

THE NEW TIMES

Registered at the G.P.O. Melbourne for transmission by post as a newspaper.

\$4.00 per annum post-free.

Box 1226L, G.P.O. Melbourne.

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

Vol. 35, No. 11

NOVEMBER 1969

THE REAL SIGNIFICANCE OF THE AUSTRALIAN FEDERAL ELECTIONS

By ERIC D. BUTLER

There is general agreement that there was a new feature about the 1969 Australian Federal Elections: electors took more than a mere passive interest. Speaking at the declaration of the poll in his electorate, Deputy Leader W. McMahon said that he had found that people were much more interested in the election on political issues than at any other time since 1949. Dr. M. G. Mackay, outspoken backbench Member who barely survived the swing against the Government, bluntly said at the declaration of the poll in his electorate, that the electors' vote was one of disenchantment with the Government rather than approval of the alternatives offered.

Considering the general economic conditions, with practically no unemployment, Prime Minister John Gorton could perhaps be excused for believing that it was too ridiculous to consider the possibility of any serious electoral rebuff. The Prime Minister overlooked the fact that there was a growing disquiet in the electorate. The primary cause of this disquiet was not only the Prime Minister's style of leadership, which has been the subject of much discussion, but the policies his Government was pursuing.

From the time of his election as Australian Prime Minister, Mr. Gorton's statements on foreign policy have been most ambiguous. His harsher critics would say that they have been erratic. His appointment of Mr. Gordon Freeth as Minister for External Affairs can only be described as irresponsible. Mr. Freeth had sat in Parliament for most of his parliamentary career without participating in any debate on foreign affairs. His famous statements on August 14, concerning Soviet penetration into the Indian Ocean, and subsequent statements by both Mr. Freeth and Mr. Gorton, alarmed large numbers of responsible Australians. The public criticism of the DLP helped increase the uneasiness of Australian electors. To many people there appeared to be little basic difference between the foreign policies of the Government and its ALP opponents.

Vietnam Disaster

In 1966 the Holt Government won a landslide victory on the Vietnam issue. It was assisted by the incredible performance of ALP leader, Mr. Arthur Calwell, and the organised violence against Prime Minister Holt. But at that time the Vietnam issue appeared a clear one to the majority of Australians. They did not realise that they were tied to an American no-win policy. The Aus-

tralian League of Rights, which has strongly supported Australian involvement in Vietnam, was the only organisation to warn the Government that if it did not adopt an independent policy on Vietnam, openly pressing the Americans to shift to a win policy, there would come an eventual backlash. This started to develop after President Lyndon Johnson halted the bombing of North Vietnam and said he was prepared to start peace talks with the North Vietnamese. Dr. Mackay states, "On Vietnam, I feel we were defeated on this issue a year before the election. At that point it ceased to become a major issue and we failed to come to grips with doubts people had about Australia's role in this area." Australian doubts grew as President Nixon made it clear that he was determined to disengage on Vietnam, providing he could get the right face-saving formula. But the Gorton Government indicated no capacity for an independent policy. Whether one agrees or not with the Whitlam policy of a phased withdrawal of Australian troops from Vietnam, after consultation with the Americans, at least this was a definite policy which contrasted strongly with the no-policy of the Government. Long before the elections the Gallup Poll surveys revealed that Australians were progressively becoming disillusioned about the war in Vietnam. The Government offered no real leadership.

Federalism Eroded

John Gorton is a centralist from away back, and those who knew his views were not surprised when he openly made it clear that he wanted to change the Liberal Party's traditional support of Federalism. It is true that in spite of the orations of Sir Robert Menzies on Federalism, throughout his long period as Prime Minister there had been a steady erosion of the sovereignties of

the States, and a marked increase in the power of the Commonwealth. But it was left to Mr. Gorton to suggest openly that the Liberal Party should be prepared to re-think its founding principles. This brought him into open conflict with the States, whose financial position has been steadily getting worse as a result of the financial policies being imposed from Canberra. It is no secret that many State Liberals were extremely passive concerning the Federal Elections. There was no marked enthusiasm to have Mr. Gorton re-elected. After some previous highly critical statements, Victorian Liberal Premier, Sir Henry Bolte, apparently felt that the Gorton Government might even be defeated, and so he made a last-minute appeal on the grounds that the election of Mr. Whitlam would be disastrous. Sir Henry's statement, together with reluctant support from a DLP also convinced that it was possible the swing against the Government was going too far probably was just sufficient to ensure that the Government survived. But the Government has been served notice that it has got to come to grips with the fundamental question of Commonwealth-State finances. If the States cannot discharge their responsibilities, then the promises of ALP leader Whitlam are going to have a powerful appeal at the 1970 Senate Elections.

