

DINNER ISSUE

# THE NEW TIMES

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*"Ye shall know the truth and the truth shall make you free"*

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## ANNUAL DINNER AND SEMINAR REFLECTS VITALITY OF OUR MOVEMENT

The Twelfth Annual Dinner, held last Friday, followed by the Social Credit Seminar on the Saturday, demonstrated clearly that the cause for which this journal stands is part of a living tradition pulsating with vitality. "Quality, not quantity, will be our salvation," said Mr. Eric Butler in his Dinner address. Although some regular Dinner supporters were unfortunately unable to attend, there were many new faces at this year's Dinner. There was also an increased attendance at the Seminar, which year by year continues to provide both strength and new members to our movement.

In a message to the Dinner, Dr. Bryan Monahan, Chairman of the Social Credit Secretariat, said: "The dynamic efforts of those associated with *The New Times* are one of the more hopeful activities anywhere in these difficult times. Continue to victory." Mr. J. R. Johnstone, Chairman of New Times Ltd., said that the dynamism of the movement over the past twelve months had been increased and that he was sure it would carry forward into the future.

The setting for this year's Dinner was given further colour by the beautiful display of Australian wild flowers, specially labelled, and sent for the Dinner by a supporter in Western Australia. The flowers arrived by air on the day of the Dinner and were much appreciated by those attending. Our supporter will be pleased to know that his gift found its way into many Melbourne Social Credit homes after the Dinner.

### A SILENT TRIBUTE

Before dinner was served, Mr. Johnstone said he desired those present to stand for a minute of silence as a mark of respect to two outstanding supporters who had passed away over the past twelve months, Mr. John Macara, a pioneer of Social Credit in Australia, and Miss Muriel Fremlin, who recently passed away after a long illness. Both Mr. Macara and Miss Fremlin had been liberal financial supporters of *The New Times* and both had continued to serve the movement up until the time of their deaths.

After the loyal toast, Grace was said by the Rev. Norman Hill.

### WELCOME TO GUESTS

In welcoming all guests to the Dinner, Mr. Johnstone said he would like to make special mention of the interstate visitors. Each stood and was warmly applauded as his name was called. There was Mr. Harry Scoular, Editor of *The Social Crediter*, from Sydney. Mr. John Stirling was also from Sydney. From Adelaide there was Mr. Mark Dodd, Mr. Phil Sarre, and Mr. Arthur Munyard. Mr.

Scoular, Mr. Dodd and Mr. Munyard briefly supported the toast to *The New Times*, proposed by Mr. A. Savill. Mr. Munyard said that he was certain that all those who had met Mr. Cliff Finn. South Australian Social Credit activist of many years' standing, would be sorry to hear that he had recently had to enter hospital for an operation. The applause from the guests indicated their desire to convey to Mr. Finn their best wishes to him for a speedy recovery.

### TOAST TO NEW TIMES

Mr. Johnstone said that it was a tradition at the Annual Dinner that the toast to *The New Times* should be proposed by a comparatively new supporter. This was a demonstration of the life and growth of the movement. Before asking Mr. Savill to propose the toast, Mr. Johnstone said that Mr. Savill had come into the movement as a result of Social Credit activities within the Church. He was not only a Churchman, but was also a lay preacher in the Methodist Church.

In proposing the toast, Mr. Savill demonstrated, as have new speakers over past years, the high calibre of those being attracted to the movement. His address, which had as its central thesis, the urgent necessity for truth in the world, was most favourably commented upon. *The New Times* was one of the few vehicles of truth available today, and he urged all supporters to ensure that this vehicle influence was extended in order that truth might be extended.

### MESSAGES FROM FAR AND WIDE

A large number of messages were read by the Chairman, who was ably assisted by Mr. H. A. Marsh. These messages were greatly appreciated and created the feeling that there were thousands present in spirit at the Dinner. One staunch supporter, Mr. A. Randall, summed it when he said "Most of you have never seen me and probably do not know me; but I am with you up to the hilt in spirit." This supporter explained that he could not attend the Dinners because of his work.

## LARGE NUMBER OF INSPIRING MESSAGES READ AT DINNER

The first message read was from Mrs. C. H. Douglas, who wrote: "I am very glad to be able to send you congratulations and good wishes for your work. The report of progress is indeed cheering. It is good to know that your untiring Social Credit activities are bringing rewards, and specially good to know that your study groups are gathering and encouraging young students . . . There is something I am going to ask of you, of all of you. It has been a trouble to us to have Major Douglas' books out of print, but now *The Monopoly of Credit* and some pamphlets are being republished and will soon be available, and I want you to do your utmost to get this book to a wider public and many copies sold. By this means funds will be provided for the reprinting of his other books, and Social Credit can be studied at the true source. I shall be with you in my thoughts on the evening of the 19th. Please give all my valued friends my very good wishes. May you all have good health and a good year to come."

