

CHRISTMAS ISSUE

THE NEW TIMES

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

\$5.00 per annum post-free. Box 1226L, G.P.O., Melbourne.

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

Vol. 37, No. 12

DECEMBER 1971

EDITORIAL

INHERITANCE AND THE LIFE ABUNDANT

"I came that they might have life and that they might have it more abundantly."

—John X, 10.

"Therefore take no thought, saying, what shall we eat? or, what shall we drink? or, wherewithal shall we be clothed . . . for your heavenly Father knoweth that ye have need of all these things."

—Matthew VI, 32.

The historical relationship between Judaism and Communism has been traced by a number of writers, many of who have drawn attention to their common opposition to Christianity. Both elevate the group over the individual, and both reject the principle of inheritance. It is therefore logical and not surprising that those supporting the philosophy of Judaism and Communism are implacably opposed to the Social Credit proposal that the individual is entitled, as a right, to a social dividend, and that economic activities should be directed towards freeing the individual from unnecessary work in order that he may devote his energies towards developing himself through voluntary, creative effort.

The world today not only lives under the growing shadow of an expanding International Communist power movement, but is increasingly influenced by Communist ideas. While still dictator of the Soviet Union, Khrushchev made the statement that the non-Communist world was progressively losing the will to resist Communist pressures because it was now saturated with the Socialist way of thinking. It would now be correct to describe the non-Communist world as semi-Marxist. The prevailing policy of "full employment" is at one with the Marxist dogma that as "labour produces all wealth" no individual is entitled to access to any wealth until he has participated in some form of economic activity, irrespective of whether it is necessary or not. It can readily be demonstrated that with every improvement in the industrial arts, making it possible for individuals to produce the bread of life—the basic requirements of food, clothing and shelter—in shorter working time, the policy of "Full Employment" must inevitably result in increasing State intervention into the affairs of the individual. Consider the state of the U.S.A., where a Republican Administration has imposed the most rigid financial and economic policies ever experienced in peacetime.

THE CENTRAL FACT OF HISTORY

Even those who reject the historical accuracy of the birth of Christ, of God's entry into the world in this manner, cannot logically deny that the Incarnation is

the central fact of history, dramatically changing the course of events from what they otherwise would have been. The Christian concept changed man's way of thinking about fundamental issues, and produced a civilisation uniquely different from all previous civilisations. It reached the high watermark of its growth before the First World War. The Socialist propagandists have vividly drawn attention to the many black features of that civilisation, but have carefully ignored, or distorted, the many excellent features such as the fact that large numbers had private incomes which enabled them to live cultured and gracious lives comparatively free from the type of pressures associated with compulsory "Full Employment".

The outbreak of the First World War in 1914 marked the end of an era of comparative peace and stability, to which the British Empire had made a most distinguished contribution. If the organic growth of pre-1914 had continued, there is little doubt that the major defects in the finance-economic system would have been progressively moderated and that mankind would have moved forwards to a progressive widening of that life more abundant which the founder of Christianity spoke about. But with the outbreak of the First World War in 1914

Continued on Page 8

CELEBRATING THE GREATEST BIRTH IN HISTORY

To the dedicated Christian, Christmas is not just a time of "good cheer"; it is the celebration of the Birth of He who said that He had come that man might have the life more abundant. His coming set in motion the forces, which created a Christian Civilisation. As we celebrate the Christmas Season we suggest that earnest consideration be given to how to regenerate that civilisation. We extend greetings to all our readers, trusting that during the Christmas Season they will become more dedicated to *the* great challenges of 1972.

GEMS FROM DOUGLAS

One student of C. H. Douglas observed, "events appeared to be in his pay". We therefore introduce this 1971 selection of "gems from Douglas" with the following from "The Alberta Experiment" (1937): "I had in 1923 concluded my evidence before the Canadian Parliamentary Committee on Banking and Commerce) with a prediction that persistence in orthodox financial methods would, within a comparatively short period of time, involve the world in a financial catastrophe. At a friendly dinner given to me in early October, 1929, when, it will be remembered, the whole of the American Continent was still on top of the world's greatest boom, I was gently chaffed in regard to this prediction and asked when it would be fulfilled . . . I replied that I should not be surprised if it happened within a month of that time, which, in fact, it did."

"What is happening in the world today is the clash of fundamental ideas, and those ideas will work themselves out to what may almost be called their inevitable end, attracting to their service great masses of individuals to whom they are congenitally sympathetic. What, I think, is incontestably true is that the great underlying forces which inspire human nature to action do not change substantially, at any rate within the widest period of history which we can span, although, like everything else, they may be subject to evolution and they may change the forms of their expression. Recognition of the truth of this is, I think, the shortest answer to proposals, which involve for their acceptance a radical change in human nature. We can group these forces and we can achieve results just as radical as if we had changed the very nature of the forces, but this can only be done by an understanding of these forces and a conscious use of them rather than a wholly unscientific attempt to change their nature. All progress in the world, and in some ways the world has unquestionably made progress, has been achieved by recognition of TRUTH, and the reason that so little progress has been made in the solution of social problems is, to my mind in this sphere alone truth has been ignored or denied." —From an address to *The New Age*, Dinner, London, March 18, 1933.

* * * *

"A Jewish financier, expressing his contempt for Gentile mentality, once remarked that the secret of the inability of the Gentile to shake himself free from the dominance of finance resided in the fact that the Gentile was incapable of distinguishing between numbers and things. I would be inclined to go further than that, and say that the mentality, which is attracted to the internationalist idea, is incapable of distinguishing between numbers, things, and individuals. It is a type of mentality, which is fostered and ultimately becomes inseparable from people who deal with nothing but figures, and it is, in my opinion, the reason why the banker in particular is fundamentally unsuited for the position of reorganiser of the world. No banker, as such, has any knowledge of large undertakings. He thinks he has, because he deals with large figures, and he mistakes the dealing with large figures as equivalent to dealing with large numbers of things and people."

—*The New Age*, January 14, 1932.

'Curiously enough, numbers of professional economists and bankers who stigmatised my own proposals as disguised inflation, whatever they mean by that, are now asking for undisguised inflation, with the object of rising prices. So far as I can see, the only requirement on which insistence is made from orthodox sources at the present time in regard to inflation is that it shall be accompanied by the creation of a still further debt to the banks.' — From an article in London *Daily Herald*, printed in *Major Douglas Speaks* (1933).