Betrayal On Inflation

Back in 1949, the Liberal-Country Party Coalition had been elected on a policy of defeating inflation ("putting the shillings back into the pound") and of reducing the burden of government. There has been a marked change on the inflation issue. Inflation is no longer an evil to be defeated; it is something, which is "inevitable", and at best can only be "controlled". Inflation, like heavy taxation of all types, flows from the present policies of debt-finance. Nothing was more cynical and hypocritical during the recent elections than to hear Government spokesmen warning about the very inflation, which they have been endorsing for 20 years. Mr. John McEwen and his colleagues can take some temporary comfort from the fact that they managed to survive the elections without losing any of their total representation at Canberra. But if inflation is to continue, which means increased pressure on the primary producers through the "cost-price squeeze", then the marked erosion of electoral support for the Country Party will soon reach the stage where the Country Party will be progressively eliminated. Inflation is the most destructive social force operating in Australia today, making it appear that progressive centralisation in every sphere is "inevitable". The frustrations of centralisation found some expression in the vote of censure of the Government on October 25.

A Period Of Trial

The Australian League of Rights was correct in campaigning positively to have the Gorton Government's majority substantially reduced, not to indicate support for the open Fabian Socialism of Mr. Whitlam, but to make it clear to the Liberal-Country Party Coalition that

the time had come to insist that they correct their faults. The vote was substantially a vote of censure. Mr. Gorton and his colleagues are now on trial. If they cannot, or will not, make some amends in the field of basic policies over the next 12 months, then an ALP victory at the Senate Elections is certain. And if this happens, then the ALP under Mr. Whitlam will send the Coalition Government back to the electors at the first opportune moment. And there is little doubt what the electors would do. At this time in Australian history, our supporters have the opportunity of playing a much more decisive role than they have ever done. And so, "Once more unto the breach, dear friends, once more". Let us really apply the pressure to Mr. John Gorton and his colleagues.

WAGES AND INFLATION

It is a major fallacy that increased wages and salaries are the **basic cause** of inflation. But increased wages and salaries certainly **stimulate** inflation. The basic cause of inflation is the present type of financial policy, with increasing debt and increasing taxes. Trade Union members, and wage and salary earners generally, have been misled by Marxist propaganda to believe that the steady increase in prices, which erodes their purchasing power, is because of the "profiteering" by the "greedy capitalists". Generally a few carefully selected monopolistic economic organisations, which appear to be making comparatively large profits, are used as examples for the claim that either industry generally could reduce prices with lower profits, or that the profits could be used to finance wage and salary increases without further price increases. An examination of the facts in any modern community will show clearly that the total profits of industry, both primary and secondary, could only pay a very small increase in wages and salaries to those who work in those industries. And this small increase could only be paid once, because industry could not then continue to operate. There would be collapse, something which the Marxists would, of course, welcome. The attempted use of all profits to finance wage and salary increases would also deprive shareholders in industry of legitimate dividends on their investments. Their purchasing power would, therefore, be reduced.

A basic feature of the Marxist war against the free society and the free enterprise economic system is the claim that class warfare is "inevitable", that conflict is inherent in the free enterprise system. The quite unnecessary conflict between the employer and the employee is a major contribution to Marxist strategy. The Marxists foster this in many ways. They encourage wage earners to scorn, not only their "capitalist bosses", but the "wealthy land-owners", who are charged with charging excessive prices for food. They point to examples of farmers dying and how their assets have been valued for death duties at perhaps hundreds of thousands of dollars. No mention is made of the fact that the farmers'

assets, built up over a lifetime of work, have been inflated in value by progressive inflation, that against these assets he probably has substantial debts, and that the imposition of death duties, a most immoral and Marxist-type of tax, may force the farmer's descendants either to sell the property to meet the death duties, or to go further into debt.

