

THE NEW TIMES

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

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Editorial

JAWS OF THE WORLD TOTALITARIAN TRAP CLOSING

There can now be no longer any argument concerning which way the world is moving. The overall picture can be clearly seen as one of centralisation of all power at an accelerating rate. Each new step towards further centralisation produces further social disorders which are then used as an argument in favour of still more centralisation. The finance-economic system is the main instrument being used to drive mankind progressively in the one direction: towards the World State, a State, which must of necessity, be totalitarian. Behind this drive are groups of power-hungry men now feverishly engaged in closing completely the jaws of a world international trap.

The test of science is prophecy. Even while the guns were still firing in the first great cataclysm of this century, the First World War, the British genius C. H. Douglas had as a professional engineer and costing expert diagnosed the major flaw in the modern power-driven industrial system. And while "peace" was being arranged, he was in his first writings predicting what would happen to Civilisation if what he termed "the delusion of super-production" was persisted with. He demonstrated how by a relatively simple change in financial policy, the modern industrial machine could be placed at the service of the individual, who could move into an era of peace and security. Economic friction between national groups could be abolished. Mankind stood potentially at the dawn of a new upsurge of Civilisation such as man had never quite envisaged.

But those responsible for the First World War, and for the exploitation of it to suit their own ends, were quickly alerted to the threat, which the Douglas revelation presented. Ever since then the best brains that money can buy have been used in a persistent international campaign to discredit that policy known as Social Credit. It is a matter of history that representatives of the great German-Jewish international financial groups represented both the defeated and the "winners" at the Versailles "Peace" Conference. The movement known as International Communism was provided with a geographical base in Russia. Revulsion against war was exploited in an endeavour to lay the foundations of the World State — the League of Nations. But American public opinion revolted and set back the programme.

INFLATION PREDICTED

Douglas demonstrated that attempts to make the present finance-economic system work must inevitably produce progressive inflation. Events are dramatically proving his prediction correct. Inflation is a most insidious force, a destroyer of social stability and a harbinger of

growing revolution. It fosters economic centralism, this in turn being used to foster political centralism. The policy of "increased productivity" to halt inflation merely feeds the economic monster which mankind has suddenly discovered is also destroying his physical as well as his social environment. As always there are those ready to

ANNUAL DINNER WILL BE ANOTHER HISTORICAL HIGHLIGHT

"The New Times" Annual Dinner, to be held this year on Friday, September 22, will be another inspiring highlight in the history of the cause for which "The New Times" was founded in 1935. This Dinner is a family one, and we have no doubt that the 1972 Dinner will reflect the tremendous growth of the activities supported by "The New Times".

The organisers reserve the right to reject applicants. Because of the heavy demand upon the number of seats available, those readers intending to attend should make their bookings as early as possible. Their \$6 donation must be sent with the booking. Every effort will be made to seat guests with friends.

The principal guest of honour for the 1972 Dinner will be the well-known South African journalist, commentator, and author, Mr. Ivor Benson, who will give a Paper at the National League of Rights Seminar, to be held the following day, Saturday, September 23. Every effort will be made to provide private hospitality for country and interstate visitors, but early requests would vitally assist with the large amount of organisation required. These interstate visitors intending to be at the Dinner and League Seminar, and requiring hospitality, should not leave their booking until the last few weeks.

step into exploit a problem in the cause of more controls. And so pollution and conservation, which we were dealing with twenty-five years ago, have been taken up by the Marxists of all labels as a reason why there should be still more centralised control, not to remove causes, but to deal with effects.

The McMahon Government in Australia is now threatened politically with what has been happening in every other industrialised nation. Using the old technique of attempting to halt inflation by reducing demand, it has produced a growing unemployment problem while inflation still continues. One naive commentator asked plaintively why the McMahon Government had not noted last year what had been happening in the U.S.A., Canada, the United Kingdom and other countries, where unemployment and inflation were growing side by side. But it is no use observing what has failed elsewhere unless prepared to deal constructively with basic causes. Budgeting for another record deficit in an endeavour to reduce unemployment in the U.S.A., President Nixon is demonstrating that he is willing, in the interests of his own short-term political power, to risk still more inflation. His dramatic about-turn on Red China, eating his own words of recent yesteryear, is offered to desperate American business organisations as a new outlet for the vast production they cannot sell profitably at home or elsewhere.

