

THE NEW TIMES

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

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THE SUBVERSION OF SOCIAL CREDIT IN ALBERTA

THE END OF A CHAPTER

In 1935 an event of international significance took place in the Western Canadian Province of Alberta: a Government was elected with an overwhelming majority under the label of Social Credit. The Great Depression was still casting its grey gloom and despair over the world. Here was the election of a Government, which promised to overcome the Depression conditions by a new type of financial policy. None of the elected Members of the new Government, including the Premier Mr. William Aberhart had more than a sketchy understanding of the proposals of the author of Social Credit C. H. Douglas. But their election by an electorate, which was convinced that an increase in purchasing power was essential to overcome a desperate economic situation, was seen as a major danger signal by the International Money Power and its supporters. Appropriate opposition action had to be taken.

If Social Credit financial proposals were as unrealistic and fallacious as was loudly claimed by opponents, then obviously the most effective way of demonstrating once and for all that these proposals offered no solution to a suffering mankind, was to have them tried in Alberta. But every possible obstacle was offered. It was feared, of course, that the proposals would be successful and inspire a worldwide revolt against the use of the financial system as an instrument of imposing totalitarian policies. As several Members of the first Social Credit Government in Alberta have observed, their greatest disadvantage was that they not only knew little about Social Credit, but had only the haziest ideas about the credit system and its operations. It was not surprising that the new Government was soon in difficulties and dabbling with monetary proposals, which were basically unsound. A wedge was driven between Douglas and Prime Minister Aberhart.

Subversion

Subsequent pressure from the electorate resulted in the Government adopting a more realistic attitude. Premier Aberhart was learning rapidly under the guidance of those who understood the real nature of the problem to be tackled. He began to realise the full significance of the battle in which he was engaged, and the steps necessary to win. The outbreak of war, predicted by Douglas, changed the situation. It was essential now for the Government to consolidate its position in order to renew the battle successfully when hostilities ended. And every effort must be made to educate the electorate. But unfortunately Premier Aberhart suddenly died. He was replaced by Mr. Ernest Manning who, superficially at least, indicated that he would carry on where Mr. Aber-

hart left off. Subsequent events were to demonstrate the reality of the growing fears of those who believed that Manning would, either consciously or unconsciously, subvert Social Credit. The full story of this subversion may some day be written, but it is sufficient to say here that Manning rejected Douglas, tied Social Credit to party politics, allowed Social Credit educational activity in Alberta to die, while sponsoring the On-To-Ottawa part political approach to advance Social Credit. After twenty years of this futile and destructive approach, Mr. Manning then announced that there was no hope of electing a Social Credit Party to office at Ottawa, and that Social Crediters should join a Conservative Party. And then in September of last year Premier Manning retired.

That "Debt-Free" Myth

It may be significant that Mr. Manning decided to retire when it was becoming obvious that the myth about the "debt-free" and "tax-free" Province could no longer be sustained. For twenty years this myth has been the main sustaining influence for money reform groups all over the world, who urged the creation of a "Social Credit Party" to follow the lead of Alberta. This has been a major diversion of effort, which could have been employed along the constructive lines advocated by C. H. Douglas. History has graphically confirmed his genius as a political strategist as well as an economist and philosopher. The myth about Alberta was sustained for so long primarily because of the oil revenues and because the increasing debt structure of Municipal Government was rarely publicised. The following article from *The Globe and Mail* (Toronto) of October 26 shed some revealing light on the reality of

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FARMERS OFFERED SOLUTION TO COST-PRICE SQUEEZE.

The following is the major part of a letter by Mrs. D. Phelps in "The Farmer and Grazier" (South Australia) of November 28, 1968 (cross headings ours):

Sir,

In your editorial of October 31st, Mr. McMahon, the Federal Treasurer, is quoted as having spoken of "the seemingly inexorable tendency of costs and prices to keep rising - thus creating problems for some segments of industry - notably primary producers". *Seemingly* inexorable! Any primary producer could tell him that there is no "seemingly" about it. It's a solid fact! The problem of rising costs dominates almost every discussion concerning primary production, and is rivaled only by the problem of how to sell our super-abundant primary produce at a payable price. These two problems are closely allied, and, in my opinion, both are brought about because of a missing link in the chain of money creation and distribution. Many people do not understand how money is created and spread through the community, and in view of the importance of money in a modern society, surprisingly few are prepared to go to the trouble of finding out.

