

# THE NEW TIMES

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

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## EDITORIAL

### RENEWED DEDICATION THE KEY-NOTE AT ANNUAL DINNER AND SEMINAR

The keynote of the Annual Dinner and Seminar was the emphasis placed upon the necessity of a further deepening of the sense of dedication, which has been such a marked feature in recent years of the development of activities associated with "The New Times." This keynote was highlighted in Mr. Horton Davies' address, in which he said that the ideas for which "The New Times" stood demanded that the individual supporter become "totally involved." Mr. Eric Butler said, "I put it to you that every individual who knows the truth, but who makes little or no effort to make that truth a reality, is not only thereby being false to the truth, but, much more important, is being false to himself. He is living a lie."

At the conclusion of the evening session of the Seminar, the Chairman of *The New Times*, Mr. John Johnstone, briefly summarised what had taken place at the Dinner and Seminar and undoubtedly expressed the feelings of many others who had attended these functions when he said that he felt compelled to make a greater personal effort in the future.

History was made when for the first time a New Australian proposed the toast to *The New Times*. The Chairman said that it was one of the traditions of the Annual Dinner, that the toast to *The New Times* be proposed and seconded by comparatively new supporters. Mr. Moeller's address was of a very high standard and demonstrated once again that the policy of Social Credit appeals to those who have a European and Christian background. We have no doubt that Mr. Moeller is the first of many New Australians who will in the years ahead speak at the Annual Dinner.

The high standard set by Mr. Moeller was maintained by the supporting speaker, Mr. Horton Davies, whose address was the perfect complement to Mr. Moeller's. Mr. Davies spoke as a dedicated Christian who believes that the whole of man belongs to God.

In welcoming guests to the Dinner, Mr. Johnstone made special mention of the fact that three outstanding pioneers of the Social Credit cause in Australia were present. These were Mr. Russell Browning, one of the editors of the early Social Credit journal, *The New Economics*, Mr. James Guthrie, one of the most lucid writers in the Social Credit Movement, and Mr. Bruce H. Brown, one of the early contributors to *The New Times*. Mr. Johnstone said it was also pleasing to have Mr. Finn of Adelaide present. Mr. Finn had been closely associated with the establishment of the League of Rights in South Australia, and was a South Australian representative of the Australian League of Rights.

As usual, the social aspect of the Dinner was a great success, with groups of guests still engaged in keen discussion after 11.30 p.m. The entertainment provided by Mr. and Mrs. George Miller was again a major contributing factor to the success of the evening. In his response to the toast to *The New Times*, Mr. Johnstone pointed out that the Annual Dinner was not merely a social event at which supporters could meet, slap one another on the back and claim what good fellows they were. It was an annual get-together in a social atmosphere for the purpose of re-dedication to the cause of *The New Times*; it was an event from which those attending could all obtain inspiration. It also provided an opportunity for an exchange of reports on activities and the renewing or making of valued friendships. The fourteenth Annual Dinner of *The New Times* is now part of history. But this Dinner, like all past Dinners, will continue to influence future history.

### SEMINAR ON CONSTITUTIONALISM

As was the case last year, bad weather conditions had an effect upon the attendance at the Social Credit Seminar on Constitutionalism. But those who made the effort to attend were well rewarded by the three Papers presented. Extracts from these Papers are printed in this special issue and later it is hoped that they will all be issued complete in permanent form. It is anticipated that the first to be issued will be Mr. J. Manson's Paper on "The Destruction of The Federal Constitution."

In opening the Seminar, Mr. Johnstone said that the main purpose of this annual event was to provide a forum for the discussion of fundamental issues. In proposing a vote of thanks to Mr. J. Manson, M.L.A., for his excellent Paper, Mr. Butler pointed out to him that his material was not only reaching the audience physically present at the Seminar, but would ultimately reach thousands throughout Australia.

## NUMEROUS DINNER MESSAGES

Unfortunately lack of space prevents us from publishing the texts of all the numerous Dinner messages received, not only from all parts of Australia, but also from abroad. However, we are publishing extracts from a selection and briefly mentioning others. Although unable to write a personal message, Mrs. C. H. Douglas sent a message through a friend, who wrote: "It certainly gives Mrs. Douglas great pleasure to hear of the good work you are all doing in Australia in living and propagating the ideas of Douglas Social Credit. This, she appreciates, is not an easy task but regarded in a true light, is the highly satisfactory one of personal enlightenment. She is especially delighted too to hear that you have so many young people coming along in this true knowledge."

Mrs. B. M. Palmer of the British Housewives wrote:

My cordial greetings to all friends. This is a time of the gravest anxiety, but the news seldom reports what is in our favour. The enemy is carefully organised and is doing his worst, while those whose interests are identical with ours can scarcely tell friend from foe. The seamen who are on strike here were asked to return their medals to Buckingham Palace. Only thirty agreed. The hundreds who refused said this would be an insult to the Queen and to the Nation. This is the spirit which in the event is all we have to rely on, but what a spirit it is. How can we reach it without trying to oppose centralisation with centralisation?

### FROM FRENCH-CANADA

In a long and inspiring letter from the French-Canadian Social Credit leader, Mr. Louis Even, the writer reported on the recent Social Credit conference in Ontario, attended by over 2,000 representatives. Mr. Even said that the activities of the Union of Electors were directed towards developing in the individual a sense of personal responsibility. ". . . The best rewards of our efforts of 25 years is to see the fine group of men and women formed by our movement, whose joy is to give all or part of their leisure to share with others the enlightenment and formation they have received. An aristocracy of service. We believe that a better world, a better civilization, let us say a Social Credit world, will be built from the individuals up, and not from the State down."

### THE N.Z. CHRISTIAN CAMPAIGN FOR FREEDOM

Mr. Jack Simon of the New Zealand Christian Campaign for Freedom wrote, "While you see fit to hold your Annual Dinner we gather renewed strength. To us it signifies that there is still hope."

### Mr. and Mrs. MICHAEL WELLER

The following cable was received from Michael and Jean Weller, who are now living in British Columbia, Canada: "Best wishes for your expanding program. Social Credit here perverted by party politics."

### "CANDOUR"-LOYALIST MOVEMENT

A cable was received from Mr. A. K. Chesterton on behalf of the Candour-League of Empire Loyalist Movement, sending best wishes and expressing determination to continue the fight until the end.