ECONOMIC LINKS WITH COMMUNIST EMPIRE

The whole non-Communist world, including Japan, is now openly accepting closer economic links with the Communist Empire as the only hope of averting further economic problems. Japan is not only making bold moves to increase its economic links with Red China, but is now preparing to enter into arrangements with the Soviet Union for the exploitation of the vast mineral and timber resources of Siberia. It was Lenin who said that a World Communist order was impossible without an international economic system. That system is taking shape, with the powerful international consortiums, backed by adequate finance, operating increasingly across national borders. The "currency crisis" of last year was, as we expected, exploited to further centralised control of finance on a world scale. The powers of the International

A QUOTE TO REMEMBER

"The Federal Government was gaining more control over wage inflation through its economic policies, the Federal Treasurer, Mr. Snedden, said yesterday. Mr. Snedden said in Sydney the economic climate was preventing the unions pressing for over-award payments, a major contributor to inflation. 'We have achieved what we set out to do in that we have created an environment in which over-award payments are depressed', he said. The temporary advantage to powerful unions of over full employment is no longer there, and the Government is better able to resist excessive award increases by intervening in Arbitration Commission hearings."

—"The Australian", January 22.

Monetary Fund has been greatly increased. A further step has been taken towards a single world currency. The biggest barrier to the creation of the World State was the old British Empire. It had to be liquidated and eroded. This has nearly, but not quite, been achieved. The ruthless campaign to drive the British into the European Common Market, where there is mounting social unrest, was essential in the grand design. The naked use of power was demonstrated by Edward Heath when he made it clear that what the British people felt did not matter. It was the same Mr. Heath who promised before being elected that he would quickly deal with the finance-economic problems of the United Kingdom. He has created over one million unemployed and inflation continues. Mr. Heath's financial backers have made it clear that driving Britain into the European Common Market is an essential major step for the creation of the World State. And it leaves the rest of the old British Commonwealth to be taken over by the centralisers.

BEHIND THE FACADE OF LEGALITY

In a criticism of The Australian League of Rights, a N.S.W. DLP "Information" Bulletin draws attention to the League's handbook on Social Dynamics, in which is observed what should be obvious today: that modern Parliaments are but facades behind which the real policy makers operate. Prime Minister Heath of the United Kingdom has provided harsh evidence of the truth of the situation. Country Party leader Anthony has been reported as expressing dismay because the wording of the treaty being signed by the Heath Government is rather more ambiguous concerning alleged protection for Australian primary exports if Britain joins the Common Market. But what did he expect? Promises and legality matter nothing to the modern political hucksters. Consider that holy of holies, the United Nations, the major groundwork for the World State. The UN has torn up its own Charter on the Rhodesian and Red China issues. The Communist nations should be expelled for not paying their contributions. But no one worries about this. Nothing must impede the drive to the World State.

For a period, and in the context of history it might prove a vital period, brave little Rhodesia, supported by South Africa and Portugal, threw a spanner into part of the grand design. An astonishing development took place right around the Free World as groups of people, hungering for some sign that the rot could be halted over night formed Friends of Rhodesia movements. The significance of this was not lost on those lusting for the World State. Here was an international movement of dangerous proportions. It had to be destroyed. But this could not be achieved while Rhodesia appeared to be standing firm, holding a light of hope and resolve in a darkening world. Rhodesia's Achilles heel was eventually found — an unwillingness to break with orthodox finance-economics. South Africa has the same Achilles heel, with the result that South Africa seeks to ease the mounting international

pressure through closer links with African nations to the north. South African policy makers foolishly believe that they can create a stable structure by turning their country into an "industrial power house" for the rest of Africa. The Rhodesian Government is already starting to pay the price of compromise. Its friends abroad have been thrown into confusion.

A THIN RED LINE OF HOPE

Douglas predicted that the break-up of traditional Civilisation was inevitable if present finance-economic policies, rooted in a philosophy of materialism and collectivism, were persisted with. It is out of this break-up that the power-lusters clearly hope to create their New World Order. Douglas also indicated the only type of movement, which had any chance of success in the face of the deadly threat to the freedom and security of the individual. He warned that orthodox political party action was doomed to fail. Events in Canada, particularly in Alberta and British Columbia, have graphically demonstrated the reality of Douglas's warning about attempting

to advance Social Credit through party politics. The growth of Social Credit was retarded for years in New Zealand by the perversion of the Social Credit movement, turning it into a barrier against any real attack on central problems.

