us from your Australia, from New Zealand, from England, from France, where some readers of "Vers Demain" are attempting to start Social Credit groups and propagate the doctrine.

In a few days, the surface mail should bring you the short September letter issued by our Social Credit Service to our English correspondents. It contains brief news about the annual Social Credit Congress of French Canada, held this year on the 1st of September.

Our purpose this year was not to gather a big crowd, nor to make an outward demonstration. We made a special effort to bring to the Congress as many as possible of the most active members of our movement; and most of them came, some from more than 800 miles, because French Canada extends far beyond the borders of the province of Quebec.

In such a Congress, we do not enter the details of programmes; this is better done in local and regional meetings in the course of the year. But the Congress sets the general goal for the coming year. Those assembled there also draw much profit of "feeling together": this is human and it is part of the Social Credit life, and well deserved after twelve months of efforts in their respective communities, in pursuit of the same policy.

The two main features of this year's Congress can be seen pictured in two major motions enthusiastically supported by all present:

- (1) To intensify the work of building up a set of Social Credit cells to cover all places where Social Credit has been carried and has taken a foothold;
- (2) To expand by sending our full-time missionaries to further fields, leaving to local Social Crediters the care of attending to the programme defined in the first motion.

This first motion was made the subject of a two-year programme. If the goal is achieved, the Social Credit force of French Canada could by 1959 command the concerted action of some 20,000 cells, grouping some 200,000 families, and approximately one million electors. Each cell to be kept informed and advised by a leader, and the cell leaders to be themselves grouped in committees of 30 to 50 under the leadership of a more responsible mem-

ber of our Institute of Political Action. This is, we think, within our possibilities.

Political action proper — pressures on representatives between election, and sanctions in election time—must emanate from the electors themselves, and they will do it properly inasmuch as they are enlightened and have learned to attend to policies rather than to methods, to results rather than to such-or-such party. But the creation and development of a proper organism to that purpose can only spring from education and training to action, a work incumbent on the most responsible men of the Institute. Leadership must radiate from centre to circumference.

It was strongly impressed on the members of our movement from the province of Quebec and parts of Ontario and New Brunswick, which have been attended to for a number of years, that the function of building up a Social Credit structure now rests on themselves. We are sending immediately most of our full-time staff to French-speaking communities of far-off fields. On the very first day following the Congress, three of them left for Nova Scotia, more new to Social Credit, and three others to the isolated Magdalen Islands. In October, these two crews will join to cover the province of Prince Edward Island. Two days later, two other cars, each carrying three men, left Montreal, one for Manitoba and Saskatchewan, the other for Alberta. There are enough French-speaking centres in those western provinces to keep the six missionaries busy well into December.

The Institute plans to send two of its full-time men to France after New Year's Day, to set under way there the beginnings of a Social Credit movement along the same line as the Institute's movement in Canada. This somewhat extraordinary decision was prompted by a request to this effect from various readers of "Vers Demain" in that land of the founders of French Canada.

Nor does the Institute of Political Action recognize language or race or nationality as a barrier to its action. It is ready, as expansion may request, to prepare and diffuse Social Credit literature in any language. Steps will shortly be taken to have some of the Institute's booklets translated into Italian. There are thousands of people of that language right here in Montreal, and they seem to take little time in developing an interest to the Social Credit message.

We consider Social Credit as universal of its very nature. It answers the fundamental aspirations of every normal individual towards economic security without having to sacrifice his personal freedom.

Inflation, the restriction of credit, the problems rising from the advent of automation, the crying difference between the huge credits for war purposes and the miserly allowances to help people in need, the predicament of local Councils unable

to finance projects long demanded and quite physically possible — these and other scandalous misbehaviour acts of the present financial system are as many doors open to an introduction of the Social Credit message. But it is up to Social Crediters to do it themselves by man-to-man approach, and by the diffusion of literature and all other means at the disposal of men with a will to do something. Up to them also to dot it in time, before the extension of socialism and before the concentration of power towards a one-world dictatorship.

Sincerely yours for a Social Credit world  
LOUIS EVEN

### REV. A. G. FELLOWS, ANGLICAN VICAR, QUEENSLAND

I want to say that I hope that the "New Times" dinner will be very successful and that your movement goes on from strength to strength. A few years ago I was completely unaware of the evil forces at work in the world, but now I am convinced that they exist and that their aim is the overthrow of our Christian civilization, and the imposition of a tyranny which will make tyrannies of past centuries look like Sunday School picnics by comparison. On all sides the Christian doctrine of man as a free, moral, and responsible being is being subverted, and the authority of the State or the community is being substituted for the authority of God. This must be fought, and fought on a Christian basis.

### LEAGUE OF EMPIRE LOYALISTS

The following cable was received from A.K. Chesterton, Editor of "Candour", on behalf of the League of Empire Loyalist.

"League of Empire Loyalists send the best wishes to stalwart 'New Times' supporters and wishes them every success in tough fight ahead."

### N.Z. SOCIAL CREDIT ASSOCIATION

Greetings from Association in New Zealand. Regret that Tasman such a barrier. May the dinner be very successful and each of you revitalised by the meeting together in association. More power to the "New Times" in its grand work. Dorothy Graham, Secretary.