Most people seem to assume that new money is put into circulation when the Government prints new notes, but in reality this does not add to the total money supply. And yet it is obvious that we are now using much more money than we were twenty or thirty years ago. Through what channels does this money come into circulation? Our supply of new money is created, not by the Government, but by the trading banks, in the process of granting overdrafts and loans to finance production. By the same token, when an overdraft or bank loan is paid off, that amount of money is cancelled out of existence. This process of creation and cancellation of credit-money may be studied in more detail in high-school economics textbooks by anyone who is interested. I wonder how many producers realise that every time they draw upon their overdraft accounts they are bringing new money into existence, and every time money is used to pay off an overdraft, it goes out of existence?

The Creation of Financial Credit

Our entire money supply first comes into existence in the form of bank credit. Notes and coins are only the small change which some of it is changed into later. When notes and coins are issued, they are distributed by the Reserve Bank to other banks in exchange for a cheque, in just the same way as we can get five \$1 notes from a bank in exchange for a cheque of \$5. So, when notes and coins are issued it does not mean that there has been an addition to our money supply. It merely means that there is that much more small change in circulation. An equivalent amount of money in the form of a cheque paid to the Note Issue Dept. of the Reserve Bank has been taken out of circulation.

There is nothing wrong in using bank credit as money.

Its use enables the bulk of business dealings to be accomplished by the very convenient and efficient cheque method. The fault in the system lies in the fact that the only way in which this new money is distributed is in the form of loans to government or private enterprises for production of goods and services. Thus all new money is a cost in production being used to pay for such things as wages and raw materials and must be charged for in prices so that the producer may repay the loan or overdraft. The snag is that this is not the only cost which the producer has to take into account. When setting his selling price he also has to charge enough to cover overhead, depreciation, interest on his loan, and an income for himself. But the only money in existence at any given time will be an amount equivalent to that which is issued for current production, because money issued for that previous production has been cancelled when loans issued for that previous production were repaid. Therefore every producer in the nation is trying, *at the same time as every other producer*, to rake in more money for his produce than he has spent into circulation during its production. It stands to reason that they can't all win, and this is why, no matter how "affluent" our society is claimed to be, some businesses *must* go broke, and some primary produce *has* to go to waste each year, and thousands of hire-purchase transactions are necessary in order to keep secondary industries moving. There just isn't enough money in existence to buy, at a payable price all that is produced.

A Vicious Cycle

This also explains why cost-push inflation is a "seemingly inexorable" part of our present money system. If we are to continue to have an expanding economy, as desired by our Government and its advisers, there must continually be larger and larger issues of credit-money to oil the wheels of business and industry. But, because all new money is issued through the pro-

NOTE THIS DATE NOW

The 1969 Annual Dinner of "The New Times" will be held on Friday, September 19. Because of the growing attendance at this annual event, some selection will be necessary in future. Readers attending are requested not to bring friends and acquaintances that are not familiar with "The New Times" and its associated activities. They may deprive a supporter of a seat. Early bookings are recommended. The donation will be \$4.50 per person, which must be paid in advance. It is anticipated that one of the guests of honour will be Canadian Mr. Pat Walsh.

ductive system and becomes a cost which must be reflected in prices, there is just no end to the vicious cycle as long as the expanding continues. Higher overdrafts mean higher costs which mean higher prices which mean higher wages which mean higher overdrafts which mean higher costs and so on.

In the past there was a way of controlling costs and prices when they thus got out of hand. This was done by curtailing the amount of new money available as loans to producers. In other words, by "withdrawing credit". This automatically lessened demand for goods, services, and labour, and brought prices down. It also caused the widespread misery known as a depression. The choice for governments has been either an expanding economy with inflation riding inexorably on its back, or a depressed economy with falling prices and misery for all. The man in the street used to believe that booms and depressions were a natural cycle, like the heat waves and cool changes of the weather system, but he has recently realised that depressions only happen when they are deliberately produced. So governments are forced to think long and hard before they apply a credit squeeze these days, and when once they have mounted the tiger of an expanding monetary policy they don't know of any way to safely get off. What, then is to be done?