### INSPIRING NEWS FROM Mrs. B. M. PALMER

Loud applause greeted a message from English Social Credit stalwart Mrs. B. M. Palmer, who has done so much valuable work through *Housewives Today*, the monthly journal supporting the policy of the British Housewives' League. Mrs. Palmer wrote: "I send the most cordial greetings to all friends in Australia, and my best wishes for your annual dinner and Social Credit Seminar. All friends here are delighted to hear of the steady progress, which has been made in Australia this year . . . And I am able to give you one piece of good news. The 'Fluorine Battle' has been brought to a constitutional issue. A practical demonstration has been given of the success of the 'Voters' Veto': by this means the electors of Andover have succeeded in stopping the fluoridation of their town's water supplies. We are deeply indebted to Dr. Geoffrey Dobbs . . . An article written by Dr. Geoffrey Dobbs and published in the *Liverpool Daily Post* . . . contains all the things which you will like to hear."

The article by Dr. Dobbs appeared in the September issue of *Housewives Today* and will shortly be republished in *The New Times*. Dr. Dobbs points out at a time when the Labour Party was gaining electorally in by-elections and Local Government elections; the Labour Party was almost completely eliminated from the Andover Council on the fluoridation issue.

### "DOUGLAS HAS RESTORED OUR FAITH IN RIGHT AND REALITY"

Mr. T. V. Holmes, English supporter and an occasional contributor to *The New Times*, said in his message: "Douglas has restored our faith in right and in reality. He has given us the certainty that it does not matter what a man thinks or says or does, and that views, and

therewith policy, either do or do not conform with God's reality, i.e., with God's Will. He has given us the faith that the rules of the universe can be ascertained and must be obeyed. He has given us the means of liberation from the determinism and despair of tool-power politics. And it is our task to pass on that certainty and faith and knowledge to all who earnestly seek to know and to carry out God's Will on earth. For where is the political question which, thanks to Douglas, is not now and for ever inseparably bound up with morality, justice, right, social order and truth?

"A very great responsibility has been laid upon us. Yet what an honour and opportunity to find ourselves alive and in the tremendous crusade for God's Will. May this festive gathering of Douglas disciples, united and sustained in this 'Fellowship of Reality,' enhearten you all to continue and endure your noble task with ever renewed strength and resolution."

### FROM NOEL STOCK IN LONDON

There was keen interest in a message from Mr. Noel Stock, who had worked for *The New Times* for over twelve months before going abroad. Mr. Stock's letter read: "It is good to know that out in Melbourne a hundred or more serious-minded people are having a night out together and renewing friendships as a prelude to another year of hard work in the fight to win a decent life for the British people. Writing this from the heart of the Empire, I can say that if England is to revive she is going to need all the help she can get from *The New Times* and related groups. The position over here is, I think, utterly hopeless. But people who believe in the Spirit know that dead bodies can be raised to life, that hopeless battles can be won by people who believe and are able to act intelligently on those beliefs. Countries and causes have been raised to life before this, by one or two men, against hopeless odds. A mobile group like *The New Times* in Australia can do the job, so long as all members are ready to work hard—I mean really hard—as soon as a weakness appears in the present set-up or some other suitable situation arises. Best wishes to all from Merle and Noel Stock in London."

### "COUNT NOT THE COST"

### SAYS D. J. KILLEN, M.H.R.

In reading the following telegram from D. J. Killen, M.H.R., which was received with warm applause, Mr. Butler said that he was certain that Mr. Killen would survive the coming Federal Election in spite of Dr. Evatt's threat to annihilate him:

"Regret unable to be with you all tonight. Best wishes for enjoyable evening. Your encouragement to me greatly appreciated. Possibly never in history has there been such a need for the qualities of integrity and loyalty to basic principles to be upheld. The peace of the world

(Continued on page 4)

## "God Is Not On The Side Of The Big Battalions" - Eric Butler's Dinner Address

Before inviting Mr. Eric Butler to address those present, the Chairman, Mr. J. R. Johnstone, briefly outlined the intensive activities of Mr. Butler over the past twelve months. It was the heaviest year for Mr. Butler since the election year of 1949. Mr. Johnstone said that he felt that Mr. Butler's three major contributions over the past twelve months had been his work in the sphere of Local Government, his impact in Church circles, and his discovery and education of young people of calibre who are prepared to train under direction in order to master what must be mastered if one is to be a competent Social Crediter.

