

THE NEW TIMES

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

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QUALITY OF INTEGRITY WILL BE DECISIVE POWER IN STRUGGLE FOR THE WORLD

"It is not brains of which the Plotters are afraid—it is integrity"

—C. H. Douglas in "Programme for The Third World War"

Christ's famous statement, "Father forgive them, they know not what they do", has been skilfully exploited over a long period to suggest that no one is really guilty for the plight of the world. This is the basis for the suggestion that sickly tolerance is of itself some outstanding virtue. Genuine forgiveness is, of course, only possible, when asked of those who are unconscious of what they are doing. But those primarily responsible for the policies driving mankind towards Hell on Earth understand what they are about. They seek to usurp that which Christ promised—true freedom. They claim to know better than God how men's lives should be ordered.

It is a common observation that all the "best brains" around the world are mobilised on the side of what is called "progress". Mr. Edward Heath, British Prime Minister, is beyond doubt one of the greatest traitors in British history. A subverted British Conservative Party had Heath imposed upon them because it was claimed that he was a "clever" politician who could match the "clever" Mr. Harold Wilson and his colleagues. The older type of Conservative may have lacked the brains, which are claimed for Mr. Heath, but they possessed a sense of honour and decency lacking in a Heath. Some of them were sufficiently old-fashioned to believe that even a politician's word should be his bond, and that he should not blatantly break his word as Mr. Heath has done on major issues.

Those exercising power today, primarily through finance and propaganda, are well aware that they have little to fear from those who are allegedly the best educated, who have a high intelligence. They can be controlled by the simple technique of controlling all avenues to advancement. This subject has been highlighted in the Australian situation following the electoral reverse for the Liberal-Country Party Coalition on December 2. Judged by his academic and political achievements, Mr. Gough Whitlam is an extremely able man. One of his senior advisers is his private secretary, Mr. Jim Spigelman, described by some as Mr. Whitlam's Dr. Henry Kissinger. Then there is Peter Wilemski, another "brilliant" young man, whose association with Foreign Affairs and Treasury provides him with his own power base. A "personal assistant" is Mr. Graham Freudenberg, one of those who helped to write the Whitlam policy speech. And, of course, there is that veteran brain. Dr. H. C. Coombs.

The Whitlam team is clearly not lacking in brains. But like Wilson and Heath in the United Kingdom, and Trudeau in Canada, Mr. Whitlam is already manifesting those attributes, which inevitably produce an electoral backlash in communities whose sounder instincts have not yet been completely perverted by propaganda and the "new education".

When freed from all religious and moral disciplines, the brilliant men are the perfect tools of those who seek complete World Power. Or in some cases they hold religious views, which are used to justify what they are doing. It is hard to see, for example, how Mr. Jim Spigelman of the N.S.W. Jewish Board of Deputies, could have much sympathy with those Australians who believe that it is their duty as dedicated Christians to strive to foster a society reflecting Christian concepts. There are metaphysical concepts underlying every society, and those concepts are either true or they are not. Truth is not established by counting heads. Christ was hopelessly outvoted before being crucified. He forgave the members of the mob who did not know what it was all about. But the

CHRISTMAS GREETINGS

In this our last issue for 1972, we take the opportunity of wishing all readers and their families a Holy and Happy Christmas, trusting that during this period they will have the opportunity of refreshing themselves in every way to take up once again the battle for Truth in 1973.

brilliant men responsible for His crucifixion did know what they were doing.

TRUTH WILL TRIUMPH

However, the truths of Christianity did eventually start to triumph, primarily because of the dedicated minority, men and women of integrity who were not deterred by all the massed forces of opposition. Douglas observed that if the work of Social Crediters were successful, it would not be because of numbers, but because of "a sufficient quality of Integrity". The struggle for the world is now clearly entering a period of crisis far surpassing any of the past. It is not too much to say that the next three years could decide whether or not Civilisation has passed the point of no return. Catastrophic events are unfolding at an accelerating rate. There is much worse to come. But as the men of brains, but with no under-

standing of Truth, advance their power programmes, so does the picture about the reality of the situation become so much clearer.

Christ said that we must become as little children. Unbrainwashed children do display a quality of integrity lacking in their "educated" parents. It was the little child who, in *The Emperor's New Clothes*, simply said that the King had no clothes on while the multitude, not wishing to be thought ignorant, insisted that he was wearing beautiful clothes. The future of Civilisation now hangs by a thread. Numbers as such are not over-important. It is that quality of integrity which Douglas spoke about, which will be decisive. Now is the time to ponder on this tremendous and encouraging truth. Readers of this journal have a special responsibility because they have glimpsed that Truth which is the only hope for a tortured mankind.

GEMS FROM DOUGLAS

It was once said that events appeared to be in the pay of C. H. Douglas. The present rapidly deteriorating plight of the world is graphically confirming what Douglas predicted must happen if the modern finance-economic system continued to be based upon a false philosophy. As usual we offer readers some selections from this great genius for consideration over the Christmas period.

"The modern theory, if it can be called modern, of the totalitarian state, for instance, to the effect that the state is everything and the individual nothing, . . . is a revamping of the theory of the later Roman Empire, which theory, together with the financial methods by which it was maintained, led to Rome's downfall, not by the conquest of stronger Empires, but by its own internal dissensions. It is a theory involving complete inversion of fact, and is, incidentally, fundamentally anti-Christian, in that it exalts the mechanism of government into an end rather than a means, and leads to the assumption that individuals exist for the purpose of allowing officials to exercise power over them. It is in the perversion and exaltation of means into ends in themselves, that we shall find the root of our tragedy. Once it is conceded that sovereignty resides anywhere but in the collection of individuals we call the public, the way of dictatorship is certain."

—*The Tragedy of Human Effort*

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"Each approach to centralisation, and this approach has been rapid, has increased the tyranny of Finance. A tyranny, which in itself is technical but becomes political by reason of the immense advantages which accrue to its manipulators."

—*The Brief for the Prosecution*

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"When a monetary system dictates your actions, then you are governed by money, and you 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*

"The moment that any human being performs a single action for any reason other than that provided by the profit motive, he is a certifiable lunatic. It is simply a question of what is, in the mind of the individual, profitable to him, taking all the factors and consequences of the action into consideration."