But in spite of all this, and much more, there is still one last hope as the jaws of the world trap close. A thin red line has developed throughout the old British Commonwealth, a grass roots movement which seeks no power for itself, and cannot therefore be corrupted; a movement which demonstrates that unity in diversity is possible; a movement through which individuals can develop themselves. It is the small, decentralised groups of individuals, acting from a basis of knowledge and conviction, which can yet prevent the jaws of the world totalitarian trap from completely closing, and show the way to salvation. All the evidence suggests that, at the outside, the next two to three years will decide mankind's history for a thousand years to come. It is in this situation that we urge our readers everywhere to throw everything they have into this battle for survival.

EMOTIONAL MATHEMATICS

By D. WATTS

"We are now about to study that which will help you greatly to understand certain types of human behaviour," said the Master from Outer Space to an Outer Space Student who had chosen the Development of Human Intelligence as one of his subjects, "and that is Emotional Mathematics".

"It sounds interesting," said the Student, "I'm pretty good at math."

"So much the worse," said the Master, "but if, in spite of that handicap, you are able to follow the rules of a different kind of algebra and arithmetic, you should find it not impossible to assimilate what I shall try to expound to you."

"I have learnt, so far," said the Student, "that human beings are talented emotionalists and that quite a number are brilliant mathematicians, but the combination of the two kinds of ability, er—well."

"It began this way," explained the Master, "many humans are capable of making only emotional judgments. Then their scientists found that acquirement of exact knowledge of the physical universe more often than not demanded knowledge of mathematics. This led the emotional to believe that if their judgments were to have a mathematical character, this would prove them to be correct. You must, I warn you, abandon logic and attune your mind to popular propaganda."

Already the Student was looking a little dismayed.

"There are two main emotional methods of being mathematical," continued the Master, "the first is to arrive emotionally at the answer to some problem, then to seek statistical data to prove that the answer is right. The second method is used when mathematics present a disliked result. Then you must seek emotional reasons for the result and, from that, emotional proof that the mathematical conclusions should have been different.

"Can you give me an example of how that works in practice?" asked the Student.

"Well suppose that the emotional answer to a problem is the desired one, but a disliked mathematical answer

insists on presenting itself. Then let X be the emotional answer and Y the mathematical answer. Since, looking at the problem from different angles, both the answers seem to be the right ones, it follows that they must both be the same answer."

"Hey," interrupted the Student; but the Master wisely ignored him and hurried on.

"As they are the same answers we can write: **X equals Y**. Since the one equals the other, we can write **Y as X**,

LEAGUE PUBLICATION ON RED CHINA—TAIWAN ISSUE

The League of Rights has produced a special publication on the reality of Red China's far-reaching policies, and the significance of the weakening attitude of the non-Communist world. The League wishes to give this national wide distribution before the 1972 Federal Elections. Prices: 10c per single copy; \$1 per dozen; \$3 per 50; \$5 per 100; \$9 per 200.

and therefore write; X equals X. That is the basic equation of Emotional Mathematics."

The Student looked pained, but said nothing.

The Master continued, "If you have grasped that, you are ready to jump from it to an equation, the questioning the validity of which is regarded as the wickedest blasphemy that ever insulted God. The equation is that all men are equal."

"Is that an emotional equation or is it deduced from the mathematical equation: X equals X?"

NO NEED FOR MATHEMATICAL EXPOSITION

"Both," answered the Master, "that is the beauty of it. It means that the more emotional beings, secure in their belief that their judgment has implicitly a mathematical support, can save themselves the trouble of struggling with the mathematical exposition. Their simple argument is that Abraham Lincoln said that all men are born equal, and since Abraham Lincoln is a dearly beloved, historical figure, that proves that what he said is true. To add proof to proof, Lincoln won a war, so his declaration that all men are born equal must be right. Had he lost the war, that of course would have proved that all men are not born equal."

"Please go on to the mathematical proof of the equality of all men," begged the Student, "I've been looking about and noticed that men are different from one another. I should think that what is different cannot be the same, and that equal things must be the same."