Mr. Butler said that he wanted to thank the Chairman for his kind remarks, but he felt that he should point out that the intensive work of the past twelve months had only been made possible by the sacrificing efforts of his wife. *The New Times* movement owed Mrs. Butler a great debt. She had offered to help out at the office at a difficult time. The idea was that this help was only to be temporary. But unfortunately the temporary help developed like temporary taxes and had become at least semi-permanent.

After mentioning some of the more important aspects of his work over the past twelve months. Mr. Butler said that while he must express his honest opinion that unless something unforeseen happened, the general situation had now deteriorated to the point where nothing could avert the storm to come. However, he was strong in his faith that the storm could be weathered if supporters held fast to the principle that quality was much more important than quantity. "God is not on the side of the big battalions, although this idea is carefully fostered by the forces of evil," said Mr. Butler. The emphasis on numbers, size and quantity, was a manifestation of the underlying philosophy of collectivism. Touching on the various manifestations of the collectivist philosophy, Mr. Butler drew attention to the constant "plugging" of the equality racket. Equality was the direct opposite of quality. One deadly aspect of this equality racket at present was the attempt to mongrelise the human race and pool it as different brands of petrol have been pooled to produce a standard product.

Mr. Butler said that Social Crediters must realistically face the fact that they belonged to a minority movement. Some who had not grasped clearly the Christian philosophy underlying the policies of Social Credit, were still concerned about the opinions of majorities who have surrendered their personal sovereignty to the collective. But salvation could only come through individual quality, through individual integrity, manifesting itself in society. The will of God, however this might be defined, can only find expression through the conscious acts of sovereign individuals, and not through mobs. The objective of the anti-Christ is to organise individuals into bigger and bigger mobs in order that self-developing individuals cannot emerge.

Mr. Butler pointed out that the main characteristic of all mobs was destructiveness. The individual who stands out is met with the cry of "Down with him!" But the development of Christian Civilization has only been possible because numbers of individuals, possessing both courage and ability, have refused to be intimidated by the mob and

those who manipulate mobs for their own evil purposes. The Social Credit Movement is producing men and women of quality who are prepared to carry on the tradition of quality and personal responsibility. Militant action of the appropriate type can and is being taken when a situation makes it necessary. Some of the action being taken today will only bear fruit in the years to come. This means that we must have faith, faith primarily in the ultimate victory of Truth.

"Let us go forward into another year of the Social Credit adventure, strong in faith and remembering the advice that we should so let our light shine before all men that they shall see our good works. Ours is the light of truth that will guide men in the storm ahead. In our hands is a tremendous responsibility which I believe we shall not fail to uphold."

### ATTACK ON Mr. BUTLER

(Continued from page 4 of article section)

In a special statement from the President's Chair, Mr. Butler said that he congratulated his fellow Councillors on having refused to be intimidated by a smear campaign, which had deeply shocked the whole community. The object of this smear campaign had been made quite clear. It was significant that the letter which was proposed to be read at the Council table, came from a body whose politics were well-known and whose Secretary at the time of the Lowe Commission into Communism in Victoria, Mr. Judah Waten, had been exposed as an important Communist. Any interested in Mr. Waten may read his contributions to the Australian Communist press.

This campaign against Mr. Butler, and the alliance of the groups conducting it, was a classic example of how the smear-propagandist works; of how innocent people can have their minds poisoned. But it has also demonstrated that it can be met and defeated.

### SUPPORTERS PROVIDE DINNER ENTERTAINMENT

One of the most enjoyable features of the Dinner was the entertainment provided by supporters. Mr. Johnstone thanked Mr. Brian Fitzgerald, Mr. and Mrs. George Miller, and Mr. J. Devereux for their contribution to the success of the evening. At the last two Dinners the guests have expressed their preference for musical and vocal entertainment during the evening rather than something separate later in the evening. This procedure enables supporters to have more time for informal talk, which is most appreciated. As usual discussions were still taking place at 11.30 p.m. as the lights were being put out. And so another Dinner finished, and all those who attended went away carrying rich memories of an evening at which all those present derived something of permanent value.

## FURTHER MESSAGES TO DINNER

will never be secure so long as men pretend they are superior to God and the Moral Law. We must accept with decent pride the old challenge of the Church to heed the wounds to work, to seek for any reward."