### Mr. DAVE BYERS, W.A. STALWART

Greetings and best wishes to all Social Crediters at this year's Annual Dinner. May each assembled member of this great Social Credit Movement be inspired to go out and spread the good news that the first time in the history of the world we can have true liberty and real freedom. The individual can be released from hard brutalising labour, and, unlike the Greeks who reached a high degree of culture by using human slaves, today we can use the machine.

# The Faith That Moves Mountains

## Mr. Eric's Butler's Dinner Address

In calling upon Mr. Eric Butler to speak at the Dinner, Mr. Johnstone **said** that Mr. Butler's address was always one of the highlights of the Annual Dinner. This annual address did not endeavour to present a detailed report of the past twelve months' activities—obviously this was impossible—but contained Mr. Butler's crystallised views on the fundamental current aspects of issues confronting Social Crediters.

Mr. Butler said that he first desired to thank previous speakers who had kindly referred to his work. However, he felt that it was a privilege to try and serve the Truth. All Social Crediters should never forget what they owed to the late C. H. Douglas. Every person present had had his outlook on life vastly altered as the result of the increased glimpse of reality which Douglas made possible.

Mr. Butler continued: "It would be futile and dangerous to minimise the present plight of the world. And there is every evidence that the worst is yet to come. As a starting point for the central theme of my address tonight, I desire to stress that there are only two approaches to the plight in which we find ourselves. Those who accept the materialistic conception of the Universe must logically accept the blind-force theory of history. There are many manifestations of this theory, including cyclic conception of history as taught by the Arnold Toynbees. This theory must inevitably paralyse will and initiative. If the present plight of the world just happened, then clearly there is no logical hope for improvement in the future.

"As opposed to the blind-force theory, we have the religious theory, which postulates, in essence, that the history of many has been the outcome of both will and imagination. This is the only approach to human affairs which offers us any hope whatever—that so far from being helpless flotsam on a stream which sweeps him inevitably towards a goal which he cannot avoid, man is a spiritual being capable of exercising free will. He can consciously choose. If his will and faith are strong enough, he can swim against the tide. This question is primarily spiritual, although I would be the first to admit, that today we have a most hazy conception of what is meant by spirit. I do not think we can better describe spirit for our purpose than as creative initiative. It is that power which the individual can use to alter his environment to something other than what would have been if he had not used this power. It is a power which can be used to change what is propagandised as the inevitable course of history. If we understand this

power and consciously seek to use it, we can certainly avert complete disaster.

"In order to understand more clearly the basic problem confronting us, it is essential that we fully understand that every civilization is the incarnation of certain values, certain beliefs concerning man's relationship to the universe and his fellow-man. Western Civilization was the incarnation, however imperfectly, of Christianity. Irrespective of whether one accepts the story of Christianity as true or not, Christianity has been undoubtedly a great spiritual force resulting in a particular type of civilization. To me the parables which Christ used are relatively unimportant as compared with the fundamental truths which these parables were used to convey."

"My view, and I notice it is the view of an increasing number of people who realise that our civilization is dying, is that understanding and faith in these truths has been weakened, not so much by direct attack as by perversion, perversion which is rife even in the Churches. One example is the never-ending talk about the common man. But the fundamental Christian teaching is that it is not so important what man has in common with other men, but what is unique in him. It is the relationship of each individual to God that matters. It is important to ponder on these matters because, while still using words and terms which meant something, say, twenty-five years ago, we fail to perceive that we are retrogressing. Christianity freed the individual from the domination of the group, but today, in the name of progress, we are using all the modern powers of propaganda to create the collectivist state in which the spirit cannot flourish."

Mr. Butler said that even many Social Crediters failed to realise that while the outward forms of Western Civilization still existed, understanding of, and belief in, the values which gave rise to Western Civilization were either dead or dying. Parliament still existed, the politicians talked, elections were held, but to suggest that Parliament today was the same institution as it was last century, was ignoring reality. Lip-service was still paid to constitutional safeguards of individual liberties and rights, but in fact the substance of liberty and rights had been progressively destroyed.

Mr. Butler said that he was convinced, not as the result of theorising, but as the result of hard experience, that the present climate of opinion in the electorates was such that it was impossible to recruit any considerable support for Christian policies. The fundamental task was to change the climate of opinion, to realise that Social Crediters had to consider themselves as the custodians of the values without which no new Civilization could be brought to life.

After outlining how even education in the Church schools was being increasingly subordinated to the materialism of our times, Mr. Butler said far too many Christians failed to realise that while it was important to have sound and realistic doctrines, it was even more important that a conscious effort be made to incarnate these doctrines into the social structure". As Douglas had pointed out, it is not the law of thermo-dynamics which drives ships; it is the application of this law through the appropriate techniques which makes available enormous power. It was surely utter hypocrisy for Christians to pray that God's will be done in earth as it is in heaven without making every possible effort to understand God's will and to make it a reality. It was certain that God's will, as revealed by Christ, is not only not being done on earth today; it is being increasingly flouted by depriving men of freedom of choice.

Mr. Butler said that an increasing number was beginning to understand the nature of the problem and what was required. New recruits for the Movement were being steadily obtained, and there had been a complete re-organisation of the structure of the Movement in Melbourne, and he looked forward with confidence to another year of successful achievement.

Mr. Butler concluded by saying: "Faith can literally move mountains and prevail against all the forces of the anti-Christ and the materialist hell which man has created by worshipping man instead of ascertaining and obeying those rules of the universe, which as Douglas said, transcend human thinking.