"That is where emotion comes to the rescue," said the Master, "the argument, guided by emotion, runs something like this: if all men are born equal, then their differences must be subsequently acquired and are illegitimate additions made by environment or nature or education or heredity or something else. Since these are illegitimate, it is quite legitimate to cross them out. By doing this you have, for example, such simplified equations as: a wise man minus his wisdom equals a fool minus his folly; a virtuous man minus his virtue equals a vicious man minus his vice; a coloured man minus his skin equals a white man minus his skin; a sensitive

A REMINDER FOR MR. McMAHON

The following report from "The West Australian" of October 21, 1971, was similar to reports appearing in other papers on the same day:

"Canberra, Wednesday. — The Federal Cabinet will meet on Monday to consider the impact on the economy of the steepest September quarter cost of living rise for 15 years. . . . It was the biggest increase since 2.5 percent rise in the September quarter of 1956. The Prime Minister, Mr. McMahon, and senior ministers are concerned about the figures . . . Mr. McMahon conferred with senior Treasury officials today and will have talks with the Federal Treasurer, Mr. Snedden, when he returns from Tokyo on Friday. . . . In a statement issued tonight, Mr. McMahon said that the September quarter rise had proved that the diagnosis on which the budget was founded was entirely correct."

man minus his sensitivity equals an insensitive man minus his insensitiveness and so on. You see, in that way all men are reduced to basic man and thus, abstractly, become mathematical units. We can then say that as one equals one, one man equals one man; therefore every one equals every other one, and every one equals any one."

"Y - yes, but . . ." began the Student; but the Master swept on remorselessly.

"Sometimes subtraction from, or addition to, only one component of an equation is required. For instance, a genius minus his genius equals an ordinary man. Most of such calculations become very dull after we work out too many of them; but proof of sex equality is really intriguing."

"I have it," cried the Student, "a female minus her sex equals a male minus his sex."

"Very good," commented the Master, "I congratulate you. The reasoning is that basically both women and men are persons, so as a person equals a person, women must equal men. That is the proposition from which demonstration of sex equality began. Further work upon the subject however, has resulted in the formulation of an even more exciting equation. This is that a woman minus her sex equals a man plus his sex. The implications in that are as enchanting as is the complexity of the emotional operations performed in arriving at the equation."

NEW CONCEPT OF EQUALITY

"Are you hinting at sexual perversion?" asked the Student with a kind of prim curiosity.

"Certainly not," answered the Master, "though when the whole equation is perverted, that might sometimes be expected. But the second equation emerged quite naturally from the original one. Some women reasoned that, as men's equals, they should be able to be and do all that men are and do, so their first endeavour was to equal men by being exact copies of men plus their sex. They then felt obliged to fit their equation to their ambition and, of course, reasoned that the more minus was their sex, the more they were equals of the sex which is minus the female attributes."

"I'm afraid your explanation of the equality idea is becoming too intricate for me to follow easily," said the Student plaintively.

"Worse is to come," said the Master, "you really must try to understand how human equality works out theoretically in practice"

"Theoretically in practice," said the Student, struggling with the phrase.

"You will grasp that if you attend carefully to what I am about to say next. It is rather difficult. What it amounts to is that having formulated the theory that all men are equal, the next thing to do is to make them equal in a practical way. A good many people thought that this could best be done by making them politically equal. Having political equality is supposed to make them

socially equal and therefore humanly equal. This political equality has been achieved most ingeniously by reducing all men to a common political denominator called the Vote. A vote equals a vote, so that if each man is identified with a vote, each man equals a vote and then universal suffrage makes all men equal."

"They do not seem to be all equal in their political organisations," observed the Student, noting that in them some were more powerful and some more advanced than others.

"You are right," agreed the Master, "but they have got over those inequalities by inventing Majority Rule. All people are equal because they are ruled by the majority."

The Student would not have it.

"You cannot have both Equality and Majority together," he objected.

"Human beings can," averred the Master, "you see in a majority there are more men who are equal than there are in a minority, so that when the smaller quantity of equals comprising the minority is subtracted from the larger quantity which is the majority and is thus cancelled out, it leaves a remainder of equality. That is mathematical."

"I can't quite follow that," confessed the Student.

"Of course not if you are mixing up subtraction with equality. Don't forget that what we are studying here is Emotional Mathematics in which you choose your answer first, then work it out to be the right one afterwards; but to make it easier for you, put it this way: even if but few humans recognise it mentally, most of them know instinctively that men are to be distinguished from opinions. That is correct, you will admit."