### FROM A. K. CHESTERTON

The following cable was received from Mr. A. K. Chesterton, Editor of *Candour*, the British Views-Letter: "The Candour League of Empire Loyalist Movement sends its best wishes for your Dinner and for a year of hard fighting against our common enemy who grows evermore formidable and aggressive."

### "A MIRACLE . . . THAT WILL SAVE US IN THE DARKNESS OF THE MIDNIGHT HOUR"

The Rev. R. D. McKinnon, Methodist Minister from Queensland, sent his greetings to all those at the Annual Dinner. "May the time spent there and at the Seminar inspire all members and help to perform the miracle which alone seems to be the only thing that will save us in the darkness of the midnight hour."

Mrs. Lucille Quinlan, of Ballarat, wrote that she regretted that she was unable to attend this year's Dinner. But she sent the following message from herself and Mr. Quinlan:

"The integrity of Social Credit continues to be demonstrated by the way in which it continues to attract young men and women of integrity in each generation. It consoles us of the older generation who no longer feel able to do as much as we used to do. God bless you all!" Mr. George Forrest, of Brisbane, a stalwart of many years standing, sent his best wishes.

### MESSAGES FROM SOCIAL CREDIT MOVEMENTS

Mrs. Dorothy Graham, National Secretary of the New Zealand Social Credit Association, wrote as follows:

"I have had the 19th ringed round on my calendar for several weeks, so that I might not forget to send you greetings from New Zealand and good wishes on the happy occasion of your Annual Dinner. I can say with all my heart . . . 'May your shadow never grow less'.

"As I have said on other occasions, I wish the Tasman was not so wide; it would be a wonderful experience to attend your Dinner and the Seminar that follows it, and to have the very great pleasure of meeting in the flesh the many Social Crediters who are only known by names over here.

"Never since Major Douglas gave Social Credit to the world has there been a greater need for it than in these days of ever increasing chaos, but if it is to be effective it needs to be shorn of some of the excrescences that have grown on it and allowed to stand forth in the clear simplicity that was its hall-mark. Please God that is happening.

"In spite of the ups and downs that we have all experienced and perhaps the disappointments because we

have not seen results, I for one hold fast to the reply that the wise Gamalael gave to his questioners. 'If this thing be of man, it will fall to the ground; if it be of God, *who shall stop it?*'

"Again, greetings from New Zealand and may your work prosper."

In a letter from The Electoral Campaign, Brisbane, Mr. A. W. Noakes, wrote:

"We regret very much that we are unable to send a representative to your Annual Dinner, but we do send you hearty good wishes for a most successful and enjoyable function and for a vigorous continuance of the splendid work now being done.

"Wishing you and all workers in this Movement every protection and success."

A telegram was received from the Douglas Social Credit Movement of West Australia: "Cannot be present, but with you in thoughts."

### TELEGRAMS FROM SUPPORTERS

The following telegrams from supporters were received:

From Vivian James, of Perth: "Deeply regret cannot attend reunion owing to Menzies financial policy. Request you intensify your work during coming year as nation's fate may depend upon it."

From Mr. Frank Bowring, of Launceston: "Best wishes for Annual Dinner and Seminar which follows."

From Mr. and Mrs. Jim Gulberti, and Mrs. E. Reichelt of Merredin, Western Australia: "Greetings to Mr. Eric Butler for whom we have the highest regard and best wishes for a successful gathering."

From the Radke Bros., Bundaberg, Queensland: "Sincerest greetings on Annual Dinner."

From Miss C. Gliddon, Adelaide: "My best wishes to all present at Social Credit Dinner. I congratulate all those tireless workers on the magnificent work done and the results achieved. May you all go forward into another year's work with spirit refreshed and faith renewed."

From F. J. McMahan, Seaton Park, South Australia: "Congratulations on the anniversary and best wishes for a successful demonstration. My thoughts are with you."

From Mr. and Mrs. W. Drake, of Launceston: "Best wishes for this evening and success for the future."

From Dave Byers, Perth: "Best of good wishes to the Leisure State Seminar and the fight for the sovereignty of the individual."

### Mr. JOHN MITCHELL

In a personal letter to Mr. Eric Butler, Mr. John Mitchell, founder of the Christian Campaign for Freedom in England, explained that he had been so busy that he was unable to send a special message for this year's Dinner. This year "You will excuse me if I just send you all my warmest good wishes for the success of your Annual Dinner and Seminar."

# THE NEW TIMES

## THE PHYSICAL BASIS OF LEISURE

PART ONE JOHN FITZGERALD'S SEMINAR PAPER

For the purpose of this paper I will consider the aspect of leisure concerned with man's vital need to establish a correct and just relationship between himself and the physical world in which he is placed. And from our present point of view leisure is the opportunity for freely chosen individual activity, apart and above that necessary to sustain life at an individually acceptable standard.