On the other hand, farmers and employers who talk loosely about the "lazy workers", and blame them for all their problems, are also falling into the Marxist trap. Strikes, including those fostered by the Communists in Trade Unions, are generally designed to obtain increased wages to offset the erosion of purchasing power by inflation. Different countries have different methods of adjusting wages, but the basic problem is the same. Pressure builds up from wage earners as their purchasing power decreases with inflation. They may use whatever bargaining machinery there is, or they may first strike to force employers to bargain with them, or in countries with an independent arbitration system like Australia, the wage-earners' representatives put their claims before the arbitration judges. The fact that independent judges, after studying the facts, progressively grant wage increases is irrefutable proof that wage earners generally have a strong case for an increase in their wages. Resistance by the employers' representatives is not because they are opposed to wage justice for their employees, or are simply "greedy exploiters", but simply because of their own financial pressures.

What happens when a wage increase is granted? For the sake of demonstration, a total wage increase for industry of \$50 million per year is granted, that is, approximately \$1 million per week. Employers must start to pay immediately the award is arranged. But how are they to obtain \$50 million? They do not have reserves, which can be used. Most of them are operating on bank overdrafts. There is only one source from which this increased wage bill can be obtained, and that is from the banking system. Increased short-term loans are necessary. These are provided by the creation of new financial credit as already explained, and loaned to industry as an interest-bearing debt. A \$50 million increase in industry's wage bill therefore demands that industry increases prices by **at least** this amount in order to recover it for repayment to the banking system. But added to the \$50 million must be the interest charge, which, at say, a conservative five percent, is another \$250,000. The total result of the wage increase is simply to increase general prices still further and to increase the indebtedness of industry. Within a comparatively short time the wage earner finds that the short-term improvement he gained has disappeared, and so the cycle starts again. It is beyond argument that progressive wage increases financed through expanding new credit foster a programme of increasing inflation, with all its disastrous economic, political and social results. The Marxists of

all kinds know that so long as this type of financial policy is pursued, no genuine co-operation for their mutual advantage is possible between the different members and sections of society. There is the opposite: increasing friction, resulting from the violation of correct principles of association.

The Marxist support for inflation was put very clearly by the eminent Marxist theoretician, John Strachey, the man who had been first a member of the British Communist Party and later a member of the Fabian Socialist Society. In his book, *Programme for Progress*, Strachey wrote that he had come to believe that inflationary credit expansion policies were "an indispensable step in the right direction". He went on to say, "**the fact that the loss of objectivity, and the intrinsic value of the currency which is involved (i.e., inflation) will sooner or later make necessary, on pain of ever-increasing dislocation, a growing degree of social control . . . for the partial character of the policy will itself lead on to further measures. The very fact that no stability, no permanently workable solution can be found within the limits of this policy will ensure that once a community has been driven by events to tackle its problems in this way, it cannot halt at the first stage, but must of necessity push on to more thorough-going measures of re-organisation.**" This frank statement is similar to that of Karl Marx when he was introducing his famous ten points for communising a State in the basic Marxist textbook, *The Communist Manifesto*. Marx said that his steps were not an end in themselves, only means to an end. Marx said that while the ten steps "appear economically insufficient and provisional", they will "in the course of the movement . . . necessitate further inroads upon the old social order."

CONTRIBUTIONS URGENTLY REQUIRED TO \$25,000 FUND

Nationally and internationally the League of Rights has demonstrated in recent years that it could hold the key to the future of the world. But to go forward the Australian League of Rights urgently requires an adequate flow of financial support. It has been estimated that \$25,000 will be adequate for an expanding programme. This means only 1000 supporters providing an average of \$25 each. After an encouraging start to the 1969-70 fund there has been a disturbing lag. Less than 100 supporters have provided approximately \$5000. Donations and/or pledges should be sent to The Australian League of Rights, Box 1052J, G.P.O., Melbourne, 3001. Queensland and northern New South Wales supporters should send their donations and/or pledges to Mr. Don Martin, P.O. Box 3, Paddington, Brisbane, Queensland, 4064.