### OTHER MESSAGES

Messages were also received from Mr. F. Bowring, Launceston; the Secretary of the D.S.C. of W.A.; Mr. and Mrs. J. Quinlan of Ballarat, Victoria; Mr. J. A. McDonald, Brisbane; Mr. Martin Radke of Bundaberg, Queensland; Mr. and Mrs. Ray Brown, Sydney; Mr. O. Carter of Queensland; Mr. V. James of Perth; Miss Mary Gray, well known to South Australian Social Crediters, and now living in Scotland; and Mr. T. V. Holmes in England.

### A Special Tribute To Mr. Ron Dyason

In the course of his Dinner address, Mr. Eric Butler said that although it was not a general practice of his to mention individual supporters, he did feel that he must pay a public tribute to the dedicated work of Mr. Ron Dyason. He was sure that all the voluntary workers would approve of this tribute being paid, as they were the first to admit that Mr. Dyason was the driving force and inspiration behind much of their own magnificent contribution.

Mr. Butler said, "As far as I am concerned, Mr. Dyason is one of the most dedicated supporters I know. His Christian faith expresses itself in the manner in which he is, as Mr. Davies has put it totally involved. I do not want to embarrass Mr. Dyason, but I want to tell you that from the start of our self-assessment scheme Mr. Dyason has given regularly and sacrificially. He had not only contributed hundreds of pounds, but has been more successful than any other individual I know in obtaining new subscribers to *The New Times*. It is, of course, always easy to be critical of actionists like Mr. Dyason, but the fact is that he has produced results. I deeply admire his genuine humility and his acceptance of criticism in order that he may be even more effective in his work."

"Mr. Dyason not only gives regularly of his time in the evenings, some weeks being out nearly every night, but he has on many occasions put aside the earning of his own living in order to help me with any special activities. In thanking Mr. Dyason I must also thank his wife, who has stood loyally behind her husband in his work. This is a magnificent contribution by Mrs. Dyason as she has a young family to look after."

"If the battle in which we are engaged is won, victory will primarily be the result of the completely dedicated efforts of those like Mr. Ron Dyason."

## "LET'S BE MESSENGERS", URGES MOVER OF TOAST TO "THE NEW TIMES"

In proposing the toast to "The New Times," Mr. Karl Moeller urged all "New Times" supporters to become messengers, to take the news about their journal to all responsible members of the community. "I challenge every one of you to have five new readers by the time we meet here again," said Mr. Moeller.

After pointing out that as an ex-refugee from behind the iron curtain he naturally had a strong dislike for Communism, Mr. Moeller went on to say, "But it was not until I became a reader of *The New Times* that I began to understand that Communism is only one force of many which tries to bring about world conquest through world revolution on behalf of the chosen few. I did not know that Major Douglas analysed so clearly and as early as 1920 when he wrote that 'The Communists are only the shock troops of the capitalists'."

Mr. Moeller said that *The New Times* first came into his hands about two years ago during a waste paper drive for charitable purposes. While gathering up some scattered papers his eye was caught by a headline stating that Communism could be defeated without a third world war. "I immediately began reading this article and came to the conclusion there and then that it was the first sensible political article dealing with Communism I had read since arriving in Australia eight years previously."

Mr. Moeller continued, "From that day onwards I became first a subscriber and then a supporter of *The New Times*. Until then I had never heard of Social Credit or Major Douglas, and it is only now through having made up for my previous deficiencies with the help of *The New Times*, that I realise how important it is to have some knowledge of the basic principles of finance and economy in order to understand the political situation.

"Personally I am greatly indebted to *The New Times* for it has transmitted knowledge to me which I was subconsciously searching for many years. I was fooled constantly by the expert gentlemen proclaiming or announcing this or that as gospel, and what made it worse was that I knew that I was being fooled but I could not find the key to the mystery. It is hard for any intelligent person to understand why the individual should have to produce more and consume less, export more and import less, and work longer hours in an age of increased mechanisation."

In an attack upon the United Nations, Mr. Moeller said that he wanted to emphasize that he was an Australian citizen and a British subject, and that he had sworn allegiance to Australia and the British Crown "and not to a republican set-up like the United Nations. Double loyalty is double treachery."

Mr. Moeller went on to point out that "Not so many years ago most European countries were Monarchies, but the tide of the world revolution has swept most of them away, and certainly not to the betterment of the people concerned. With the Monarchs in exile or executed, freedom usually received a severe blow."

After a reference to the "latest craze" in the U.S.A., the Presidential Elections which will not in fact elect the real President, Mr. Moeller said that if the present "experts" are going to be allowed to continue dominating the nations,

"then may God have mercy upon us." He continued, "Unless we are prepared to do everything to meet the approaching crisis with all available resources and energy, we will be lost. I therefore appeal to *New Times* readers, the most enlightened and informed group of patriotic citizens in this country, to intensify their efforts in order that freedom may survive the conspiracy. This can be done very effectively by everyone securing more subscriptions for *The New Times* from persons who have some standing in the community."

### "Our Ideas Involve The Whole Of Man"

Speaking in support of Mr. Moeller's toast, Mr. Horton Davies said that the ideas for which *The New Times* stood were not merely of academic interest, something to be taken up or put down as people felt inclined, but were related to the fundamental question concerning the true purpose of man. For this reason these ideas involved the whole of man, not only a part of him. The serving of God necessitated the use of all man's talents and resources.

In a brief survey of the development of his own thinking, and his eventual contact with *The New Times*, Mr. Davies said that during the war he had felt that while there was a general understanding of what we were fighting against, there was little understanding of what we were fighting for. Being negative only was not sufficient; we must also be positive.

Mr. Davies said that of the ten colleagues he had gone away with on service during the war, only he had survived. He had often pondered on this fact and it was one of his strongest convictions that if he did not do all in his power to further the work of *The New Times*, he would feel that his colleagues had made the supreme sacrifice in vain.



"I swore allegiance to this country and the British Crown, and not to a Republican set-up like the United Nations," said Mr. Karl Moeller in proposing the toast to *The New Times*.