"The true Social Creditor should no more be dominated by his social environment than the early Christians were dominated by the situation he faced. They believed that the spirit could conquer and fashion the material. The Social Creditor who is weakened in his faith is partially defeated. I come to realise more and more the truth of Douglas's observation, that quality and not mere numbers will decide the issue. And quality depends upon Faith. I believe that occasions such as these should be used to rededicate ourselves to serve Truth, not necessarily and only because of any material reward, but in order that if we first seek the Kingdom everything else shall be given unto us—if not to us then to our children."



# The Political and Economic Consequences of the Defect in the Financial Price System

## Mr. John Haywood's Seminar Paper —Part I

It is often said that Society is failing.

If this statement means that individuals in ever-growing numbers are becoming increasingly dissatisfied with the general conditions of their lives, few, I think, will deny its truth.

But if the statement means to imply, as so many are determined to make us believe, that the Christian concept of society—which is that society exists for the individual—has failed and that we had better replace it with the opposite concept; that man exists for society and even more so for the state, I think the statement society is failing needs very careful scrutiny before accepting it.

If the matter is examined in the light of Douglas' researches into the organisation of human affairs, it will be seen that it is not society that is failing, but that it is some of the institutions set up within society which do not give satisfaction.

One such institution is that system which comprises the economic activities of society. If for one reason or another, this system does not function to the general satisfaction, disorder of a very serious nature is introduced into society.

And this is so because the economic system is concerned with a vitally important function of society—the association of individuals in the production and distribution of their material needs—the basic condition of man's physical existence.

The application of science to industry has resulted in an enormous increase in productivity. Compared with that possible a hundred years ago, productivity is more than a hundred times as great.

As a result, in industrialized countries, no serious problem which is not capable of being overcome, is presented in producing the material needs of man.

It is in the distributive agencies of economic activity that serious dissatisfaction with results is experienced.

And as the financial and price systems constitute the mechanisms for the distribution of production it is in these mechanisms that the causes of economic problems are likely to be found.

The mechanism which is so intimately connected with all economic activities is the money system; which in its functioning both creates financial values that is prices, and constitutes the power to purchase that is to say, the means by which these prices are met and liquidated.

There is not much difficulty in seeing that if a correct relationship does not exist between prices and purchasing power, serious economic problems will arise.

Now Douglas discovered and has rigorously demonstrated that an incorrect relationship between prices and purchasing

power does in fact exist; and this discovery has the most far reaching consequences.

This incorrect relationship between purchasing power and prices resides in the fact that the amount of purchasing power as measured in terms of wages, salaries and dividends, and distributed in respect of any given programme of production, is always less than the price of such production.

It is to the existence of this incorrect relationship between prices and purchasing power that all the major problems of economics can be directly traced.

And it is the repercussions of this defect in the financial-price system which have enlarged a social problem—never completely absent from the history of mankind—but which has never before attained the steadily mounting gravity and menace it displays today.

It is not necessary for the purposes of this paper that we should consider at length and in detail the technical reasons which cause the emergence of this flaw in the financial price system.

The fact that practically all purchasing power comes into existence as a debt to the banking system which creates the money it lends and lays claim to owning; the repayment of this money through the sale of capital securities and its consequent destruction, results in the existence of capital goods: factories, machinery, tools, transport, and so forth, without a corresponding existence of money equivalent to their capital values.

But since charges in respect of these capital values will be added to direct labour costs, representing wages and salaries increase, it is clear that price will be more than wages and salaries by an amount at least equal to these capital charges.

Again, and it is worth recalling, every occasion where income is saved and used as a capital fund to finance production the process leads to the creation of capital

values without any corresponding creation of money to relate the new costs to the power to purchase.

For it is clear that income earned in the course of production is represented by a corresponding item of cost in the price of the goods produced.

If, therefore, any portion of the income so earned is saved, that is to say, the recipients of it refrain from spending the money in purchasing the goods in whose production it was paid out, and these savings are invested and applied to pay the wages of those producing further goods then these payments are also represented in the costs of the new goods; and consequently there is a discrepancy created between the total costs, which are the total minimum price of all the goods produced and existing supplies of money which have neither increased nor decreased in the process.

The discrepancy between prices and purchasing power which arises as a result of normal financial transactions such as the two just indicated, presents industry with a selling problem of vast dimension.

It is clear that this kind of selling problem has nothing to do with matters of quality or unit price.

If we suppose that ten men each receive one pound to produce twenty articles each of which are priced at one pound then although each man can with his one pound buy one such article, the whole of production cannot be so bought, since collectively, the men possess only ten pounds.

And the super-excellence-plus quality of the article has no bearing on the matter whatsoever.

The question posed by the impasse thus presented by a selling problem of this nature, is not so much a question of how industry has managed to stagger from crisis to crisis, but rather how in its present form, instead of ceasing to exist long ago it has on the contrary not only maintained a rapid and continued expansion in the land of its origin, but repeats the process in every country of its adoption.

The answer to this question is to be found in the fact, that the purchasing power distributed in respect of future production and exports, is used to supplement existing deficient supplies distributed in respect of the current production of consumable goods.

The discounting of a bill of exchange by a bank, or the telegraphic transfer of deposits from the importing country, results in a corresponding increase in the supply of money in the country doing the exporting.