"Experts" Offer No Real Solution

We are frequently told, by various assorted experts, that there are two ways to beat the rising cost of production. The two stock remedies are that we must increase our acreages, and we must become more efficient. In answer to both these pieces of advice one may ask, where is this to end? In the advocacy of increased acreages, what is the limit to be? Are acreages to be increased every time production cost rise until there are only a few dozen landholders in the whole countryside? Surely there is a limit too, to the amount by which efficiency may be increased? What is to happen if costs still continue to rise after this point is reached? As Mr. C. D. Renshaw, president of the United Farmers' and Woolgrowers' Association, pointed out recently, primary producers, in an effort to beat the rising cost of production, have become *too* efficient. He said, "The very efficiency of the farming industry has resulted in an accumulation of undisposible surpluses of many commodities. The unprofitability of some forms of primary industry has forced producers into other avenues, and again a position of glut, or threatened glut, has been reached". Mr. Don Wilsdon, South Australia's champion farmer for 1968, Ampol-UFGSA competition) has been reported as saying much the same.

In increased efficiency and increased acreage are, at best, only temporary solutions, is there any other way to overcome the problems? I believe that there is. I have claimed that the continually rising costs are due to the fact that our money supply comes into existence in the form of overdrafts to producers, and that therefore, whenever there is an increase in money supply there is also an

increase in indebtedness. In other words, an increase in costs. In order to cover these costs, and make a living, producers must then be able to increase prices, but primary producers are prevented from doing so because of the surpluses due to their efficiency.

Some Suggestions

I believe that the only way to solve this problem is by having a certain proportion of the nation's money supply issued in some way in which it need not be added into the cost of production. What this proportion should be, could be easily enough determined in these days of computers and copious statistics. The Government has the legal power to issue money through the Reserve Bank if it chooses to do so, and there are a number of ways in which such money could be distributed so that it would not add to cost-push inflation. One very obvious way to get it directly to consumers would be to use it to increase pensions and child endowments, at the same time abolishing the means test, so that all elderly people could be paid a pension. This would add to the supply of money in the consumer's pockets, and would help to bridge the gap between what is produced and what people can at present afford to buy.

Another method of using this money to facilitate the exchange and consumption of goods would be the application of subsidies to suitable industries. Subsidies have in the past proved their value in enabling producers to sell at a payable price, and at the same time enabling the consumer to buy at a price he can afford to pay. Both of these methods would therefore increase consumption, thus helping to solve our marketing problems without adding to the burden of inflating costs.

I know from experience that at this point someone is bound to suggest that an issue of extra consumer money will aggravate demand-inflation, and the old bogeyman of "too much money chasing too few goods" will be dragged in. But is there any primary producer today who can believe that there is any danger of a shortage of goods? Surely the situation is quite the reverse — too many goods chasing too little money! The fear of too much money chasing too few goods is a leftover from the days when goods really were scarce. It has become less and less relevant as productive efficiency has increased, and has now become a meaningless cliché. D.E. Phelps

WORRIED ABOUT THE "HONG KONG" FLU?

Australians have been warned about an Influenza epidemic this winter. But they can protect themselves without injections with natural vitamin therapy. It has now been demonstrated conclusively that vitamin C provides both protection against influenza and also helps with rapid recovery if it does develop. Vitamin A is also important. Obtain your vitamin supplies from: —

Dietary Health Products Box 1226L, G.P.O., Melbourne. List of available dietary products available upon request.

TRUTHS NOT PRESENTED TO STUDENTS

Consider the state of our society, as it must appear, however dimly, to the intelligent student. At home he is made increasingly aware of rising prices, rising rate and tax demands, hire purchase dues, strikes, unemployment and redundancy; abroad of the menace of the H-bomb, bacterial and chemical warfare, with military "hot" wars raging in Asia and Africa and trade "cold" wars raging on the home and foreign market, each war the cause of much suffering and despair. And all that Church and State, University and School, Press and Radio can suggest as "cure" for our social malaise is increased centralised control, the turning of our Society into a Collectivity, entailing increased international control, the transformation of our nation into a department of a European, and later of a World State. What always amuses me, is not that students should register so much unrest, but that the national should register so little.