## STIMULATING SUGGESTIONS FROM DR. GEOFFREY DOBBS

The following are extracts from a Dinner message from Dr. and Mrs. Geoffrey Dobbs, North Wales:

Social Credit is necessarily a responsible, and therefore a rather lonely, way of life in the world as it is today, and the increment of association is at its maximum when two or three, not a crowd, are gathered together; but just because of this it is a good thing sometimes for us to realise that we are not alone, and to get together and enjoy each other's company and good fellowship, and that wonderful feeling of ease and security which comes from being among people who have the same background of values, who understand one's policy without laborious explanations, and with whom, therefore, it is possible to take the elements for granted, and to go on together to break new ground in thought and action, as Douglas was always moving on during his lifetime.

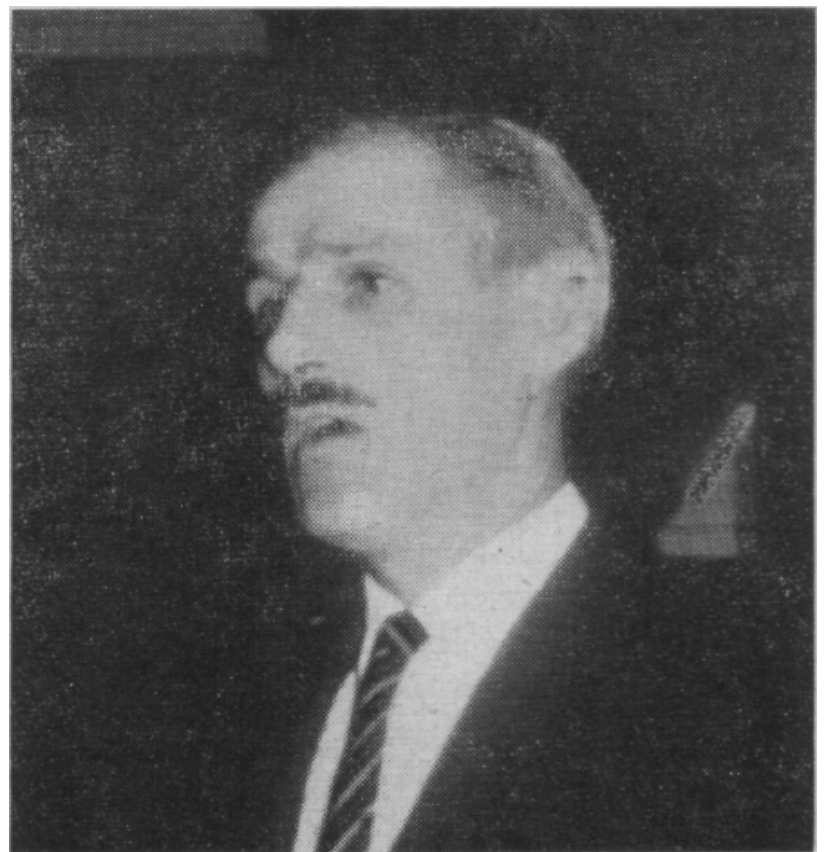
I was particularly interested to hear that the subject of your Seminar this year was to be the immensely important one of "Constitutionalism" and I most sincerely hope that out of it will come some practical proposals for gaining the objective of the open and responsible vote, and for exposing and combating the exploiters of the anonymous ballot-box majority. May I remind you that, as Douglas taught us, if the objective seems too big, too remote, for the forces at our disposal, we can always gain success and confidence by tackling it on a smaller scale, such as for instance, the Voters' Veto, as applied to fluoridation or other local impositions, which will certainly become national impositions if we let them. This, in fact, so far as I am concerned, has been the chief value of the anti-fluoridation campaign, or any other similar campaign—as a practical exercise in social credit, leading towards a better grasp of the nature of genuine democracy. It can, equally, be used by our enemies, and run as a scare campaign to increase the sum total of terror and neurosis, and hence the helplessness of people handled in crowds, in the same way as the H-bomb campaign. It is for this reason that it is so satisfactory and encouraging that social Crediters all over the world have taken the lead and ensured that the anti-fluoridation campaign is largely fought on the issue of the freedom and integrity of the individual, and this fact has had to be admitted even by our opponents.

It is quite clear now that if freedom is to survive, the institutions which protect it by ensuring a balance of power in the State have got to be restored, or else new ones have got to grow. It is, I fear, too late to restore some of them, and others, such as the Crown, are subjected to continuous insidious attack, and are in need of a revived loyalty and understanding of their immense importance to us; but the chief hope lies in the growth of new institutions. For instance, if the Voters' Veto could become an institution it could be a very useful step in the right direction, towards the idea of the open and responsible vote. The new Consumers' Associations in this and other countries are interesting new institutions, tending

in the right direction, but so far not going nearly far enough. So far they only compare the quality of goods, and this could easily be corrupted into a hidden form of advertising. What we need are institutions which will protect the consumers, as individuals (or rather support and reinforce their own efforts), from the appalling impositions of an industry and commerce, which are organised for the benefit and employment of producers rather than consumers or even shareholders. We could all spend all our waking hours doing this sort of thing, and in practice one has to select the worst cases and let the others slide, if one's own work is not to be affected too seriously. It is a vicious spiral, and it has got to be broken before we can even approach the idea of consumer control of production again. I think that there is an urgent need for the growth of a consumer protection movement, which will embody itself in institutions, but I am sure that they will soon be collared and used against us unless started and controlled by social Crediters. I commend the idea to your consideration.

Another institution, which must grow if we are to survive, is an *impartial* source of scientific and technical reference, which will tell the public the facts, and an accurate statement even of opinions, relating to such controversial matters as fluoridation—so help them God! I am glad to see you have a few distinguished men in Australia who are carrying out this vital function: but far too few, as there are here.

Now I have only space left to wish you all a good dinner, a good Seminar, and a good year of social credit action, from Geoffrey and Elizabeth Dobbs.



"Let us all accept Mr. Moeller's challenge to obtain new readers before next year's Dinner," Mr. J. R. Johnstone, Chairman of New Times Ltd., said in responding to the toast to The New Times.

## CHAIRMAN'S RESPONSE TO TOAST TO "THE NEW TIMES"

Responding to the toast to "The New Times," Mr. J. R. Johnstone said that he must first thank the voluntary workers who by their consistent and dedicated efforts ensure that "The New Times" is regularly wrapped and despatched. The main point concerning the volunteer workers is their consistency.