It will be of undoubted interest, as well as being relevant to our subject, to recall some of the early experiences and line of thought which brought the late Major C. H. Douglas to the conclusions that he reached on matters closely related to the essence of the problem which we are about to consider. These he gave to members of the Canadian Club at Ottawa early in 1923 when in Canada by invitation to lay his views before the Canadian Parliamentary Committee on banking and commerce. \*

The story began, he said, when he was in India about fifteen years previously (1908) in charge of the Westinghouse interests in the East. He was surveying for the Indian Government a large district, which revealed a good deal of waterpower. In Calcutta and Simla he asked, what was going to be done about this; to which came the reply, "Well, we haven't any money." At that time manufacturers in Great Britain were hard put to get orders and prices were very low indeed. Major Douglas said he accepted the statement made and, he supposed, pigeonholed the fact and circumstances in his mind.

At that time he dined frequently with the Controller-General of India, a man who used to bore him very much by continually talking about something he called credit. "Silver and gold," said his friend, "have nothing to do with it. It all depends on credit." Douglas remarked that had his friend given him a short, sharp lesson on Mesopotamia it would have been as intelligible to him at that time. Nevertheless, that fact also must have stayed at the back of his mind. He proceeded to say that just before the war he was employed by the government in the building of a Post Office underground railway from Paddington to Whitechapel. There were no physical difficulties, but first he received orders to get on with the job, then to slow up and pay off the men. "And as a matter of fact," said Major Douglas amid laughter "that railway is not finished yet." (1923.) "Then came the war," he said, "and I began to notice that you could get money for almost any purpose." And that struck him again as being curious.

On being sent during the war to the Royal Aircraft Establishment at Farnborough in connection with a certain amount of muddle into which that institution had got itself, he decided that it would be necessary to go

very carefully into the costing process. His friend Sir Guy Calthorp suggested that he should make use of tabulating machines, and so after a time Major Douglas began to concentrate very carefully on them. One day he noticed with regard to the figures on the cards emerging from those machines that wages and salaries at the weekend did not represent the price value of the goods produced in the same period. "You might say that anybody would know that, and I suppose they would," said Major Douglas. But to him it followed that, if that was true, it was true every week and in every factory at the same time. Therefore the wage and salary purchasing power each week was insufficient to purchase the goods according to the price each week. Later he confirmed this by talking to his chief accountant, who also told him that the Treasury notes drawn out of the bank each week at Aldershot seemed to come back again. Some of them became quite old friends. When, after his work at Farnborough was completed, and he was immersed in industrial disputes, he found that the best way out of the difficulties with those who were fighting for more wages was to give it to them. "It settled everything," said Major Douglas, amid laughter. Then he went to Richborough, one of the new concrete cities built during the war, and was immensely impressed by the fact that, in spite of the withdrawal of something like seven millions of the best producers to the armed services, plus millions more engaged in the production of immense quantities of materials to be destroyed, leaving behind only the old and the young, they were able to raise such wonderful new concrete cities, and yet everybody in the country was living at least at as high a standard as before the war. These facts also became pigeonholed in his mind. Then his attention was attracted to a persistent propaganda that was being conducted to the effect that "we must produce more." And he began to think what would happen when the whole of this intensive production was diverted in peacetime. The persistent propaganda gained in volume, to be supplemented by a new cry that they were a poor, poor nation, and only hard work would save them from destruction. So he wrote his first article on the delusion of super production, in which he showed that, if things were as represented, then the more that was produced the bigger the problem was going to become. He also knew for a fact that Britain and the United States and he believed Canada also, were chock full of the newest producing plant. Then came Major Douglas' predicted feverish boom, accompanied by a spectacular rise in prices, followed immediately by an equally spectacular slump and sudden mass unemployment. All those wonderful industrial plants began to be broken up and the owners to go into bankruptcy.

\*An Outline of Social Credit, by H.M.M.

"It was not true in 1919 that Britain was a poor, poor country, emphatically asserted Major Douglas. "I know from my own technical knowledge," he said amid applause, "that there is no production problem as such in the world at all." Also, there is something wrong with administration. Socialism is no remedy but only an administrative panacea.

The only way that administration comes into the picture is that it does not control policy. But finance does. Emphasising the position, Major Douglas said that you have on the one hand a demonstrated capacity to produce and deliver goods and services, which is far in excess of any possible demands so long as you don't produce that overwhelming consumer war. Yet on the other side there was an increasing clamour for the bare necessities of life in many places. Obviously something is coming between, and that is the distribution system, which is, of course, the financial or the ticket system.

