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

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FRIGHTENING CANADIAN FEDERAL ELECTIONS

MASS HYSTERIA AND NATION-WIDE SMEARING

By ERIC D. BUTLER

The following report by Mr. Butler was prepared on the eve of the Canadian Federal elections. Mr. Ron Gostick, Director of The Canadian League of Rights, played a major role in the elections. If it had not been for the tremendous campaign initiated by Mr. Gostick, the Trudeau victory would have been astronomical. But as Mr. Butler reports, there is every sign of a major Conservative grass-roots upsurge.

The Canadian Federal elections of 1968 can only be described as incredible. And frightening. In the middle of the campaign, the new Liberal Party leader and Prime Minister, Mr. Pierre Elliott Trudeau, suddenly lashed out at what was described across Canada as "hate literature". Mr. Trudeau charged that people like Mr. Ron Gostick, whose publication of Mr. Trudeau's Socialist background caused a nation-wide uproar, were "sick" and that their propaganda was an insult to the intelligence of the Canadian people. But at the same time those directing the Liberal Party campaign were blatantly insulting the intelligence of the Canadian electors by using the mass media to project what has been aptly described as Trudeaumania. The result was the spectacle of something approaching mass hysteria in some centres where Mr. Trudeau appeared. In Calgary, Alberta, Mr. Trudeau was unable to address one crowd because the loudspeakers broke down. But this didn't matter: the presence of Mr. Trudeau was apparently all that was necessary. Rational discussion and responsible voting became increasingly difficult as the campaign developed.

Exploiting Teenagers

One of the most disturbing features of the Canadian elections has been the use of teenagers to help stir excitement. Those who know their history will recall that Mussolini and Hitler made special use of youth movements based upon mass emotionalism. The Communists have also used young people, although generally by harnessing up their idealism. There has been increasing use of young non-electors in American political campaigning. I have met young American students on the West Coast of America who had come from the East to campaign for Senator Eugene McCarthy. The late Senator Robert Kennedy made a special appeal to young people, and openly urged students to riot. He said that rioting on the university campuses today would make for a better America tomorrow! The Trudeaumania of the Canadian elections was an extension of the carefully designed cam-

paigned that won Mr. Trudeau the leadership of the Liberal Party convention by presenting him as a combination of a brilliant academic and a "swinger" who was in touch with the mood of the younger generation. His publicity managers even reduced his age from 48 to 46 in their campaign to project Mr. Trudeau as a man of youth. No one felt it necessary to apologize for what was obviously a deliberate falsehood.

As Mr. Trudeau's writings and academic career show that he is a cool, calculating man, with a high degree of intelligence, he must have found the mass hysteria generated around his electioneering highly amusing. During the national television debate he was presented by his managers as a sober responsible man. His hair was combed normally while his dress was subdued and conservative. He spoke quietly but effectively. But the cameras also revealed another Pierre Trudeau, undoubtedly the real Trudeau. He looked haughty and almost disdainful. However, he played his role admirably in the election campaign, kissing the teenagers, quipping his way past difficult questions, and saying comparatively little on policy issues. The electors were not invited by Liberal Party candidates to support clearly defined policies, but were invited to surrender to the mass emotionalism centred on the major slogan of "Go Trudeau". It is true that Mr. Trudeau's propaganda machine urged Canadians to support "One Canada" and the "just society". But the only clear impression that one could obtain from all this was that Canada was to be further socialized. However, every effort was made to keep Mr. Trudeau's Socialist ideas from public discussion.

Serious Economic And Financial Problems

There is no doubt that the Trudeau image could have been severely damaged if the Conservative Party leadership had been prepared to demand that Mr. Trudeau's record be examined and discussed, and had genuine alternatives to offer. There was no realistic criticism of the Liberal Party's financial and economic policies, probably

because this would have placed the Conservatives in the position where they would have to state some definite policies of their own. There is no doubt that the Canadian economy faces serious problems. There has been a serious slow-down in the rate of building, particularly home building. Unemployment is serious in some areas. Interest rates are extremely high. It is difficult to see how the already heavy tax burden can be increased, and yet neither of the major parties has been prepared to give a firm assurance that taxes will not be further increased. Inflation has been growing at an increasing rate in Canada in recent years. Conservative Party leader Robert Stanfield has offered no solution except a vague promise for greater Government "responsibility" - whatever that means. Both Liberals and Conservatives have promised to do something to help the more economically depressed Provinces. But both give the impression that some Provinces will have to suffer financially in order to achieve this.