They cannot decide one week that it is inconvenient for them to give several hours of their time, or that they want to do something else. We are therefore all deeply indebted to them for their invaluable contribution, said Mr. Johnstone.

The Chairman continued. "As has been often pointed out, it is something in the nature of a miracle that *The New Times* continues to survive under the pressure of what our lords and masters euphemistically term 'controlled inflation.' But it not only continues to exist, but does so vigorously. As a journal supporting a policy of genuine freedom, which has to struggle hard to both survive and grow in the prevailing collectivist and totalitarian climate of opinion, we do not ever expect *The New Times* to be able to boast of a circulation comparable with that of, say, the Melbourne *Sun*. In fact I would say we would have to look closely at our policy if ever we started to obtain a mass circulation. *The New Times* is a journal of quality and exists to serve that small minority in the community who by genuine service must play the decisive role in bringing right order out of the current developing chaos.

"Time has of course removed many old stalwarts from our ranks, but I am pleased to tell you that this does not mean that the ranks have thinned. Far from it. The most heartening feature of *The New Times* and associated movements, is the steady recruitment not only of new supporters, but supporters of calibre, many of them young, and even more important, some in positions of influence in the community. For obvious reasons I am not going to expand on my statement concerning our growing influence in many circles. But I want to assure you that we have well-placed and influential allies who are not only quietly advancing our ideas, but who know what is required if the situation demands forthright action.

"Our financial position is not only reasonably stable, but could be dramatically improved if we could further increase the rate of recruitment of new subscribers. I would stress the fact that the financial position of *The New Times* would be revolutionized if every present reader could only obtain just one new reader, instead of the five urged by Mr. Moeller, before the next Annual Dinner. This is not an impossibility, as many of you present know. Years of experience have demonstrated that the persistent use of the selective trial subscription scheme, backed if possible by personal contact, does produce results. It may be necessary to have twelve, or more, trial subscriptions to carefully selected individuals, in order to discover that one individual who can not only grasp what we have to say, but who has both the competency and the desire to take

appropriate action. Such individuals do exist and our task is to discover them and to encourage them. Could we all dedicate ourselves over the next twelve months to obtain more new subscribers? That one new supporter you obtain may prove to be a person who by virtue of his position and standing in society, can exert widespread and effective influence amongst those who possess effective sanctions.

"In conclusion may I draw attention to the fact that year by year we are recruiting members of the younger generation. This fact will no doubt be of considerable satisfaction to those who pioneered *The New Times*.

"It is proof that the first roots they put down have penetrated deeply and have so firmly established themselves that nothing can now destroy them. It's from these roots that a new civilization will grow. Let us all therefore dedicate ourselves to nourishing and protecting these roots in every possible way. When the history of these perilous, but momentous times are written, *The New Times* will be recalled as a light which continued to give hope to a humanity struggling through the dark towards the dawn."



"We are concerned with ideas which involve the whole of man' —  
Mr. Horton Davies.

# "EACH ONE OF US AS INDIVIDUALS MUST LIVE THE TRUTH"

## The Rev. Fr. T. P. Lynam's Dinner Message

It gives me great pleasure to greet you on the occasion of the Annual Dinner. I hope the occasion will be a most successful one, a joyful reunion for old friends, a threat to the forces of evil, and a demonstration of courage and unity in a sea of cowardice and deceit. Not only do I hope that the function will be a happy and memorable one, but I wish God's blessing on all present and on all your discussions and deliberations. It was my privilege to be present at one of the Dinners and I assure you that it is still very fresh in my memory. You know the old saying "Better to light a small candle than that the whole room should remain in darkness." Well I always look upon the Dinner at Little Collins Street, and indeed the whole *New Times* and League of Rights organization, as a not so small candle beaming its light into the terrible darkness all around. As a consolation to you and your faithful workers may I pursue the idea and say that it takes a long, long time for light to reach us even from the stars.

It is quite true to say that all gathered at the Dinner are dedicated people, dedicated to defend truth and to attack evil. To do this successfully it is necessary for each one to know the real character of the enemy. Far too many well-intentioned people neglect this with the result that their best efforts assist rather than impede the enemy. In the work of giving correct knowledge and of publishing the truth *The New Times* and the National League of Rights are doing a magnificent job and are to be congratulated. But it is not enough to know the truth. Each one of us as individuals must live the truth, must live true Christianity. We are fighting not only an atheistic and totalitarian way of life; we are fighting a heresy, a false religion. In fact we are fighting the very devil himself. And we cannot hope to defeat him in public and national life if we are in league with him in private and in secret.

The chaos in the world today is a symptom of a disease rather than the disease itself. In the final analysis it was brought about by the godless philosophy and godless living of the civilised nations, Materialism, Rationalism, Communism—the name does not matter much, all have this in common that they wanted a world without God. All have this in common that they rejected God and Jesus Christ Whom He has sent. The state of the world today is at once the logical consequence and the punishment of apostasy from God. The world, which rejects God and continues to prosper, is simply not possible in the nature of things. So we must beware of fighting merely the symptoms. We must first make sure to fight and stamp out the disease in our own lives and homes, and then we can boldly attack it in public and in the open.

In public life we have to meet the enemy on a thousand battle fronts: in industry and commerce, in politics and social life, in religion and morality, in art and literature, in

philosophy and science, in the schools and universities, in the factories and workshops, in press and radio; in short, wherever men foregather. There are a thousand battlefronts, yes. But make no mistake there is only one fight. This fight is basically a spiritual fight not only against evil men but also against evil spirits who belong to an order of existence higher than ours. To emphasise what I mean I will quote the late Pope. Pope Pius XII: "Do not ask us who the 'enemy' is or whose guise he wears. He is everywhere and in the midst of all; he knows how to be violent and deceitful. In recent centuries he has attempted to bring about the intellectual, social and moral disintegration of the unity in the mysterious organism of Christ. He has wanted nature without grace, reason without faith, liberty without authority, at times, authority without liberty. He is an enemy who has become ever more positive, with a boldness that still leaves us awestruck. At first, he said 'Christ, Yes; the Church, No.' Later he proclaimed 'God, Yes; Christ, No.' Finally he raised the impious cry 'God is dead'; and even 'God has never existed.' And here we have the attempt to build the world's structure on foundations which we do not hesitate to designate as the thing principally responsible for the threat that hangs over humanity: economy, law and politics without God. The 'enemy' has worked and still labours to make Christ a stranger in the university, in the school, in the family, in the administration of justice, in legislative activity and in the assembly of nations where peace or war is determined."