One of the best ways, in my opinion, of obtaining a clear understanding of Major Douglas' solution of the aforementioned problems and those associated with them is by way of careful consideration of the physical realities involved. It is an axiom of philosophy that we proceed from the concrete reality to generalisations through our power of ratiocination, or inference, or analogy. To put the matter another way, only initially through sense perception do we know anything. Man is not matter alone—materialism; or spirit alone—spiritism, but a mysterious combination of both. The effect one upon the other is mutual. Hence the real importance of our subject.

†From the purely physical material aspect man is like a machine performing work by the conversion of energy. Food is his fuel and the primary condition of life will obviously be that the amount of energy obtained from the food shall be sufficient to allow for the expenditure of energy in the searching for and consumption of food. We may imagine a state of life in which the energy obtained from the food just balanced the energy expended in the searching for and consumption of food, allowing also time for necessary sleep. Life must have begun at slightly above this level, for otherwise no progress or other activity beyond this would be possible. Now the difference between the energy necessary merely to sustain life and the total energy directly available represents true profit in its most fundamental sense, and a basic physical reality. Here we have the very beginning of the physical basis of leisure. Individual credit we may call it, and a clear understanding of the principle is vital, for it lies at the very heart of Social Credit.

There are of course, many ways in which the surplus energy may be expended; in various forms of amusement, for instance. One of them, however, is of very special importance, and that is the use of this energy to improve the efficiency of the individual from any energy consumption point of view. The construction of tools, for instance, which allows not only the procurement of basic necessities in less time with less expenditure of human energy, but

renders possible processes hitherto impossible. This is the basic physical reality underlying the modern conception of investment. It is the devotion of energy to the increase of efficiency in the consumption of energy, and is intrinsically a multiplier. That is, it multiplies the energy directly available for any given constant expenditure of energy. Notice that it begins in the individual human being and originally benefits him directly. Tools and the knowledge of process utilising the individual's own human energy alone have resulted in a great expansion in the possible results of effort. We have only to think of the changes due to the use of the spade in horticulture. What is also important, of course, is not only the spade but a knowledge of spade practice and the habits of plants, and this principle can be extended over all the fields of man's activities, past, present and to come. Tools commonly outlast the life of their makers and are passed on to a succeeding individual. This we call physical inheritance. Also the knowledge of how to do things, which includes how to replace the tool when it is worn out. In all its wide ramifications we call this the cultural inheritance. This is again a fundamental conception of immense importance, as real as and more important than the longevity of tools and structures, for it not only enables the adequate use of the tool but ensures the possibility of the tool's replacement, as well as simplifying the basis for further possible improvements. We have thus found three basic elements at the very core of our subject. Profit we may define as improved efficiency accruing to the individual; and investment as the application of profit to the increase and enhancement of efficiency. Profit, investment and inheritance especially cultural inheritance, are basic elements of economics, and a correct understanding of them, quite apart from any economic, and particularly financial, theory is vital.

Further factors that enormously extend the effectiveness of individual effort are:

- (1) The association of individuals to achieve a common objective.
- (2) The introduction of solar and nuclear energy in place of human and animal energy as the basis of work done.
- (3) The arrangement of automaticity in mechanical and electrical operations.

In examining the first factor it will be noted that the first result of association is that a given job may be accomplished more quickly and more easily. But not only may two men lift a heavy weight more easily and more quickly than one man, but two men may lift a weight that neither alone could lift.

Within reasonable limits this result can be extended. There is a benefit from association of all kinds far beyond simple arithmetic progression, and this is what is called the unearned increment of association, which really is true profit. A money system, when used, must be made to conform to this physical reality, otherwise it will eventually break up the association in which it is involved. There is nothing that modern man does that does not rest somewhere on this unearned increment of

†*An Introduction to Social Credit*, by B. W. Monahan.

association, the various forms of which are of great complexity. In addition to primary association there is the association of associations, which produces further increments. A notable example is the telephone system. The telephone, itself the result of complex associations, not only increases in usefulness with the number of users but increases the efficiency of the whole of industry and human society; and human society is exactly the same thing as human association. So important is the study of association for those who desire to investigate Social Credit seriously that the first chapters of the Social Credit Secretariat's textbook, "Elements of Social Credit," are entirely devoted to it. It is important to remember that human society is "an association—the most complex association we know: a vast construct, or complex, of separate associations." Society, from the aspect, which concerns this paper, "is a complex of observable phenomena, and phenomena are observed results in nature, and all phenomena (all observed results in nature) appear to arise from some mode of association." ‡Every association has a result, and this is its increment of association. We can divide associations into different classes. Material, mass and energy associations, for instance. The cultural heritage, which increases the power of human beings in association to do things, is the conservation of means of doing things.