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

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"The only safeguard against a world governed by international finance is nationalism."

—*The Approach to Reality*

RED PATTERN FOR WORLD CONQUEST

By ERIC D. BUTLER

This book is the most valuable introductory work to the Communist conspiracy available. It deserves the widest possible circulation. With a brilliant introduction by Sir Raphael Cilento dealing with current Communist strategy, it is a compact presentation of the fundamental crisis of our times. Indexed with a striking cover design in the new edition, with up-dated material, it should be on the bookshelf of all those owning the old edition.

Price: \$1.05, post-free. Quantities: 6 for \$5.25; 12 for \$9.53.

"Money is a mechanism, and can be used or misused like any other mechanism, and if the population of this or any other country is willing to allow the mechanism of money to be controlled by the few, then, so long as inducement by money is the basis of credit, so long will the few control the many."

—*Credit—Power and Democracy*

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"The attack on personal property, which superficially would appear to proceed from the less fortunate strata of society, would never have become effective had it not been a perfect tool for the transfer of real property, both territorial and industrial, from the individual to the financial institution."

—*The Monopoly of Credit*

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"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*

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"If you were to say to an intelligent child that the aim or objective of the average human being was to live in a pleasant house, have sufficient to eat, and to be well clothed, I think that the child would say at once that what you ought to do was to build sufficient pleasant houses, grow sufficient food, and weave whatever clothes you require—and then stop and enjoy yourself. But most

of us, I am afraid, are not intelligent children. Some of us are even economists!"

—*Security, Institutional and Personal*

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"The restoration of the conception of the responsibility of the individual for his acts, whether or not those acts are done under the orders of someone else is, in my opinion, essential to a better and more stable world, and I would particularly commend to your attention the habit of identifying actions with men rather than with systems."

—*Dictatorship by Taxation*

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"The civilisation of Christianity was incompletely embodied in the culture of mediaeval Europe, and is exemplified in Magna Carta. Its essential characteristic is courage, allied to 'love', cf 'Perfect love casteth out fear' . . . The knight of chivalry, the militant Christian ideal, watched his armour **alone** in the chapel through the night, and then went out to do battle **alone** for love against fear and oppression—a very complete allegory. The 'mass' is unsavable, just as a mob is insane ('without health'); the object of Anti-Christ is to keep mankind in even larger mobs, thus defeating the object of Christ, to permit the emergence of self-governing, self-conscious individuals, exercising free will and choosing good because it is good. The energising factor is attraction, inducement."

—*The Realistic Position of The Church of England*

MORAL AND PHILOSOPHICAL ASPECTS

Canadian Broadcast Speech—By Major C. H. Douglas, April 1934

HIGHLY TECHNICAL

In the widespread discussion, which has been given to the question of our social system, and the inter-relation with it of our financial system, during the past few years, it has, I think, been fairly generally recognised that the subject can be approached from at least two sides.

The first of these sides has to do with the behaviour of our present financial system and the details of its mechanism, together with the extension of the discussion as to the result of any changes, which might be made in that mechanism.

This aspect of the subject has been fairly widely recognised as technical, and although the number of individuals who are prepared to make confident assertions about it without either extensive study or practical experience, is larger than would perhaps be the case in most other technical matters, it is recognised that the money system, as such, is an intricate device and demands serious study at least comparable to that, let us say, given to the designing of an aeroplane.

But there is another side of this subject, which is at least as important, perhaps even more important, than the purely mechanistic aspect, and that is the philosophic, or moral aspect.

Now while, as I have said, the mechanistic aspect of the financial system has come to be recognised as being highly technical, it is not recognised in the least, I think, that the so-called philosophic or moral aspect is just as technical and just as amenable to exact analysis and definition.

A concrete instance may, perhaps, make clear what I mean. Thirty years ago, I was an engineer employed on the North-Eastern railway of Tyneside. At that time Tyneside probably produced a class of men who worked harder and for longer hours than could be found elsewhere in England.

They also, incontestably, drank harder, and in some of the villages on lower Tyneside it would be a matter of real difficulty to find a sober man at 8.00 or 9.00 o'clock on Saturday night. Yet it was a commonplace to hear the remark in employing circles that if the Northumbrian worker were not kept hard at work he would drink himself to death.

Largely as a result of the introduction of such tools as the pneumatic riveter, however, accompanied by the shortening of hours and the general raising of the amenities of the district, excessive drinking on Tyneside has

almost disappeared. The philosophy behind the demand for continuous hard work, therefore, has been shown to be a false philosophy.

On the other hand, let us consider prohibition in the United States. It was confidently stated that the forcible prevention of the sale of liquor would entirely destroy the demand for liquor in a period of ten years. We know, as a matter of history, that so far from this being the case, not only was more raw spirits drunk in the United States during the prohibition era than ever before, but that a host of other evils, exceeding probably, in social gravity, those even of excessive drinking, accompanied the repressive measure now repealed.

The point I wish to make to you is that deductive statements in regard to moral or philosophic ideas are just as dangerous and, further, are just as unscientific as that "man was never intended to fly", or that "iron ships could not possibly float".

Any statement of a philosophic or moral nature, which cannot be demonstrated by experiment, is just as unsound as a chemical or physical theory, which is not supported by experimental data.

ECONOMIC PARADOX

The point from which discussion on the present situation must naturally start is from what is commonly known as the economic paradox—the admitted fact that while productive capacity is easily capable of meeting all demands upon it, not only are these demands not met, but much of the production for which the general population is asking, is wasted. We know, therefore, that it is not in the production system that our difficulties lie—it is in the distribution system, the mechanism of which is money.

Now I think there can be only two possible theories as to why effective demand or purchasing power does not operate so as to distribute the available production. The first is the orthodox theory, and it is most interesting to note with what persistence it is put forward in the face of conclusive proof that it is defective.

This theory is that enough purchasing power exists to buy all the goods that are available for sale, but that it is badly distributed—that some people have too much, and consequently others have too little. In other words, that the poor are poor because the rich are rich.