Once again I wish you all every blessing and I pray that the Annual Dinner will be most successful. Please convey to Mrs. Butler, to all present, especially to the Rev. Norman Hill, my greetings and best wishes.



Mr. Eric Butler during his "Hour of Decision" address at the Dinner.

# "THE HOUR OF DECISION IS HERE"

## Mr. Eric Butler's Dinner Address

In the most challenging Dinner address he has ever delivered, Mr. Butler said that too many Social Crediters still reflected in their own lives the influence of the very collectivism and materialism which Social Credit challenged. "We must," he said, "each and every one of us, look ourselves honestly in the face and answer truthfully the question of whether our individual lives are dedicated to the service of truth, or whether we continue to find excuses for not doing that which we know must be done if the organised forces of evil are to be defeated."

Before asking Mr. Butler to address the Dinner, Mr. Johnstone said that on this annual occasion it was customary to outline briefly what Mr. Butler had accomplished over the past twelve months. The last twelve months had witnessed tremendous increase of activities under Mr. Butler's direction. There was a growing influence in Church, Local Government and political circles, and in the community generally. Mr. Butler had addressed no less than 76 meetings of various types over the twelve months, apart from personally interviewing numerous responsible people.

In his capacity as Director of the Australian League of Rights Mr. Butler has just returned from Sydney where he has spent two solid weeks addressing important meetings, meeting important people, and organising the expansion of the Australian League of Rights. Just before going to Sydney he returned from a trip through to Adelaide and back, when much valuable and encouraging work was done. He visits South Australia again for a week next month, in between attending the Anglican Synod and the Local Government Conference, and arrives in Perth on October 31 for two weeks speaking and organising. Upon arriving back in middle October, he leaves for Queensland by car with Dr. Graeme Williams, an Executive member of the League. He is making every effort to expand the influence of the League as quickly and as effectively as possible.

### Mr. Butler's Address

Mr. Butler said that numerous predictions by C. H. Douglas left no doubt that his was the voice of an authentic prophet. Events continued to demonstrate his penetrating grasp of reality. It was in 1924 in his book *Social Credit* that Douglas predicted that there would come a time when the forces of destruction would appear to be in the ascendant, and that a crisis would be reached similar to those, which have happened in the past when civilizations have broken down. The historians tell us that over twenty civilizations have evolved and collapsed in the past, and on the face of it Western Civilization is now well on the way to collapsing into yet another era of barbarism.

The basic cause of the collapse of every civilization has been the supremacy of centralised control over individual initiative. Today it is the same policy of centralising power, which is hastening the rush towards the abyss. Those who claim that this development is inevitable ignore two tremendously important truths. It is these two truths we must face up to at this critical time. The first truth is that for the first time in human recorded history, thanks to the

revelation of C. H. Douglas, there is a group of people in the world who know exactly why civilization is collapsing, who know that this collapse is not inevitable, and who possess the knowledge of what is necessary to avert complete disaster. Social Crediters are in fact that body of men referred to by Douglas in *Social Credit*, who, knowing what to do and how to do it, "may make the difference between yet one more retreat into the Dark Ages, or the emergence into the full light of a day of such splendour as we can at present only envisage dimly."

The second important truth is that present disastrous policies can be slowed down, halted, and ultimately reversed if sufficient individuals will use their most divine attribute, individual creative initiative, the power of the individual to make decisions to alter the course of events from what they would otherwise have been. Man is both spiritual and material. But he as an individual must decide whether he is going to allow himself to be dominated by materialistic policies, or whether he is going to use his spiritual powers to subordinate material policies to true human purpose. Both knowledge and faith are required in the developing crisis. Social Crediters possess knowledge, but how strong is their faith in their spiritual capacity? Faith can, of course, only be demonstrated by works. Works are the test, and each and every one who knows the truth, which has been revealed to him, ask himself the question, "Am I totally involved in serving the truth?"

Mr. Butler said that there was little doubt that it was now too late to halt completely the momentum of world revolution; that there was much darkness ahead before the dawn was reached. He said, "But we will never see the dawn unless we act now to ensure that the guiding light of knowledge and faith is kept alive. The future is decided by the present. Good intentions about what we might do in the future are merely a salve to our conscience. It is the acts of decision made today which will bring salvation tomorrow. The regeneration of society must start with the individual. One of the most explosive statements in The New Testament is that the Kingdom of God is within the individual. But the individual must actively seek the Kingdom from minute to minute, from day to day. The hour of decision must always be now, in the present. I therefore ask every supporter to come to grips with this question and to cease making or finding excuses for not making a decision."

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# THE RESTORATION OF EFFECTIVE CONSTITUTIONAL GOVERNMENT

## Extracts From Mr. Eric Butler's Seminar Paper

After tracing in broad outline the growth of Constitutionalism in England, and later, in all English-speaking countries, including the U.S.A., Mr. Butler said that there was no reasonable hope of restoring effective Constitutional Government unless there was a change in the current climate of opinion. He continued:

"As I have shown that constitutionalism in England developed out of the climate of opinion created by the Christian Church, then clearly one of our first tasks in attempting to restore what Douglas called 'Realistic Constitutionalism' is to examine the question of what attitude the Church should adopt to those activities generally grouped under the heading of politics. The current climate of opinion is collectivist, totalitarian, and therefore anti-Christian. Until this climate of opinion is altered, we must anticipate that any few remaining constitutional barriers to the expansion of totalitarian policies will be ruthlessly swept aside. The Christian Church must set out to create a different climate of opinion. It can do this both by teaching what is necessary in principle in a genuine Christian society, and by persistently challenging every Government or other policy, which violates those principles.