If ever there was a time when Canadians should be prepared to consider the economic and financial realism of Social Credit, it is at present. But the tragic truth is, as I have reported in the past, that the Social Credit movement in western Canada has been led out in the desert of party politics over the past 20 years and left there to die. During the past twenty years the Manning Government in Alberta has had every opportunity to build up by steady education a firm base from which Social Credit could have reached into the rest of Canada. But so far from extending the base that which did exist has been progressively eroded. Mr. Manning may argue that he had no constitutional power to implement Social Credit financial and economic policies. But it would be instructive to hear an explanation of why the Albertan educational system, over which Mr. Manning's Government has had complete control, has fostered so much Socialist and Communist teaching. If the British Columbia and Albertan Governments had been genuinely concerned about advancing Social Credit, they could by now have built a firmly based movement in western Canada. Their failure to do this is one of the great disasters of this century. The story of whether this failure has been the result of deliberative sabotage or ignorance remains to be written.

Conservative Leaders Join With Liberals

The only realistic comment during the national television debate between the party leaders was the observation by Mr. Caouette from Quebec that if substantial long-term credits could be extended to Communist countries so that Canada could export to them, then why could not Canadians extend similar credits to themselves to make use of their own resources. New Democratic Party (Socialist) leader Douglas frankly said that Canada should extend diplomatic recognition to Red China so that Canada might export more wheat to China, thus helping to solve the growing problems of Canadian wheat growers. Conservative leader Stanfield agreed with Liberal

leader Trudeau that Canada should seek to establish diplomatic relations with Communist China. Also that Red China should be seated in the United Nations. It is almost certain now that Canada is moving towards open diplomatic relations with Red China. A careful study of what Conservative leader Stanfield and Liberal Party leader Trudeau have said during the Canadian elections justifies the cynical attitude of those electors who say in effect that there is no real policy differences, that both are Socialistic, and that in effect electors can only choose the man they believe will be a better administrator than the other. The me-tooism of the Conservatives, depriving Canadians of a really meaningful choice, has been serious. But much more serious is the manner in which Conservative leaders have attempted to protect the Liberals by joining with them in declaring that there should be no public examination of Mr. Trudeau's background. It is this aspect of the Canadian elections that has shocked many Canadians, including members and some candidates of the Conservative Party.

When Mr. Ron Gosticks' *Canadian Intelligence Service* first published a background survey on Mr. Trudeau prepared by Mr. Pat Walsh, Research Director, Canadian Intelligence Publications and a former R.C.M.P. undercover agent, it caused a stir inside the Liberal Party but not sufficient to prevent Mr. Trudeau from being elected leader. It was clear then that Mr. Trudeau had deep and well-organized support inside the mass media. Mr. Trudeau's mass media allies were determined to provide their man full protection. A few columnists and radio commentators suggested that Mr. Walsh's background material be at least examined. But the Trudeau backers felt that they could safely ignore this, with the great majority never realizing that there were serious charges, which Mr. Trudeau should answer. However, a development of the greatest significance started to take place. There was an increasing flood of demands right across Canada for *The Canadian Intelligence Services* issue on Mr. Trudeau. The flood reached tidal proportions and Canadian Intelligence Publications could not meet the demand. Some groups were authorized to reprint. Others did not bother to seek permission to republish. A grass-roots development was now taking place, which had broken the boycott of silence by the mass media. Mr. Trudeau's strategists then decided that something had to be done.

Tremendous Victory For Gostick Movement

Seen in retrospect, I believe that the decision by the Trudeau strategists to openly attack and to attempt to smear Mr. Gostick will be seen as a tremendous victory for the movement Mr. Gostick leads. Mr. Trudeau made no attempt to answer the major points made in the Walsh survey, but tried to make the minor points sound foolish. The strategy was to brand the survey as an example of "hate-literature" and "smearing". But the nation-wide attack upon Mr. Gostick resulted in an increased avalanche of orders for the *Canadian Intelligence Service*. Millions heard about it for the first time. Mr. Gostick

was interviewed on national television and by the press. Right across Canada the *Canadian Intelligence Service* was debated. I have been through a few smear campaigns in my time, but few could compare with the vicious 1968 campaign in Canada against Mr. Ron Gostick. He has emerged as the clear winner because this campaign has focused attention on the role of subversive influences inside the mass media. It has also shaken large numbers of rank and file Conservatives, who were shocked when Conservative Party leaders came out immediately supporting the nation-wide campaign stating that any examination of Mr. Trudeau's background was "smearing" and could not be tolerated. With his former Socialist colleagues of the NDP supporting his left-flank and now the Conservative leaders supporting his right-flank, Mr. Trudeau's most vulnerable point, his background and his Socialist views, was reasonably covered.