The construction of capital works has a similar effect in increasing the supplies of money.

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## CONSEQUENCES OF THE DEFECT ON THE FINANCIAL PRICE SYSTEM

(Continued from page 7)  
ARTIFICIAL NECESSITY OF  
EXPANDING ECONOMY

To export is one thing; to be under constant compulsion to export in order to provide a supplementary source of purchasing power to liquidate current prices is quite another. And this overriding necessity compels unremitting efforts to maintain an excess of exports over imports—a manifest impossibility for every nation to achieve simultaneously. Likewise the never-ending expansion of industry cannot be justified by the physical realities of the situation. Over thirty years ago the U.S.A. was producing all she wanted working with an industrial efficiency as low as 5 per cent. Today her gigantic output is creating storage problems at home and trade crises abroad; and her industry goes expanding on. An economic system which, as an alternative to complete breakdown, necessitates the continued perpetration of absurdities of this nature is to put it shortly, irrational. The constant but artificial necessity of increasing capital production of every description to supplement a deficient supply of purchasing power and provide "work" for the population whose employment in industry becomes decreasingly necessary as by continually increasing rate of energy transformation is applied to the productive process; the building of more and more factories equipped with plant capable of producing increasing quantities of goods at an accelerating rate with less and less human effort; the feverish struggle to export real wealth—these activities constitute the character of contemporary industrial civilisation, the misdirection and waste of both human effort and machine power, and brand the age for what it is, a "delirium of materialism". (Douglas.)

### IMPORTS INCREASE DIFFICULTIES OF SITUATION

It is true that through the agency of exports and further capital production the disparity between purchasing power and prices is overcome; but it is a temporary solution only. The bill of exchange has to be redeemed likewise, the new debt representing the new capital has to be repaid. In regard to the Bill of Exchange, it is clear that if goods are imported, the bank can sell the bill to the importer and so balance its accounts. Regardless of how the importer acquired the money to purchase the bill from the bank, its sale results in the destruction of an equivalent amount of money, leaving the community in a similar position as before, the goods, the exportation of which temporarily solved the original difficulty, having been replaced by imported articles of the same value, with the added complication that the price of these goods will be greater by

an amount equal to whatever charges are allocated to their cost by the importing firm. Hence, the consequent re-emergence of a disparity between prices and purchasing power calls for still further efforts to expand capital production in order to distribute sufficient purchasing power to enable the purchase of these imports. In addition, when it is considered that the original enterprises will in the meantime have produced further goods whose prices are in excess of the purchasing power distributed in their production, it is not hard to see how the situation necessitates cumulatively greater exports and capital production.

### UNBALANCED ECONOMY

Consider the serious unbalancing of the economy resulting from the artificial necessity of constantly expanding production. As has been indicated, this largely consists of increasing capital production, without much serious regard being given as to what constitutes useful capital production. As this situation progresses not only is the relative importance of agriculture lost sight of, its practice is subjected to changing methods for the worse. Under the compelling necessity of obtaining a purely financial result, the idea of husbandry is taken out of farming with results now evident in the deteriorating quality of food and the physical structure of the soil, of which erosion and flooding are only the distinctly evident effects of a profound upset in the balance of nature itself. To use the words of Douglas from another context—State versus private, control of the land—"At the bottom there is little doubt that there are two irreconcilable ideas in conflict. The first of these is that the world in which we live is an organism and that men and animals have intricate relations with the earth—not amorphous but specific and infinitely varied, which can only be disregarded at the peril both of men and the earth they live on. I do not mean in the least by this that a universal back to the land movement is either necessary or even desirable, but I do think that the idea that the earth is merely something to be exploited and 'lived on' is quite fatal. The second and antithetic idea, is that the world is merely the raw material for a factory, that the nearer agriculture approximates to Mr. Ford's conveyor-belt principles, and towns emulate Stalingrad, the better we shall be. I do not think I am unduly squeamish, but I have to plead guilty to a wave of real nausea at the description, as progress, of egg factories in which hundreds or thousands of hens are kept under electric light from birth to death, confined in little boxes, never allowed out, laying eggs. I don't want to eat those eggs, and I have a strong conviction that they are not good to eat, whatever their superficial taste may be. The idea—the Encyclopaedist idea—that everything can be put into a nice watertight compartment, and card indexed, is the philosophy of a frozen Hell . . . To anyone who is not wilfully blind, it must

be obvious that man's interference with nature, if it is not to be catastrophic, must be inspired by something very different from the rigid formalism of a Government Department. The modern Government Department has its roots in the departmentalised pseudo-science of the Encyclopaedist forerunners of the French Revolution and its lineal descendant, Russian Bolshevism. The curious, shallow, and largely bogus generalisations of Russian intellectuals (e.g., that all human behaviour is derived from four 'conditioned reflexes') have the same unhealthy phosphorescence. No sane individual would contend, I should suppose, that either genuine scientific research or its application within the sphere in which it can be controlled-inorganic is in itself undesirable. Only megalomaniacs could claim that we have accumulate sufficient knowledge in about one hundred years to warrant us in undertaking the modest task of rectifying on a grand scale the errors of a Life Process which has evolved in untold millenniums. Nor does the initial result of our activities appear to justify the mass application of our theories." "The Land for the (Chosen) People Racket," by C. H. Douglas.

But additional difficulties accompany the attempts to keep the system operating.