A RHODESIAN PLAN FOR FINANCIAL INDEPENDENCE

Rhodesia is celebrating this month its fourth anniversary of political independence. But it has become obvious to an increasing number of Rhodesians that real independence requires financial independence from those who are at present dictating financial policy. In his address to "The New Tunes" Annual Dinner, Mr. Pat Walsh told that he had noticed during his visit to Rhodesia of how Mr. Eric Butler had had a major impact upon many Rhodesians on the necessity for financial independence. A Salisbury address by Mr. Butler on finance was published in the July issue of the internationally read "Rhodesia and World Report".

The following front-page article in the September issue of "Rhodesia and World Report" has, we understand, been widely commented upon, and we have much pleasure in re-printing it as a salute to the Rhodesians on the occasion of their fourth anniversary of independence.

The need for F.I. arises from the fact that our monetary system is part of the web of international finance and the international banking system. This is fatal to our interests because inherent in that system are certain evils which we cannot be rid of except by breaking our links with it and adopting our own system. In consequence, taking F.I. calls for a Plan, which can be put into effect in place of the existing system. Such a Plan, in necessarily condensed form, is outlined below.

The lethal weakness of our existing system is the lack of any reliable scientific link between the issue, or flow, of currency and our economic activity. The Plan supplies such a link, thereby amending the incalculable evils, which are spawned by the existing system, which creates money without regard to the requirements of the economy. In practice, as I hope to make clear, it is the banking system—the tool of the bankers—which generates recurrent financial crises. The F.I. Plan will correct all this. It will equate the purchasing power of Rhodesians to the total national product, thereby ensuring a balance in our economy between money-in-use and economic activity. In simpler terms, it will ensure that Rhodesians have enough money year after year to buy the whole product of Rhodesian industry without having to borrow money from the banks. **Such a situation, shocking as the truth is, has never yet been known in Rhodesia.**

The Plan Outlined

At the heart of our banking system lies the power of the private banks to create money by means of interest-bearing loans. This puts into the hands of a small minority of persons, who are not elected by Rhodesians, and who are not answerable to Rhodesians, the supreme power of government; for, in the last analysis, the ones who control the money control the country. The government should, therefore, control the money. The banks are in the business for their own profit and are not concerned with the requirements of our economy except as it affects their own pockets. Of course, the banks argue that their power is limited. This is true, but in practice the limits are seen to work more in the interests of the banks themselves than in the interests of Rhodesia. It is a first responsibility of government to ensure a sound economy, and for this reason the first step in the Plan for F.I. is

to remove from the private banks their authority to create money. That power must vest in the government totally.

Having cancelled the authority of all other organisations to create money, the government begins to run its business on a sound commercial footing. The National Accounting system is recast so as to provide such financial information as may be necessary for the drawing up of a National Trading Account, the purpose of which is to show whether the country has made a profit or suffered a loss. **This has never been done in Rhodesia's history.** The accounts ought to show an increasing profit as the influence of the old system wears off. Now the great value of a National Trading Account lies in the fact that it shows (a) how much profit the country has made; (b) how much extra currency should be injected into the country's economy as a result of its development during the period covered by the Account; and (c) how much of the country's real profit can be used to reduce the External National Debt or to pay for expenses of government, thus reducing taxation.

National Dividend

The amount of new currency to be injected into the economy is ascertained from the Trading Account called the - - National Dividend; and it is paid out to all Rhodesians, either in the form of cash, or as a subsidy of retail prices. In this operation the banks play a major part: they act as agents for government in the payout and are adequately recompensed. The principle on which the dividend is paid out is that, in a balanced economy, production and consumption are one and the same, since the only economic justification for producing things, or services, is that someone will buy them. Exports and imports are factors in the Trading Account, and are therefore accounted for in the profit. The dividend will, therefore, be paid to Rhodesians in proportion to individual consumption. The details of these calculations and the bookkeeping involved are too complex for this article, but do not present any difficulties, which a good accountant cannot cope with.

Thus, every man, woman and child will receive something from the national dividend. The amount of this dividend will depend on how much they have spent and

what they have spent it on. Obviously, if someone has spent £1,000 gambling on horses, he will not be entitled to receive any compensation for that from the dividend.