It is no secret that former Conservative leader John Diefenbaker was extremely restive about the official Conservative policy that Mr. Trudeau's background was not to be discussed. Many other candidates felt the same way. But Mr. Eddie Goodman, National Chairman of the Conservative Party, had laid down the policy of joining in the national smear against Ron Gostick. Those who spread "hate-literature" were "sick". Perhaps it is not without significance that Mr. Goodman is a Political Zionist. The impression was given that the same people were running both the Liberal and the Conservative party campaigns. Many Conservative candidates across Canada lost no time in expressing their detestation of the "smear" campaign against Mr. Trudeau. Even Mr. Robert Thompson, former Social Credit leader, who joined the Conservative Party to run as a Conservative candidate, apparently found it necessary to go on record as being opposed to the "hate-literature" against Mr. Trudeau. This is not the first time that Mr. Thompson has supported an anti-Gostick campaign, and has caused even some of those voting for Mr. Thompson to doubt whether he is a man who can be relied upon in a crisis.

Conservative Backlash Developing

The major backlash from the Conservatives' protection of Mr. Trudeau is yet to come. After all, there was nothing obscure about Mr. Trudeau's views on how Canada should be socialized by making use of the type of strategy outlined by the Chinese Communist leader Mao Tse-tung. He had outlined it in his own writings. But when the Canadian League of Rights in Calgary, Alberta, attempted to put a large advertisement in the *Calgary Herald*, urging that Mr. Trudeau be allowed to speak for himself by quoting his own words, the advertisement was refused. The nation-wide smear against Mr. Gostick has resulted in a flood of new contacts. Rank and file Conservatives, including candidates, are going to ask why Mr. Trudeau was given official Conservative Party protection. They are going to ask whether the same insidious influences in the mass media reach into the top levels of the Conservative Party as well as the Liberal Party. The

stage has been set for a coalescing of genuine conservative anti-Communists around the developing Canadian League of Rights. For every action there is reaction. And in reaction guided by a dedicated and informed minority which offers the greatest hope that a Civilization based upon freedom and individual responsibility can survive those attempting to destroy the individual by organizing him into larger and more hysterical mobs.

THE 1968 ANNUAL DINNER BOOK NOW!!

With the attraction of Canadian personality, Mr. Patrick Walsh, interest in this year's dinner is running high and we advise that supporters should book their seats immediately. As always the Annual Dinner is a time of inspiration and rededication to the high ideals, which motivate the supporters of this journal and those activists in The Australian League of Rights. Those who fight for the rebirth of the values, which founded Christendom, come together at this Dinner, and the Seminar, which takes place on the following day, to fortify themselves anew for the year ahead.

As bookings are already heavy we ask you not to leave it to the last minute when we may be forced to refuse your request. When making your booking please enclose your donation of \$4.50 each.

The following highlights should be noted.

Our guest, and main speaker, Mr. Patrick Walsh, is a familiar name to most of us, but as a personality in the flesh he is not. His presence at this year's dinner, coming to us from Canada, again emphasizes the growth of our work throughout the English-speaking world. Mr. Walsh is a flamboyant personality and a forceful and colourful speaker. His address promises to be not only of great interest, but humorous and uplifting.

Mr. Eric D. Butler has intimated that his Annual Report will contain matters of greater interest than usual, and will request a more than usually attentive hearing. He will arrive back from overseas just a few days before the Dinner and will be giving a summary of the work accomplished during his six months visit to the U.S.A. and Commonwealth countries.

PLACE AND TIME OF DINNER

The Dinner will be held at The Banquet Room, The Victoria, 215 Little Collins Street, Melbourne, on Friday, September 6. Cocktails will be served at 6.15 p.m. Dinner will be served at 7 p.m. For all information, write to Box 1226L, G.P.O., Melbourne, 3001, or telephone 63 9749.

PROGRESS AND ACHIEVEMENT IN LEAGUE WORK

URGENT HELP NEEDED TO CONSOLIDATE AND INCREASE GROWTH

The first six months of League activity in 1968 have seen a marked increase of activity and interest in League work throughout Australia.

