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

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WORLD GOVERNMENT VIA WORLD BANKING

Students of the real role which International Finance plays in the unfolding of world history know that the aim of those powers in control of this terrible force is final control of the world's peoples and resources: World Government. There have been many events to confirm this now certain knowledge; viz. the "Russian" revolution, the two military phases (this century) of the centuries-old war against Christian civilization; the Great Slump intervening; the world system of central banks; and so on.

The catalytic factor in all these historic events has been International Finance. In the September and October issues of the South African magazine *News-Check*, are disclosed snippets of information, which we feel, would be classed as top secret by any equivalent British or American publication.

William McChesney Martin, recently retired Chairman of the Board of Governors of the Federal Reserve in Washington, U.S.A., said in Basle recently that some of the functions of a "world central bank" are already being performed. He went on to examine ways in which these functions could be further developed. Not, please note, whether or no they SHOULD be developed, but by what means they COULD be developed. McChesney Martin said that the International Monetary Fund, the Organization for Economic Co-operation and Development, and the Bank of International Settlements, have all been contributing to the function of a Central Bank. It is true that the United Nations World Bank does exist, headed by that American disaster, Robert Strange McNamara, but it does by no means have the powers of a Central Bank.

Martin revealed that the I.M.F. has the clearest potential for evolution towards a world central bank. By this is meant a bank with the maximum control over "World" financial policy, just as the Reserve Bank in Australia, Australia's Central Bank, has the maximum control over Australian financial policy, and hence over the Australian Government. This is all highly theoretical, of course. In point of fact, "World" financial policy will be that which is laid down by the powers which will, and to a very large extent, already do, control the International Monetary Fund, just as "Australian" financial policy is laid down to a large extent by the powers which control the Reserve Bank of Australia; again the International Monetary Fund.

But more is admitted. Even before the S.D.R. Amendment (Special Drawing Rights—"paper gold") to the Articles of Agreement, the I.M.F. was performing a central banking function. It was "exercising its influence

over the economic policies of its member nations, in part as a complement to its lending, and in part INDEPENDENTLY (our emphasis) of its lending". Member nations of the Fund who avail themselves of its credit facilities are required to meet certain policy standards laid down by the I.M.F. All this is crystal clear; the International Monetary Fund is much more than what it purports to be. It is because of its already considerable powers over many governments of many nations, a germinal supra-national government, the powers of which are intended by its architects to be greatly expanded.

The most dramatic development so far in the evolution towards a World Central Bank, said Martin, is the agreement to create the Special Drawing Rights (S.D.R.). This "paper gold" mechanism, when divested of all the learned claptrap and voodoo, means the extension of bank overdraft facilities on a national basis from an international bank, just as, on a local basis, a private company is granted an overdraft from a trading bank. What, in effect, the allocation of S.D.R. means is that industrially advanced nations, such as Australia, obtain permission from the International Monetary Fund, to which Australia is a signatory, to monetise for a period of time their own real credit, i.e. the rate at which they can produce goods and services as, when and where required. No "gold" or "bank notes" are sent into Australia by plane or ship; nothing like that happens at all. A paper agreement, a transaction, is entered into between the Reserve Bank of Australia and the I.M.F., that's all. The fiction that the world's monetary systems have any relationship whatsoever to gold is fast being dispelled. In the October issue of *News-Check*, Dr. Jack Holloway, a leading South African financial expert of the orthodox type, reveals "that the basic philosophy of the Fund as an organization founded on gold as the final means of payment of international balances has been jettisoned . . . the Fund is gradually moving away from the sure foundations of gold to the quicksands

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DOES BIG BUSINESS SERVE THE INDIVIDUAL?

The above title was that of the address, given by Mr. M. P. Sinclair, at the Annual Seminar of the Australian League of Rights, held on 19th September 1970, in Melbourne.

Mr. Sinclair is a manufacturing engineer of considerable experience. What sets him rather apart from many of his colleagues is his firm grasp of the policies of political and economic realism first enunciated by another engineer, C. H. Douglas. These extracts from Mr. Sinclair's Seminar address reveal the enlightenment which he can shed, therefore, upon the modern finance-economic-production system; in order to pinpoint its many fallacies and perversities.