"Members of the Christian Church have got to insist with greater strength and persistency that the spokesmen for the Church challenge on every possible occasion the widespread claim that politics are of no concern of the Church. Modern Governments are increasingly demanding; the right to operate in a moral vacuum. Effective constitutionalism requires that it has a direct relationship to the nature of the Universe. Magna Carta was only possible because the Church insisted that there was a higher Moral Law to which kings as well as other individuals must conform. We urgently require today the spirit, which produced Magna Carta.

"I now turn briefly to another important aspect of constitutionalism which I believe urgently requires attention. I refer to the British Crown. It was Professor Harold Laski, one of the leading promoters of the present world revolution, who enunciated the totalitarian idea of the "sovereignty of Parliament," and who also said that the Crown was the greatest barrier to the creation of the complete Socialist State. The true role of Monarchy in our British Constitution has been insidiously undermined and today there is no longer any real conception of what Monarchy implies. Some basic educational work is required on this question and ways and means explored of creating real loyalty to the Crown as an effective part of the Constitution. I strongly recommend to those interested in this question, the brilliant book, *Freedom Wears a Crown*, by the late John Farthing. I give you one sample extract from this work: 'A British order of government is as fully democratic as any form of representative government can be, and at the same time essentially personal. The life of its institutions derives from the personal traditions, which give them force. A

social order rooted in the person of man; the sanctity of each individual person and in the personal ideal of freedom; is of one piece. In it there is no gulf between personal and social-political integrity . . . With such an order the relationships obtaining are established everywhere on reason and morality, as are the relationships of person to person in social life. All governmental power is vested in the representatives of the people. But a reference to the power of the people's assembly does not reveal the primary idea or ideal of the British constitution; for . . . the powers of the people's assembly can come to mean little or nothing without reference to the person of the Sovereign. Recognition of this primary authority is necessary or the entire fabric of parliamentary government collapses. The British role of life finds its true roots and its unitary centre alike in the anointed person of the Monarch. And only when due recognition is given to the sovereignty of the King-in-Parliament does the individual Member of Parliament cease to be merely one in a given majority or minority of Members, and become in himself a fully autonomous representative of the people . . . In a purely legislative body the majority will determines the passing or defeat of bills; in a court it is not the principle of the majority will that is of essential significance. A court has to do with truth and justice, in whose light each individual is of equal concern'."

After showing how the increase in the franchise, together with the introduction of secret voting, had not only hastened the destruction of British Constitutional Govern-



The Rev. Norman Hill in discussion with Mr. Horton Davies at the Dinner.

(Continued on page 11)



# UNIFORM TAXATION AND THE FEDERAL CONSTITUTION

## An Extract From Mr. J. W. Manson's Seminar Paper

The theory behind this uniform tax legislation was that the war effort had to be geared to its greatest maximum and that, therefore, the Commonwealth should control and co-ordinate the financial resources of the nation.

As you are all well aware, the Federal Labor Government of the day introduced four new Income Tax Acts which in effect, took over from the States their right to levy taxation and handed these rights to the Commonwealth for the duration of the war and one year afterwards.

At the same time the States would be reimbursed to some extent for the taxation field, which they had thus vacated.

The States agreed with some reluctance and only because there was a war on.

What in actual fact happened was, that when the war was over, the Federal Labour Government decided to continue these arrangements into peacetime in a permanent form thus usurping the States' rights and trying to legalise the right of the Commonwealth to have exclusive use of the taxation field.

Since then there has been a bitter battle between the States and the Commonwealth as to the exact power given the Commonwealth under these four Income Tax Acts. The matter has been canvassed in the Court at various times by various States, with rather curious results. Without going into the legal technicalities I think it is right to say that the Court's decision has been to infer that the Commonwealth has a right to levy taxation and make grants to the States, but that the States also have a right to levy taxation if they care to exercise that right.

The result has been a curious game of bluff. In effect the Commonwealth has levied taxation at such a high rate that no State has been game enough to enter the income tax field.

If one State did take its courage in its hands and decide to levy taxation (and the Commonwealth maintained its existing rate of taxation) then it is pretty certain the State which entered this field would be accused by its people of having added to taxation, and would not last long in a political sense.

It is equally true of course, that if *all* the States decided to levy their own taxation the Commonwealth would be very hard pressed to maintain its present level of taxation. If it did so, then it, the Commonwealth, would be blamed for increasing taxation and would have to take the political opprobrium attached to high levels of taxation.

It is true that, from time to time, as a result of pressure of the States, the Commonwealth has suggested it would be willing to return taxation powers to the States. This was notably so in 1953 when the Commonwealth volunteered to return these taxing powers to the States, but added to this suggestion a proviso which made it unworkable, namely, that all the States should agree to

accept their taxation powers back. This was a pretty safe provision from the Commonwealth to put in because the political complexion of the States varies. Labour parties in the States are committed by the Labor Party platform to maintaining the uniform taxation system and endeavouring to achieve complete unification. It is easy, therefore, for a Prime Minister to say to six separate States, "you may have these powers back if you all agree," when he knows perfectly well, that amongst the six States there are two or three or more pledged not to take these powers back.

Victoria has always made a strenuous effort to have returned to it, its taxation powers and has suggested, from time to time, that even though it be the only State which was willing to take these powers back, it should be allowed to do so. The Commonwealth has, from time to time, said it would examine this proposition, but such an examination never seems to eventuate, nor does the Commonwealth take the initiative to assist those particular States, who want to have this particular power returned to them.

It is true that, in 1959, a new formula for tax reimbursement was proposed by the Commonwealth. It's also true that this did give the States a better deal.

Under the new agreement, each State receives a per capita amount which varies considerably between States, from £21/12/10 in Victoria to £35/6/7 in Western Australia. These payments will be adjusted annually to take account of population increases in the States and average wages throughout the Commonwealth. However, as noted by the Grants Commission (Report No. 26), the new arrangements do not provide any automatic adjustment in respect of other causes of fiscal instability such as relatively large increases in the proportion of school children and relatively large increases in the burden of debt charges.

However, the old principle still applies, namely, that the States have to accept the exclusive right of the Commonwealth to be the taxing authority. This is a bad principle and paves the way for the destruction of the Federal system.

It is quite obvious, therefore, that so long as the Commonwealth retains a system of uniform taxation and a reimbursement formula, it, the Commonwealth, will have an over-riding power throughout the nation and the States will have to put up with whatever the Commonwealth financial experts believe is the amount of money, they, the States, should have.