Now it is quite obvious that if this theory were correct, steeply graded taxation would increase production. It would take money from those who have too much, and by giving it to those who have too little (which is the theory of taxation, although perhaps not the practice) it would enable the production system to deliver all that it was physically capable of producing.

But it is a matter of common knowledge to all of us that never has taxation been so high as at present, and we are painfully aware that never has the distribution system been so unsatisfactory. There is a great deal to

be said about the persistence with which this theory is maintained in the face of all the evidence to the contrary, but I will not take up your time beyond drawing your attention to the figures of such statisticians as Professor Bowley, which prove conclusively that the equal redistribution of all incomes in excess of \$800 per annum would only provide about \$125 per annum per family.

I do not suppose that anyone would contend that the expenditure of \$125 per family per annum would absorb all the unused productive capacity in this country as well as all the unsold goods.

COMPLEX, TECHNICAL

The other theory, which is that held by myself and an increasing number of people all over the world, is that the maldistribution of incomes, while it obviously exists, is only important because incomes as a whole are not sufficiently large to form an effective demand upon the physical product, which is available.

The reason that this is so is complex and technical, but it can be stated in the general form that the rate of flow of prices, as prices are bound to be fixed by the existing financial system, is always greater than the rate of flow of incomes which ought to form the effective demand for the goods to which the prices are attached.

As a result of this situation, we are always faced with pressure to produce an excessive amount of capital goods, which are not bought by the general public. And while purchasing power, which is distributed during the production of those capital goods, either for export or for the inauguration of new industries, or for any similar purpose, is available, for just so long do we experience a modified form of what we call "prosperity".

But as soon as this demand for capital goods slackens we at once find that we are faced with a difficulty in disposing of consumable goods, and we have all the phenomena, which we know as unemployment, trade depression, and so forth.

Now with this technical situation in mind, I want to divert your attention to the psychological aspect of the situation. Remember that this thing that we call "money" is in essence nothing but a ticket system.

Money is created not by the creation or production of things, but either by the printing press, or by the manipulation of figures in a banker's books in the form which is probably now fairly familiar to most of you, but which can be epitomised in the words that "every bank loan creates a deposit."

But I would like you to notice, particularly, the almost universal idea that these tickets are in some way or another the determining factor in the situation, and not only that they are, but that it is in the nature of things that they **must** be.

Any proposal to modify the method by which these tickets are produced and distributed, having as its object

the distribution of the goods which the modern production system is easily able to deliver, is met by a storm of protest, based either on moral grounds or on statements that it would destroy civilisation; or that the results would be catastrophic in some way or other usually undefined.

You will all remember as bearing on this the universal prophecies, voiced in particular by the financial papers, that the departure of Great Britain from the gold standard would mean instant destruction of Great Britain's trade and the break-up of the British empire; and you will also remember the fact that so far from this being the case, the first sign of improvement in the business situation in that country can be stated as from the abandonment of the gold standard in 1931.

It is with these vague threats of catastrophe which are unaccompanied by experimental data, that it is so necessary to realise that the **philosophic or psychological side of the financial problem, as well as being as important as the mechanistic side, requires just as vigorous analysis upon an inductive or experimental basis.**

FAILURE EXPLAINED

At the meeting of the British association this year an old colleague of mine—Prof. Miles Walker—remarked that the failure of modern statesmanship was largely due to the reluctance of statesmen to take such steps as would logically lead to the end which the general population desired.

Admitting that we are faced with a state of affairs which has been described as "poverty amidst plenty", and that we know that the only way which the poverty can be relieved is by providing those who are poor with additional tickets which we call "money", it should surely not be beyond the ability of a nation which has solved the production problem to provide the remedy for a distribution problem.

The Social Credit remedy for this situation is a simple and a logical one. We say that in order that the purchasing power, which is already available, shall buy the goods which are also available, the collective prices of the goods which are for sale must be made equal to the collective purchasing power which is available against those goods.

That is the basis of the first proposal of the Social Credit theorem, which involves the regulation of prices. We also say that this regulation of prices must include a proper remuneration to the producer, just as it must include a proper remuneration to the wage earner.

But further than this, we point out that the modern production system is increasingly a machine production system, that it is in its essence based on the substitution of mechanical power for human labour, **and that to allow this substitution to deprive the human labour of the ticket which entitles it to obtain the goods is nothing less than sheer lunacy.**

Now we know quite well that there has been in existence for hundreds of years, at least, a system that distributes

tickets to a favoured portion of the population, which does not, in the ordinary sense of the word, work for them.

DIVIDEND SYSTEM

That system is the dividend system; and so far from joining with the Socialist in the demand for the abolition of the dividend system, the Social Credit advocate agitates for a wide extension of the dividend system, as being the only logical means to meet the situation which is created by the displacement of dividends from the productive system through the agency of mechanical power.

By a combination of these two entirely simple and logical processes, neither of which I would ask you to believe can be separated from the other, it is possible to produce a flexible distribution organization which will insure a steady flow of the goods from the machine to the user. That is the first and eminently desirable result of taking action along these lines.

But a still further result, and one which perhaps in the present days may be of even greater importance, is that by relieving the pressure to produce goods for export, not in order to receive goods in return for those exported, but in order to receive a supply of tickets from abroad which can be applied to the purchase of consumable goods at home, **we relieve the pressure on international economic competition.**

Now it cannot be too clearly understood by everyone at the present time that economic war, which is the normal condition of trade under the existing financial system, is only the first stage of military war. There is no difference whatever in the motive behind the two methods, and when the mechanism of one fails the mechanism of the second cannot be far away.

If we cannot make, either as a nation or as individuals, the supreme mental effort necessary to recognize the characteristics of the existing financial system, then the logical consequences of that system will, within a measurable period of time, result in another world war, which will, indeed, destroy civilization.

THE FEDERAL ELECTIONS

The essence of the Federal Elections was that the electors in desperation voted AGAINST the Liberal-Country Party Coalition; they did not vote FOR the A.L.P. We predict that Mr. Whitlam and his backers are going to so intensify the policies of centralised control that they must bring into sharp focus the fundamental issues this journal is concerned about. The division of power which still remains in Australia, with the States not completely emasculated and the Senate an effective part of the Governmental system, now provides Australians with what might be their last chance of averting complete disaster over the next three years.