Rationality is today considered the supreme virtue in the large corporations. The human managers are expected to be at all times absolutely logical and at no time, humanly emotional.

Their total absorption is assumed to be with the task in hand, the pretence being maintained that feelings about the fulfilment of the task are either non-existent or cannot be permitted to intrude.

The rugged individualist, unless he has the rare quality of being politic, does not last long in large companies today. For large companies consider that they are run by teams, not individuals, and they tend to stifle the man who has boldness and initiative.

All this psychological testing and probing is trampling on individual rights and dignity. But what does all this trampling and probing gain the corporations in the end?

Corporations, in any final analysis, are the banding together of groups of individuals, to gain an "increment" from association, to be able to achieve together, that which they could not achieve alone.

I am quite sure that individuals do not intentionally join a corporation to gain as their "increment", a loss of their individual rights and dignity. And I am just as sure that individuals of this or any other country, do not intentionally want as their "increment", to have their individual rights and dignity trampled on by power lusts, centralisers and do-gooders who will **force** you to accept certain legislation for what they consider your own good, whether you like it or not; e.g. consider compulsory fluoridation of your water supply.

HOW DOES THE CONSUMER FARE?

Let us now consider the effect of the big corporation on the consumer.

The object of any business under today's economic system is to make a profit, that is, a financial profit.

This drive to make a financial profit, means that all costs, must be charged into prices, for the very existence of a producer, depends on his ability to pass on any expenses incurred, to the consumer.

In the ultimate analysis of the producer-consumer relationship, it is the duty of the producer to produce and the duty(?) of the consumer to consume, for the sole purpose of production is consumption.

But what happens when the consumer has enough goods or he is not given sufficient tickets to purchase or consume more goods?

As production is dependent on consumption, and as profit is dependent on production, we find that consumption must be artificially stimulated in order to keep production going.

One large factor in artificial stimulants is advertising. Last year Australia spent \$350,000,000 on advertising. \$350,000,000, which was added to the price of goods, which you, dear consumer, had to pay, quite regardless of the statements and slogans that advertising reduces costs.

There are many other factors in the artificial stimulation of consumption, some of which are: **psychological obsolescence**, that is, the fashion change—don't be seen in the street in last year's dress or shoes, and don't, for heaven's sake, drive last year's model car.

A Ford executive stated: "We are confident that the annual change cycle has advantages for the national economy in terms of employment, and it is essential for competitive reasons. The change in the appearance of models each year increases car sales."

Carmakers of Detroit were spending more than a billion dollars a year to put a new **dress** on their cars each year. The cost to the consumer? Only \$300 extra each year—some dress!

If we were to eliminate yearly models, we would have to put a premium on better design. If we are going to live with something a long time, it has to be designed more subtly, in contrast to which, contemporary, gaudy styling loses its glamour only one shade slower than a street walker at dawn.

In reference to employment and the national economy, a marketing journal points out that an unemployed worker produces nothing that can be advertised and sold, and he consumes very little beyond necessities.

Planned obsolescence of quality, that is, designed to last only certain time.

Furniture, clothes, dishes, cars, floor coverings, can all be made to last longer at very little additional cost, and you could probably give many more examples, but this is not in the interest of the corporations to make a profit—the emphasis being on more and more production.

One definition of the term "consumer durables" was, in effect, any article, which lasted until the final instalment was paid. Some companies, of course, still do their best to give their customers a long-lasting product, especially in the fields not heavily dependent on replacement sales.

Obsolescence of function

In this situation an existing product becomes outmoded when a product is introduced which performs the function better.

This is laudable when planned, for example, the improvements in air transport, but is subject to manipulation. For instance, stereo was first patented in 1931, but was held back until the late '50s, until the demand for hi-fi sets was slowing, and a dramatically new product was needed to stimulate the market.

Obsolescence of desirability

This tied in with psychological obsolescence, but is more concerned with styling. It has been suggested that these types of obsolescence can only be promoted because of the prevalence of boredom, lack of self-expression, lack of self-discipline, absence of free and truly friendly communication between neighbours and friends and a general lack of rational values—we have lost touch with reality and fundamental values.