In this way it is easy to see that the Commonwealth does interfere with State Budgets and State development programmes to the extent that it limits them to what the Commonwealth thinks ought to be the size of their programme.

On this problem of Uniform Taxation generally there are two interesting quotations we might consider at this stage.

(Continued on page 12)

# A CONSTITUTIONAL MONEY SYSTEM

## Extracts From Mr. W. R. Browning's Seminar Paper

A bank loan is of worth only if the community has already produced wealth and services, which it can buy. Therefore the only natural limit to the creation of credit is the ability of the community to honour that credit. From this angle, the whole resources and wealth of the community may be considered as assets against which all money and credit are a liability. Whatever is physically possible is financially possible. From every angle, the community is therefore the ultimate owner and creditor of all credit created by the banks. This moral relationship should be legally expressed. Just as the borrower is in debt to the bank, so the bank should be indebted to the public and this relationship should find expression in a system of National Bookkeeping.

The banks, whether private or Commonwealth, should be indebted to the Treasury for every loan granted, and released from that indebtedness when the loan is repaid. By this means both the Commonwealth and the Trading banks would become agents of the Government on behalf of the public, and the financial sovereignty of the government firmly established. The present method of Special Deposits by the trading banks aims at this relationship, but the situation would be more satisfactorily dealt with by an *automatic* indebtedness rather than by time-to-time decisions by the Central Bank to increase or decrease the lending power of the banks. Insofar as a relationship accords with natural law, the less the necessity for arbitrary interference. Such a bookkeeping system would free the banks from all suspicion that they were counterfeiting the credit of the nation and would establish the responsibility of the Central Bank to the government on a more satisfactory basis.

But these things would not of themselves enable the government and the people to judge whether credit were being created at a desirable rate. That would be possible only if the rate of credit recall were based on a natural law, and the application of this law would necessitate the compilation of the data of production and consumption, which would also permit the compilation of a Balance Sheet of the Nation.

### THE LAW OF COST

From the physical angle, the cost of making or producing anything is the amount of wealth, raw materials and energy used up and consumed in its production, including the food, clothing and shelter of those producing it. The natural law is therefore that the cost of production is consumption. The cost of all production over a unit of time is the total consumption over that unit of time. This law may be expressed financially in the following way; the price of production should bear to its total cost the same relation that consumption bears to production. This is somewhat similar to the principle that if society produces five units of wealth and capital, only three of which are available for consumption (the other two being capital

production such as factories) only three-fifths of the money paid away in production should be charged for the three units of consumption, the remaining two-thirds remaining available to buy the output of the machinery at the rate at which depreciation charges are included in the prices of future consumption. At present, when the lowest level of prices is the cost of production, while the highest is the maximum that can be taken from the public, there is never sufficient money to liquidate the depreciation charges of capital production when they are included in prices.

The principle of the rate of credit recall is illustrated in a water system in which one ticket is issued for every gallon of water entering the reservoir and one ticket collected for every gallon consumed or evaporated. There will always be sufficient tickets to buy all the water no matter how large the reservoir. But if some tickets were collected where the water enters the reservoir, all the water could not be bought. The reservoir would continually expand but the people would never be able to buy it all. A similar premature collection of tickets occurs when credit is recalled before the goods it has helped produce are available for consumption, when prices vary with the amount of money on the market, and when money is saved and invested.

The natural law of costs could be applied to industry in the simple way of a reservoir only if every person were employed and if no savings took place. Neither of these conditions is possible nor desirable. We must all save unless we are to live from hand to mouth, and the development of electronics and automation brings closer the day when a decreasing number of persons will be able to find employment in industry. Yallourn is a foretaste of the industry of the future. Manpower has been more or less replaced by machinery and wages constitute but a small portion of the cost of production. There is an inherent incompatibility between the real objectives of industry and the accepted theory of Full Employment. The ideal factory is one in which machinery has completely displaced manpower—the machine secreting unemployment as the body secretes sweat. The accepted ideal of both capitalists and workers is maximum employment. Both have a financial interest in finding or making work. Both are ultimately interested in preventing the machine from completely displacing human labour, because, for the worker this would mean the loss of money with which to buy the necessities of life, and for the capitalist the drying up of profits if the great bulk of the people are without wages to buy the output of industry. This incompatibility of objective is the result of the retention of pre-industrial modes of thought regarding industry and finance. An electronic, scientific industrial age is irreconcilable with an unscientific, pre-industrial financial system operating on the moral principle that a man shall not eat unless he works. Unless the electronic

age is deliberately impeded, industry will very quickly replace human effort with machinery and it will be possible for the community to enjoy a degree of leisure undreamed of in the past.

These facts have to be borne in mind when applying the natural law of prices. Simply to reduce prices to their scientific level would be of little avail to the man without money. Whether the price of food was high or low would be of only theoretical interest to the man without an income. The problem must be faced from a community angle rather than a financial-industrial one.

The industrial system is the Highway to Plenty. It supplies the physical means of a better and fuller life.

The natural law of cost can be applied to present-day society only if it be based on the principle that all members of society are entitled to participate in the benefits resulting from the Cultural Inheritance and the Increment of Association, and that these benefits, like the profits of a company, can be distributed only if they are monetised. While the natural law of prices indicates the level at which goods should be sold it does not involve us in any one way of applying this principle. Let us consider the fundamentals of the problem. Workers are disemployed because machines are substituted for their labour. An unscientific rate of credit recall prevents the community from buying goods at their financial cost of production, because money equal to depreciation has already returned to the banks.

This condition is intensified by savings and investments, which increase costs without increasing the amount of money in the hands of the people.

Industry can remain financial only so long as producers and the government are increasingly constructing new capital works or armaments, and when the nation and the individuals are getting deeper and deeper into debt. *All* producers can make profits only when there is an increase in the national debt because under our bookkeeping system profits made by one are balanced by losses made by another.

Therefore, the products of farms and industry, which cannot be sold at home, must be exported abroad, or rot. This forced competition for foreign markets is the primary cause of war between the industrial nations.

These evils can be cured only by recreating the prematurely recalled credit and distributing it to the public directly, or indirectly by subsidising producers to sell their goods at prices from which the overhead charges have been removed, these charges being rebated by the government.