The battle lines have been much more clearly drawn. We will comment at greater length in our January issue.

CHRISTIANITY—INDIVIDUAL FREEDOM—THE VOTE

Notes of a talk given by Mr. Edward Rock to two rural audiences just prior to the recent Federal elections.

The Christian is someone apart. Whatever we may say about other religions or other creeds, Christianity is something different again. When the individual embraces Christianity, he sheds his old self, and becomes a new man, he is "born again". He is born into the beginning of a new understanding governing all truth and reality, as applied to man, his social relationships and his institutions.

Just as a man changes when he becomes a Christian, so with society when that society reflects the demands of Christianity. It goes without saying therefore that any society calling itself "Christian" will only be so to the extent that individual members embrace and fulfill the demands of the Christian faith. Just as Christians become different to "forsake all others", as we are told in the *New Testament*, so it is with nations. In fact we are told that when the founder of Christianity returns he will not only separate individuals as sheep from the goats, but nations also. It would be interesting to speculate which nation today would qualify! It seems there will have to be some wholesale conversions, or eliminations, before the day of judgment comes!

Christianity is unique and it makes unique and dogmatic claims. It claims to stem from the sole source of creation, that force which created the earth, the laws by which the earth exists and maintains itself, and the source of all life on the earth. It will not and cannot, share this claim with any other force. The founder of Christianity claimed "all power in heaven and on earth", and to be the source of truth, "To this end was I born, and for this cause came I into the world, that I should bear witness unto the truth. Everyone that is of the truth heareth my voice".

If Christianity is what it claims, unique, different, the only source of truth, it will express itself in a way consistent with that claim. It will produce a different type of society to others, which do not accept its tenets. However, there is no doubt that one of the fundamental problems confronting Christians today is that they find it difficult to visualise any great difference between a Christian society and that of, say, a nation of educated humanists or materialists. Christians often say that Communist Soviet or China are better off under Communism, which starts from the basic tenet that man is only matter, and that the concept of God, or belief in Christ should be eradicated from the mind of man, and must therefore produce results completely in conflict to a Christian social order.

Dr. Geoffrey Dobbs in his essay, "Responsible Government in a Free Society", says, "What is so extraordinary is that so many people who regard themselves as Christians can see no practical significance in this tremendous belief. They seem to have no conception that a belief about the ultimate nature of the Universe must work itself out in practice, not merely in that dwindling part

of our lives which we call 'private', meaning that politicians have not yet invaded it, but inevitably in social affairs. A Christian society must be radically different from an atheistic or humanist Society . . . large numbers of prelates and other clergy for whom the practical and political implications of the noises they make in church are very much the same as those of an atheistic materialism, are merely confirming to the World that religion, for them, is a ritual without any practical meaning.

"If in practice to stand up in church and announce: 'I believe in God the Father, the Son and Holy Ghost' leads to precisely the same social policy as announcing 'I believe God does not exist and the Holy Trinity is a load of pernicious mystical nonsense', there is really no point in making these religious noises. As the late C. H. Douglas put it: 'It must be insisted that Christianity is either something inherent in the very warp and woof of the Universe, or it is just a set of interesting opinions'."

CHRISTIANITY AND COMPARATIVE RELIGIONS

It is interesting to note that in a world in which politicians are increasingly conducting talks and negotiations with Governments which reject the philosophic basis from which their own institutions grew, power is being centralised in a conclave called the United Nations, which is a conglomerate of nations more in conflict than united with each other. The fact is that the leaders of what was called Western Christian civilisation can rationalise basic principles to reject the suggestion that Christianity should have any part in the U.N. constitution. At the founding convention, only one man, a delegate from Holland protested about this omission. As we now know, that convention was under the control of men who reject Christianity and are actively working to build a world state in which Christianity is eradicated. The main weapon, which is being adopted to achieve this result, is to promote the concept that Christianity is indeed just another set of interesting opinions. Those who sit down at international conference under the auspices of the U.N. or any other such gathering do so on the basis that they are all men of the world with mutual problems. But are they? The Christian says Christianity has the final authority. That authority enables him, or should, to treat all men and their problems with justice, mercy and love, not as a superior but as a servant. But it is the authority, which is important, and that authority is not up for sale.

The basic tenets of Christianity are not open to negotiation by force of numbers, or under any other kind of duress. No system of logic or intellectual persuasion will alter the unalterable. Neither has Democracy and the counting of heads anything to do with it. "Heaven and earth may pass away, but my word shall never pass away." Under the democratic vote, all men become equal,

and Christianity becomes a study in comparative religion, no better than any other religion, but often a lot worse, if you take the words of its critics, who have a favourite technique of taking the worst excesses of the Christian religious groups and highlighting them as the norm.

The advance of so-called democracy has meant the retreat of Christianity. As the concept of "one man, one vote, one value" has advanced on the basis that all men are equal, and should have an equal say in the administration of authority, Christianity the creed of authority of the few who choose to accept and serve God, is swamped and diluted in the sea of anonymous and irresponsible voting.

It is a fact of history that Christianity gave rise to the concept of the constitutional processes, which restricted the vote to the responsible minority. When Queen Victoria wrote that she could never be 'the queen of a democratic monarchy', it was from a basis of understanding that as in all things, "many are called, but few are chosen". One of the hardest lessons for Christians is that they are chosen, not elected by a ballot box. But just as a champion athlete puts himself in line to be chosen to represent his country at the Olympic Games by proving himself through dedicated and arduous training routines which bring him to a point where his ability is so obvious that he cannot be ignored when it comes to the point of choosing representatives, so it is with Christianity, and the social structure which results from the acceptance of Christian disciplines. Such a society is not the result of wishful thinking, and the mere expressions of piety, with Christians going along to church each Sunday and making the appropriate noises referred to by Dr. Dobbs.