* * * *

"Central Government is merely a disguised military organisation, the power of which grows with what it feeds upon."

—*The Land for the (Chosen) People Racket*.

* * * *

"It is not democracy of any conceivable kind to hold an election at regular or irregular intervals for the purpose to be decided by ballot whether you will be shot or boiled in oil. It is not democracy of any conceivable kind to hold an election upon any subject requiring **technical** information and education . . . the first requisite of a political democracy is that its operation shall be confined to objectives, not to methods."

—*The Tragedy of Human Effort*.

* * * *

"Every effort is made to suggest that ritual is a 'class trick'; that 'manners makyth man' has no reality in comparison with a six-valve radio or a rousing gangster film straight from Hollywood. There could be no greater falsity. The culture we have in mind is far more extensively diffused amongst the 'lower income brackets' than amongst the ornaments of Big Business. But it is not

BOOK EARLY FOR 1972 ANNUAL DINNER

The 1972 Annual Dinner of "The New Times" will be held at The Victoria, Melbourne, on Friday, September 22. The donation will be \$6 per person. The guest of honour will be the distinguished South African journalist and publisher, Mr. Ivor Benson, who will present a paper at the 1972 National Seminar of The Australian League of Rights. The theme of the Seminar will be Southern Africa and Australia. It will be held on Saturday, September 23. Bookings for "The New Times" Dinner will be confined to regular supporters. Those wishing to make certain that they obtain a seat, may make early bookings. But no bookings for the Dinner will be accepted without donation. As usual, every effort will be made to provide private hospitality for Victorian country and interstate supporters.

politically effective—in fact, the generous tolerance which goes with, and is the outcome of it, has been used to enlist its suffrages to its own destruction as well as the permanent enslavement of the populace.

"But of course the whole question is beyond argument. No honest person hesitates to admit the defects of the nineteenth century while claiming that it was the high watermark of modern civilisation. No instructed person has any doubt that it was, fundamentally, the corruption of the English tradition by the essentially 'vulgar rich' on both sides of the Atlantic and the North Sea to which practically all these defeats can be traced—the same vulgar rich who are using mass democracy to complete the ruin they have conceived. And the bulwark against these vulgar rich was tradition; a national ritual arrived at by centuries of trial and elimination. It is in the failure to present that tradition as a living force of which to be immeasurably proud, instead of as something for which to make apology, that the so-called Conservative Party—a body, as such, without a soul—has been guilty of the unforgivable sin, and must suffer for it. And the most deadly error we can make is to look to it, in its present form, for salvation."

—*The Social Creditor*, August 25, 1945.

* * * * *

"When a monetary system dictates your actions, then you are governed by money, and we have the most subtle, dangerous and undesirable form of government that the perverted mind of man—if it is the mind of man—has ever conceived."

—*The Approach to Reality*.

"Still another significant feature of the inadequacy of the economic structure is the increase of voluntary unpaid effort and the large amount of energy devoted to games. There is absolutely no concrete difference between work and play unless it is in favour of the former—no one would contend that it is inherently more interesting or pleasurable to endeavour to place a small ball in an inadequate hole with inappropriate instruments, than to assist in the construction of a Quebec Bridge or the harnessing of Niagara. But for one object men will travel long distances at their own expense, while for the other they require payment and considerable incentive to remain at work.

"The whole difference is, of course, psychological; in the one case there is absolute freedom of choice, not of conditions, but as to whether those conditions are acceptable; there is some voice in control, and there is an avoidance of monotony by the comparatively short period of the game, followed by occupation of an entirely different order. But the efficiency of the performance as compared with the efficiency of the average factory worker is simply incomparable—any factory which could induce for six months the united and enthusiastic concentration of, say, an amateur football team would produce quite astonishing results."

—*Economic Democracy*.

* * * * *

"Liberty is really a simple thing, although difficult to come by. It consists in freedom to choose or refuse one thing at a time."

—*Social Credit*.

PROVINCIAL DAILY'S REALISM ON PUBLIC FINANCE

In his "Programme for Reversing Inflation", Mr. Eric Butler suggests that a first major step could be taken towards reversing inflation by ending the present policy of financing capital works out of taxation, such works to be financed out of new, long-term credits issued for the cost of administration. Mr. Butler estimates that this step alone would permit the present level of taxation to be reduced by over 20 percent.

The provincial daily, "The Courier", Ballarat, in its editorial of November 1, 1971, makes a valuable contribution to the growing public interest in the subject of how to change financial policies in order to curb inflation. "The Courier" editorial is a reflection of the growing influence of the work being done by "New Times" supporters. It reads:

BANK FINANCE COULD CURB INFLATION

The fundamental change needed to provide local authorities with adequate and sound finance is for all finance for public works to be provided from the Commonwealth Bank in place of the present system of loans and rates.

The reason, and the solid economic backing for such grants, is the 20 percent "surplus" production of goods and services in each complete cycle of production from raw materials to consumer.

Stated in another way, the money distributed to the community in each complete cycle of production is 20 percent less than the price that must be charged to recover all financial costs in the production of the goods and services.

The costs that must be included in price, but not dis-

tributed as money during production, are retail profit, and in many cases interest on loans raised to finance production, and depreciation.

LOAN-BASE SUPPORT

At present this 20 percent gap between prices and consumer buying power is partly made up by bank loans to finance public works. The loans are used to buy goods and services already produced, but they are charged into future production cycles.

This is the basic cause of price inflation, of the "cost-price squeeze" (now crippling primary producers and depopulating country towns), of the intense industrial unrest, the nation-wide demand from all workers, from dustmen to doctors and air pilots, for more pay.

Twenty percent of Australia's Gross National Product of \$27,000 million is \$5,400 million per year. This is

the national asset from which Parliament can authorise the Commonwealth Bank to create and issue grants of money to finance public works of all kinds.

When the money is spent to buy goods and services, it is cancelled out of existence by the repayment of the loans raised to finance their production.