THE DEBT SYSTEM

Further stimulation is provided by the system of finance, sometimes referred to as the never-never, or the drip-feed system, but more generally known as hire purchase.

As millions of people adjust to spending more than they earn, living in the red is glorified as not only fun, but patriotic. One "credit" newspaper in the United States printed a parable about the wise and foolish lovers.

The foolish lovers—in its version—decided they still could not afford to get married, so both set out on a systematic programme of saving until they could unite and establish a home without going into debt.

They were foolish—the journal explained—because they were postponing and thus missing a portion of the pleasure of living life together. And, further, they "deprived the national economy of two or more years of family consumption". The wise lovers, by contrast, were not deterred from uniting in matrimony merely because they had no savings.

They got married immediately, took their honeymoon on credit, bought a car on credit, bought a home on credit and furnished it on credit.

These heroes of the consuming battle line, the journal said, "stimulated production, created employment, increased purchasing power and raised the standard of living". But the journal did not say that they lived happily ever after—chances are they didn't, as divorce investigations show, that living close to insolvency imposes greater strains in marital relations between husbands and wives, than the ordinary person can bear.

The advent of hire purchase has, unfortunately, supported a belief in the proposition that the most profitable product sold today is money.

The hire purchase debt in Australia has risen from approximately \$300,000,000 in 1950, to \$2,300 million-odd in 1968.

Are not the leaders of the major political parties self-

INSPIRING START TO 1971 FINANCIAL FUND

Reflecting the rapidly growing urgency of the situation, a small number of supporters of The Australian League of Rights have launched the 1971 fund of \$25,000 by donating or pledging over \$6000. The average is nearly \$200. The National Director of the League, Mr. Butler, reports that at the moment there is no time to provide a report of the tremendous campaigning. All full-time staff are working night and day to try to keep pace with the growing upsurge in the rural areas. But other aspects of the League's work are also developing rapidly.

It is a case of "now or never". Please send those donations and/or pledges in for the 1970-71 fund. Full report in next month's "New Times". Queensland and northern N.S.W. supporters should send donations and pledges to Mrs. Jean Luscombe, The Australian League of Rights, Box 17, Alderley, Queensland, 4051. All other donations to Box 1052J, G.P.O., Melbourne, Vic., 3001.

proclaimed centralists, and internationalists, who have been set upon the hobby-horse of an idea about the absorption of individuality, by the symbolic unit of "collectivism".

These tigers in appearance have the souls of sheep, and the wind blows freely through their heads.

They have never yet, and never will, have the sense to reflect that this hobbyhorse is a manifest violation of the most important law of nature, which has established from the very creation of the world, one unit unlike another and precisely for the purpose of instituting individuality.

It would seem that it is not only our political leaders who have been set upon this hobby-horse, the hobby-horse of absorption of individuality.

And I refer to the large business corporations, which are becoming more and more important in the lives of most of us, and more and more young people are committing their aspirations to these institutions.

I want to examine with you, the situations with which some of these young people will be faced, particularly those who wish to rise in management.

Increasingly we live in a corporate society and business executives are seen as our foremost social models, if not our leading heroes.

They enjoy the greatest material rewards, which can be offered, and some of the greatest rewards of prestige.

One of the easiest ways to sell homes in the United States, at practically any level above that of the "blue-collar" worker is to call them "executive" houses, with promises that their dimensions will "reflect your own

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THE ROLE OF FINANCE IN GOVERNMENT

The following paper was given by Mr. Jeremy Lee, Secretary of the Institute of Economic Democracy, at a Seminar organised by the Australian Country Party, Queensland, at Dalby on September 4, 1970, on the subject—"Decentralised or Centralised Government".

The Institute of Economic Democracy is a division of the Australian League of Rights, which is concerned principally, although not exclusively, with the problems of the rural industries.