"Yes."

"Then if you allow that, you may be able to see that, as understood by humans, all men are equal, but majority opinion rules. There you have equality and majority together."

The Student would not accept that.

"If all men were equal they would all be the same and there would be unanimity of opinion, not majority and minority opinions."

"You have forgotten about subtracting a minority from a majority," the Master pointed out, "certain ideologists, called communists, recognised the difficulty you have raised and found the classical solution. What they do is to liquidate all those who are not unanimous and that leaves the unanimous in undisturbed equality. There are other good emotional ways of dealing with this problem of equality and majority. In many of the Negro States in Africa, for instance, 'one man, one vote' means that only one man has the one vote. This enfranchised person is of course, the chief or dictator. There seems to be at first glance, some inconsistency between that arrangement and the demand made by those living under that form of government that, in African States governed by whites, 'one man, one vote' should mean that every

man should have a vote. The contradiction of ideas disappears, from a great many human minds, when 'one man, one vote' is associated with majority rule. It then becomes clear that, since Negroes are in the majority in the white-governed States, the one man having the one vote there should be a Negro. I hope you follow that reasoning."

"I think I follow the emotion, but I cannot say that I grasp the mathematics of it," admitted the Student.

IT IS NOW —OR NEVER

As observed in our editorial in this issue, the jaws of the world totalitarian trap are now openly closing. The logic of the situation would appear to be that the cause of freedom, of Christian Civilisation, has been defeated. But as has so often happened in history, the faith and dedicated effort of a people has defied logic. The logic favoured Napoleon at the decisive Battle of Waterloo. It still favoured him late in the day when he threw his famous elite of veterans in for the decisive blow. But the British lines held and the tide of battle turned dramatically.

Over thirty-seven years this journal has been recording the battle between the forces of freedom and totalitarianism. It has predicted what must happen if effective political action was not taken to deprive the forces of totalitarianism of their major weapon, a finance-economic policy which is used to drive mankind into bigger and more centralised groups, and ultimately into the World State, making individual resistance impossible. Fighting a series of rearguard battles, sometimes taking the initiative, the forces of freedom have been increasingly mobilised in Australia and other countries of the old British Commonwealth, under the leadership of The League of Rights.

The massive and venomous attack on the Australian League of Rights last year, an attack still continuing, was beyond doubt a major attempt to destroy the League before it could encourage and assist political developments which might decisively turn the tide in the crisis days ahead. The League has more than weathered the 1971 attack, and it has planned and already taking shape a massive national programme decided to take advantage of the crisis of 1972. But that programme will fail unless the adequate financial sinews of war are available — IN ADVANCE, READY TO BE USED AS EACH CRISIS OCCURS. One of the League's great strengths has been its decentralised financial support. It has never placed itself in the position where it has had to rely exclusively upon a few sources of finance. Advertising has never been accepted for its journals. It has been vitally assisted by bequests from individuals who wished that all, or part of their material substance be devoted to the continuing battle for freedom, decency, and Christian Civilisation.

The League MUST have a minimum of \$25,000 for its 1972 programme, ending at June 30. A handful of supporters have now contributed \$15,000. The balance of \$10,000 if the League's thin red line that will decide what will happen later in this year. We seriously believe that it is now — or never, and ask all those who have not yet contributed to the League's 1971-72 basic fund to prayerfully assess the maximum they can give. Except for Queensland and Northern N.S.W. contributions, which should be posted to Box 17, Alderley, Queensland, 4051, all other contributions to Box 1052J, G.P.O., Melbourne, 3001.

Can the League's Thin Red Financial Line Hold?

"Leave it for now," said the Master, "but in passing it is to be observed that even many human beings have found it necessary to modify their political practice of equalising. The 'freedom' brands of equality are tainted with individualism so that those who love both freedom and equality are obliged to make do, frankly, with Majority Rule. I want you now to concentrate on what I am next about to say. It is another rather difficult thing, though implied in what I have already said."

"Then I am already prepared to grapple with it," said the Student, though less eagerly than the Master would have liked.

"POLITICAL SCIENCE"

"Here it is, then. Each man in a minority equals each man in the majority, so that in spite of there being minorities and majorities, in the sum total equality is maintained."