REVERSE INFLATION

When grants instead of loans and taxes are used to finance public works, then taxes can be progressively reduced (such as local authority rates, sales tax, income tax, petrol tax, import and excise duties, etc.). These

taxes can be then taken out of prices, thus reversing price inflation.

The authorities responsible for main roads, railways, the Post Office, harbours, electricity, irrigation, education, research, soil conservation, and hospitals are equally involved.

This first step is a thorough inquiry by each organisation into the question: Is there a 20 percent gap between the just retail price and the money distributed during the complete cycle of production? If there is, then finance of public works should be by grants, instead of by loans and taxes.

A YEAR OF INSPIRING LEAGUE OF RIGHTS ACHIEVEMENTS

In his report to the Annual General Meeting of The Australian League of Rights, National Director, Mr. Eric Butler said that 1971 had been a year of spectacular progress for the League. As crisis conditions continued to develop he anticipated that 1972 would witness an even greater expansion of League activities and influence.

Mr. Butler said that 1971 might well be described as "The Year of the Big Smear". The promoters of the nation-wide anti-League smear were no doubt confident that they could successfully halt the rapid expansion of the League. But while it was clear that some people had been influenced by the smear, it was also a fact that the smear had given a tremendous impetus to the League's expansion. Large numbers of people heard about the League for the first time and made their own investigations. Many new subscribers to League journals had been obtained as a result of the smear. Of special interest was the number of university and other students making enquiries as a result of the publicity resulting from the smear. League speakers had addressed a number of student meetings throughout the year.

The League's special publication, *Behind the Nation-wide Smear of The League of Rights* (10 cents per single copy; \$1 per dozen) has caused consternation in some quarters. Concrete results are already flowing in from the selective nation-wide distribution of this publication. All that is required is continued distribution and positive results are certain. Mr. Butler reported that the Leader of the Country Party, Mr. D. Anthony, had found it expedient to break off a correspondence Mr. Butler was having with him. In private conversation the Federal politicians of all parties are expressing deep concern about the activities of the League, which has injected a new note into Australian politics.

COUNTRY PARTY'S BAD TACTICAL MISTAKE

In sheer desperation the Queensland Country Party, having been forced to officially dissociate themselves from the smear of the League of Rights, decided that a major effort had to be made to attempt to defend the role of the Country Party in the Federal Coalition, and to answer the economic principles being put forward by the specialist division of the League, The Institute of Economic Democracy. Two full pages were taken in *The Queensland Country Life* for State President R. Sparkes to deal with the League—presumably once and for all.

There is some doubt about who paid for these advertisements. Normal advertising rates in this journal are nearly \$500 a page. The League of Rights, described by one commentator as a type of political ju-jitsu movement using the opponent's strength to throw him, immediately demonstrated its massive support by using the tremendous interest created by Mr. Sparkes to raise a special fund to reply in *Country Life* with its own full-page advertisement. In a beautifully presented rebuttal the National Secretary of The Institute of Economic Democracy, Mr. Jeremy Lee, took all the points and created another wave of support for the League. Mr. Lee's article was also printed as a full-page advertisement in *The South Burnett Times*. It has subsequently been republished for a wider general distribution and copies are available from Mr. Jeremy Lee, The Institute of Economic Democracy, Kingstown, via Uralla, N.S.W., 2350. Since the advertisements by the Country Party and the reply by Mr. Lee, *The Queensland Country Life* has been inundated by pro-League correspondence. This affair was another major victory for the League.

SEMINARS AND DINNERS

Mr. Butler said that the National Seminar of the League, held in Melbourne in September to launch the fourth division of the League, The Australian Heritage Society, was beyond doubt the most impressive League Seminar ever held. The opening address by Sir Reginald Sholl had been a most inspiring start to the function. Sir Stanton Hicks's paper, *Ecology and Us*, was now in booklet form and the other papers were in course of being published. Mr. Butler's own paper, *The Essential Christian Heritage*, will be available early in the New Year. It is anticipated that further information concerning the Australian Heritage Society will be provided shortly.

Mr. Butler said that all State and Regional League Dinners held through 1971 had been tremendous successes. There had been record attendances at the State Dinners held in Queensland, N.S.W., South Australia and Western Australia. Federal Country Party Member, Don Maisey,

had given a splendid paper on the future of the family farm to the Western Australian Annual Seminar, held in association with the Annual Dinner. The Hon. George Reid, Q.C., had been the guest of honour at the Gippsland (Victoria) Regional Dinner early in the year, and had given a paper on the Federal system. Mr. W. Hewitt, Queensland Liberal M.L.A., had officially opened a Brisbane Seminar on pollution, the first paper being given by Mr. Butler.

League campaigning had been intensified at every level throughout the year. Many new areas had been opened up. A record number of meetings had been held, the total being nearly 600. With the aid of more volunteer speakers, Mr. Butler said that he anticipated an even greater number next year. All literature sales had been further expanded. The "best seller" for the year had been his paper, *A Programme for Reversing Inflation* (31 cents, post free), given at a Queensland Country Party Seminar early in the year. This booklet was having a widespread impact and obviously provided an ideal instrument to assist the general campaign against inflation. There had been a major increase in the circulation of the League's weekly news-commentary, *On Target*, with steady increases in the circulations of *The Intelligence Survey* and *Ladies' Line*.

The League's educational work in depth had been carried forward with increasing momentum through the growing number of schools on Social Dynamics. The students from these schools were taking their place in the growing grassroots activities developing out of the climate of opinion being generated by the League. Mr. Butler said

that it was already clear that a variety of activities had been stimulated by the League, even though the League was not directing these activities. The League's motto was, "We exist to help those who ask for our help and who wish to help themselves". Members of all political parties were making use of League Material.

ELECTORS' ASSOCIATIONS

Mr. Butler said that beyond doubt the most significant development in Australian politics had taken place early in the year with the establishment of an Electors' Association in the Federal Electorate of Murray, Victoria. Similar Associations were now coming into existence all over Australia, and they were providing electors with the vision of how they could do something effective to exercise their influence. These Associations were autonomous organisations, financing and directing their own activities. The League of Rights existed to assist with advice and guidance if required. Mr. Butler said that from his own experience and reports he had seen, there was no doubt that the concept of Electors' Associations was already starting to have its effect on politicians.