Christian social order results from the acceptance of the dogmatic truths of Christianity yielding fruit in society. It is the worker in the vineyard who will produce that fruit. If the worker retires to the priestly tower spending all of his time calling the faithful to vain and repetitive Prayers, the vineyard is neglected and becomes overrun with weeds. It does not take many workers to keep the weeds out of the vineyard and allow the fruit to grow. Queen Victoria undoubtedly realised this. Service was the watchword of those in authority in her day. When the weeds are elevated to positions of importance with the workers on the basis that they have equal rights, and in fact are better because they are in the majority, then the fruit of the vineyard is destroyed. The problem is to eradicate the weeds and establish a correct relationship between the workers and the fruit produced in God's vineyard.

The Christian believes that God's laws will produce that fruit in abundance, if man will follow them out. The Christian believes that God's laws have a quality, which can never alter, that quality is truth in relation to reality. If 99 out of 100 disagree with that reality, reality itself does not change. What is real remains. Man

in taking his opposition to the point of opposing reality merely hastens the point when his own destruction occurs. To replace "blessed is the name of the Lord" with "blessed is the majority" merely hastens that day.

INDIVIDUAL FREEDOM

Just what are the tangibles of individual freedom? Many would say a way of life where the individual freely choosing his way of life and form of association lives a life free from fear and has material security.

Such a desirable objective is not dependent upon material abundance, or access to material abundance. Many people have material abundance, but they are enslaved to it. The correct relationship between property and freedom is the same as that governing the relationship between the individual and his social institutions. One has to be the servant, the other the master. If man is the servant of his institutions he does not control them, they control him. If his property and possessions are not his servant then he is their slave. A simple weapon is being used today to ensure that man is enslaved by his possessions, that weapon is inflation. Under inflation, to maintain the necessary return from property and investment the owner of such wealth has to continually reassess the situation, and obsess himself with the vagaries of the market. He has to fight continuously for higher prices for what he produces from his property. Having established his property to produce certain requirements, which he calculated to be sufficient for his needs, he finds this is not the case that inflation has swallowed up his substance and that unless he gets busy to increase that substance his investment will be worthless. He is bombarded with continuous propaganda about "making idle money work" or that he must "get bigger or get out" unless he wants to be swallowed up by the big fellows. In this situation, property and investment does not serve the individual; the individual is enslaved to property and investment.

The process destroys the individual in the final analysis, and in an effort to survive he turns to that force which is responsible for his destruction, the anonymous irresponsible state, administering the policies, which are responsible for his problems. Instead of going back to God he appeals to that irresponsible majority in the form of Caesar.

This is the point at which the challenge of freedom has to be met or the battle goes against the individual. Individuals are forced to make a decision whether to fight Caesar or compromise with him to the point where Caesar consumes him. The human desire for security is a natural one, but it has never been satisfied by refusing to fight for freedom. In this sense we can say that it is impossible to get genuine security without freedom.

Freedom brings responsibility, concern for others, and is not without worry for the individual. Norman Vincent

Peale in *The Power of Positive Thinking* tells of one character that said he would give anything to be free from worry, and Peale told him he knew of literally thousands of people without any worries or responsibilities. "What is their secret, lead me to them" says Peale's friend, and is brought back to reality when Peale reveals that all the people he knows who are quite free from all worry and responsibility are in their graves! Security at the expense of freedom is a living death.

There is no doubt that millions of people today are being brainwashed into acceptance of such a death. William Barclay in his book, *Ethics in a Permissive Society*, quotes from Dostoyevsky's book *The Brothers Karamazov* that is a parable of the terrible burden of freedom. "Jesus returns to earth. The inquisitor recognises him in the crowd, watching a religious procession, and immediately had him arrested. In the dead of night the Inquisitor secretly goes to Jesus. He tries to explain to Jesus that people do not want freedom. They want security. If you really love people he argues, you want to make them happy, not free. Freedom is danger, openness. They want law, not responsibility; they want the neurotic comfort of rules (regulations) not the spiritual open places of decision-making. Christ, he says, must not start again all that old business about freedom and grace and commitment and responsibility. Let things be; let the Church with its laws handle them. Will Jesus please go away."

Barclay concludes, "There is no doubt that most people do not want to be continually confronted with the necessity of making decisions (free will). They would rather have their decisions made for them; they would rather apply laws and principles to the situation."

HOW SHOULD WE USE OUR VOTE?

Barclay then makes an important statement which I believe goes to the heart of the problem facing Christians wondering how they can fulfill their role in a democratic society where the voting mechanism is used to dilute and destroy Christian responsibility. Barclay says, "The right use of freedom in our relationships with others depends on love." Love is a discipline, and must express itself in habitual activity, which accepts rules, which make it work. The rules often have to be learnt in a state of rebellion until they become accepted because they have proved their worth in the results they produce. Barclay quotes Aristotle and his doctrine of habituation in relation to freedom. "He argued that there is a time when it is not possible to give a child freedom. It is not that the child is bad. It is that at the stage of childhood the child has not the wisdom or the experience, the ability to calculate consequences which freedom demands. We have, therefore, at this stage to submit the child to discipline, to law, to control, so that the child develops the habit of doing the right thing. You only learn to become good by practising goodness under the discipline—and sometimes even the punishment—of the laws of goodness.

There is a stage at which the child has to be habituated and even compelled into goodness. Only after he has reached the stage of habituation is it possible to trust him with freedom."

When does a child become a man capable of exercising a responsible vote? The answer seems obvious to me. When he in an act of responsibility freely chooses to do so because of his love and concern for his fellow man. I have always been a great believer that the vote should not be the subject of compulsion to get as many as possible to go through the motion of marking a piece of paper once every three years, and if the individual does not perform this duty then be fined. I would prefer to reverse the procedure and the individual pay for the privilege of voting, and then as has been suggested, such funds be the only source of income to pay Members of Parliament their salaries.