More and more the results demonstrate we are realising the fruits of the past number of years work, the experience gained, and the application of results gained from that experience.

Every indication is that we have now found the answer to many organisational problems and must go on to further expansion.

QUEENSLAND-NORTHERN N.S.W.

Nowhere has that steady progress been more marked than in Queensland-Northern N.S.W. under the control of Queensland State Director, Mr. Donald A. Martin, now so ably supported in Northern N.S.W. by Mr. Jeremy W. D. Lee.

Mr. Edward Rock, the Assistant National Director of the League was able to see something of what has been achieved in the Queensland-Northern N.S.W. area when he visited Queensland in May for the Annual Dinner and Seminar held in Brisbane, which he followed with a week's tour of some of the centres of League work in those areas. Both the Dinner and the Seminar—the second of each to be held in Queensland—achieved a high degree of success, both in response and enthusiasm, and also in the number of new people introduced to the League's work. Mr. Rock felt the Seminar on the theme of "Communism and Christianity" was a memorable and inspiring occasion, achieving the highest standards in scholarship and authority.

The depth and strength of the support for the League's work was very evident at each centre visited by Mr. Rock in conjunction with his wife Mrs. Nancye Rock and Mr. Martin. From the well-attended meetings and the keen interest it was obvious that the League was a vital part of the political life of each community visited. Emphasis was on the positive values of our Christian heritage, and the essential freedoms which form the basis of the League's objectives; and the necessity to rebuild from the ground up the understanding to live up to and stand unflinchingly for such values, as the only alternative to the creeping disease of social unrest resulting from increasing doses of socialism under the growth of economic and political socialism.

SOUTH AUSTRALIA, NEW SOUTH WALES AND WESTERN AUSTRALIA

The addition of Mr. Jeremy W. D. Lee to the full-time staff of the League has in a short six months demonstrated beyond doubt the outstanding qualities of a gifted, speaker, lecturer and teacher. He has been able to impart with great clarity the concepts and purposes of the League's work. He has added new life and purpose to States, which due to the lack of a full-time director need to rely on visiting League speakers.

Present League supporters in the States of N.S.W., South Australia and Western Australia will now be serviced by both Mr. Lee and Mr. Butler as we work towards our objective of obtaining the right men to come into the League permanently in those States.

On his first tour of South Australia and Western Australia, Mr. Lee made an immediate dramatic impact. Both Mr. Frank Bawden and Mr. Tom Baker, State Directors of S.A. and W.A. respectively, reported in the most eulogistic terms on the results obtained from Mr. Lee's visit to those States. While Mr. John Ball and Mr. Rock at the League's headquarters in Melbourne are elated by the increased activity reports of Voters Policy Associations in those States resulting from Mr. Lee's work. It means the League's impact is growing, and must result in the further advance of the policies we are fighting for.

V.P.A.'s MATURING AND GROWING

The work of our hard-core groups, our Voters Policy Associations is increasingly effective. It is quite obvious that a high degree of dedication has been achieved. The result has been a further advance in obtaining the confidence and support of Members of Parliament, which warrants the assessment of a present Minister of the Government that "the Australian League of Rights is the most significant political organisation in Australia today."

New techniques in recruiting new members for V.P.A.s have been undertaken, and early indications in Victoria are very heartening, pointing to the means of hastening development in the future.

SUPPORT NEEDS TO BE MAINTAINED

The \$25,000 appeal concluded last year can only be counted successful when all pledges are fulfilled. Due to disastrous drought conditions we realise the capacity of supporters to fulfill pledges, especially in the country areas has been placed under great strain. However, we appeal to all those whose pledges are unfulfilled to ensure wherever possible that they meet their commitment. Many of our country supporters have demonstrated their faith by

increasing their overdrafts not only to obtain finance to carry on, to restock and buy new seed, but to also fulfill their pledge to the League, believing in faith they will be rewarded tenfold in the years to come.

MANY OTHERS CAN HELP

As magnificent as was the response by those who contributed to the \$25,000 appeal, the number of supporters who did not respond was large. We appeal to those to now come forward and help plug the gaps forced upon those who have been hit by unfavourable economic conditions. With all pulling together the League will continue to go forward at this critical time in our history.

ONE MAN'S EXAMPLE

There is no greater example of the contribution towards the defence of Christian Civilisation than the efforts of Mr. Ron Gostick in Canada at the moment. His efforts in conjunction with the Canadian League of Rights is giving the Canadian people the only worth-while opposition to the take-over bid by the Canadian Fabian Socialist Prime Minister. Mr. Pierre Trudeau. Mr. Gostick is giving the Canadian people the truth about the real background and beliefs of Mr. Trudeau, as against the false picture projected by the mass media.