Mr. Butler concluded his report by stating that it was his view that during 1972 there would be a rapid deterioration in the general situation, both national and international. Only a dedicated minority had any chance of giving the necessary guidance, and getting a change of direction away from the disastrous path now being followed. The League of Rights concept was now firmly established throughout the old British Crown Commonwealth. Only lack of adequate financial support could prevent big advances during 1972.

WANING DEMOCRACY

By D. WATTS

From all about one hears constantly chattered the word "democracy". There is reason to wonder if this noise be the death-rattle of a brave experiment or a struggling for breath by an idea that may yet be resuscitated. If the life of democracy can be saved it must be by those who are young today, for there has been such deterioration in its condition that to regain what has been lost will take as many years as only the young have before them.

Is democracy worth saving? That of course depends upon what is meant by democracy. The most enlightened democratic ideas are justice for all people and lawful liberty for all subjects. An essential part of democratic liberty is freedom to say publicly what seems true to the individual. In that conception of democracy, government of the people is dispensation of true justice; government by the people is freedom to present for general consideration all facts and interpretations of the facts, all opinions and all ideas; government for the people is preservation of standards that members of a free and well-informed community have collectively established. All that is the never yet attained ideal democracy, but it was encouragement for optimism that for a little while civilised societies did hold it as an ideal against which to measure imperfect performance.

To maintain those principles of democracy in practical

government, forms to safeguard them are necessary. That necessity has given rise to the unintelligent idea that so long as the forms are preserved the principles are safe. It is the other way round. Unless the principles are active the forms are not democratic.

FALLACIES ABOUT DEMOCRACY

The chief forms held to be democratic in themselves and by themselves and which therefore are often used as aids to the establishment of undemocratic government are:

1. Universal suffrage with majority rule;
2. Parliamentary rule by an elected government party and, perhaps, an elected opposition party;
3. Government by the working classes or the proletariat;
4. Mass or mob rule by groups having no legitimate governmental standing.

Any one of those forms, if expertly handled, can be used to damage an existing democracy. All of them, together, can be used to kill it. The process is not difficult. First the anti-democrats must convince people, especially the intellectuals, that universal suffrage is identical with, and virtually the whole of, democracy. It will then seem that no matter how ill-informed, how uninformed, how misinformed, how downright ignorant the people may be, so long as they have one man, one vote they will have democratic government.

It is not far from that to the undemocratic belief of many politicians that democracy begins and ends at the polling booth. The people elect candidates, by courtesy called representatives, and after that the elected take it that they have been given a green light to introduce any legislation whatsoever that they see fit. This is especially the case where no opposition is brooked by the official government, and a single organised body rules the country. There are some who are dubious about the democratic character of such an arrangement even though every person have a vote; but to most modern publicists the universal suffrage is believed to be the saving grace, so that there is not much squealing by them about that form of government as there is about more democratic political organisations in which there is a limited franchise.

ONE-PARTY GOVERNMENT

A special qualification is here needed. The heart-rending bellow about the injustice of limited franchise is wrung from anguished bosoms if the government happens to be white, but rarely, if ever, when it is coloured. However, getting back to one-party government, that is just what we are getting in what were the politically more advanced countries. There is, in these limp societies, what is called an Opposition; but the opposition is not to policies but to not being in power. Policies are regarded as bait with which to catch the big fish, power. Between the parties there are disputes, sometimes-genuine conflicts over matters of secondary importance; but in matters of vital interest to the general population there are frequently what are called bi-partisan agreements between both or all parties. The undertaking is that none of the parties will make electioneering capital out of certain issues. That is virtually one-party government in important fields. Apparently in Australia during the last election all parties gave an undertaking that the immigration question should not be put to the people; hence the recent undemocratic attack by all parties on the League of Rights which had the temerity to raise the question and which is gaining support for its stand.

The same kind of thing happened in Britain and the U.S.A. During the last election in Britain it is to be surmised from what occurred that there was an agreement between the Conservative and Labour Parties not to make an election issue of coloured immigration into Britain. The howl raised by both parties when Enoch Powell defied the ban is evidence of that.

In the U.S.A., the matter of de-segregation was, in the last two presidential elections evidently to be tactfully (or sneakily) passed over by both Democratic and Republican string-pullers and electioneering organisers. The roar that swelled in the U.S.A. and washed over all the world when, in the first of the two elections, Barry Goldwater broke the silence barrier showed how lost to sight were democratic principles and how the beginning of a slide-back to one-party government, such as there is under dictators and absolute monarchs, received a warm push from the mass media. The matter was put to the people as a moral, not a political issue; and most people do want to be good and so voted against what the media told them was wicked. Perhaps some have changed their minds since then as they have observed the frightful results of virtuous de-segregation.

THE MAJORITY-RULE DOGMA

The idea that democracy is government by the working classes comes directly from the teaching that democracy is majority rule. Even if Karl Marx had never expounded the theory of a dictatorship of the proletariat, the majority-rule dogma would have produced the idea. The working classes comprise the majority in all societies. Moreover, it is a permanent majority, so that it seems

LACK OF "FINANCIAL AMMUNITION" WOULD HALT LEAGUE ADVANCE

No matter how well equipped an army with weapons, no matter how well trained and organised are the troops, and no matter how it has advanced, if it suddenly finds itself short of ammunition, its position becomes hopeless. Further advances cannot take place with the ammunition used in past battles. A constant flow of adequate ammunition is essential to maintain an advance, or even to hold a position.

The Australian League of Rights does not require an enormous amount of "financial ammunition", because it has the capacity for obtaining maximum results from a limited supply. But it is absolutely essential that it obtain that limited supply. The minimum amount required is \$25,000. One thousand readers providing on the average only \$25 each could easily ensure that the League's advance is not held up. Only a handful have now provided over \$10,000, making the task of the great majority, who have not yet contributed, so much easier. Do not desert the gallant few. Irrespective of whether your contribution is large or small, rush it in immediately to Box 1052J, G.P.O., Melbourne, 3001. AH northern N.S.W. and Queensland supporters to Box 17, Alderley, Queensland, 4051. If you cannot contribute now, but can before the end of June 1972, please send in your pledge.

to a good number that only government perpetually by the working classes is truly democratic. A good deal of the support for communism comes from this conviction. To discover that indefinitely continuing government by any permanent majority is as little democratic as is unchecked government by an upper class minority does not require a particularly bright mind. In either monopoly of governmental power, justice and freedom shrivel up.