The second factor, which incalculably extends the power of human beings to produce desired results, is solar energy, which includes energy stored in the form of wood, coal, oil, and water power derived from the changes in the distribution of water due to the sun's direct heat. It is most important to be very clear that it is energy and not machines as such which we are considering here. Machines are only elaborate forms of tools through which energy is transformed and directed. Their importance lies in the great and easily controllable rate at which they can transform and direct energy, compared with the individual human being. At the present day humanity has at its disposal vastly greater direct sources of machine energy than that of the total manpower of the whole earth's population. Thus an important ratio:

Machine time energy units

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Human labour time energy units

ranging from at least fifty to in some cases many hundreds is increasing daily. Add to this atomic power and the still more spectacular possibilities of thermo nuclear or "Zeta" power and the magnitude of the picture may perhaps be glimpsed. In fact, human energy is becoming negligible and as with automation could for the most part be dispensed with entirely. Its importance lies in quite another direction. It is becoming what Major Douglas has described as a catalyst. Now this is an illu-

minating analogy. The term "catalyst" is used in chemistry to denote a substance, the presence of which either enables a chemical reaction to take place, or to take place much more readily. The rate of production depends on the rate of transformation of energy. A man may control the speed of a giant machine by the mere energy at his fingertips. The multiplying factor of automaticity via amazing electronic devices is even greater still. Certain functions of human thinking can be performed with incredible speed by certain electronic machines. For instance, in rocket research most complex and vital mathematical calculations that would take more than a year for an individual to complete can be done in minutes by electronic calculators. So far removed is man from mere animal existence that it is all too easy to miss the significance in everyday life of the importance of the foregoing considerations. The very division of labour confuses the total picture and conceals the totality. Mankind during its history, but especially during the last one hundred years or so, has been engaged in the construction of an industrial machine, the result of which has been to transfer the burden of maintenance of life from the "backs of men to the backs of machines." In Major Douglas' unsurpassed descriptions, "the industrial machine is a lever, continuously being lengthened by progress, which enables the burden of Atlas to be lifted with ever-increasing ease. As the number of men required to work the lever decreases, so the number of men set free to lengthen it increases."§ This process is of the nature of acceleration and involves the ever greater rate of production of things to make things with; the leverage of real capital. But there is a limit to the amount of capital goods that can be utilised usefully, and barring unlimited export into outer space we are approaching this limit ever more rapidly. In case anyone should point to large numbers of people in under-developed countries it must be emphasised that our *capacity* to produce *capital* goods—things to make things with—is far greater than actual capital goods in existence. Something of the possibilities can be gauged by considering the magnitude of our effort when financial and other restrictions are relaxed. An interesting example of what I mean is given by Nicholas Murray Butler of Columbia University. The money cost of World War I is reputed to have been 400,000,000,000 dollars. This is estimated at 1914 valuation to have made the following possible. For every family resident in U.S.A., Canada, Australia, England, Wales, Ireland, Scotland, France, Germany and Russia this could have provided a 2,500-dollar house with 1,000 dollars' worth of furniture, and placed it on a five-acre block of land worth 100 dollars an acre. Each city of over 20,000 people in all these countries could have been supplied with a 5,000,000-dollar library and a 10,000,000-dollar university. From the balance, 5 percent interest would pay for all time salaries for 125,000 teachers and 125,000 nurses. From that which was left over, everything—farms, churches, homes, railways and the public utilities, etc., of France and Belgium—could have been purchased.

(Continued Article Section October 24, 1958)

‡Elements of Social Credit, Social Credit Secretariat Course.

# SOCIAL CREDIT PRINCIPLE ENSURES THAT "NEW TIMES" CONTINUES

Responding to the toast to "The New Times," Mr. J. R. Johnstone said that the most outstanding feature of "The New Times" was the fact that it survives at a time when inflation and centralism are causing the death of small journals of opinion everywhere. This survival has only been made possible by the application of one fundamental Social Credit principle—that of subsidisation. This subsidisation has not only been in terms of financial donations but, just as important, in terms of work by volunteers.