For two major reasons, the subsidising of prices should be employed to only a minor degree. By making the subsidy and the issue of credit conditional on a prior reduction of price, the government could remove any

inflationary danger from the issue of credit, but if this method were employed exclusively only those who were employed would benefit from the system, and it would leave the problems resulting from automation unsolved.

Secondly, such a policy would give the government control of industry and the community by its absolute control of financial policy, and the aim of all reform should be the granting of control of financial policy to the community.

Therefore the compensation in the rate of credit creation and recall should be directed to the granting to every member of the community of a National Dividend, which eventually would become the major portion of the income of even those who worked in industry. The workers and capitalists would receive a National Dividend in addition to their wages and industrial dividends, while the public would receive just a National Dividend.

We shall not go into the national bookkeeping by which a Balance Sheet may be devised and a dividend granted, but simply point out that the freedom and sovereignty of the individual can be maintained only by a National Dividend, and that only such a financial system, based on natural law and operating in a society in which organisation, power and social relations are based on natural law, can rightly be considered constitutional.

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## **The Restoration of Effective Constitutional Government — Continued from page 8**

ment, but was being used to further totalitarianism in the name of "the majority" vote, Mr. Butler said that the basis of any realistic constitution, was that the individual must be held personally responsible for his actions. Secret voting was un-British, un-Christian, and unconstitutional. C. H. Douglas had dealt with this matter and put forward specific proposals. But the problem was to find ways and means to work towards implementing these or similar proposals. Mr. Butler said that the Electors' Veto suggested by Dr. Geoffrey Dobbs in his Dinner message was one, which could and should be explored. He then mentioned an experiment he conducted last year as a Municipal Councillor. Before voting on the striking of the rate, he had called a series of ratepayers' meetings, explained to them that the Federal Government's inflationary financial policies were forcing Local Government either to increase rates to meet the increased financial burdens, or to do less work, and that he wanted a direction from ratepayers as to which policy he should adopt. By this means he encouraged ratepayers to vote openly and to accept personal responsibility for their vote. Mr. Butler suggested that many similar experiments could be conducted to encourage individuals to act openly and with a greater sense of personal responsibility.

## The Hour of Decision is Here from page 7

Mr. Butler continued, "I am well aware of all the various excuses and arguments advanced for not making decisions. Economic pressures are strong, but I know of no individual who is so completely subordinate to economic pressures that he cannot devote some of his time and talents to serving the truth. The claim that we have no time invariably means that we are unwilling to devote some of the time, which at present we are devoting to matters, which are of relative unimportance compared with the great issues we are discussing. If, of course, we think these matters are of greater importance than serving the truth then we are failing not only the truth, but we are failing ourselves." In concluding, Mr. Butler said that if every supporter realised more consciously the truth that he possessed the power to help change the whole course of history, then he would lose no time in re-orienting his life more purposefully towards serving truth. This was the hour of decision, which would decide whether the dawn would break.

### Eric Butler Unopposed At Council Elections

It was announced at the Dinner that, although there had been much discussion in some circles about the possibility of removing Mr. Eric Butler from Local Government at the recent Municipal Elections, and although nomination papers had been taken out, Mr. Butler was re-elected unopposed. This is the second time that Mr. Butler has been re-elected unopposed and indicates the strong respect he enjoys in his local community.

### "An Historic Document"

When he announced that autographed copies of Mr. Eric Butler's reply to the *Nation* smear, "The Secret Life of Eric Butler," were available for those attending the Dinner, Mr. Johnstone revealed that just prior to the Dinner a Melbourne representative of *Nation*, a Mr. Gott, rang and sought to obtain a ticket for the Dinner. This representative said he was ringing after receiving instructions from Sydney. It was explained to this gentleman that it was impossible to accommodate him at the Dinner, but that a copy of Mr. Butler's book would be left for him at The Victoria if he called for it.

Mr. Johnstone said, "This will become an historic document, because it reveals for the first time important events of the past twenty years. It reveals how it was the merest chance that prevented Mr. Butler from being interned during the war at a time when Communist influence had penetrated Security. It reveals Dr. Evatt's attempt to win Social Credit support for his far-reaching wartime constitutional proposals, and his subsequent attacks on Social Crediters. This document will be widely read and discussed throughout Australia. Mr. Butler not only answers

the smears against him, but clearly states his views on a number of important questions."

Mr. Butler's book is now available from The Heritage Bookshop, Box 1226L, G.P.O., Melbourne. Price 5/-, post-free.

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### Uniform Taxation - Continued from page 9

Mr. E. G. Whitlam, Deputy Leader of the Federal Labor Party, speaking on the subject in the Federal Parliament said:

"This uniform taxation system does, debase politics. It does, debauch the States. And it does lead to the perfectly reasonable theory that those who spend the money should bear the odium of raising it. But the solution lies, not in abandoning the uniform taxation system, but in *taking over those functions* of the States, which the States at present administer but for which the Commonwealth foots the Bill. We on this side of the House certainly believe that those who spend the money should have the odium of raising it, and the corollary is that those who wish to get the credit for spending money should be those who raise it.

"The uniform taxation system is not something which the Constitution imposes on this Parliament. It is something which the Constitution enables this Parliament to impose on the States if it wishes to do so." (Italics added.)

Senator McKenna, Federal Labor Leader in the Senate, has commented as follows on the new Financial Assistance formula:

"It is rather interesting to note that the condition that has attached to the payment of income tax reimbursement grants up to this time namely that the States should not impose any income tax themselves, is dropped entirely from the bill that is before us. I think that is very significant because, in my view, it indicates very plainly that the Commonwealth now regards uniform tax as being so firmly cemented into the pattern of Commonwealth and State relations that it does not even heed to impose that condition."

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## THE UNKNOWN FUTURE

Speaking at the Dinner, Mr. James Guthrie said that no one could predict with any certainty what was going to happen in the future. "But we know that there is both mind and purpose behind the Universe. And we are entitled to expect help—but only if we are humble enough in seeking it."

Mr. Guthrie said that the field of ideas was an explosive one, and that an idea could transform the whole world in a way difficult to visualize at present. "For example," said Mr. Guthrie, "someone could write an idea down on a piece of paper and as result that idea could perhaps spread like wildfire through Soviet Russia and bring it crashing down."