Not all workers by any means hold the opinion that working-class dictatorship is democratic, but a good many do. The would-be working-class dictators are influenced to a great extent by class egotism and are queerly armoured against logic by the equalitarian fantasy. That obviously anti-reality doctrine has led to some very peculiar, undemocratic conclusions. One is that members of the upper classes are no better than members of the lower classes, but the converse, that members of the lower classes are no better than members of the upper classes is not accepted. In support of this stand is the belief that though all men are equal, members of the working classes are superior to the rest by reason of belonging to the majority and of being, on that account, the only democratic group.

Since democracy, majority rule and working class government have come to be thought of so widely, if vaguely, as being identical, the "common man" is spoken of with reverence; but this typical "democrat" is not that essential being who is common to all men, but the vulgarian, he being regarded, mistakenly, as the symbol of the working class man. From that conception, lovingly fostered by certain intellectuals and the mass media, has come the deterioration of manners and tastes which is revealed in the cult of permissiveness and, in the field of aesthetics, unsubtle appeals to sluggish senses. A retreat to cultural barbarity and infantilism is, by the woosies believed to be democratic progressiveness. If it were, democratic values would not be worth saving.

CONFUSED IDEAS

The delusion that there is anything democratic about mass or mob tyranny comes from a mess of undigested ideas. One of these is that since authoritarianism is undemocratic, a flouting of all lawful authority is democratic. Another is that anyone who presents a view that differs from the mob's own must be undemocratic (Fascist or Nazi or reactionary) and properly should be shouted down by mobs or gangs of good democrats. Another deformed idea is that democratic freedom of assembly is freedom to assemble anywhere a group chooses even though that involves trespass or interference with the freedom of movement by others or with their lawful enjoyments or with their rightful convenience.

There are other addled ideas producing the conviction that if action be by an aggressive group or mob it must be democratic; but the background delusion to all is that since the group or mob is drawn from rank and file citizens, it lifts from this majority a democratic character.

Nothing could be farther from truth. From wherever in society come tyranny and dictatorial opinion or behaviour they are undemocratic.

What place have freedom and justice in majority or mob rule, in working class dictatorship or in something coming dangerously close to parliamentary absolutism? Even a large percentage of those who regard themselves as being well educated believe that if they have the words they have the real thing. Anything at all can be called justice by those who can say "justice". If an absolute monarch decrees that a man who accidentally steps on his toe should have his foot cut off, that would seem to be justice to the king. If a dictator believes that he has a right to commit atrocities for which a rival should be punished, that seems to the dictator to be just. If coloured people enjoy advantages gained by unjustly depriving white people, to the coloured people that seems right and just. To be spared the consequences of the crimes he has committed is a criminal's idea of justice. In every case and in similar ones, the beneficiaries or privileged can produce arguments to prove the justice of their cause or claim; and if only one side of a case be presented, that side usually seems to be right to both pleader and hearer.

A notorious example of that was the condemnation, without giving the accused a hearing, of Rhodesia for her racial policy and the imposing on her of severe penalties. The real culprit in that case was the United Nations. Most of those responsible, including the doctrinaire and dictatorial Mr. Harold Wilson, believed the verdict to be just because it was the one wanted, whatever might be the rights or wrongs of that country's action. That the head of the British Government could be a party to the riding roughshod over British traditional values and just procedures indicates the extent to which democratic principles are insulted in these days even by British political parties.

STRANGE IDEAS ABOUT FREEDOM

As for freedom; it is surprising how often those believing themselves to be democrats think that freedom is for themselves, only, and not for those who differ from them. Examples of this are given by certain influential clergymen. The Christian Churches, after an agonising education, came to accept the idea of religious freedom. That, one may be forgiven for suspecting, was toleration forced on them by civil law or by the fact that different denominations had become so popular and powerful that freedom for all was the only solution. These rather uncharitable surmises are supported by the inconsistency between the tolerant advocacy of ecumenism and the intolerant fight by many clergymen against political freedom. They find what seems to them to be good reasons for helping to suppress restraining freedom in countries with whose political policies they disagree. A deeper investigation would show them that it is forms, not the principle of justice that persuades them to ally them-

selves with killers and rapers and destroyers incapable of understanding what is a principle.

The same inability to know the right relation between a principle and a form is often shown by certain individuals and groups privileged to have the use of the mass media. These assume that a monopoly of freedom of thought and speech by some faction is the only rightful freedom. These usually present themselves as defenders of democracy. It is one of democracy's tragedies that they are so powerful in the propaganda sphere. There are, certainly, limits to the freedom that may be justly enjoyed by persons and organised bodies; but where the limits rightly are can be determined by only those who, with an ability to see all the complications of a situation, have also an enlightened idea of justice—that is, by true democrats.

THE STRENGTH OF TRADITION

A suggestion that to the thoughtful may seem worth considering is that the boasted justice and freedom still being enjoyed by those living in the semi-democratic white societies are not from parliamentary government nor universal suffrage nor majority rule nor working class authority nor pressure groups. They are, in their democratic fundamentals, the inspiration of persisting usages that were formulated often before there was universal suffrage and sometimes even before parliaments or congresses became powerful. The usages have been preserved in traditions so far too strong to be defied by even political parties. The freely voiced desire to destroy all traditions and build a new society on the rubble is a hidden attack on the last vestiges of democracy.

Finally, the theme of this essay is that while most of the people, not excluding most of those in the well-educated classes, can believe that a form is a principle, democracy is but a foolish word.

Continued from Page 1

the forces of evil emerged in full force. That war dealt the first major blow to the stability of the British world, resulted in Communism being provided with a geographical base in Russia, and with the promise of a "National Home" for the Jewish people in Palestine, brought into the open the tremendous power of International Zionism, a movement stemming from the same soil as Communism and running parallel with it.