"As far as I can see, in the sum total of political bodies there are more minorities and majorities than there is equality; though I should say that minorities and majorities are about equally emotional. I suppose that makes the unequal groups mathematically equal in this kind of mathematics. But anyway, although there is Majority Rule, all peoples are ultimately governed by minorities."

"Yes," agreed the Master, "but that is smoothed away by calling" minority rule Representative Government. Wait, wait. I have to get this straight in my own mind. It is a minority of the majority that rules, so the minority is said to represent the majority; but when the people vote, mathematically the majority represents the elected minority, so that the ruling majority and the ruling

minority represent each other, making the one the equal of the other. Further, since every man, on account of his vote, equals every other man, the men in the non-governing minority equal the men in the governing minority; therefore the minority out of office equals the governing minority, which represents the Ruling Majority. Thus the governing minority equals the whole, as you may find if you go back step-by-step through this exposition, beginning at the end and ending at the beginning. Your conclusion, supported by emotion, should be that by combining Equality with Majority Rule we have the kind of organisation in which the People govern the People; and what could be more equal than that?"

"Which people govern what people?" asked the Student.

The Master looked a little exasperated.

"I have been explaining that," he answered, "the minority which, through representing the whole, is equal to the whole, governs the whole. As both the governing minority and the governed whole are comprised of people, and people equal people, it follows that the people are governing people. That state of affairs would be so obvious as to be uninspiring were it not bathed in the light of emotional Equality."

"No more now," begged the Student, "I am becoming confused."

The Master was sympathetically silent while the Student pondered rather hopelessly over the new, illogical mathematics to which he had been introduced. Suddenly a bright idea flashed through the mental murk.

"Is all this that you have been telling me science fiction?" he asked.

"No," replied the Master, "it is Political Science."

TO THE POINT

Ex-Prime Minister John Gorton proposed the toast to Australia at an Australia Day reception at the Australian Natives' Association headquarters in Melbourne. Mr. Gorton took the opportunity of expressing his views on a number of subjects, including industrial relations and inflation, and demonstrated once again that he must be numbered amongst those who suffer from an appalling ignorance on the realities of finance-economics. After some pious platitudes about employers and employees getting together "to help unite Australia", Mr. Gorton said, "We can take care of the poor better if we have more productivity. We can have retirement benefits for all if we have more productivity. This is the real meaning of a united Australia."

The real standard of living is governed by the supply of consumer goods and services available at a just price. Mr. Gorton might be asked to indicate which consumer goods should be produced in greater quantities so that the poor do not need to go without. The truth is that there is a glut of consumer goods. What Mr. Gorton has in mind, of course, is that we need more production of non-consumer goods so that we can distribute purchasing power to buy the consumer goods. Ironically, in his same address, Mr. Gorton spoke on the problems of pollution. Most pollution is the result of unnecessary economic

activity. And it is unnecessary economic activity which makes a major contribution to inflation, which Mr. Gorton suggests can be overcome by what he calls a "federal prices and income policy". The A.C.T.U. president, Mr. R. Hawke, is reported as expressing agreement with Mr. Gorton's policy. What a pity Mr. Gorton did not demonstrate how to defeat inflation while he was Prime Minister! And as Prime Minister McMahon pointed out in Parliament on October 26 of last year, Mr. Gorton had been a member of the Cabinet, which produced the 1971 Budget, which allegedly was going to halt inflation. Remember?

In a statement made on January 27, the day after Australia Day, Dame Mabel Brookes added her voice to the growing campaign of opposition to increased foreign investment in Australia. She warned that Australians would lose their birthright if they continue to sell out to foreign investors. She said that in her opinion foreign investment and pollution were the two biggest problems confronting Australia. She said, "We have the greatest riches. We have all the minerals that are wanted in the world. From a bad beginning and great forbears we have made a wonderful country and we have to keep it."

As has been stressed by a number of more realistic economists, the bulk of "capital inflow" into Australia consists merely of funds, say, yen, being deposited with Japan's Central Bank, which then informs Australia's Central Bank. What are known technically as contra-credits are then written in the ledgers of Australia's Central Bank against which cheques can be written to finance economic activity in Australia with Australian equipment on Australian resources. At present total Japanese investment in Australia is approximately \$2600 million (American). Although still far behind British and American investment, Japanese finance expert, Mr. Sanwa Uedo, former president of the big Sanwa Trading Bank, predicts that Japanese investment may double by 1974, while other economic observers believe that by the end of the present decade Japan will own more of Australia than either the U.S.A. or Britain.