Without proper accounts no board of directors knows how their business is doing. This is true of any government, too. With a National Trading Account before it a government has facts on which to base its policy. Guesswork is largely eliminated and trends resulting from errors made in one year are revealed in the accounts for the next year and can be corrected. In practice this means that the government will be able to (a) keep our currency stable, (b) bring down the cost of living, (c) reduce taxation, and (d) ensure that poverty does not reach threatening proportions. The fact that in Rhodesia the African population is increasing faster than the ability of our industrial complex to provide jobs is a danger to our stability. The F.I. Plan is a corrective; first by keeping in active use the monetary, as distinct from the service, profits, which the banks are making at present; secondly, by the pay-out of the national dividend. It must be obvious that a yearly Trading Account is a prerequisite of F.I. and sound fiscal policy.

It is now essential to consider the consequences if Rhodesia does not take its financial independence. These should be carefully studied.

Banks' Supreme Power

The banks will go on creating new money **as their own needs dictate** and to the full extent of their authority, provided that the demand for money is there. They will be adding to their own wealth by means of the interest on this "new" money, regardless of whether they are creating credit in excess of the country's needs. The fault lies in the existing system itself which, in practice, arrives at the selling price of commodities which include services) by adding up all the costs of providing them, plus the profits of those who provide. Thus we find included in the prices of everything certain theoretical costs, such as wear and tear on machinery, and certain real costs, such as interest on bank overdrafts, which are not at any time paid out in the form of wages or profits to the people who provide the commodities. Hence the selling price of goods is always greater than the money available to the public for buying them. But since the goods must be sold if industry is to carry on, the money shortage is made good by the banks (out of nothing) in the form of bank credits (overdrafts, etc.) and in consequence the goods are bought and paid for. But consider what has happened: The amount of money in circulation has been increased, but the amount of goods and services has not. It is plain, therefore, that prices (COL) must rise and the value of money decrease; this is inflation. This process is cumulative so that prices are continuously rising and the value of money continuously falling. **The movement can never be reversed so long as the present financial system continues.** From time to time a danger point (from

the banks' point of view) is reached, and the banks restrict credit (i.e., reduce the rate at which they create "new" money). There follows a depression in which a great deal of money is lost by the public (not the banks) and many businesses go insolvent. The bottom of the depression is reached when **the banks** consider it safe to start granting credit facilities again. This starts a recovery and boom phase in the economy, which rapidly adjusts itself to the post-depression conditions under the "generous" bank credit on offer. But no matter how rapidly it does this, the value of money can never return to its pre-depression level. **It is to be noted that in all these movements it is the banks, not the government, which wield the supreme power.** By causing great financial losses among the people, the banks profit by lending money, not their own, but created out of nothing, to the very people who have suffered losses, to put them on their feet again. Thus it becomes evident that the banks live on people's need for money. They thrive on depressions—a terrifying fact when it is realised that they can **create** a depression at any time merely by restricting credit. No responsible government has any moral right to leave the power to create money in the hands of private banks. Unless our government removes this power, Rhodesia will slowly but surely be driven into financial chaos, in spite of everything we may do to stop it. If you have any doubts about the truth of

LEAGUE OF RIGHTS' ROLE IN DEFEATING ATTORNEY GENERAL

One of the sensations of the Federal Elections was the defeat of the Minister for External Affairs, Mr. Gordon Freeth, in the electorate of Forrest, Western Australia. The League of Rights, under the personal direction of National Director, Mr. Eric Butler, conducted a special campaign against Mr. Freeth in an endeavour to demonstrate to the Coalition Government at Canberra that they were not prepared to tolerate a disastrous foreign policy. In a TV interview following the elections, Mr. Freeth bitterly attacked the League, describing it as a "racist" and "bear-Fascist" organisation. Objective observers believe that the League's campaign was responsible for the loss of approximately four per cent of the primary votes, sufficient to ensure that in spite of his previous comfortable majorities, Mr. Freeth was defeated.