The shock of the First World War and its aftermath was still being felt when the Great Depression, starting in 1929, prepared the way for a further major retreat from Christian civilisation and the outbreak of the Second World War. The only effective challenge to the mounting forces of evil came from Social Credit, described by its founder, C. H. Douglas, as the policy of the Christian philosophy. Needless to say, Social Credit was met with the full fury of the organised forces of the anti-Christ. The possibility of a breakthrough by the rural communities of Alberta, Canada, and of other communities throughout the British world also effectively challenging policies of disaster, was thwarted with the

outbreak of the Second World War in 1939. This conflict further paved the way for the advancement of policies of revolution and subversion. The world moved from one convulsion to another. Marxism has advanced everywhere.

CHRISTIAN HOPE

But at a moment in history when man is on the edge of a new dark age, the promise of the Christian message still burns brightly, inviting man to challenge the policies of evil and to demand that he be permitted enter into his rightful inheritance. The Christian God is one of Love and Abundance. When the Son of God said that He had come that man might have life and have it more abundantly, He was clearly stating that He was referring to that physical abundance which sustains life as well as to that life of the spirit. Christ truly said that "Man shall not live by bread alone", thus clearly implying that while man needs more than bread, he cannot do without sufficient of it. Through the application of God's truths applied to His unlimited resources, man today can easily provide the bread of life and move forward to a greater concentration upon the things of the spirit. Never before in human history has there been a greater opportunity for man to develop his creative initiative and to enrich his personality. Christ's words concerning "take no thought" concerning material things has a special significance at present, when obviously there is no problem about providing an abundance of the bread of life. In essence Christ was saying that undue worry about food and shelter unnerves the mind and makes it difficult to consider higher things. Worry and fear are destructive forces. Christ's cure for worry was trust in the providence of God the Father: "Your heavenly Father knoweth that ye have need of all these things". God's providence supplements, but never supplants man's efforts. The method of Providence is "That thou givest them they gather". God has given an abundance. Social Credit accepts that abundance is good and invites individuals to associate to enter into their full inheritance of the life more abundant, which God has made possible. The question of inheritance is central to the struggle for the future of the world. The modern collectivists, irrespective of label, are the spiritual descendants of those Pharisees who bitterly opposed what Christ represented. They and their works are of the Devil and must be firmly rejected if God's will is to be done on earth.

SOCIAL CREDIT TRAINING COURSE IN DEMAND

One of the most outstanding features of activities during 1971 was the big expansion in the number of those availing themselves of the Social Credit Training Course by correspondence. The panel of tutors has also been expanded, with the result that an increasing number of students can be adequately catered for. Every increase in the number of competent Social Creditors makes a vital contribution to the mounting battle for the future of civilisation. There is a charge of \$3 only for those wishing to do the Training Course by correspondence. Applications are acceptable at any time.

Enterprise

Organ of the
INSTITUTE OF ECONOMIC DEMOCRACY
Post Office, Kingstown, N.S.W., 2350

No. 8

DECEMBER 1971

ON EARTH PEACE, GOODWILL TOWARDS MEN?

There is never any satisfaction in being able to say, "We told you so" unless this leads to an honest look at past mistakes. False pride so evident now among the economic pundits, is a barrier to those steps, which must be taken if the imminent disaster is not to strike us in the next few months. We are faced with a calamity which is needless and senseless, and which could be averted were it possible to persuade economists and politicians, who are not going to be hurt themselves in the immediate future, to look honestly at the glaring evidence which gives the lie to current policies.

As we move towards a depression, and as more Australians lose their homes in the rural areas, or join the already long queues of unemployed, so the revolutionaries, with increasing opportunity, exploit the heat, which the growing number of grievances generate. On the one hand, primary producers and manufacturers are urged to blame the wage-earners, and in fact the government parties seem bent on forcing sufficient confrontation between wage-earners and employers in the industrial sector to provide an issue which might see them home at the coming federal elections. The fact that this will produce untold misery for a large number of Australians is hardly worth a moment's thought for those in the power struggle.

On the other hand a growing militancy in the Trade Unions is out to blame "the evils of the capitalist system" for all their troubles, in particular the profits made by Australian companies. Typical in this regard was an article by Laurie Carmichael, assistant Commonwealth secretary of the Amalgamated Engineering Union, and a member of the national executive of the Communist Party of Australia, which was prominently featured in the *Sydney Morning Herald* on November 24. Carmichael outlined the impact of increased taxation on the wage earner, the diminution of personal consumption as a percentage of gross national expenditure, the sad plight of the pensioner, and the ever-growing impact of unemployment, prices and hire purchase commitments and interest burdens. The examples he gave are undoubtedly true. But Mr. Carmichael was careful to avoid the real reasons for these iniquities, and anticipate instead an antagonism of interests, which would extend "from industrial to social friction". Mr. Carmichael could feel a "burgeoning desire for action". This is hardly surprising, for Mr. Carmichael is a revolutionary in the classic Marxist-Leninist tradition. His life is committed to the violent overthrow of

the existing system in the Western world in favour of a socialised soviet society. But Government leaders, amongst whom the Treasurer, Mr. Snedden, is prominent, are hardly less responsible in precipitating a crisis in which men like Carmichael can exercise their revolutionary talents to the full. Those cynics who delight in minimising the influence of the Communist movement in Australia might well reflect on the fact that, on January 1 of the new year, Mr. Carmichael will be assistant national secretary of the Amalgamated Metalworkers Union, created out of the amalgamation of the A.E.U., the Sheet Metal Workers' Union, and the Boilermakers' and Blacksmiths' Society, with a membership of 160,000.