Consider the effect on prices of a constantly expanding economy, the kind of economy the economic experts nowadays, not only admit we must have to keep industry functioning and full employment in being, but as Sir D. B. Copland said recently we should be prepared to pay for these privileges even if the payment takes the form of a continual rise in prices.

From his earliest work *Econ. Democ.* Onwards, Douglas has repeatedly stressed the fact that rising prices is a mathematical feature of the present financial system.

The demonstration of this truth resides in the fact that a rising level of productivity does not result in a falling level of prices.

During the past seventy years prices have steadily risen despite the fact that productivity has enormously increased over the same period.

But we are still being told by the experts that increased productivity is the only way to beat inflation.

If the upper level of prices is governed by what an article will fetch—and this must be so because the economists' Quantity Theory of money says so, though the same theory does not seem to fit the facts when applied to the lower level of prices, then it is not hard to see that on their own reasoning rising prices must be a necessary accompaniment of an expanding economy.

Because in an expanding economy the purchasing power distributed in respect of excessive capital goods and exports, together with that distributed in respect of consumable goods, will be greater than the amount required to buy the consumable

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## CONSEQUENCES OF THE DEFECT IN THE FINANCIAL PRICE SYSTEM

(Continued from page 8)

goods, and hence according to the quantity theory of money prices will rise in these circumstances.

And this result will not, of course, be hindered by the activities of price rings, trusts and combines.

There is, however, another way of looking at this matter.

The cost of living is not merely a matter of prices only. The cost of living is prices plus taxes.

Now we all know how large a feature taxation is in every government's fiscal measures.

And it is an undeniable fact that the rate and application of indirect taxation is much greater than it was, say, twenty years ago and is steadily increasing, as witness sales tax.

This kind of taxation increases the price of every product on which it is levied and consequently the prices of ultimate products must as a result show a considerable and steady increase.

Inflation is, as Douglas has so often pointed out, perhaps the most vicious kind of fraud practised by the financial system on the community, because, as he says, it is in fact a Capital Levy of the meanest and most one-sided description, since it taxes the purchasing power of those who obtained it by work for the benefit of those who obtain it by financial manipulation".

If you need a demonstration of the truth of that statement, consider the present value of your savings bank deposits.

The possession of private property has been regarded throughout history as the prerequisite for the exercise and the preservation of individual liberty.

And the reason is not far to seek.

Ownership means dominion over the thing possessed, and liberty has been defined by Douglas in Ch. 4 of "Social Credit" as the "freedom to choose or refuse one thing at a time".

Now if we consider the case of a man who owns land which is capable of providing him with a sufficiency of food, clothes, and shelter, his freedom of action cannot be limited by the action of other persons through the imposition of economic sanctions against him.

He is self-sufficient in the acquisition of the material needs for his physical existence. And the lesson of history, is I think, mainly concerned with the struggle to confirm the individual in his natural right to the undisturbed possession of these things.

Now introduce into such a state of affairs that which we call money. If the money is issued by the producer—the owner of the productive property we are considering --as indeed in certain times it was so issued, his dominion over his possessions is in no way diminished.

But transfer this power of issuing money to some agency other than the owner of the productive property and you at once introduce a factor which most profoundly affects the meaning attached to ownership.

Douglas makes this matter very clear in Ch. 5 of *Credit-Power and Democracy* as follows: "It may be valuable to consider what can be conveyed by the term ownership in connection with such a concern as a boot factory at the present time. Taking the simplest case of a one man ownership, the owner might live in the factory, if he wanted to, or he might burn it down, if it was not insured, or otherwise destroy it, in all of which cases it would cease to be a boot factory; or he might appoint himself manager, or he might sell it, in which case he would cease to own it. The essential point is that, considered as a boot factory, it is not of any direct use to its owner after he has had half a dozen pairs of boots out of it each year. What, however, is of value is, firstly, the money value (i.e., credit value) of it, which is entirely based on his power to make prices for its product in excess of its costs, and, secondly, the pleasure which the control of it may give him. Take away his power to make prices for its product in excess of its costs, and you have taken away all its property value leaving only the administrative value.

And this brings us back to that defect in the financial price system.

This defect with price system creates the situation in which the owner of productive property cannot through the price he makes for his product, recover his costs in full except on certain conditions.

And the creation of these conditions and the withholding of these conditions is not in the dominion or control of the owner of productive property, be it farm or factory; it rests upon the willingness of the banks to exercise their power of manufacturing additional supplies of money.

In a money economy in which the issue of money is entirely separated from production—and we live in such an economy—the acquisition of property, productive or personal or if you prefer the terms capital goods or consumption goods, and its continued possession and use in security is contingent on finance; and by reason of this dependence dominion over real property is effectively transferred from the titular owners of the property to those who control the issue and recall of money.

Under present conditions, therefore, titular ownership of real wealth in whatever form it is possessed, does not of itself confer upon the owner the benefit of ownership, which is dominion over the thing possessed.

It follows, then, that since the condition of beneficial ownership of productive property resides in the ability to recover all costs in price, and prices are liquidated with money, the concept of ownership and the right of private property derived from

(Continued on page 12).

## INTERESTING BOOKS

Father Denis Fahey, who was Professor of Philosophy and Church History at the Holy Ghost Missionary College in Dublin is famous for his thorough research into the true nature of Communism. In keeping with its policy of supplying factual publications on ALL aspects of Communism, the Heritage Bookshop has imported a number of Father Fahey's most important work from Ireland.