It is a true saying that government is like fire—a good servant but a bad master. There is a fearful tendency for governments that were originally designed to provide the minimal essential administration necessary for unimpeded personal responsibility and freedom, to become self-appointed "Big Brothers" - minding everybody's business but their own, and usually pretty inefficiently. It is well said that the government that is big enough to give you everything you want is big enough to take everything you've got. The burning problem is, and has always been to prevent a small minority from seizing all power. We should recall with thankfulness the wisdom of our forefathers in this country, who built a system of government and devised a constitution that has held back the evils of centralised power for so long. The notorious Professor Laski, of London School of Economics fame, paid unintentional homage to that wisdom in commenting on the defeat in 1944 of Dr. Evatt's proposal to dispose of constitutional safeguards in favour of centralised power at Canberra, when he wrote: "Once there has been a division of powers under a Federal system, it takes something like a political or economic earthquake to change the categories of the division". It is always an embarrassing reminder to those who tend to think that all wisdom flows from Canberra, that the Federal Government was the creation of the States, rather the other way about. Our forefathers devised a divided system of government—Local, State and Federal—in accordance with the principles so well expressed by Sir William Blackstone, when he wrote that "Herein consists the true excellence of English Government; that all parts of it form a natural check upon each other".

Government, if it is to serve the individual as is envisaged in a democratic society, must yield to the expressed policy of the people. There may well have been some merit in the ancient Greek system whereby their representatives were selected by drawing lots, and were held responsible to those they represented on pain of death! History suggests that this type of sanction tended to keep representatives on their toes! The modern representative should be no less heedful of his electors than his Greek counterpart so many years ago. Equally, no representative can honestly be expected to properly serve an electorate that is too apathetic to express its desire. Only an active and informed electorate can successfully regain the power, which is its prerogative.

DISRUPTION BY FINANCE

While constitutional barriers have successfully stayed direct political centralisation, a far more insidious force has almost wrecked the carefully balanced and divided governmental system, which serves Australia. That power is the power of finance. One of the greatest of Australia's Prime Ministers—Alfred Deakin—predicted the present situation with uncanny accuracy when he said: "As the power of the purse in Great Britain established by degrees the authority of the Commons, it will ultimately establish in Australia the authority of the Commonwealth. The rights of self-government of the States have been fondly supposed to be safeguarded by the Constitution. It left them legally free, but financially bound to the chariot wheels of the Central Government. Their need will be its opportunity. The less populous will first succumb; those smitten by drought or similar misfortune will follow; and finally even the greatest and most prosperous will, however reluctantly, be brought to heel. Our Constitution may remain unaltered, but a vital change will have taken place in the relations between the States and the Commonwealth. The Commonwealth will have acquired a general control over the States, while every extension of political power will be made by its means and go to increase its relative superiority." This was no idle prediction. An incredible shift in emphasis has taken place. The Commonwealth Government, the child of the States, has now become a monster that threatens to devour the parent bodies. Mr. L. A. Punch, the chairman of committees in the New South Wales Parliament, graphically described the situation in the House on October 5, 1967—"Over the years since Federation, and particularly since the introduction of uniform taxation in 1942, the Commonwealth has gradually acquired more and more power to control the domestic matters of the States. This power to control has been acquired by the granting of financial assistance, additional to normal reimbursements to the States for specific purposes, and each time aid was given there was a condition involved as to how the money was to be spent. In other words, whenever the Commonwealth came in to assist, it stipulated how the money was to be spent, and further whittled down the State's diminishing powers. This has now reached the stage of being a real threat to State sovereignty. The States have been forced to relinquish control of their own domestic affairs because their hazardous financial position allowed them no choice . . . The Commonwealth has, therefore, forced the States into new fields of State taxation, in which the taxes are not on profits, but affect

the economy and the industry of the State. At the same time, the money which the Commonwealth lent to the States is being used, in most cases, to bring about a bigger return to the Commonwealth in the form of increased taxation, payroll tax, etc.—fields in which the State does not share. This position must continue to worsen because the State debt is increasing enormously. And interest repayment has reached a staggering figure, absorbing an ever-increasing proportion of the State budget. We are heading for the ultimate position in which the State Budget will be needed in its entirety to meet loan repayments and interest charges. Startling as this may sound, it is clearly borne out by the figures." Mr. Punch went on to show how the Commonwealth had feathered its own nest at the expense of the States in the ten years 1956-57 to 1966-67. "In that period the Commonwealth's loan indebtedness per head decreased from \$427 to \$271 while that of the States increased from \$271 to \$655. The total loan indebtedness per head in 1956-57 was \$698 and in 1966-67 it had increased to \$926." By mid-1967 Australia's annual interest bill on Government securities issued was over \$500 million.