Is it true, as Mr. Carmichael claims, that the wage earner is being exploited through the vast and increasing profits of industry, or that wages, as Mr. Snedden is prompt to insist, are the cause of the trouble? The first table on page 2, taken from the *Institute of Public Affairs Review* for April/June of this year, puts the question in perspective:

It can be seen at once that both wages and profits, in terms of real value, have hardly altered in relation to each other. This being so, where can we find the real cause, which both Mr. Snedden and Mr. Carmichael take such pains to avoid? The same article in the *IP A Review* points out that, since 1963, clothing and drapery prices have risen by 18%, manufactured household supplies and equipment by 11%. Foodstuffs, as the primary producer knows full well, have not increased at the same average rate as in other items. But when we turn to government costs, the increases have been enormous. In the same period local government rates have risen by 62%, motoring services (registration, repairs, etc.) by 57%, health and other personal services by 43% and Housing Commission rents by 34%. The August budget lifted these costs even higher, under the illogical plea of

WAGES AND PROFITS—PERCENTAGE OF MANUFACTURING PRODUCTION
(Value Added—i.e. Output Less Raw Materials)

Year	Profits (before tax)	Wages and Salaries	Value Added Factory Production	Profits (as % of Value Added)	Wages & Salaries
1958-59	\$ 755m.	\$2063m.	\$3180m.	23.7	64.9
1959-60	\$ 884m.	\$23 1m.	\$3597m.	24.6	64.2
1960-61	\$ 828m.	\$2460m.	\$3721m.	22.3	66.1
1961-62	\$ 836m.	\$2475m.	\$3769m.	22.2	65.7
1962-63	\$ 978m.	\$2649m.	\$4124m.	23.6	64.2
1963-64	\$1079m.	\$2878m.	\$4504m.	24.0	63.9
1964-65	\$1221m.	\$3253m.	\$5091m.	24.0	63.9
1965-66	\$1195m.	\$3423m.	\$5283m.	22.6	64.8
1966-67	\$1291m.	\$3690m.	\$5701m.	22.6	64.7
1967-68	\$1408m.	\$3972m.	\$6143m.	22.6	64.7
1968-69	\$1557m.	\$4450m.	\$6877m.	22.6	64.6

Source: *Australian National Accounts.*

attempting to halt inflation. All this has meant savage tax increases. The table below, set out by economist Ronald Randerson in the *Daily Telegraph* (Sydney) on November 28 of this year, indicates the exorbitant increases in only three years since 1968-69:

The increases outlined above mean simply that economic initiative is now being assumed by a "big brother" government at the expense of the private sectors and the individual. It is a sad lesson of history that when governments begin to believe that they are wiser, more farseeing and more proficient economically than those they govern, then society is headed for collapse. As the ordinary citizen, reduced to helplessness by the ever-increasing burden of taxation, is less able to look after his own affairs, so the government, through blanket welfare measures, seeks to level, control and cushion all the exigencies of life. Typical of the many examples which

abound is the case of the N.S.W. Government Railways. Despite fare rises of up to 70% in some cases this year, and the fact that private transport is heavily penalised to prevent an erosion of the department's turnover, the State railways face a major crisis. Total earnings this year is approximately \$251m of which 71% comes from freight charges. Wages, salaries and operating costs total approximately \$200 million. **Interest and capital debt charges now total \$35.6 million.** The overall position is that, despite a small trading surplus for the first time ever, the debt and interest charges have turned this into a current deficit of approximately \$26.5 million, and the accumulated debt burden now totals over \$580 million. The same story can be seen in every government throughout Australia. We are headed for a self-induced position of bankruptcy, at a time when our production, and in many cases our over-production, has never been

INCREASE IN DIRECT AND INDIRECT TAXATION 1968-69—1971-72

\$ million	1971-72 (Estimate)	1968-69	1969-70	1970-71	1971-72 (Estimate)
Direct Taxes					
Net P.A.Y.E.	2,859	+ 222 (15%)	+ 357 (21%)	+ 348 (17%)	+ 427 (18%)
Company	1,514	+ 170 (20%)	+ 144 (14%)	+ 244 (21%)	+ 119 (9%)
Other	804	- 18 (3%)	+ 122 (19%)	- 28 (4%)	+ 58 (8%)
Income Taxes	5,177	+ 372 (12%)	+ 623 (18%)	+ 564 (14%)	+ 604 (13%)
Excises	1,183	+ 47 (6%)	+ 39 (4%)	+ 113 (12%)	+ 129 (12%)
Sales	695	+ 77 (18%)	+ 73 (15%)	+ 66 (12%)	+ 62 (10%)
Customs	533	+ 34 (11%)	+ 66 (19%)	+ 52 (13%)	+ 67 (14%)
Gross Payroll	96	+ 26 (12%)	+ 29 (12%)	+ 31 (12%)	-199 (67%)
Estate, Gift	86	+ 6 (9%)	+ 109 (14%)	- 2 (4%)	+ 8 (10%)
Withholding	52	+ 9 (4%)	+ 14 (44%)	+ 2 (4%)	+ 4 (8%)
Stamp (A.C.T. and N.T.)	3		+ 2	+ 0.6 (30%)	+ 0.5 (19%)
Payroll rebates, etc.	-1	- 3 -	- 6		- 1
	7,824	+ 568 (12%)	+ 850 (16%)	+ 827 (13%)	+ 674 (9%)
	349	* -			+ 349
	8,173				+ 1,023 (14%)

(*Payroll Tax to States)

greater. Some idea of the extent of debt can be seen from the following table:

THE NATIONAL DEBTS OF THE COMMON-WEALTH AND STATES OF AUSTRALIA

Year	Debt	Interest
1950	\$5,818,872,000	\$171,154,000
1951	6,120,973,522	172,888,734
1952	6,528,990,784	182,642,000
1953	6,863,724,918	200,766,910
1954	7,212,605,422	218,441,250
1955	7,498,882,694	239,230,478
1956	7,777,188,880	254,475,224
1957	7,983,935,996	277,254,658
1958	7,965,615,112	282,138,920
1959	8,081,202,010	295,600,812
1960	8,116,471,596	310,953,822
1961	8,400,698,886	334,974,212
1962	9,081,960,000	372,416,000
1963	9,409,268,000	387,976,000
1964	9,862,958,000	413,558,000
1965	10,224,528,000	442,224,000
1966	10,639,142,000	474,225,000
1967	11,209,413,000	509,080,000
1968	11,916,836,000	546,487,000
1969	12,512,645,000	583,106,000
Total Interest Payments for Period...	- -	\$6,669,593,000

Yet, despite the enormity of the increase, and the obvious impact in the economy, neither the communist Laurie Carmichael, nor the Treasurer, Mr. Snedden, found it necessary to refer to the growth of debt as having any importance or bearing in the economic crisis now prevailing!

It should be said at once that a similar debt growth is evident in all nations of the Western world. Debt, and the social implications which spring from it, has become the chief weapon of the power monopolist, whether in the East or the West.