The present situation is weighted heavily against the responsible Christian voter. To reverse a deteriorating position he must speak with a clear and authoritative voice. The Christian law of love is inseparable from authority. Jesus said that the shepherd would go before the sheep and they would follow because they would hear his voice. As quoted earlier he said in relation to his authority, "Everyone that is of the truth heareth my voice." The Christian has that responsibility, to bear witness unto the truth, and to speak with authority. Speaking to early Christians, St. John said, "We are of God: he that knoweth God heareth us; he that is not of God heareth not us. Hereby know we the spirit of truth, and the spirit of error. Concerned with the relationship between truth, error and love he goes on. "Beloved let us love one another; for love is of God and every one that loveth is born of God, and knoweth God. He that loveth not knoweth not God; for God is love . . . There is no fear in love; but perfect love casteth out fear: because fear hath torment. He that feareth is not made perfect in love."

The indivisible connection between the Christian law of love, and the quicksands of "truth and error" is the complete challenge to the Christian voter. He has a responsibility to restore authority back into the individual action of voting. There is as much hope of achieving this objective through the medium of election campaigns such as we have just witnessed, as it would be to thread the proverbial camel through the eye of a needle. Christianity is an organic process. Christian responsibility, Christian voters and Christian representatives are absent because they have been cut off from their roots, and have consequently ceased to grow in God's vineyard. The weeds have taken over and are choking the life out of the original plant. The workers will have to return to the vineyard and by patient application, and selfless devotion, sort out and reject the true from the false, so that in due season when the work has been accomplished, it will yield bountifully of the good fruit.

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AN UNHOLY DEITY

The importance which Karl Marx placed upon a "State Monopoly of Credit", through central control of Banking (page 75, *The Communist Manifesto*) has been emulated by those who have steered Australia and other Western countries into the international Marxist era. If a fair definition of the word "worship" is "to arrange one's life in accordance to . . ." than a new deity—the finance monopoly—commands our attentions, our activities and our unquestioning obedience this Christmas. Already this financial godhead is wrecking the institutions and symbols of Christian society, forcing it into a secularism, which conforms to new commandments and conditions. Whether we can draw back from the final obeisance—the handing over of our titles to freedom—will be decided ere long.

How did this pecuniary pedagogue establish such a claim on us? Looked at in historical perspective, one can see a slow and deterministic progress, even in Australia's short history, which, if nothing else, is a tribute to the tenacity of the planners of yesteryear.

The Federal Constitution, a product of the Christian faith, aimed in all its provisions to minimise controls and maximise personal freedom. Section 51 reads:

"The Parliament shall, subject to this Constitution, have power to make laws for the peace, order, and good government of the Commonwealth with respect to (here follows 39 clauses, which included):

xii Currency, coinage and legal tender.

xiii Banking, other than State Banking; also State Banking extending beyond the limits of the State concerned, and the incorporation of Banks, and the issue of paper money."

It can be seen that the Fathers of Federation believed that the task of creating and issuing all legal tender was a Crown responsibility.

It wasn't until 1910 that the first moves were made for the establishment of a Government bank. In that year the Australian Notes Act was passed, and all notes issued by the private banks and the Queensland Government were called in. Henceforth, all notes and coins were to be issued by the Commonwealth. The power to create credit, however, was left in the hands of the private banks. Why was this power not assumed by the Commonwealth also? J. Russell Butchart, in the Joseph Fisher Lecture, Adelaide University, 16/5/1923, said: "The reason why the Government legislated regarding the bank note is that they thought they understood it, and the reason why the Gov-

ernment did not legislate regarding the bank deposit (credit) is because they had no clear understanding about it at all." This was hardly surprising, for over 20 years later, the Economic Adviser to the Commonwealth, Sir Douglas Copland, was still trying to convince the public during the Depression, that banks did not create credit!

However, in no sense was the Commonwealth Bank regarded as a Central Bank, and the reason the Labor Party (under Andrew Fisher) established the Bank was to "curb the money power", by Government competition with private banking. (See Professor Giblin's *The Growth of a Central Bank*.)

Those who argue that competitive banking with no central control leads automatically to wild fluctuations, with the risk of slumps and bank smashes would do well to study the healthy and steadying influence the Commonwealth Bank exercised until 1924, when it was effectively strangled.

The 1914-18 war showed the advantages. War loans raised on the London Market cost Australia £3%, but the Commonwealth Bank floated loans to the value of £350,000,000 for a charge of 5/7d%, saving Australia some £6,000,000 in bank charges, and still made a profit of 2/-%. The Bank provided pools for wheat, wool, meat, butter, cheese, rabbits and sugar to the total value of £436,000,000. The trans-continental railway, started in 1912, was completed in 1917 at a total cost of £6,000,000, largely raised by the issue of government debentures, which were progressively written off as the railway was completed. It is a thought-provoking fact that of the 19,000 miles of railway opened in Australia between 1901 and 1916—an incredible achievement in itself—only the 1053 miles of track between Kalgoorlie and Port Augusta

have been paid off. The rest are still subjected to never-ending interest and redemption charges. The great Burrinjuck Dam, on the Murrumbidgee was opened in 1913, and 11 years earlier the 330 miles of pipeline, carrying 5,000,000 gallons of water a day had been laid between Mundaring and Kalgoorlie. At the same time, over 50,000 miles of telegraphs were open in Australia, and submarine cables connecting Australia with England and New Zealand had been laid before the turn of the century; which merely serves to show that the pioneers were not nearly so backward as they are often depicted.

At the end of the war the benefits continued. The Australian Note Issue was entrusted to the Commonwealth Bank. While the private sector was represented on the Board of the new Note Issue Department, the Governor of the Bank, and the Government through the Treasury had a predominant voice.

In the latter half of 1920, the banks in other parts of the world started a policy of deflation, by the simple process of calling in their loans. The private banks in Australia started to follow suit, and the resultant falling prices might have started the slump, which was to hit nine years later, had not the Chairman of the Commonwealth Bank, Sir Denison Miller, acted vigorously to offset the threat. Partly by purchasing Commonwealth and other securities, and partly by increasing Bank advances, he released, between June and December of that year, £23,000,000 additional currency, as a slight hint of what he would do if necessary, and a depression in Australia was deferred.