USURPTION OF STATE FUNCTIONS

Since the end of the war the Commonwealth has for one reason or another, entered into almost all the State spheres. In the Education field, with regard to university education, teachers' colleges and colleges of advanced education, the Commonwealth now stipulates how the money may be spent. With regard to matters such as flood mitigation, forestry and conservation the Commonwealth is exerting more and more control. It may well be asked what is the limit, or is there none?

The Minister for Local Government in Victoria, the Hon. R. J. Hamer, was even more explicit in a speech in the Victorian Legislative Council on September 30 1969. He pointed out that all surplus revenue was transferred by the Commonwealth Government to the Loan Consolidation and Investment reserve fund. From this the Commonwealth Government not only finances its own capital works free of interest, but actually lends money to the States at full interest. Mr. Hamer went on to say: "By any reading of the spirit and the intent of the Constitution this would be surplus revenue which ought to go to the States outright. Nothing of the kind. The States have to repay the loans, and, to add insult to injury, they have to pay interest, too. The figures show that for every \$1 of surplus revenue that the Commonwealth lends to the States it receives back \$2.50. So far the Commonwealth has invested the staggering total of \$2,200 million in loans of surplus revenue to the States."

Quite apart from this deliberate use of financial banditry to centralise power, the never-ending problem of inflation directly magnifies the problem. Mr. Hamer went on to explain: "To illustrate my point I shall refer to the \$1.35 wage increase awarded last financial year by the Commonwealth Conciliation and Arbitration

Commission. This increase added to the State budgets, by way of additional payments to the State employees, an amount of \$23 million. The increase in the tax grants under the formula from Canberra was \$9 million. Hence it will be seen that the net costs to all States as a result of the wage increase was \$14 million. In regard to the Commonwealth budget, the increased wages meant an automatic increase in revenue from income of \$40 million. Additional wage payments to Commonwealth employees totalled \$17 million and the increase in tax grants to the States totalled \$9 million, representing total additional expenditure to the Commonwealth of \$26 million. It is pure coincidence that the net cost to the States, and the net profit to the Commonwealth totalled \$14 million in each case."

INIQUITY OF PAYROLL TAX

This now happens every time there is a wage rise. Perhaps the most iniquitous example of all is Payroll

DISTINGUISHED SOUTH AFRICAN JOURNALIST VISITING AUSTRALIA

Mr. Ivor Benson, the distinguished South African journalist, author and student of world affairs, will arrive in Australia on November 29 for a short tour of Australia under the auspices of The Australian League of Rights. Seasonal conditions preclude an extensive tour of rural areas, but Mr. Benson will be visiting all capital cities and several provincial cities.

Mr. Benson has had a colourful career, one of the highlights being his scooping of the world's press with his exclusive photos and stories on the Congo disaster in 1960. Mr. Benson was the only newspaperman to remain in Elizabethville as the city was looted. He will be using his exclusive Congo slides during his Australian lecture tour.

Prior to the Rhodesian declaration of independence in 1965, Mr. Benson was adviser to the Rhodesian Information Department, and later acted for a time as chief censor. Mr. Benson has a vast first-hand knowledge of Africa. He was in Europe before the Second World War, during which he served with the South African forces. Details of Mr. Benson's tour are to be finalised. He will speak in the Collins Room, Federal Hotel, Melbourne, on Monday, December 7. Mr. Benson will arrive in Australia fresh from covering the American and Canadian scene.

Tax, in which one government is directly taxing another. Mr. Hamer went on to say: "Whatever may be the legal and ethical position about one government in a Federal system directly taxing another government and its instrumentalities, the financial result is certainly disastrous. In a time of steadily rising wages and salaries, this tax serves to worsen the plight of both the State Government and

Local Government bodies."

I can only ask you why one government would tax another, other than as a deliberate measure to usurp power?