Mr. Johnstone said: "If we had to pay for the long hours of work done regularly by those who address the wrappers and those who then wrap the journal for despatch, our financial position would not be as sound as it is today — and I am pleased to tell you that it is sounder than it has been for a long time. We are therefore all deeply indebted to all those volunteers — I will not go through the names in case I miss anyone — who regularly subsidise our journal with their time. I thank them all on your behalf. Another valuable application of the subsidy technique is made by our honorary auditor, Mr. Neil Gerrand who, year after year, ensures that the audit is done without any financial cost to New Times Ltd. I might say that this contribution by Mr. Gerrand does not prevent him from also being a liberal and regular financial supporter. We are very pleased to have Mr. and Mrs. Gerrand present with us this evening, and our warmest thanks go to Mr. Gerrand for his vital contribution."

Mr. Johnstone pointed out that, since the departure of Mr. Noel Stock to England, Mr. Butler has had to reassume full responsibility for the editing of the journal, which contribution is also a further application of the subsidy principle, as this is one of the numerous spare time jobs in which Mr. Butler appears to specialise. I can say, however, that active plans are being made to approach a young man of calibre from a number of those brought in touch with the movement over the past twelve months, with a view to lightening Mr. Butler's load and to intensifying our general activities. If supporters can maintain the financial support given over the past twelve months, we believe that we can finance the expansion we have in mind. Apart from these plans, Mr. Butler has assured us that he is confident that there are a number of potential writers amongst the new and younger recruits and that we will see the first fruits of their contributions within the next few years."

Mr. Johnstone said that the new format of *The New Times*, introduced late last year as part of the emphasis upon quality rather than quantity, has met with warm approval from those whose views are highly valued. "We cannot report any substantial alteration to our circulation, which in the nature of things must always be small, but we can report that the successful introduction of the journal to responsible people has been made easier by the higher quality production, and by the publication of a separate and complete article section which can be passed to selected new people. The recent nation-wide campaign with the article *The Basic Cause of The Middle East* was a classic example of what can be done by a comparatively small number of dedicated people using first class material. This article has had a tremendous impact upon responsible people right throughout Australia, an impact felt inside the Federal Cabinet itself. Material from the article has been used by some commentators, while others have considered it important enough to attack it. Further special articles for nation-wide distribution are in course of preparation.

"Supporters will, I am sure, be pleased to hear a brief report concerning the activities of the Heritage Bookshop, which was established primarily to import and sell important books which otherwise would not be known in this country. This project has brought a large number of people who might be described, in Douglas' words, as being on the right side of the cultural, or real cleave in society, with our work and ideas.

"It has also supplied a small addition to our income. At the moment we hold stocks of books valued at nearly £3000, and included amongst these stocks are many valuable works now out of print and unavailable. Probably our most important publishing project during the last twelve months was Mr. Eric Butler's book, *Social Credit and Christian Philosophy*, a work that Mr. Butler regards as his best and which has created a most favourable impression amongst those clergy who have already read it. It will be on sale at the Seminar tomorrow, and we appeal to all supporters to give this book the widest possible distribution at a time when it is more necessary than ever for an integration between the philosophy of freedom, the Christian philosophy, and appropriate techniques to make that philosophy real."

Mr. Johnstone concluded by asking all *New Times* supporters to dedicate themselves anew to serving the cause for which their journal stands. "Our cause is the only hope of a civilisation now in its death throes. Ours is the responsibility to preserve and nourish the seeds of a new and more truly Christian civilisation."

## JEWISH-COMMUNIST SMEAR ATTACK ON ERIC BUTLER

As we go to press we report briefly the election of Mr. Eric Butler to the position of President of the Shire of Eltham in face of one of the most vicious campaigns of character assassination yet seen in Local Government. Further repercussions are expected. During late last week a letter from a Melbourne G.P.O. box number, purporting to come from a man not prepared to sign his name, was sent to Mr. Butler's fellow Councillors and a number of elected citizens throughout the Shire. The purpose of this letter was clearly to undermine Mr. Butler with an "exposure" of his "anti-Semitism," "pro-Hitlerism," and other "crimes" which have been charged against him over many years.

At last Monday night's Council meeting at Eltham a number of known Communists were in the gallery. An attempt was made to read a letter from the Jewish Council Against Fascism and Anti-Semitism, which it was stated denied responsibility for the anonymous letter, but which said that the allegations against Mr. Butler in this letter were true. However, this letter was not permitted and, after a motion to defer the election of the Shire President until the allegations made against Mr. Butler had been "investigated," was defeated, it was then moved that Mr. Butler be elected. Two Councillors only did not vote for Mr. Butler and before he was escorted to the President's Chair, left the Council room. At this stage a number of those in the gallery also left.

(Continued on page 3 of journal)