The League of Rights' general policy in the Federal Elections was to ensure that the Gorton Government's majority was drastically reduced. The League is wasting no time: already it has launched a campaign to increase the pressure on the defeated Coalition Government on three major issues: (1) A more realistic defence and foreign policy, including recognition of the importance of southern Africa;(2)A restoration of State financial sovereignty, and (3)A genuine solution to the destructive inflation.

that statement, the next paragraph should make it clear.

World Bank Control

The trend in finance today—a trend with the force of a swift river—is towards the establishment of a World Bank, which will control the currencies of all nations. Already most, if not all, of the important banks are inter-related on a global scale and are working in close co-operation. At the same time, the trend in politics through the U.N., is towards a levelling, both up and down, of all people to one common standard. Consequently, the political independence of any one country, Rhodesia, for example, must ultimately be a nuisance, which has to be removed. Both of these movements are threatening us and, indeed, the very concept of freedom. These facts explain the worldwide opposition to Rhodesia's stand for independence. The only chance we

have of avoiding final slavery under the whip of the World Bank, lies in our breaking our links with the international banking system and adopting some such plan as I have outlined.

Rhodesia's declaration of political independence can scarcely be expected to issue in ultimate triumph unless it is supported by a declaration of financial independence. At the time of U.D.I, this was not recognised, and although many people are aware of the truth today, little action is being taken. The difficulties involved in such a declaration are great but not insuperable. To take financial independence in the present world context requires a high standard of intelligence and fortitude on the part of our leaders, but I believe that white Rhodesians are capable of doing the job. And, of course, since it is essential to our survival as a Christian State, it ought to be done. The challenge must be met by every faithful Rhodesian.

NEW ZEALAND BUSINESS LEADER CRITICISES "OBSOLETE" FINANCIAL POLICY

It has often been said that those who have managed to succeed under the present financial policy of increasing debt, taxation and inflation, rarely criticise that policy. But prominent business leaders of integrity and wisdom do occasionally speak out. One of these is a well-known New Zealand business leader, Sir Henry Kelliher, a former Bank Director and at present Chairman of Dominion Breweries. In an address to shareholders at the annual meeting of shareholders of Dominion Breweries held on July 30, 1969, Sir Henry said:

We are living in an age of tremendous scientific and technological progress—an age when Man's ingenuity and initiative has taken him to the moon and brought him safely back.

Indeed it is a challenging age—an age of vast potential for development and the production of desirable commodities of all kinds, more than adequate to enable not only the privileged minority but everyone to enjoy an abundant life, with freedom from the fear of want.

On the other hand, it cannot be denied that even in these enlightened times there is vast poverty throughout the world, attributable mainly to a glaringly defective monetary system—a system that controls the value of the dollar—our only convenient means of exchange for the distribution of the abundance that can be produced.

It is probably true to say that there is **nothing more** deceptive or less understood than the monetary system. Its operation—not being based on any guiding principle of regulation makes inflation or deflation inevitable and inescapable. The money supply fluctuates continuously by the day-to-day issuance of bank-created money without obligation or responsibility on anyone to ensure that stability or steadiness is sustained in the price level.

An "Obsolete And Erratic System"

It is my firm conviction that the great majority of the problems of modern society can be directly traced to the evil effects of this obsolete and erratic system, which governs our economic and social life.

The tragedy of it all is that our political leaders do not appear to appreciate the basic realities of the situation,

but it is obvious that unless they act urgently to rectify this system which is eroding the very foundations of our society, we will drift into an age of moral and cultural disaster, stemming from inflationary pressures, industrial strife, and economic disorder.

It is almost incredible, but nevertheless understandable, that during recent years New Zealand has had to contend with an almost continuing sequence of work stoppages, which resulted last year in an estimated loss of over \$1,000,000 in wages, and a loss of over 130,000 man days—to say nothing of the irretrievable loss in production,

Basic Cause Of Wage Stoppages

What is significant is that the major cause of work stoppages was disputes over wages. In every such case the direct factor was the diminishing purchasing value of the wage earners' take-home pay.

It is utterly ludicrous that the decisions of the Arbitration Court granting pay increases, which in the past have tended to settle these disputes, at least temporarily, have been at the best only palliatives and at the worst they have ultimately aggravated the position of wage-earners by generating inflationary increases in the costs of goods and services.