Peter Simple observes, "If I am not mistaken the support the nationalists are now getting . . . is due to an increasing dislike and suspicion those plain people feel, most justifiably, about where the world — the great, boastful, technological, international world — is going. They do not want or like what is happening; if they must be part of it, the Scots and Welsh want to keep an eye on their own small corner; to have some chance of *controlling* (my stress) what is happening, even of resisting if it is necessary. Do not the English, for all the official, international twaddle, want the same thing? Aren't they searching vaguely now, perhaps desperately soon, for some nationalist basis on which to get it?" *Daily Telegraph*, 19/6/1968.

The Importance of Patrimony

An editorial in *The Social Creditor*, 15/6/1968, observes: "Patriotism is defined as defence of or being zealous for one's own country's freedom or rights, but its full meaning has its roots in human-even animal nature. It is instinctive. Closely related is the concept of patrimony — property *inherited* from one's ancestors. Patriotism is *family* written large; patrimony is an external inheritance as real as the individual's internal genetic inheritance. But patrimony includes more than physical property; it includes cultural differentiations — arts, skills, monuments and specific histories . . . The internationalist endeavour to abolish patriotism and internationalise the native patrimony is thus equivalent to the endeavour to repress the sexual impulse; in both cases the instinctive drive breaks forth in perverted activities. This is probably the *basis* of the mounting crime and student and other protests — which, senseless and destructive as they are, yet are the only outlet for an inborn will-to-

freedom and to property which are being denied by mounting repression of government and technology."

Organised Ant heap or Living Organism?

"Things fall apart, the centre will not hold," said poet Yeates, or words to that effect. The student is daily becoming dimly aware that the foundations of his society are giving way and that the so-called "Establishment" is forced increasingly to govern by force and make-believe. He is becoming dimly aware that the nation is today the sport of international power, the World Banking System and a World Party System, both of which pursue the same policy, based upon the same philosophy, of treating Society as an Organised Ant heap, to be "planned", "directed" and "controlled" as world policy demands, and not as a Living Organism, to be allowed to develop within the Natural Law, as British policy demands.

He is becoming dimly aware of the *financial* Poverty and Servitude, which is being imposed, on his society in the midst of technological Freedom and Plenty — of enforced Taxation for Debt, which should never be recognised as Debt. He is becoming dimly aware that behind Her Majesty's Visible government stands an Invisible government which would impose "serfdom by consent". And few indeed are the politicians or schoolmen who would jeopardise their careers and enlighten the people as to their true state of bondage. Few indeed are the politicians and schoolmen who will admit the truth of what is here set down.

The Real Solution

"No real solution of our problems is possible which does not traverse the canons of orthodox finance," said Douglas. And the chief of these is that Money, notwithstanding that it is a thing of naught, created by the Banking System "out of nothing", is and must remain the property of the Banking System, to issue or withdraw as it thinks fit and not as the economy may require. Traverse that "canon" and social salvation lies to hand in "Social Credit" which defines "efficiency" as "the power of human beings in

FOR SYDNEY READERS

The Second Annual Sydney Dinner of The Australian League of Rights will be held in Sydney on Friday, February 7. This is a function which no reader should miss. The main address will be given by Mr. Eric Butler, who will not only be reporting on League activities, but will also be outlining the developing strategy mapped out by the League.

This will be an enjoyable and inspiring evening, the first major event of the League year in Sydney under the new Sydney Council of the League.

Details from Mr. Roy Gustard, Box 2957, G.P.O., Sydney.

association to produce the result intended, *measured in term of their satisfaction*". (My stress.) By such a standard our present Society is woefully inefficient, and it is little wonder that "unrest" should be its present hallmark.

If only our Schools and Universities would encourage the study of the works of Douglas!

—T. V. HOLMES in Credit Notes (England), September 1968.