When, during an interview in 1921, Sir Denison Miller was asked if he, through the Commonwealth Bank, had financed Australia during the war for £350,000,000, he replied: "Such was the case; and I could have financed the country for a further like sum had the war continued." Again, asked if that amount was available for productive purposes in times of peace, he answered in the affirmative. (*Australia's Government Bank*, page 275, L. C. Jauncey, Ph.D. See also Treasurer Spender's speech, *Hansard*, Vol. 161, page 976.)

It was thus amply demonstrated that a private competitive banking system, competing with a Government Bank fully capable of offsetting any abuses, could serve the community well, without any monopoly or central control.

This state of affairs, however, suited neither the socialist planners nor the private moneylenders.

In 1924, under the Prime Ministership of Lord Bruce, a man with extensive banking interests in England, the Commonwealth Bank Act was amended, taking control out of the hands of the Governor, and vesting it in the hands of a directorate dominated by private interests. The new directorate also took control of the Note Issue Department. The debate in Parliament was a stormy one. As one Member of Parliament said: "The Government

undoubtedly desires to place the Bank in subjection to private banking institutions, and to prevent it from fulfilling the real purpose for which it was intended." Only after enormous pressure was the Bill forced through.

Immediately, the abuses became evident. Interest rates rose, and in the 1924-25 season, primary producers were forced to pay £7,000,000 in bank charges, as against £3,000,000 the previous year. Moreover, the genuine competition, which had existed, previously began to disappear, and those seeking credit facilities were required to accept conditions, which would have been not thought of before.

The Commonwealth Bank was now effectively muzzled, and Sir Denison Miller's realistic policies, which offset a depression in 1920, were no longer possible in 1929.

Hardly had the Depression started, than the first attempt to establish a Central Bank was launched. On April 2, 1930, a Bill was brought before the Commonwealth Parliament for the formation of a Central Bank, with control of Gold and the Note Issue, and powers over private banks through a Statutory Reserve Deposit system. It was, however, slightly premature, and although being passed in the House of Representatives, finally lapsed in 1931.

Australia was to pay dearly for such "disobedience". Central Reserve Banks had sprung up like mushrooms overseas, as a result of co-ordinated propaganda, spear-headed by the bright socialist star, and chronic sexual deviate, John Maynard Keynes.

Space does not permit a full description of the wrangling over financial policy, and the role of the Commonwealth Bank under its autocratic Governor, Sir Robert Gibson, during the Depression years. After destroying the sovereignty of the State Banks, it suffices to note that the Royal Commission on Banking, in its 1937 report, stated in section 503: "The Central Bank in the Australian system is the Commonwealth Bank of Australia . . . As a Central Bank, its special function is to regulate the volume of credit . . ." It still had not gained the full powers over the private banks which the planners required.

The Bank, to Australia's detriment, used few of the powers, which Sir Denison Miller had so ably implemented in 1914, to finance the Second World War. In consequence, the £1,357,307,000 borrowed for war purposes had to be met, together with large interest charges, from increased taxation revenue, and taxation was increased during the six years by £848,895,000.

In 1943, J. M. Keynes, and officials of the United States Treasury, published the fact that they were engaged on plans for an International Monetary Fund and a World Bank. The press stated at the time: "Among conditions necessary for the working of the plan would be the willingness of participating countries to sacrifice some of their autonomy in monetary affairs."

On July 1, 1944, delegates from 44 nations met at Bretton Woods in the U.S.A. to hear proposals. On December 27, 1945, 30 out of the 44, including Britain, had signed. Australia, however, had not committed herself. She was given until December 31, 1946, to do so. After considerable division and argument within the Labor Party, which was then in power, the three main proponents of Australian participation—Mr. Chifley, Mr. Dedman and Dr. H. V. Evatt—finally forced the Federal Labor caucus into submission, and legislation was prepared, coming before the House of Representatives on March 20, 1947. The Bill was passed with only five dissentients. Under the Bretton Woods Agreement, the right of a nation to increase or diminish its volume of money, except within very narrow limits, were now subjected to control by the International Monetary Fund.

As if not content with this betrayal of Australia's constitutional rights, the Chifley Administration then passed the Banking Act, 1947-48, which, among other things, gave the Commonwealth Bank the power to prohibit the carrying on of banking business in Australia by private banks. Before the Courts declared these provisions unconstitutional, and therefore invalid, a nation-wide campaign was conducted in Australia in which the private banks played a prominent part.

It is instructive to look back at the attitude of the Liberal-Country Party, which was at that time in opposition. Had they maintained the type of thinking they exhibited then, after they gained office in 1949, it is unlikely that they would have been forced out of office in December 1972, and it is certain that the enormous centralisation and consequent economic dislocation, particularly in the rural areas, would have been avoided.

The Countryman (official organ of the Country Party in N.S.W.), August 1947, had this to say:

"Colonel Bruxner's comments on the announcement of the Federal Government's decision to nationalise the whole of the private banking system admirably summed up the position . . . The most revolutionary proposal in the nation's history was announced with complete contempt for the people who were not given a single reason. No reason was given because none exists. The plan was born of malicious spite roused by the High Court's assertion of the people's rights in the case affecting the rights of local government bodies to bank where they pleased . . . Under pressure it becomes plain that the so-called moderate Labor man is as ruthless and just as desperate in suppressing the rights of the people and setting up a dictatorship as Fascists of the Mussolini and Stalin type. As Colonel Bruxner pointed out, the establishment of a banking monopoly in Australia will . . . kill social, political and economic freedom, and damp down all enterprise by removing the element of competition, and by installing government officials as the sole judge and the sole

custodian of the finances of the individual and the group. There will be no appeal from the decision of the government official. A government banking monopoly will put the yoke of totalitarian despotism on the neck of every Australian, and they will be reduced to the status of the inmates of the huge slave camp behind the Iron Curtain of Soviet Russia."

The Countryman, October, 1947, was even stronger: "The people of Australia were facing the greatest crisis in their history, said Sir Earl Page . . . on the subject of nationalisation of Banking. Never had such an attack been made on the liberty of a British community since the days when King Charles and King James attempted to control the freedom of the subject, he continued. By such actions, Charles lost his head and James his crown. Their dictatorship had been based on the simple principle that those who were not on the side of the Government got the axe! It was this tyranny that prompted a band of citizens to sail the Mayflower to America and settle there in order to escape.