It has long been recognised that one of the major causes of inflation is the addition to an already sufficient or excessive money supply by the creation of new money through trading banks lending and investment operations, without corresponding increases in the production of goods and services.

It is most significant that through 1967 and 1968

Trading Bank issuance of credit money increased to record levels—over \$60 million being created in that period—with a corresponding increase in the cost of living index.

During 1969 the level of trading bank advances has continued to rise with a consequential increase in living costs. This highlights the connection between cause and effect.

Concerted action is urgently required by all sections of industry to impress upon Parliament the necessity to

adopt realistic and improved monetary techniques in banking and fiscal policies to ensure the maintenance of a steady internal price level so that future increments to wages, salaries and pensions will mean a real increase in the standard of living of all New Zealanders.

It is clarion clear that neither Government nor any industry can be assured of industrial harmony when the root cause of disorder and unrest is left unchanged. This is the foremost responsibility of the Government of the day, irrespective of political loyalties.

COMMUNISM IS ESCAPISM

By D. WATTS

Communism is an unscientific ideology and on that account the Communist theory does not work. Where it is claimed that it does work, as in Russia and China, what has been established is not Communism, but sophisticated forms of Absolute Monarchy. Certainly the monarchy is not an hereditary one, but he who is, by another name, king, has more actual power than any mediaeval monarch ever had and virtual possession of the whole of the country's wealth.

For an unscientific start Communists, from Karl Marx onwards, have been generalising from too few particulars. Perhaps this accounts to some extent for their frequent resort to misrepresentation and downright lies. The absence of enough supporting particulars obliges them to invent in order to supply the insufficiency. The theory of a material, dialectical movement towards Communism was built up on a meagre few particulars—the weakening of the nobility with the rise of the middle classes, mainly. This development has been followed, as predicted, by a rise of the lower classes; but there has been no decline of the middle classes with it anywhere except in the field of aesthetic creation. At that, the aesthetic decline has been for the most part artificially induced in obedient expectation of the emergence of a proletarian society. Mocking the prophets, there has been the rise of an untitled upper class to take the place of the old titled nobility—in Russia and China as elsewhere.

A consideration of all available, important particulars of social and political development would have revealed that the rise of the lower classes would lead, not to a withering away of the State, but to strong State control through powers exercised by absolute dictators who smell very much like feudal lords. The Communists, themselves, seem to have tacitly dropped their theory of the inevitability of their kind of a dialectical movement and the emergence of a Stateless society; but many Communists in the Western countries, and most of their shy sympathisers, have not yet realised that they are working, not to set up World Communism in which there will be no distinction between classes, creeds, castes or colours, but World Dictatorship by some ambitious World Power—a universal, absolute monarchy. Either is impossible of creation in the present, complex, human world; but that does not mean that dedicated Communists and power-hungry Communist emperors would not, if they were given the chance, inflict the misery of an agonising

failure upon mankind in their chase after a Utopia or personal supremacy and glory.

Neglected Realities

There are other very important particulars not taken into consideration by ordinary Communists and their blundering, blind, liberal assistants. These neglected realities make Communism, even within the boundaries of its theory, inconsistent and incoherent. One of these realities is relevant to all Utopias and is of vital interest. It has to do with the methods of natural (or Divine) creating which must be man's methods if he is to be successful.

There are, among Western people, two theories of cosmic creation. The first is that God, in one act of six stages, created a completed universe as it is now, and that then and henceforward the only movements in it have been, and are, cyclic repetition and biological reproduction. The second theory is that creation was not a once and for all occurrence, but is continually taking place. This makes change within the changeless eternal forever bringing something new into being. In short, it gives us the theory of evolution under the government of changeless Cosmic or Divine Laws.

I confess that the latter theory seems the more feasible one to me. Not only is biological evidence so far in favour of it, but it makes the universe a far more stupendous phenomenon, a more miraculous reality, than does instant creation by decree. Moreover, a universe in the process of being continually created goes a long way towards yielding an explanation of how there can be evil in a world created by God.