Let Mr. Gostick's example in Canada be a challenge to us in Australia to make certain that the League here is able to cope with any challenge thrown against us. From the smallest to the largest contribution, this ultimately depends on the availability of financial support.

WE MUST CONTINUE TO GO FORWARD

The critical moments we live in demand that the League continue to go forward. We have far greater goals to achieve. Full-time directors in every State. Live and active Voters Policy Associations in every electorate in Australia, and expansion of whatever help and mutual assistance, or exchange of assistance to our sister Commonwealth members in Canada, New Zealand, Rhodesia and Britain.

Therefore we urgently appeal to all supporters. Support us to the limit of your capacity and beyond that we may continue to fight and rebuild the basis of freedom, which is our heritage. Until ". . . they shall sit every man under his vine and under his fig tree; and none shall make them afraid."

THE PILLFARE STATE

By SIR ARNOLD LUNN

(Reprinted from the April 19, 1968, *London Catholic Herald*)

If I had to select a short quotation from the contemporary press to illustrate the contrast between the England in which I was born and modern England, I think I would quote a letter from a girl of 23, which appeared in one of our best-known Sunday papers:

"At the moment I am living with somebody. Most girls today are economically independent and, on top of that, they are well chaperoned by the pill. So I would have thought that parents have less to worry about than ever before."

The writer of this charming letter assumes that the only possible objection a modern parent could have to an unmarried daughter living with a young man is the risk of such a union resulting in an unwanted child. In the Pillfare State modern science has removed all deterrents to the carefree enjoyment of the pleasures of sex.

In the England of my youth, before pill chaperonage had been discovered, pre-scientific chaperonage was both strict and in the main effective. It was very unusual for girls of the middle or upper classes to have affairs before they married, and not only because they were strictly chaperoned but also because it was well known that the type of young man whom they hoped to marry tended to divide girls into those with whom they had casual affairs and those whom they would wish to marry.

In the Oxford of my youth it was only a minority of practising Christians who made a serious attempt to conform to the exacting Christian code of sex morals, and it was perhaps an even smaller minority who campaigned

vigorously against this code.

Most of those who, like the present writer, were vaguely agnostic, probably felt that the country would not be the better for repudiating its traditional religion.

I am inclined to think that I would have agreed then with the point of view expressed by Dr. Monk Gibbon in his book, *Mount Ida*, which was published many years after I had left Oxford, in which he wrote: "The truth is that civilization collapses when the essential reverence for absolute values which religion gives disappears. Rome discovered that in the days of her decadence."

In the last few years before the First World War, the Christian code of sex, however much it might be attacked by non-Christians, was accepted without question by Christians. There were no ecclesiastical preachers of a New Morality to suggest, to quote a modern churchman, that goodness consists "in generous self-giving," and that "where sex outside marriage is the medium of self-giving of this kind, I would unhesitatingly say that it is not

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sinful."

It would not be unreasonable to describe England in the opening years of this century as a Christian country. By this I do not mean that the majority of Englishmen made a consistent attempt to practice the exacting Christian code, but there was general respect for the code even among those who found it too exacting. Only a minority dogmatically repudiated both the Christian creed and the Christian code. In brief, England was then a country with standards.

The contrast between the England of my youth and modern England was summed up in a remark made by that great Hellenist, Sir Richard Livingstone, to a friend of mine:

"When I was young there were still moral fences. Admittedly they did not always prevent trespass, but at least we knew the fences were there. Since then most of the fences are gone."

In the Oxford of 1961, a sermon preached in St. Aldates by the rector on the topic "Why Not, If We're In Love?" provoked the shrill indignation of Mr. John Davis writing in the undergraduate paper *Cherwell* (June 14, 1961): "Love is supposed to be the most Christian of all human virtues. Because he was attacking a desire to express this feeling, the rector's speech was neither a very humble nor a very compassionate one."

Nothing as asinine as this could have appeared in any undergraduate paper before the First World War. It would not have been difficult to find a contributor to attack the Christian moral code, but impossible to find anybody to attack a Christian clergyman for defending that code.