EVIL

One of the curious, not to say sinister, features of the current period is the prevalence of that form of Black Magic which consists in saying and affirming that evil does not exist. With the decline of institutional Christianity, a decline by no means inexcusable, even if regrettable, a myriad of "interpretations", most of them perversions of Gnosticism or Neo-Platonism, have invaded the more or less swept and garnished chambers of the public mind. Christian Science is perhaps the best known and most widely distributed, although it would be straining the meaning of words to term it non-institutional. The non-existence of Evil appears to be one of its teachings.

May we say at once that a great deal of valuable instruction, and much help and comfort have been disseminated by the Christian Science organisation, and its activities in many directions command real respect.

One of its outstanding achievements is the production of perhaps the most popular "Centre" newspaper in the English language, the *Christian Science Monitor*, widely read on its merits by many people who would not accept, and in many cases are not interested in, its metaphysics. Yet they probably absorb the atmosphere unconsciously.

Nevertheless and notwithstanding, the Devil never did a cleverer piece of work than when he persuaded his victims that he does not exist.

The proofs of it are everywhere. The growing inability to distinguish good from evil, with its corollary that nothing matters, there are no objectives except the whim of the moment (and the whims themselves are giving out), no absolute values; nothing is "proper", therefore there is no property; that since it is now much easier (temporarily) to vote yourself into your neighbour's house than to build one for yourself, work is foolish and politics without preparation is the universal career. These are the logical outcome of a crude monotheism.

The combined inability and unwillingness of so many of the pseudo-educated, firstly to recognise the wave of Evil which is sweeping the world, and secondly to realise the extent to which its Servants rely upon absence of publicity and criticism is a major factor in the spiritual Armageddon which is in progress. It is becoming increasingly true that only one metaphysic, dialectical materialism, is presented, in various forms, to a conditioned majority: (nothing could be more remarkable, outside a Russian "Trial", than the acceptance of

responsibility for the present chaos by those who are the greatest sufferers by it). Good and evil have no place in this; Power is Lord of all.

The denial of evil is an affirmation of equality — having no quality. This is the end of entropy unmodified - Power which renders itself powerless.

— C. H. Douglas in "From Week to Week" Notes in *The Social Creditor*, Aug. 20, 1949.

MORE MONOPOLY IN BANKING.

The spate of amalgamation amongst the trading banks in Australia will come as no surprise to those who have studied the basic causes of the growing centralisation in all spheres of human activity. This major step towards complete monopoly was naturally welcomed by Socialists like Mr. Arthur Calwell, who says that nationalisation of banking is the logical end to this development. It will be noticed that the "free enterprise" Federal Government has offered no objections to the banking mergers, nor have the Socialists at the Reserve Bank. The amalgamations have been accompanied by a spate of misleading comment on the nature of banking. Bank officials who were fighting twenty years ago to prevent nationalisation, are now naturally concerned about their professional futures.

The major result of the centralisation of banking administration will be to make it easier to impose a centralised credit policy. Those trade unions and co-operative societies talking about entering the banking field indicate little understanding of the real nature of banking, which is credit creation. The centralisers at Canberra will not tolerate any moves towards even a small degree of decentralisation in the field of credit creation. However, the time may be opportune for States like Victoria to use their banking powers under the Federal Constitution to challenge Canberra's policy of monopoly.

THE MISSING \$5000

A comparatively small number of our readers responded to our appeal for "A Real Christmas Gift" in our December issue, helping to lift The Australian League of Rights Financial Fund by \$3,000 to approximately \$20,000. This is still \$5,000 short of the minimum required for the League of Rights' 1969 programme. But the League is already into action, the National Director expressing his faith that the balance will be made available as the year's programme unfolds. Will all those readers who have not yet contributed and/or pledged please consider now what they can do. All that is required is an average of \$25 from 200 to make up the missing \$5,000. All donations and/or pledges should be sent to The Australian League of Rights, Box 1052J, G.P.O., Melbourne.

IS 1984 IMPOSSIBLE?

The encouragement by evil influences of permissiveness is deliberate, in the hope that law and order in the west will increasingly break down. This would lead either to a severe reaction from within to clear up the chaos or the opportunity for well-organised forces from outside to step in.

Either way, present values and liberties would be in jeopardy. There are already plenty of people willing to use authoritarian measures to force their ideas upon those who disagree with them. The repeated advocacy of the fluoridation of drinking water is perhaps the best-known example of "do-gooders", in positions of influence, determined to bring in mass medication compulsorily for all, in the possible interests of the few.