If, as a result of this, the position of the States has become increasingly unstable, the position of Local Government authorities has become absolutely disastrous. Throughout Australia the whole Local Government system is on the verge of collapse. The news announced recently that 14 shires in Queensland face bankruptcy in the next 12 months has its counterpart in every State. The great achievements of this efficient and decentralised form of Government speak for themselves as valid reasons for retaining our Local Government system. But there is no way in the world that it will survive if the present process is allowed to continue.

But to date the problem has not been faced. It is true that an increasing clamour from the States and Local Government bodies has demanded a reallocation of the revenues collected by the Commonwealth. But this is only half the problem. What of the debt itself? The Australian taxpayer can hardly be expected to enthuse over a plan to change the position of those who are bleeding him white. Merely transferring the debt burden from one government to another cannot solve the problem. Under present conditions the impact of debt and inflation is real enough whatever the source. A number of notable economists have pointed out that when a country is taxing more than a quarter of its national income it is in deep trouble. Australia has long exceeded this point, and taxation now engulfs almost 35 percent of the national income. Heavy progressive taxation is the main feature of Karl Marx's economic proposals to cripple the free-enterprise system and the decentralised government structure. Unless a realistic programme is devised to finance capital works from some source other than taxation revenue, and to restructure the debt system, any other remedy is purely illusionary.

PRODUCTIVE POTENTIAL ENORMOUS

It must be stressed that the present financial anomalies, expressed in rising prices, injurious taxation, mountainous debt and growing poverty have completely masked the tremendous productive achievements we have attained. It is only occasionally that we catch a glimpse of the productive capacity at our fingertips. An illustration that is significant was published in a publication of the Institute of Public Affairs in Melbourne in March 1968:

"The enormous productive capacity devoted to the Second World War has been measured in financial terms. It would have provided:

A \$24,000 house

\$8,000 worth of furniture

\$40,000 worth of cash

for every family in the U.S.A., Canada, Australia, Britain, Iceland, France, Germany, the U.S.S.R. and Belgium. In addition, each city in those countries with over 200,000

population could have been given a cash donation of \$150 million for public needs such as hospitals, schools and libraries."

May I point out that that was achieved in six years of war, when there were no financial barriers placed in the way of physical production.

Is it too much to suggest that our productive capacity, which has grown considerably since that time should have resulted in greater security and freedom for the individual than ever before, and that this should be seen in results such as reduced taxation, more savings, less and less debt, more ownership, more leisure and certainly the need for less government welfare as time goes on?

Instead of this the dominating problem for every producer is to find a buyer. Over-production, or under consumption, has become a feature of our economy. Built-in obsolescence, a \$350-million advertising industry, growing industrial and agricultural pollution, waste, and unnecessary depletion of natural resources have become the feature of our system. The great problem is not productive any longer. It is what to do with what we produce, and how to stop producing unnecessarily.

In spite of all this, we are still beset by economic dogmas that bear no relationship to reality. "Too much money and not enough goods" is such obvious nonsense that the intent of our economists must be seriously questioned.

NEW FINANCIAL PROPOSALS URGENT

As a start a number of proposals deserve urgent and critical attention.

1. There must be a complete restructure of debt—both public and private—immediately. The provision of long-term loans at low rates of interest—preferably at cost of issue but certainly no greater than two percent—available to Local Government authorities and to individuals within industries like Rural Industry, would provide a crisis solution that would salvage something out of the present disaster.

2. No capital works in Government—whether Local, State or Federal—to be financed out of taxation revenue, but out of funds created by the Reserve Bank to be repaid over the estimated life of the item, at the same marginal rate of interest. This, without any other remedy, could result in a reduction in taxation of about 20 per cent. In support of this also, Mr. Chairman, I would like to quote from the Royal Commission on Banking and Money which was held in 1937 where in paragraph 503 of its Recommendations it states—"Because of its powers the Commonwealth Bank can lend to the governments or to others in a variety of ways, and it can even make money available to governments or to others free of any charge".

3. The abolition of all sectional and directly inflationary taxes, such as Sales Tax, Land Tax, Probate Tax and Payroll Tax. They are all iniquitous.