It is clear that the McMahon Government has no scruples whatever about selling Australia to Japan. The Deputy Secretary of the Treasury, Mr. J. H. Garnett, recently visited Tokyo to talk with Japanese finance leaders about floating a Government loan in the middle of the year. It is reported that the initial discussions on this matter were by the Federal Treasurer, Mr. Snedden, and Foreign Minister Bowen, last November.

The progressive sell-out of Australia, particularly to Japan, must be made a major issue at this year's Federal Elections. If candidates for the Federal Parliament do not know that Australia can provide its own finance for all necessary development of its own resources, without pawning the nation to foreigners, they have no right to expect to be elected to office.

* * * *

Prime Minister McMahon has often stressed his training in economics. Which, of course, explains why events keep contradicting Mr. McMahon's theories and predictions. He insisted that his Government's 1971 Budget, in August, was anti-inflationary. He has since called for "confidence". He predicted that the October unemployment figures could provide a "pleasant surprise". Unemployment has continued to get worse. When the unemployment and inflation figures for December were released in January, Mr. McMahon remained silent, allowing his Federal

Treasurer, Mr. Snedden, to attempt to defend the impossible. But in his Australia Day message Mr. McMahon again called for confidence and an "optimistic" outlook.

DLP Senator McManus has warned the McMahon Government that its electoral stocks are dangerously low. Unkind observers are recalling 1961, when the Menzies Government survived with a majority of one. Mr. McMahon was Minister for Labour in that Government. As a result of the Menzies Government's credit squeeze — the orthodox economists' cure for inflation — unemployment figures started to rise in November 1960. Labour Minister McMahon said that they were simply "following the usual pattern". By March of 1961, Mr. McMahon was describing unemployment as "the re-distribution of labor". The economy was benefiting. In May Mr. McMahon said, "We are doing all in our power to ensure that this period of unemployment is kept to a minimum. This is a transition period." And, needless to say, the Government was "watching" the situation. By July Mr. McMahon was arguing that extra aid to the States and an expansion of bank credit would stop the mounting unemployment figures. But there was no improvement, and the Government nearly went down to disaster.

ALP Opposition leader Arthur Caldwell campaigned for a Keynesian-type deficit budget of \$200 million. Prime Minister Menzies derided this proposal. It was wildly inflationary. Immediately he scraped back into office he prepared the way for his own Keynesian deficit budget — of \$238 million! And away went inflation again. If Prime Minister McMahon wishes to survive politically later this year, he would be well advised to forget all he ever learned as a student of orthodox economics, and direct his Treasury experts to implement a policy for necessary credit expansion without inflation. If they claim they do not know how to do this, Mr. McMahon should retire them in favour of some experts who will undertake the task. We can assure Mr. McMahon that present finance-economic policies have now led him into a situation, which cannot be talked away.

**TREASURY "EXPERTS" USED TO
COUNTER LEAGUE'S POLICY**

Sections of the Australian press have made much of the fact that the Federal Country Party was so concerned about the financial policies being put forward by The Institute of Economic Democracy, a specialist division of The Australian League of Rights, that Treasury officials were asked for arguments to counter the IOED. These "experts" charged that the policies being advanced were "a chimera" and inflationary. This is rather ironic coming from "experts" who have demonstrated that they are unable — or are they unwilling? — to reverse inflation.

The Institute of Economic Democracy's policy is basically that outlined in Mr. Eric Butler's "Programme for Reversing Inflation". Price 32 cents, post-free. No effort has been made to try to answer the basic arguments advanced in this booklet, a reprint of a Paper Mr. Butler gave at a Queensland Country Party Seminar early last year.

Mr. PETER SAMUEL EXAMINES THE AUSTRALIAN LEAGUE OF RIGHTS

In the January issue of "Current Affairs Bulletin", Mr. Peter Samuel of "The Bulletin", Sydney offers what at first glance might appear to be a detached academic study of The Australian League of Rights. But it is a sloppy effort, containing errors of fact, and reflects Mr. Samuel's background and philosophy. It was when he was teaching economics at Monash University back in 1964 that he was involved in publishing K. D. Gott's hatchet work, "Voices of Hate". Mr. Isi Leibler, Political Zionist propagandist, was also associated with the production of this book. This book did the League more good than harm, which may explain why, if Mr. Samuel is correct, a new edition with a new text is being produced.