*The Rulers of Russia*. (5/6). This book (third edition revised and enlarged) contains lists, of the Jews who took part in various aspects of the Russian Revolution as well as important facts on the part played by Jews in more recent history. Fr. Fahey makes it clear that Jewish International Finance is closely linked with Communism and other Jewish movements

*The Kingship of Christ and Conversion of the Jewish Nation* (11/9). Contains important information on the Talmud and shows how Jews play an unhappily disproportionate part in the general attack on Christ. This book also lists the Jews holding high posts in the United Nations. Page after page contains important factual information not available in the normal secular or religious press. A book that should be in the hands of every anti-Communist!

*The Kingship of Christ and Organised Naturalism* (5/6). A magnificent document which exposes the world-wide war against Christ, with special attention to the part played by Freemasonry and to the power which B'nai B'rith has over other Lodges.

*The Church and Farming*, by Fr. Denis Fahey (20/9). Father Fahey was Professor of Philosophy and Church History at the Holy Ghost Missionary College, Dublin. This book is a magnificent attack upon Fabianism and New Dealism, and also shows how money has been manipulated to throw the world into disorder. He produces facts to show that the same great financiers stand behind Communism Socialism and Capitalism.

*From Admiral to Cabin Boy*, by Admiral Sir Barry Domville (15/3). Sir Barry, one of England's most distinguished sailors both at sea and on shore, was president of the Royal Naval College and also Director of Naval Intelligence. He attended many high level international conferences. Suddenly, in 1940, he was thrown into Brixton prison without trial because he had dared to speak out against the Jewish-Masonic conspiracy. This is Sir Barry's story.

ALL PRICES POST FREE.

The Heritage Bookshop, Box 1226L,

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"New Times", October 4, 1957—Page 9.

# THE DISINHERITED

## Mrs. Lucille Quinlan's Seminar Paper Part 1

Social Credit is derived, literally, from two fundamental principles—and by principle I mean something in the nature of things, something which WORKS unless you put some artificial barrier in its way. The first of these principles is the cultural heritage: the constantly accumulating store of knowledge and the skill which we inherit from our ancestors, and the secret is the increment of association: the "profit", if you like, that comes to us when we pool brains, resources and energies to work as a team for some specific objective.

Both these principles are designed to help man to live happily and profitably as social animal; for, as we read in the book of Genesis, God has said that it is not good for man to be alone. Since God meant man to live with his fellows, He designed a world where it would be possible for man to do so, and develop his powers of soul and body. If the two principles I have mentioned had been able to work together freely, it is impossible to tell what the development of mankind might have been; but for reasons which most of you here already know, those principles have not worked freely, or at least only in isolated times and places, intermittently and sporadically. The cultural inheritance and the increment of association are doled out to us in niggardly fashion—through the employment system—at a price which becomes harder and harder to pay. In other words, you can get access to what has already been produced only by producing something else, even if that something is utterly useless or even highly noxious. So much of the individual's energies are rained by futile employment that the principle of association for any purpose higher than earning a bare living or barracking for a football team is becoming atrophied. This is the reason why we find it so hard to stir people into action. Most of us in fact, are in a state of mental and moral atrophy; and getting the circulation going again is a slow and a painful process.

The kind of democracy into which we were born was full of illusions. We imagined that by declaring all men equal he would remain free; but, as Alexis de Tocqueville pointed out, over a hundred years ago, when analysing Democracy in America, the notion that all men are equal tends naturally to uniformity and uniformity tends naturally to centralization of power and centralization of power puts the whip in the hands of those who govern the egalitarian herd. For, after all, what special value is there in equality, as such? It belongs, properly speaking, to insects and the lower animals; for even sheep and horses have their hierarchies of worth.

"Every central power which follows its natural tendencies," says de Tocqueville, courts, and encourages the principle of

equality, for equality singularly facilitates, extends and secures the influence of a central power . . ." and similarly "every central government worships uniformity".

And further, says de Tocqueville, "I am of the opinion that in the democratic ages which are opening upon us, individual independence and local liberties will ever be the product of art; that centralization will be the natural government." ("Democracy in America", Vol. II.)

By art, de Tocqueville would appear to mean conscious effort by man; by natural government, government unchecked, trends allowed to proceed naturally, as our professors of political science would have us do.

These things lead us to the conclusion that man has once more chosen the shadow instead of the substance, fought for an equality that has eventually enslaved him, instead of the inheritance that would have set him free. Democracy, as we have known it, has given us equality; equality has given us uniformity and mediocrity. Our social inheritance would have given us diversity and quality.