The disease is catching. Soon, there comes along the MP who, with every superficial logic, says that if the state is to have to pay to support and educate every inhabitant from the cradle to the grave, then the state has a right to say how many inhabitants there should be in its care. This naturally leads on to state-organised birth control, and a recent professorial suggestion that an effective means of achieving this would be through control of drinking water! Clearly there are boundless possibilities for doctoring the population in ways commendable to the desires of the few.

If apparently normal people are already thinking deliberately on lines such as these, and the climate of life grows increasingly towards looking to the state to provide ever more daily guidance and control, the possibilities of George Orwell's 1984 coming to pass are by no means far-fetched. So, it is worth recalling the words in which the agent provocateur in 1984 describes things:

"Do you begin to see, then, what kind of world we are creating? It is the exact opposite of the stupid hedonistic Utopia that the old reformers imagined. A world of fear and treachery and torment, a world of trampling and being trampled upon, a world which will grow not less but more merciless as it refines itself. Progress in our world will be progress towards more pain.

"The old civilisations claimed that they were founded on love and justice. Ours is founded upon hatred. In our world there will be no emotions except fear, rage, triumph, and self-abasement. Everything else we shall destroy — everything. Already we are breaking down the habits of thought, which have survived from before the Revolution. We have cut the link between child and parent, and between man and man, and between man

and woman. No one dares trust a wife or a child or a friend any longer.

"But in the future there will be no wives and no friends. Children will be taken from their mothers at birth, as one takes eggs from a hen. The sex instinct will be eradicated. Procreation will be an annual formality like the renewal of a ration card . . .

"There will be no loyalty, except loyalty toward the Party. There will be no love, except the love of Big Brother. There will be no laughter, except the laugh of triumph over a defeated enemy."

—*Political Intelligence Weekly (England)*

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"SECRET COMMUNIST AGENTS WHO HAVE CHANGED THE COURSE OF HISTORY"

By Patrick Walsh

At the 1968 Annual League of Rights Seminar Mr. Pat Walsh, former undercover agent for the Royal Canadian Mounted Police, and internationally recognised authority on Communist espionage, presented a dramatic Paper showing how so far from being a mass movement, Communism was a movement of an elite, and that a handful of secret agents had changed the course of history in favour of International Communism. Revised and slightly enlarged, Mr. Walsh's Paper is now available in booklet form. It is essential reading for those who wish to know how the present plight of the world developed.

Order from The Australian League of Rights, Box 1052J., G.P.O., Melbourne. Price 36 cents, post-free.

DON'T ARGUE WITH YOUR FRIENDS!

LOAN OR SELL THEM "THE RED PATTERN OF WORLD CONQUEST",

Mr. Eric Butler's revised and enlarged edition of "The Red Pattern of World Conquest" is the "book of the moment". In a long introduction Sir Raphael Cilento, former top U.N. Official and leading expert on international affairs, writes:

"It is because events have so amply confirmed the predictions Eric Butler voiced in 1959 and earlier, and set out in print in 1961, that I consider it an honor and a privilege to write this introduction to this new edition of "The Red Pattern of World Conquest". The book is a succinct, factual, and readable précis of the history of the ruthless drive of international communism into the crumbling citadel of civilization. It is thoroughly authenticated and documented; it is frightening in its simplicity and forthright approach....In order that they (the Soviets) should not win, everyone should be aware of the communist strategy, its policy of erosion and attrition in the political, economic, military and propaganda fields — and should be alert to neutralize the effects of that creeping paralysis with which it numbs the unwary minds of men of goodwill. This is the purpose of the book — and it fulfils it well."

Sir Raphael Cilento outlines his first-hand experiences with the United Nations and the disastrous policies imposed through this embryo Government of the World State. Some startling "inside" history is provided which explains how secret Communist influence was exercised in the U.N. at the very top from the beginning.

"The Red Pattern of World Conquest" might be described as a secret history of most of this century.