Mr. Samuel states "Academic political scientists have almost completely ignored the League, although Mr. Michael Richards of the Department of political science in Melbourne University is starting some research, the first product of which will be a series of articles in the *Melbourne Age*." It is to be hoped that Mr. Richards can do a little better than Mr. Samuel. Mr. Edward Rock, Assistant National Director of the League, and Mr. Jeremy Lee, "a youngish refugee from Kenya", are listed as two "of a handful of very able politicians" who allegedly were recruited to the League in the mid-sixties!

Mr. Samuel describes social credit as "an economic theory with little or no support among professional economists, but based on the writings of the late C. H. Douglas of Canada." We presume that Mr. Samuel, as a professional journalist, does not feel it necessary to get even the most elementary facts correct. Last year he wrote in the *Bulletin* about the League of Rights' pro-Nazi campaigning before the Second World War. Of course the League did not exist before the Second World War. And surely anyone referring to Social Credit would have known that Major C. H. Douglas came from the United Kingdom, not from Canada.

Perhaps this may be an example of Mr. Samuel's sloppy writing, because he goes on to describe Douglas as "a British army major", who was one of the "hundreds of . . . amateur economists who had his own personal solution to the economic problems of the 1920s and 1930s." According to Mr. Samuel, "Douglas' solution was the creation by government of extra money." Mr. Samuel brings in Dr. Colin Clark who in an article in *The Sydney Morning Herald* of September 8, "characterised the League's social credit doctrine as the theory of 'currency cranks' . . ." Unfortunately Dr. Clark was about as unfactual as Mr. Samuel. We do not know if Dr. Clark was consciously attempting to engage in smearing, but amongst other allegations he claimed that Sir Oswald Mosley, the British Fascist leader, was one of the first influential supporters of Social Credit. There is no truth whatever in this statement. In reply to a letter from Mr. Eric Butler on this point, Sir Oswald Mosley replied that he had never been a supporter of Social Credit and that he had only met Douglas once. (Mr. Eric Butler proposes later this year to write on Dr. Clark and Social Credit. He has been engaged in considerable correspondence on the subject of two press articles by Dr. Clark.)

When Mr. Samuel attempts to analyse the finance-economic policies of The Institute of Economic Democracy, he merely reveals either his own ignorance and

prejudices, or is not really concerned with presenting what the Institute has put forward. Mr. Samuel is, of course, a supporter of "pragmatic measures", including "amalgamation of properties", to solve the rural crisis.

Mr. Samuel has The Australian Heritage Society, a division of The Australian League of Rights, being launched with a great fanfare at a dinner of 400 people in Melbourne." It was in fact launched at the Annual League National Seminar. There was considerable hilarity at the Heritage Bookshop with the news from Mr. Samuel that the "most virulent" of the "racist" literature is "kept under the counter for sale to customers adjudged to be receptive." Really, Mr. Samuel, you have a most vivid imagination!

But what really seems to worry Mr. Samuel is the political programme being generated by The Australian League of Rights, "which, if it continues to expand at recent rates of growth, could develop the potential for influencing the course of political events in Australia." We are informed that leaders of the major political parties told Mr. Samuel in private conversation late last year that they view the League "as a potentially formidable political antagonist in certain country areas . . ." Mr. Samuel is reporting nothing new when he refers to the threat posed to the political parties by the Electors' Association concept. He writes that "Using these tactics the League is heading for a serious conflict with the major political parties . . . A major test of their potential will be the campaigning for the next Federal elections, when the Electors will be working to influence the candidates, and then the results, in most of 30 or so rural electorates on which the League is concentrating."

Yes, Mr. Samuel, we anticipate plenty of electoral conflict this year as the League generates more grass roots political activists. And, of course, much more smearing!

"THE ESSENTIAL CHRISTIAN HERITAGE"

One of the highlights of the 1971 League of Rights National Seminar, at which The Australian Heritage Society was launched, Mr. Eric Butler's Paper has now been attractively published in booklet form. "The Essential Christian Heritage" will prove to be a work of permanent value.

Price 32 cents, posted, from any State League of Rights address. From Heritage Bookshop, Box 1226L, G.P.O., Melbourne, 3001.