### THE SPIRITUAL FLAW

Of course it is not a simple business (though the mechanism by which it could be made available to us is quite simple, a mechanism, which it is not my business to deal with here). Men and women are not simple. They would be if they were not spiritual as well as material creations. It would be a tragic mistake to imagine that all we have to correct is a material flaw in our society. There is a far worse, a spiritual flaw, and I do not think that the material one can be corrected unless the spiritual one is recognized and dealt with. Social Credit does not mean that, given peace and plenty, man would become perfect. That is the sort of nonsense that belonged to the early race of the Fabians. We can find a number of our contemporaries who have had peace and plenty and not found happiness. By some accident of birth, brains or success, they have had access to a large share of the cultural inheritance, but their own lives have been failures and their influence on others has been disastrous. The most obvious examples are the philosophers and writers who have created what is called the "mental climate of our time". Some of them might claim that their early struggles to earn a living,

and their harsh childhood, left a scar on their minds which influenced all their later thinking. . . . I refer here to men like Wells and Shaw and James Joyce . . . a scar which no later ease and plenty could remove. Well, let us take our examples from the "secure" classes. Take Elizabeth Bowen, from the Irish gentry, or Virginia Woolfe from the English comfortable intelligentsia, daughter of Sir Leslie Stephen the Cambridge rationalist, and married to a well-known publisher, brought up among the most eminent writers and the best books in a secluded London square. Compare either of these women with the robust-minded Jane Austen, product of 18th century rural England at its best. The two modern women describe a world where there is little but frustration, confusion, a-world where right and wrong are not distinguishable and disaster seems inevitable; whereas Jane Austen, who for all the general security of her environment, her closed, happy family circle, was not without her own private and personal difficulties, produced works that are sane and sound, human and humorous, books that are invigorating to read, where the modern woman writer leaves you with doubts and disillusion.

The reason for the difference is clearly not in social status or opportunity. These are more or less comparable. The difference is in their moral equipment. The moral values of Virginia Woolfe's world had been destroyed by the Cambridge rationalists like her own father and the Fabian socialists who were so busy re-making the world around her and the vague Bloomsbury intellectuals who flattered her.

It was not at all surprising that in the end she found suicide the only way out.

Material security can never compensate for moral insecurity. It is very important for us to remember that. We do not fight merely for the material benefits our cultural inheritance will bring. Material benefits are a means, not an end. The end is the full development of our whole personality, body mind and soul.

### DESTROYING A HERITAGE

The cultural inheritance is such a complex thing that it would be hard to define it. But it is easy to recognize the false prophets and philosophers of our time by the way in which they deny it, cut themselves off from tradition, try to depict man as self-starting, self-finishing, living in a kind of sealed room of Time, owing nothing to his forebears and nothing to his descendants—of these latter, fortunately, he seldom has any. This is heresy, of course, and rank pride . . . the pride by which the angels fell. And so do the self-sufficient heroes of Mr. Hemingway and his imitators, stop-watch heroes Sean O'Faolain calls them, set in motion by the pressure of the author's thumb and stopping dead when he considers the race

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## THE DISINHERITED

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is over. Whereas the great literary creations rise out of their time like a tree from the soil that feeds it, and if they fall, the whole forest resounds. Hemingway's heroes fall into the vacuum from which he drew them, leaving the reader dazzled for a moment by the brilliance of his technique and the bright colours of his words. But the end of it all is futility. The Old Man struggles 48 hours with the giant fish only to row home a skeleton, picked clean by the pursuing sharks. . . .

This sort of thing would not matter if it concerned only Mr. Hemingway. It would be his misfortune if that was all he saw in life. But the damage is what happens to the puzzled young people who admire him. Life is painted for them as offering, at best, some wonderful moments that mean nothing once the blaze of excitement is gone. Nothing was inherited, nothing is passed on.

See, too, how the principle of association is twisted by the modern writer. Futility and destruction: these seem the general consequences of human association. Look at the tormented creations of Graham Greene . . . pinned by circumstance and their own passions to various kinds of hot plate where they squirm like grubs that have crawled out of a log of wood on to the stove, until the mercy of God delivers them. Whether Greene means it or not, I do not see how he can fail to give the general impression that man is such a revolting animal that no good can come of his relations with his fellows. Only God can clean up the mess; but not in this world. And those of his contemporaries who have not Greene's religious belief give us the disasters, without any merciful God waiting after death. . . .

Can you wonder that we are surrounded by people who think we have nothing worth fighting for; and, if we had, human beings are too corrupt to fight with any hope of success.

The disease, of course, goes much further back than the contemporary novelists I have referred to. The seeds of doubt began to be sown several centuries back, and the men who sowed them had no idea at all what crop they would produce. For instance, as Sir David Kelly points out in the "Hungry Sheep", the French philosophers were not the actual revolutionaries. They foresaw neither its course nor its ultimate effects. But they treated a climate of scepticism, undermining the confidence of the very classes from which their readers came. Wells and Shaw did the same for the English middle classes over a hundred years later, dominating the

generation in which grew up around their prime and went on spreading their Fabian follies long after Wells and Shaw themselves had become disillusioned. Thus, Housman describes Shaw as "the most devastating influence which has befallen my country . . . by having so many of our pet notions turned to ridicule our minds were changed for us".

Shaw and Wells both led their generation and the next up the garden path, only to realize, too late, that catastrophe, not Eden, was at the end of it. But the harm was done. As Sir David Kelly says, "they had created a whole miasma of doubt in which young writers bathed". Unhappily the childish notions of history and biology which Wells acquired round the 1880's still pass in school text-books and children's and popular encyclopaedias, and Shaw is still held up as a constructive thinker, whereas he was merely destructive.

Then there were the historians. They were with us all along, but while the philosophers and pseudo-scientific writers were proclaiming the inevitability of progress and the perfectibility of man, they could not expect to hold the stage. When two world wars had exploded the myths of the younger Wells and young writers no longer believed in anything but disaster, the historians came into the limelight. They all predicted decline and fall for our race, and the emphasis is still on the familiar theme of inevitability . . . the helplessness of man in the grip of trends.