Communist Global Strategy

The first two chapters outline how the red pattern has developed and how current Communist global strategy is unfolding. The vital importance of Southern Africa being held against the mounting international pressure against Rhodesia is made very clear. The author shows that time, and events, are running strongly against the West, and that unless the general retreat can be halted within the next few years, a complete Communist victory is now inevitable. But he rejects this victory as inevitable, stressing the great moral, spiritual and physical reserves still available to the West. A brilliant synthesis of Lenin's strategy for defeating the West through encirclement and internal demoralisation is given.

Promoting The Second World War

Amongst Eric Butler's more sensational revelations is the role played by Stalin in bringing Hitler to power. Communist strategy was based upon the necessity for a Second World War, which it was believed would help advance revolutionary activities. It is shown conclusively that the Western nations lost the Second World War from a realistic viewpoint, and that the Soviet Union was the major victor.

The Roosevelt Myth

Those who accept uncritically the general view of President Franklin Roosevelt, will be shocked by the revelation about the real Roosevelt, the man who permitted Communists to penetrate deep into his Administration. Roosevelt was bitterly opposed to the British Empire, an attitude, which even Churchill, protested against, while being strongly pro-Soviet. The role of Harry

Hopkins as a top adviser and representative for Roosevelt is exposed. Both Hopkins and Roosevelt were responsible for the purely political appointment of an unsuccessful Regimental Commander Marshall to the position as American Chief of Staff in the face of strong military resistance. The consistent role of General Marshall throughout the Second World War, and his subsequent role in the betrayal of China to Communism, makes astonishing reading. Eric Butler lets the well-documented facts speak for themselves.

The Truth About Pearl Harbour

The mythologists present Pearl Harbour as a completely unprovoked and treacherous attack by the Japanese upon the Americans. Eric Butler traces the background to the Pacific War, showing that the Roosevelt Administration had actively worked to produce a conflict, which would enable America to be brought into the Second World War over the deep opposition of a majority of the American people. Roosevelt not only wanted the Japanese to attack, but because the Japanese secret code had been broken, knew of the impending attack. American naval commanders at Pearl Harbour were not warned and were later made the scapegoats for the treachery in Washington, where secret Communists were exercising enormous influence. The unnecessary prolongation of the Pacific War with the Japanese wanting peace served no purpose except Communist strategy. The stage was set for the Communist conquest of Asia.

The Financial Blackmail Of Churchill One of Eric Butler's most incredible revelations concerns how Churchill was forced to sign the infamous Morgenthau Plan at the second Quebec Conference late in 1944. The Morgenthau Plan, news of which helped to prolong the war in Europe while the Red armies rolled Westwards, was actually the plan of Harry Dexter White, operating in the American Treasury, and later one of the creators of the International Monetary Fund and World Bank. White was one of the many top secret Communists engaged in top policy making in Washington. Churchill at first refused to sign the Morgenthau Plan at the second Quebec Conference, and subsequently apologised in the British House of Commons, but without giving an explanation. The truth is that he was financially blackmailed to sign reluctantly a Communist-devised plan.

A Handbook Of Great Value

"The Red Pattern" is beyond doubt the most valuable work of its kind yet produced in the English-speaking world. It is the distillation of years of specialist research by the author, now recognised internationally as one of the West's most outstanding lecturers and writers on International Communism. Well indexed, "The Red Pattern" is an excellent handbook. It is an excellent introductory work to give those friends who do not want to believe in conspiracies. It saves a lot of argument. It should be in the hands of all responsible people. Students in particular should be introduced to the book, which tells the incredible story of how the world has reached the present critical state. Without knowledge of how the present state was reached, it is impossible to take effective action to halt the red pattern of world conquest.

ORDER FROM THE AUSTRALIAN LEAGUE OF RIGHTS. BOX 1052J, MELBOURNE, 3001. PRICE \$1.05 PER COPY, POST FREE.

Alberta's finances and an explanation for Mr. Manning's retirement:

EDMONTON. —It's just possible that when Premier E. C. Manning announced his decision to retire last month he saved Albertans from the imposition of a sales tax.

Last spring, after handing the Alberta Legislature its third consecutive deficit budget, Provincial Treasurer A. O. Aalborg gloomily suggested that the introduction of a sales tax was "something to think about" in the immediate future.