4. A reduction in the burden of government. The fact that one in three in the Australian work force is now

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SIGNIFICANT MEDICAL OBSERVATION RE MARIJUANA

"The failure of the medical profession to become fully aware of the subtle but in my opinion disastrous effects of marijuana may have the following reason. The old-fashioned family doctor would have been quick to notice these effects and to eliminate their cause. And even today the general practitioner would still be in a position to observe the destructive effects of marijuana, were he not too busy to deal with psychological problems. The psychiatrist, on the other hand, sees the already psychologically disturbed patient at a time when it is no longer possible to distinguish between pre-existing psychotic tendencies and marijuana effects.

"Since my main interest in medicine happens to be the health of the personality as a whole, I have tried for thirty-eight years to make friends with very young children and to keep their confidence and friendship through their adolescent and adult years. Moreover, my experience includes a steady stream of young people who have heard a lecture, read a publication, or seen a TV program of mine. They do not come as patients but merely to discuss their views on life with an older man. Thus I have known many people for a long time, not just as a physician but as a friend. Among them there are those who have taken marijuana at one time or another, giving me a chance to observe its effects on the deeper strata of the personality, strata well hidden from a casual observer.

"In this long experience, I have come to the conclusion that the abuse of marijuana is one of the major tragedies of our time. While hard drugs cause far more obvious physical and mental harm, they are mostly used by people already defeated by life, who seek in them a way to oblivion. What makes the use of marijuana tragic is that it appeals not only to the neurotic and already defeated but to healthy young people who seek in it nothing worse than diversion or an expansion of consciousness. Unknown to themselves and unnoticed by a generation of parents, teachers, and physicians often too busy or uncaring to pay real attention to anyone but themselves, some of the finest young people are thus condemned by sheer ignorance to a gradual disintegration of their personality.

"An early effect of marijuana and hashish use is a progressive loss of will power, already noticeable to the trained observer after about six weeks of moderate use.

"The loss of will power weakens the ability to resist coercion, so that marijuana users too often fall victim to hard drug pushers, extortionists, and deviates. Soon all ability for real joy disappears, to be replaced by the noisy pretence of fun. While healthy teenagers will eagerly participate in all kinds of activities, such as sports, hiking, artistic endeavours, a marijuana user will show an increasing tendency to talk endlessly of great goals, while doing nothing about them. Athletic abilities invariably fall off with the use of marijuana. Artistic achievements become meaningless and lose all originality. Instead of developing strong feelings toward others, the marijuana

user is apt to wallow in sentimental emotions. Since the drug removes inhibitions, sex life may be stimulated for a brief period but invariably declines within a few years, leaving men all but impotent and women frigid.

"Aware of the fact that most dedicated pot smokers would refuse to accept my views on faith, I usually offer them the following proposition: 'Conduct an independent investigation of your own. Pick any individual among your classmates, friends, or relatives who has been taking marijuana for at least a year but whom you had known well before he started taking the drug. Then compare his present personality with his former self. If you do not find that he is turning into an empty shell, that he is on the way to becoming a pitiful caricature of his earlier self, I shall make no further effort to convince you.' I do not remember one single high school or college student seriously undertaking this investigation who did not return deeply shocked by his experience. Most of them not only make a resolution never to take the drug but become most effective crusaders against it among their contemporaries. Unfortunately, people are not observant enough to notice the weird but elusive changes in themselves or others unless their attention is directed to them . . .

" —Franz E. Winkler, MD, in the July 1970 bulletin of *Canadians for Responsible Government*.

IS IT AN ERROR AFTER ALL?

Sir Robert Menzies was thus quoted in the "Sunday Truth", Brisbane, October 16, 1966: "There is in Australia a considerable distrust of, or hostility to, Federal authority. The States readily fall into the error of thinking the Commonwealth is a foreign power".