The dominant philosophy in modern England is atheism, which prefers, however, to be described as humanism or secularism, and the consequences of rejecting God are becoming ever more apparent. Mr. Eric G. Clark stated in the *Observer* (September 18, 1966) that the number of crimes committed had increased tenfold in this century. "For every one hundred thousand of the population sixty-six years ago there were two hundred and fifty crimes. Last year there were 2,374."

But the consequences of rejecting theism will have to be even more apparent before Christians wake up and transform the ecumenical movement into a militant alliance to defeat the concerted attempt to capture our country for atheism, and to subvert all accepted standards and all values, which we have inherited from Christianity.

10 MILLION HUNGRY AMERICANS

By G. K. TAVENDER

The following is a condensed version of an article headed as above by the *Adelaide Advertiser's* foreign editor, Noel Adams, on April 27.

"Poverty in America has a crushing air of permanence, of being for some millions of people, the end and a scalding injustice; this in a country where farmers are paid to withdraw land from production as a defence against glut. It is malnutrition, loss of dignity, loss of energy and hope. Poverty is bearable when all, or even most, are poor. It becomes intolerable to a minority. If these submerged people cannot be helped by finding work for them, what do you do? The obvious answer is to give them at least the means to live decently. Some economists are saying bluntly 'Give them money'.

"The notion of something for nothing (except for the very rich) still goes against the Puritan tradition in America, which ordains that to eat one must work. (This Paulian dogma is embraced by atheistic Communism, too.) Yet the mood is changing: a number of ideas have been put forward: they all begin by accepting that it is no longer possible to expect every man or woman on the breadline to get himself a job so that he can stop being poor. It has been estimated that the entire bottom fifth of the population could be lifted once and for all over the threshold of poverty for less than half what the war in Vietnam is costing the United States." End of quote; parenthesis are ours.

In the full text, Mr. Adams referred to "Western society" as "affluent". He might not have done so had he reflected that, a society in which the total of bank deposits and cash in hand could pay off only a small fraction of the total debt, is not affluent. The word is thrown at us repeatedly to implant the false belief that higher taxation is the only source of money for public works, "relief", and so on. It is what power centralisers want us to believe. There would be grounds for the belief if the flow of money to consumers (everybody) equalled the flow of prices of real wealth produced: but it does not. Irrespective of whether business is relatively booming or slumping, only the monetary "cost" of production reaches consumers. The difference between "cost" and "price" calls for augmentation of the existing flow from the banking system. If, say, \$800 "cost" is distributed for every \$1000 worth of production, an extra \$200 is needed from another source. It should not be bought with goods, nor borrowed, but issued as governmental expenditure, then cancelled through taxation. Part of the issue could be applied to the "stabilizing" of costs, forever, if need be.

Real wealth is consumer goods and services and the means to increase them. The difference between the output of manual labour and modern productive technique is real profit, not fully enjoyed because it is not fully monetised. This gain is termed "something for nothing" by some people: Social Crediters call it "cultural heritage" for it is largely the result of thought and effort of

people now dead. It is the heritage of all: not necessarily of equal shares: from it, must be distributed enough to afford at least a dignified living for all who are displaced by machines: how better done than by giving them specially issued money with which to claim part of the unmonetised production? By the time the principle is recognized, governments will have the wisdom to arrange means for all who so desire, to learn productive skills, even if they are not permanently needed as producers.

Scientific use of credit-power, which we can explain in fuller detail when required, will not only abolish poverty from any country that applies it. It will show that the financing of education, health, development, and so on, are not "problems" at all. That malignant dragon, "Balance of Payments Problem", paralyzer of the minds of politicians and economists, will be no more, and with his departure will go one of the main provokers of war. Congratulations, Noel Adams, for your break-through with a suggestion, which has almost been tabooed by the daily press, since it was first made nearly fifty years ago.

OVERSEAS CAPITAL VERSUS AUSTRALIAN CREDIT POWER

The following letter from Mr. Tavender to *The Australian* is also important to current discussion on the problem of financing Australia's expanding mineral and industrial resources.

Sir,

Our Japanese business visitors know what they want and present their case with a reasonableness, which, considering the international business philosophy of buying money with goods is most commendable. This gives weight to banker Sumie Hara's friendly advice that Australia keep its equity in foreign business here. Mr. Hara expects the ill effects of the "give away Australia" craze to become intolerable in 30 to 50 years. Other observers, having in mind the loss of over \$300 million last year, say we are now entering the period of trouble, which could become intolerable much earlier—say 10 to 15 years.