The situation was well summed up by George Knupffer in the leading article of the September 1971, issue of *Rhodesia and World Report*.

"... I am not suggesting that within weeks or even months there will be chaos throughout the world. That may take a year or two. But something as grave as the crisis of 1929-30 can come much sooner. For the sake of clarity I shall repeat in short outline the reason for my prediction: As all forms of money are created out of nothing by book entry by private banks (and government banks also—Ed., *Enterprise*) as an interest-bearing loan, and almost all business is financed by perpetual interest-bearing debts called 'capital', we have an ever-increasing volume of debt-money and interest burdens crushing the economies of the Western world, and this must inevitably bring about the *reductio ad absurdum* of a usury tribute greater than the maximum possible

THE NEW TIMES

income of the economies, and a total debt greater than the overall value of these economic structures. Therefore the collapse of the moneys is, in the end, a foregone conclusion."

Mr. Knupffer has referred to the fact that we have an ever-increasing volume of debt money. This is quite true. Yet the absurdity of the situation is that critics of the proposals put forward by the Institute of Economic Democracy, have, in complete disregard of the realities of their own policies, said that there is something inherently wrong in increasing the volume of money. Yet here is what has happened in this regard in the last two and a half years alone, as shown in the first table on page 4.

So, as a matter of policy, we have borrowed more money into existence either internally or abroad, or else we have increased the volume of money by "selling off a bit of the farm" to attract capital inflow. The moment of reckoning is not far off.

Meanwhile, in the rural areas, something like chaos is already developing in many areas. A number of out-back townships may soon lose their only medical service. The N.S.W. Bush Nursing Association is facing a financial crisis, and may soon be forced to close some of its centres.

Party spokesmen, in what is purely a propaganda exercise, have claimed that the crisis is due to the effect of world markets, and that inflation is of secondary importance. Among others to adopt this stance is Mr. R. L. Sparkes, State President of the Country Party in Queensland. In two full-page articles in the *Queensland Country Life* in October, in which he attacked the proposals of the League of Rights, Mr. Sparkes, inter alia, said: "The principle cause of our economic difficulties is very low production over several years because of drought, coupled in some cases with static or falling prices, especially for wool . . . No government can be held responsible for

LENIN ON LARGE-SCALE PRODUCTION WITH ELECTRICITY

Lenin, *Selected Works*, volume 8, pages 276-277: "As long as we live in a small peasant country, there is a surer economic base for capitalism in Russia than for Communism. This must be borne in mind. Anyone who has carefully observed life in the countryside, as compared with life in the towns, knows that we have not torn up the roots of capitalism and have not undermined the foundation, the basis of the internal enemy. The latter depends on small-scale production, and there is only one way of undermining it, namely, to place the economy of the country, including agriculture, on a new technical basis, the technical basis of large-scale production. And it is only in electricity we have such a basis."

Comment: Written 50 years ago, nevertheless Lenin had grasped that the machine, instead of giving man greater security and reduced costs, could also be used to remove private property and liberty. His philosophy underlies current economic thinking.

\$ million	INCREASE IN VOLUME OF MONEY			Volume of Money
	Domestic Sources	+ or	External Sources*	
1969— March Quarter				
June Quarter				+ 295
September Quarter	+ 166		+ 129	+ 44
December Quarter	+ 39		+ 5	+ 292 (+631)
	+ 490 (+695)		- 198 (-64)	+ 667
	+ 771		- 104	
	+ 1,466		-168	+ 1,298
1970— March Quarter				
June Quarter				+ 172
September Quarter	+ 133		+ 39	- 268
December Quarter	- 578		+ 310	+ 201 (+ 105)
	+ 164 (-281)		+ 37 (+386)	+ 660
	+ 675		- 15	
	+ 394		+ 371	+ 765
1971— March Quarter				
June Quarter				+ 211
September Quarter	- 13		+ 224	- 58
	- 596		+ 538	+ 501 (+654)
	+ 221 (-338)		+ 280 (+ 1,042)	

*Internal effect of change in Reserve Bank foreign exchange holdings.

adverse seasons and unsatisfactory world commodity prices. Admittedly, inflation has aggravated this situation, but it is not the primary cause, as critics of the Government are so fond of alleging."

Mr. Sparkes ought to face the facts. The table below sets out the true position:

It can be seen from the second table that, despite the fall in wool prices, largely due to a similar recession overseas as the developing recession in Australia, had costs been held to the 1949 figure, as the Liberal-Country

Party Coalition promised to do; the woolgrower would still be viable at the prices he is receiving today.

Only a vigorous resurgence of responsible action among electors can now avert a major, and possibly fatal, national crisis. *Enterprise*, so new a participant in the field, already has a wide circulation. To our readers, wherever they may be, we wish a Holy and Happy Christmas, reminding ourselves as Christians should do at such a time, that we cannot worship both God and Mammon.

THE RURAL CRISIS

	1963-64	1966-67	1967-68	1968-69	1969-70	1970-71
Gross Value of Rural Production	\$3,441	\$3,812	\$3,349	\$3,938	\$3,756	\$3,512
Less Costs	1,994	2,441	2,509	2,701	2,721	2,640
Farm Income	1,415	1,403	832	1,273	1,077	872

AGRICULTURE'S DECLINING PROFITABILITY*

	WOOLGROWING			OTHER THAN WOOL		
	Prices Received	Prices Paid	Ratio	Prices Received	Prices Paid	Ratio
	110	50	232	65	50	130
1950-51	262	61	430	77	61	126
1951-52	133	79	168	95	79	120
1952-53	115	86	134	97	86	113
1953-54	146	91	160	98	91	108
1955-56	88	94	94	98	94	104
1956-57	105	96	109	102	96	106
1957-58	95	99	96	106	99	107
1958-59	125	101	124	103	101	102
1959-60	105	104	101	106	104	102
1960-61	104	114	91	112	114	98
1962-63	98	120	82	109	120	91
1963-64	83	121	69	108	121	89
1964-65.	65	127	51	n.a.	127	n.a.

*Base generally five years to June 1950.

Source for both tables, Economist Ronald Randerson, *Daily Telegraph*, Sydney, November 14, 1971.