There is some apt comment on the Commonwealth-States confrontation in the article: "The Role of Finance in Government", which appears elsewhere in this issue of the "New Times". The point which we can make here is that if Sir Robert Menzies is right, and that this distrust does exist, then this says much for the sound political instincts of Australians: it is to their credit. Governments can increase their powers only at the expense of the individual—the stronger the government, the weaker the individual. The ever-increasing centralist policies of Commonwealth Government politicians, and this includes many of those of both major political parties, are steadily weakening the States so that the oblivion of the States is merely a matter of time. It is quite unrealistic to assume that the individual is able to exercise the same power over a strong central government that he is able to exercise over a smaller, decentralised government. In the nature of things, this just cannot be so. We sincerely hope that Sir Robert Menzies is right, and can only repeat: "Is it an error after all?"

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of authoritarian *FIAT* money". In other words those powers now in control of the Fund are well on their intended way towards usurping the powers of a world Central Bank with all its powers of credit creation on a world basis. This will ring down the curtain on national sovereignties: such political infernal machines as the European Common Market, and the United Nations, will then convey nations into the jaws of World Government.

One last item which appeared in an article in the *South African Observer* (July 1970) administers the coup de grace— ". . . it is well to remember that the I.M.F.'s Special Drawing Rights is headed by an official of the Rothschild Bank in France". Need we say more?

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success". This practice has also been adopted in this country and can be seen around the "display home" circuit.

If one casts one's mind back 30 years, you will remember the time when the newest junior in a firm was either the "office boy" or the "errand boy". Today his title is "junior executive" although I don't think his rewards are by comparison, very much higher than then.

Mr. C. H. Greenewalt, chairman of Dupont Chemicals, states: "Whatever he is, the businessman is the product and pilot of the system under which most of us earn our livings".

And it might be added that the tens of millions of Americans and the tens of thousands of Australians, who work under the direction of an executive, well know that his impact on their life can be massive, especially if he is afflicted with the emotional fractures frequently associated with the promotion process.

The executive class is transmitting an attitude to society, which has profound impact upon society itself.

MANIPULATING AMBITIOUS MEN

And this attitude is evidently brought about by the manipulation of the ambitious man trying to get ahead in his enterprise.

A new kind of gruff paternalism has developed in the larger enterprises, an exploitation of leaders rather than labourers. With prosperity, labour has grown independent; most of its paternal direction now coming from union leaders.

Labour's leaders in America have successfully threatened strikes, when management has proposed that union members submit to psychological testing.

But hundreds of managers and would-be managers meekly submit their fate to such tests—including person-

ality tests—every day, despite mounting criticism of such testing.

It should be borne in mind that although a number of these things which I mention were happening in America around 1960, we in Australia cannot feel smug, because we seem to slavishly follow in America's footsteps, although some years behind.

The aspiring managers of most large enterprises are fairly constantly being scrutinised, measured, moved about, and pondered.

Their rolls of fat and their personal quirks are a matter of deep concern to higher management. In some companies the managers may be directed to have a psychiatric check-up, and in a great many, are invited to submit to psychological check-ups.

These aspiring (and perspiring) managers are expected to maintain an attitude of piety and total loyalty towards the corporation (an attitude no longer expected of rank-and-file employees).

They are expected to move their families to any of the company's branch plants that happens at the moment to need someone with their particular qualifications.

Some corporate management worry about a manager if he seems to exhibit an undue sense of humour, if he seems unduly contented, or if he appears to have independent means.

And many corporations "urge" their executives to be good "corporate citizens" in the community, in their "free" time, irrespective of their own particular interest in such activities.

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Government employed is a situation that cannot be tolerated any longer.

5. That the Government should immediately be charged with the responsibility of implementing the measures necessary to fulfill the policies which the electorate endorsed in 1949 when it came to office—namely to put the shillings back into the pound. It should be pointed out that inflation is a MARXIST policy, and is not inevitable.

In conclusion, may I commend the Australian Country Party for taking the initiative in arranging this seminar. I am convinced that a major crisis can only be averted by determination and resolution, which must grow from ordinary electors, not for personal gain or party prestige, but because these problems are national and affect us all. The free world stands on the edge of an abyss. Either we are going to go bankrupt in the middle of one of the most productive eras in the recorded history of mankind, or we are going to master a financial system which is now mastering us, and move forward into an area of true peace and freedom. We all have a responsibility to ensure that we play our part.