Mr. E. M. Cronk, of the U.S. Embassy in Canberra, says there is no cause for concern. In the earlier days, Britain owned a large portion of U.S.A. industry and "it didn't hurt us a bit", he said. But historians say it did hurt enough to cause rejoicing in the U.S.A. when the pain was eased by Britain's forfeiture of her holdings in exchange for U.S.A. help in two world wars. Must we hope for a similar set of circumstances to release us from our own bondage?

The reason for some Australians being complacent about the "give away" is what they term "the inflow of cash" artificially and temporarily stimulates local business. Can they not see that Australian created bank credit (money) can be made to do the same job as the imported stuff—but genuinely and permanently, and without the detrimental after-effects?

HOW DO CHINESE COMMUNIST FINANCES OPERATE?

In a propaganda newssheet *Letter From China* by long-time apologist for Communist China, Anna Louise Strong, now living in China, writing in her newsletter of January 1968, she gives some idea of the way the Chinese manage their currency system. Readers will note the comparison between the U.S.A. and China in regard to the growth of debt. Also the assertion that China does not issue bonds, and that "her budget is balanced", "she has no deficit", and "the prices of commodities remain stable or **drop slowly as production increases**". The evidence suggests that the Chinese Communists are not bound by the fallacious practices of debt finance as operate in non-Communist countries. China continues to finance huge imports of food and industrial equipment from the Western world, as well as exporting Communist aggression to Africa and Asia. The interesting question of how this is done without a crippling debt structure similar to the picture painted of the U.S.A. is not explained. However it is obvious that China is not inhibited by the same bookkeeping rules as are applied by the world bankers to Western nations.

Following are the notes from *Letter From China*.

All these achievements were made without debt. China is one of the few countries that owe no debt to any foreign power. From 1962-65 she cleared large debts to the USSR which included weapons supplied by Moscow for the Korean war, part of which were Lend-Lease gifts from the U.S. to Russia for the Second World War. China had a small internal debt in the form of government bonds issued prior to 1958; the last instalment of these falls due in September, 1968, and will clearly be quickly paid. China stopped issuing bonds in 1958 because she thought it a waste of paper work, unsuited to a socialist country. Her budget is balanced; she has no deficit in payments; her money is firm; the prices of commodities remain stable or drop slowly as production increases.

China's insistent solvency may be contrasted with the United States, which has no foreign debt but a huge internal debt of \$346 BILLION as of last November, steadily growing year by year. **This means that every child born in the U.S. is saddled at once with a debt of \$1,780 on which he pays interest all his life** to those banks and monopolies, which have chosen to buy government bonds. Such is the capitalist road.

When a child is born in China he doesn't owe a cent. He inherits a growing system of land improvements already paid for. **This is China's idea of a sound way of life.**

THE ATTEMPTED REVOLT AGAINST BIGNESS

From different parts of the world come encouraging evidence that some people are seeking to find ways and means of revolting against the ever-increasing drive towards the centralization of power and bigness. While the

One-Worlders continue to talk about the "inevitability" of their policy, Biafrans in Africa fight at great cost to contract out of the Nigerian Federation, the Scottish and Welsh Nationalist movements gain increasing support in a revolt against domination from Whitehall, the Canadian Provinces, like the Australian States, bitterly resist the encroachments of the Federal power, the much-publicized European Common Market is providing anything but unity, while from the United States comes the cry that many of America's problems stem from the over-centralization of the population into big cities.

Big Government Comes Under Increasing Attack

Back in May the menace of bigness was attacked at a conference at Oxford University, England, when the following questions were discussed: Why should gigantic "glamorous" hydroelectric dams be built in the drought-afflicted regions of the world when the immediate call is for thousands of plastic-lined holes in the ground for retaining rainwater? What can be done about the apathy and the antipolitics mood now spreading among ordinary people who, dominated by bigness in government and industry, no longer feel they have any say in what happens to them?

Even some Socialists are starting to question centralization. But the problem of various types of bigness cannot be realistically faced without challenging the financial policies, which make bigness appear inevitable. Centralization in secondary industries is being paralleled with centralization in primary industries. From Canada we learn that there is a move to have the Government buy "uneconomic" farms so that they cannot be bought by individuals. A similar policy is being mooted for Australia. But we have not seen anyone asking the question how farms that were economic ten years ago are now "uneconomic"? Most of these farms are producing more than they did ten years ago, generally with less manpower. They are much more efficient. How then have they become "uneconomic"? Primarily because the financial burdens imposed upon the farmer have increased. These burdens are the direct and indirect result of financial centralism, one feature of which is progressively heavy taxation, most of which finds its way into higher prices, and progressive inflation.