Since then things have gone from bad to worse. It was learned last week, for example, that the 1967-68 fiscal year deficit, originally estimated at \$67 million, had in fact turned out to be more than \$99 million.

That, Provincial Auditor Keith Huckvale pointed out, meant that the Province had gone into the red \$180 million in just two years; it meant that the Province's treasury surplus, accumulated over the years, was down to \$512 million, \$355 million of which is tied up in non-liquid investment; which in turn meant that with liquid reserves of just \$157 million, and with an anticipated deficit of at least \$70 million in the 1968-69 fiscal year, the Province must, very soon, think in terms of either balanced budget (and hence higher taxes, or reduced expenditures) or a return to direct borrowing.

Since Alberta's Social Credit Government is not noted for its enthusiasm for direct borrowing, it might easily have been supposed that higher taxation lay in the future for Albertans. And, in view of Mr. Aalborg's gloomy warning seven months ago, it might easily have been supposed that this higher taxation might come in the form of a sales tax.

But no, Mr. Aalborg, just last month, when he must have been aware of the larger-than-expected deficit for the 1967-68 fiscal year, announced that a sales tax would be "deferred indefinitely" if he had anything to do with it.

What changed the gloomy warning to a promise to fight sales tax?

The Manning resignation comes easily to mind. And, in the process, it poses an interesting question: why should Alberta's Socreds, with a 47-seat majority in the Legislature, and with up to three years before they must call an election, be concerned about imposing a sales tax, even though Mr. Manning is retiring?

The obvious answer, of course, is that Social Credit with Mr. Manning is one thing to Alberta's voters, and Social Credit without Mr. Manning yet another, and the introduction of a sales tax would only emphasize that difference in the mind of the voter.

It is possible that the Socreds Mr. Manning leaves behind do not intend to wait three years before going to the voters. It could be that they have decided the advantages of waiting and allowing a new leader to establish himself are outweighed by the advantages of going quickly to the electorate for a fresh mandate while

Mr. Manning and Social Credit are still, in the mind of the Alberta voter, synonymous. With an election in the offing, who needs a sales tax?

New Social Credit Chapter Opening

Mr. Manning's retirement was followed by a leadership convention, which appeared to reflect the "new look" of "Social Credit" in Alberta. Dancing girls, bands and a general American-type environment were provided. All leadership candidates made a solemn declaration that from now on all borrowing and debt would be in accordance with "Social Credit" policy! Mr. Harry Strom, the new Premier, was interviewed by the *Toronto Star* of December 7. The following revealing extract is from the report: "What does Strom think about Social Credit . . . the monetary theory planted here by Aberhart? 'Our main objective', he said, 'is to give the best government we can in the province. If I'm going to make that (Social Credit monetary theory) my concern I'll have to be a lot better informed on it than I am.'" Comment is unnecessary. Mr. Strom has also inherited from Mr. Manning a new group inside the Government party, the young "Social Conservatives", who take their name from Mr. Manning's book. Prominent amongst these are Mr. Manning's son, Preston, who has little knowledge of Social Credit. It might be observed that all parties promise to give "good government."

The honest thing for the Albertan Government to do now is to change its name. Mr. Strom is presented as a moral man. He and his colleagues should cease using the name coined by a man to describe the policy which he first presented to the world, and which they either do not understand or reject. A chapter in human history has ended in Alberta. There is much to be learned from what has happened. Events have confirmed Douglas's warning that Social Credit, "the policy of a philosophy" could not be advanced through a Social Credit Party by the competition for votes through bribery. The practical expression of the philosophy underlying the policy of Social Credit will only find expression when sufficient individuals in society practice the correct principles of association. Government of all types is a necessary evil.

Effective divisions of power are always essential. No Government will do this voluntarily. There is always necessary in society a group of people concerned, not with the contest for power, but with its diffusion; a group concerned primarily with spreading an understanding of rightness. The world situation is much different, and much worse, than it was when the Aberhart Government was elected in 1935. But the basic problem of centralised power over individual initiative remains the same. New tactics are necessary to advance the strategy for survival, which Douglas enunciated. These are being progressively evolved. A new chapter in Social Credit is opening. If the lessons of the Alberta chapter are learned, then it will not have been in vain.