The Chifley Government's proposals to take control of the finances were based on a similar pattern, and were the beginning of annexation of all personal liberties. He asked his listeners to visualise what the nationalisation would mean . . . One man, the manager of the Commonwealth Bank, could dictate to the whole community, and it would indeed be bad luck for any person who came to cross purposes with him . . . Government departments were harsh on the people; in price control, for instance, a man's private business was known to typists, clerks, etc., throughout the department, and many were becoming rich selling secrets. If the Commonwealth gained control finances, every man's private business would be available to thousands of public servants. Sir Earle Page said that the fight against nationalisation in Australia was going to be a long one—it was a fight between Communist-controlled cities and the country. There were good Labor men who were against the proposal, but the Communistic element in the A.C.T.U. was too strong for the more rational thinkers. Nationalisation of the Banks was part and parcel of the Communist pattern."

It was this type of thinking that was responsible for the Liberal-Country Party's sweeping victory in 1949. But the Coalition was subsequently to implement, in slightly disguised form, the very monster it had abhorred in Labor's proposals. In 1957, the Menzies Government introduced a Bill for the establishment of a Reserve Bank. The Bill gave the new Bank absolute control over the financial life of Australia. It was to compel all the Trading Banks to place a certain percentage of their deposits in a statutory Reserve Deposit Account. If it wanted money more plentiful (within the narrow limits allowed by the I.M.F.) it could make the percentage a small one; if it wanted to make money scarce, it could make the percentage large. It could fix interest rates. It could deter-

mine the channels into which the Trading Banks should allow money to flow, and those from which they should cut it off. It was, in short, bank nationalisation in disguise.

The Labor Party, now in opposition, this time opposed the Bill strongly, and it was defeated in the Senate. But finally, two years later, the Government forced the Bill through.

Today the Reserve Bank has become a dictatorial socialist bureaucracy, with a monopoly on the economic life of the country. Only in very tenuous instances has Parliament any sanction over the Board's decisions. It has a staff of about 3500, of whom 1000 are in head office administration.

The Commonwealth Year Book (1969), page 619, says: "Under the provisions of the Reserve Bank Act 1959-1966 the policy of the Reserve Bank is determined by a Board consisting of the Governor (Chairman), the Deputy Governor, the Secretary of the Treasury, and seven other members appointed by the Governor-General. The Bank is managed by the Governor, who acts in accordance with the policy of the Board and with any directions of the Board. The Bank is required to inform the Government of the monetary and banking policy of the Board. In the event of a disagreement between the Government and the Board as to whether the monetary and banking policy of the Bank is directed to the greatest advantage of the people of Australia, the Governor-General, acting with the advice of the Executive Council, may determine the policy to be adopted by the Bank."

Meanwhile, the drive for a completely centralised world financial system, along the lines that Lenin envisaged as a prelude to a world Communist system, goes on. The International Monetary Fund still has not the complete powers of a world central bank. It is still not able to compel all nations to place a percentage of their finance into some world statutory deposit system.

The Australian, 16/9/1970, reported thus: "Mr. William McChesney Martin, former chairman of the Federal Reserve Board (U.S.A.) said yesterday 'Further evolution' towards a world central bank was necessary for economic growth and stability. 'No community can thrive without some constraint on the behaviour of its members.' Mr. Martin said. 'To prosper together, nations must accept some limitations on their freedom of action.' . . . Mr. Martin's theme was that many of the functions of a world central bank were already performed by the I.M.F. and other international institutions, and further progress of this kind should be encouraged because every nation's prosperity depended on that of its neighbours. Mr. Martin argued that the experience of international financial cooperation "involves no loss of sovereignty but rather a pooling of sovereignty'."

The same bewitching and hypocritical words have been used to tempt Britain in the E.E.C.

In September of this year, plans for making Special Drawing Rights (Paper Gold) the only acceptable form of international transaction and the basis for a new world monetary order were discussed at the International Monetary Fund meeting in Washington. The U.S. Treasury Secretary Shultz proposed that sanctions should be developed to enforce world monetary order. *The Australian Financial Review*, 28/9/1972, quoted Mr. Shultz as follows: "Shultz told finance ministers and central bankers that nations represented at the I.M.F. annual meeting have it in their power to strike a new balance in international economic affairs. 'We lack that balance today', he said . . . Shultz also made it clear that before sanctions would be directed against offending nations, the I.M.F. or some similar group would make an initial finding that a currency revaluation, for example was required. 'I am fully aware that the U.S. as well as other countries cannot leap into new monetary and trading arrangements without a transitional period,' Shultz said. 'I can state, however, that after such a transitional period, the U.S. would be prepared to undertake an obligation to convert official foreign dollar holdings into other reserve assets'."

Mr. Neil McInnes, commenting on the same issue of the *Review*, pointed out that the massive deficit budgets of all countries in the Western world were making such a transition difficult: "... Budget deficits will widen in the U.S., Britain and Italy next year. Economists calculate that even if those countries succeed in getting expansion going again, their budgets will not be back in balance before 1977. Not content with the external impact of these domestic deficits, the nations gathered in Washington for the I.M.F. meeting are fuelling the fire with another new inflationary combustible: Special Drawing Rights. The combined effect of the inflation-fired U.S. payments deficit, and of the creation of S.D.R.s is that the total exchange reserves of I.M.F. members rose by 70 percent between 1970 and this year's first quarter. Just to set that whopping increase in perspective: total world exports have been rising at an average of 10 percent a year for the last 12 years. So when international liquidities used to finance payments deficits leap by 70 percent in just over two years, the world is practising an external inflation (external, because S.D.R.s have no currency inside countries, only outside) alongside its record internal inflation . . . Whatever they say at after-dinner speeches in Washington, few of the members of the I.M.F. care about a new monetary order as long as they think there is political advantage in competitive inflation..."

The stage is thus set for the placing of the last brick on the financial and political Tower of Babel—a sobering thought as we consider what to render unto God this Christmas.