Nine great civilizations have risen, matured, declined, and gone. Ours has risen, matured, and is declining. Why shouldn't it go, too? We are expected to comfort ourselves by the thought that the confusion we see around us is easily explained: it is the death agonies of Western culture. Another will emerge. Some see it emerging among the Slavs (Danielevsky predicted it in 1871), with horrors of the Soviet Empire as merely the birth pangs, no doubt, of a great and glorious future. Others prefer to see it emerging in India or China. None sees any hope for the revitalizing of the West.

All this is paganism of the dreariest kind. You will remember that even the enlightened Greeks had nothing to look forward to. The Golden Age was behind them, not ahead. The Hindus, too, are profoundly; pessimist. Self-annihilation is the aim of Buddhism. The old pagan civilizations carried in them the seed of their own decay—fatalism, pessimism. But, for the civilization that was founded on Christ, that which we call Western, even though so very little of Christian faith remains in it, this civilization contains always the seed of its own regeneration. For the Christian, there is always free will, there is human responsibility, there is the Way, the Truth and the Life. Will we allow ourselves to be led by these prophets of doom,

for whom there is no way, no truth and only death?

Falsity and violence are the marks of Satan, say the theologians.

The Prince of Evil has certainly left his mark on our century, and it must suit him very well that the very people who have ceased to believe in his existence are those most busy in doing his work for him.

Part 2 in Next Issue

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## DINNER MESSAGES

(Continued from page 3)

as a slave so that we organically develop a higher civilised condition not yet visualised by man, when everyone will be able to sit under his own vine and fig tree and none will make him afraid. To reach our objective means hard, persistent educational work and very many disappointments. But we have the vision and, as we all know faith without works is dead. Best of good wishes once again.

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## THE NAMELESS WAR

*The Nameless War*, by Captain A. H. M Ramsay (8/- post free). Captain Ramsay who died last year, was the British, patriot and Member of Parliament who almost succeeded in getting to Mr. Neville Chamberlain information which might very well have changed the course of history. Captain Ramsay enjoyed the confidence of Mr. Chamberlain during the critical months between Munich and September, 1939. They discussed the trans-Atlantic power group which was trying to force England to get the Second World War started. Captain Ramsay was to have provided Mr. Chamberlain with certain information—but the War Party intervened. Before he could get to Mr. Chamberlain with this information, Captain Ramsay was thrown into prison, without trial, and was kept there until September, 1944. After his release he was still bound not to reveal certain facts regarding documents which passed between President Roosevelt and Mr. Churchill, BEFORE Mr. Churchill became Prime Minister.

"The Nameless War" contains a great number of important quotations, many of which are not easily accessible elsewhere. One of the main virtues of this book is that one can disagree with some of Captain Ramsay's forthright opinions, but at the same time thank him heartily for an abundance of factual material of first-rate importance.

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"New Times", October 4, 1957—Page 11.

## CONSEQUENCES OF THE DEFECT IN THE FINANCIAL PRICE SYSTEM

(Continued from page 9)

it, must to have any real meaning, include automatic existence of money in amount equal to the financial value of productive property.

Short of this ownership carries with it no real economic liberty for the owners; however many they may be or however zealous the law is in protecting their legal claim to title.

But as a matter of actual fact the titular ownership of productive property, the real capital of a country, far from being widespread is concentrated in comparatively few hands.

And this few grows fewer still as time goes on. Even the short space of thirty years has been sufficient to witness a spectacular concentration of the ownership of real capital.

This concentration of ownership which has been steadily proceeding for the past fifty years to go no further back, took a tremendous stride forward during the depression years.

With the artificial and widespread restriction of credit initiated in 1929 by the parallel monetary policies of American Federal Reserve Board and the Bank of England, and the continuance of these policies over the succeeding five or six years, industry has been brought to a actual standstill, with bankruptcies reaching record figures, millions unemployed, and therefore disempaid—the figure reaching twelve millions in the U.S.A. alone—side by side with idle productive plant and equipment.

To enable us get an adequate idea of what was involved in the depression of the 1930's, let us recall some of Douglas' words about the matter from "The Brief for the Prosecution".

"The effect of continuous trade depression on business organisations is uniform. First profits decrease by competition in a falling market, causing a fall but not necessarily a heavy fall, in prices . . . the next stage is the disappearance of profits, the liquidation of reserves, and the separation of business undertakings into two classes: those which were to be supported by bank overdrafts and carried on as bank controlled organisations; and those which were to be closed down. In fact, it can be seen both by the depression itself, and by the means which were inaugurated to end it when the process was considered to have gone far enough, that elimination of competition was its primary objective . . . the advance towards monopoly, then called rationalisation, and now called concentration, or 'planning'."

From all of which it should be clear that the significant point is not that cartels, trusts and combines existed before 1929, but that as a result of the monetary policies adopted at that time, they have enlarged their control and extended their activities by absorbing at an increasing rate, the one-man concern, the family business, and the proprietary company.

If what has flowed from the depression is not a sufficient proof that beneficial ownership is impossible without an automatic money system, and that titular ownership rests on the most insecure foundation with a managed money system, then I'm afraid our reasoning faculties just haven't the power to discover truth.

## TO WHAT END?

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