However that may be, the theory of evolution is the one accepted by Communists, even though they believe the process to be a purely mechanical one. Then, with almost incredible inconsistency, they assume that they, themselves, can do what they deny that God or Nature

ever did and, in a few stages of one revolutionary act, create a completed and perfected form of society. That their setting up of a Communist State is not, in their eyes, merely the next step in political evolution, but the final one, is clear in Karl Marx's exposition, and is shown plainly in their denunciations of revisionists and deviationists, their never ending purges of "reactionaries", their action to suppress any modification of Communist government in Czechoslovakia and the practical freezing of society in a Communist form which was the ostensible aim of China's recent "Cultural Revolution". There cannot be instant, completed political creation in a world of natural evolution.

Is The "Perfect State" Possible?

However, the mental situation of certain Christian Communists may be somewhat different from that of their atheist teammates. Some Christians do believe that the universe was brought almost immediately into being just as it is, so that they would not be inconsistent in thinking that men can create, once and for all, a finished political form. Besides, from what most of them say, it seems that a dictatorship of the proletariat means to them that the humble folk—although often more demanding than meek—had inherited the earth. (Incidentally, that beatitude referred to a spiritual attitude, not to a social class.) These Christian Communists ask, "Did not Christ say: 'Be ye perfect, even as your Father in Heaven is perfect?'"

That last would seem to suggest the possibility of creating a perfect socio-political State; but the teaching of materialist determinism has exerted such an influence upon even Christian thought that a question not asked is whether a perfect State makes perfect people or perfect people would naturally create a perfect State. The former is taken for granted.

The Reality Of Growth

But even the believers in instant creation cannot ignore the reality of development and growth. With these movements to be taken into account it is plain that in assisting the human race to reach spiritual perfection more than exhortation to be and do good is needed. Some understanding of the problem of good and evil is required. That both good and evil are known of and experienced points to the existence of both perfection and imperfection. Where good, or perfection, is found depends upon the place in evolution, or if preferred, in development, in which the subject is. Take a physical example to begin with: an embryo, at its stage of development, can be a perfect embryo; but if a baby were born in the shape of a perfect embryo it would not be a perfect baby. A child of six or seven who retained the form and mentality of a perfect infant would be an imperfect child; so an adult with the body and

mind that would be considered perfect for a child would be imperfect for an adult.

The same law of changing standards of perfection and of emergence into higher stages of growth applies to societies. The perfect patriarchal, tribal form becomes imperfect as a society develops a greater complexity and more various needs. A feudal form, as a form, seemed at one time to be the perfect one; but more advanced conceptions of moral necessities and individual freedom and duties turned its perfection of form into the imperfection of a constricting, oppressive one.

All concrete perfection carries within itself the seed of imperfection. In correct development the imperfection appears in the once attained perfection when perfection at a higher level becomes the goal. If, however, it be sought to keep perfection bound to some stationary form, only the imperfection is free and must work to destroy the very perfection that is sought to be preserved; for being imperfection at an existing stage, it cannot create something better than it destroys.

A Communist political form might conceivable be the perfect one at an elementary or embryonic stage of development. This is tacitly, perhaps unwittingly, acknowledged by the Communists themselves in their advocating the complete destruction of existing social and political forms in order to begin at the beginning of political development and create anew—that would necessarily be at the embryonic stage.

No Earthly Perfection Possible

One cannot know for sure what part expediency, what part infiltration and what part superficial thinking plays in the World Council of Churches' affection for the unscientific Communist theories and the social demolition practices of Communist States; but surely there must be some among the members profound enough theologians to be able to understand that perfection at any stage of development is the ultimate perfection of God; but that in no earthly, finite form can final perfection be achieved. The thinking person should be wary of the final perfection claimed by Communists for the Communist socio-political form. That claim of perpetual perfection, by itself, condemns the form as being regressively imperfect.

The appeal of Communism for many is that it seems to offer a quick and comparatively simple way to easy social perfection and to spare men the travail of breaking a path towards never completely conquered heights; and often the Communist conviction is not from fiery idealism but from the weak anger of the escapist who mistakes violence for strength and fantasies for visions.

REMEMBER PRE-CHRISTMAS PARTY

Saturday, December 13, at home of Mr. and Mrs.
Eric Butler. Donation \$1.00 All readers welcome.