Increasing numbers of people everywhere are being herded into apartments because they cannot "afford" individual homes. Individual homes can be built more efficiently than ever before. The problem is financial, not economic.

When control of credit creation and issue is decentralized back into individual hands, then only will the problem of bigness be dealt with. The policy of Social Credit is the basic answer to the problem of bigness.

NEGRO PROGRESS IN THE U.S.A.

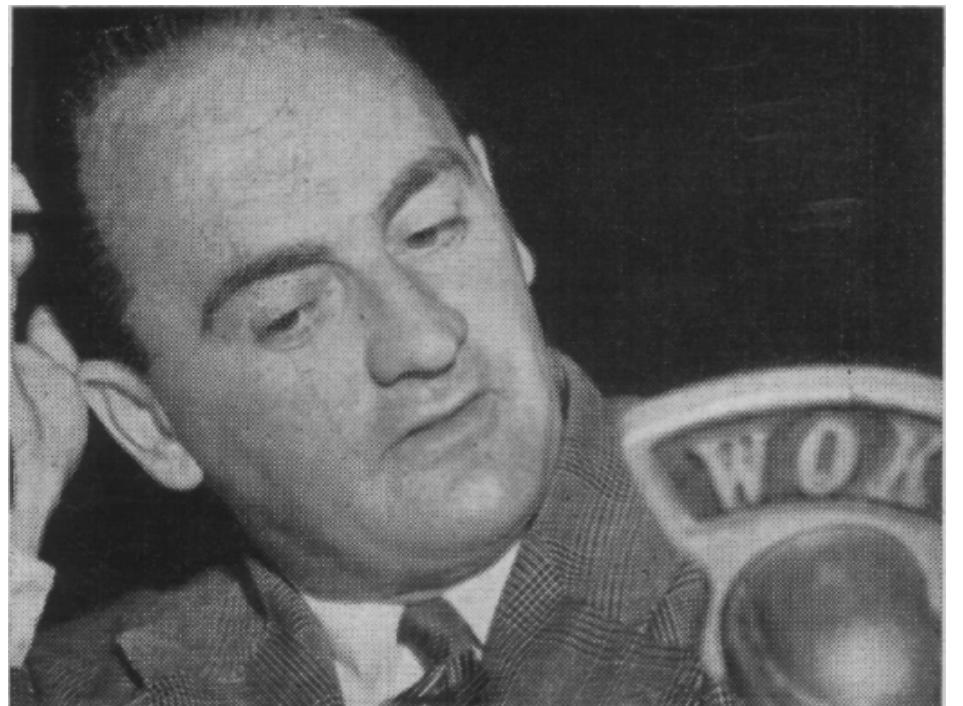
Propaganda has created the impression amongst many people that the Negro people are rioting in the U.S.A. because they have not made sufficient economic progress. The following information is provided in the book, "Road to Revolution", by Phillip Luce, a former American Communist who has exposed the Communist plan for guerilla warfare in the United States.

"Today, Negroes are represented in the United States Cabinet and on the Federal Reserve Board. Two post-masters are Negroes (Cleveland and Los Angeles), six are U.S. ambassadors and 16 are Federal judges. The U.S. Office of Education has recently noted that Negroes generally have more 'new schools' and 'new textbooks' than their white counterparts. There are presently over 226,000 Negroes in college.

"Negro income has risen 24 percent since 1946 while white income has only increased 14 percent. One in five Negroes earn more than \$7000 a year; nine out of ten families own one (or more) television; two-thirds have automatic washers and one-half of the Negro population own their own cars. There are 50,000 Negroes in business for themselves and there are over 40 Negro millionaires. The number of Negroes in the professional and technical fields has risen 130 percent in a decade. Since 1950 the number of Negro lawyers has increased 50 percent.

"There are now 7,747,000 Negro job-holders while in 1957 there were only 6,721,000. And while Negroes only constitute 10 percent of the population, they hold 23 percent, of the city jobs in New York City, 30 percent of the city jobs in Cleveland and 40 percent of the city jobs in Philadelphia.

"Anyway you look at it, the Negro in the United States has made great gains in the past few years."



Mr. Pat Walsh testifies before the H.U.A.C. in Albany, N.Y., July 1953. Mr. Walsh will lecture in Australia in August and September for the League of Rights. He will also be the guest of honour at the New Times Dinner on Friday, September 6.