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

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TURNING THE TIDE IN 1975

By ERIC D. BUTLER

On the evening of January 1, 1953, Prime Minister R. G. Menzies broadcast to the people of the Commonwealth of Australia. His central theme was the threat of continuing inflation. The then Mr. Menzies made a number of fine, ringing statements, an echo of Winston Churchill promising the British nothing but "blood, sweat and tears." Prime Minister Menzies promised that there would be economic casualties. But these were some of the "harsh and uncomfortable" measures he warned about, going on to say that "I have yet to hear from anybody of any other plan of campaign . . ." He insisted that the "fight" against inflation "must be won, and it will be won." But subsequent events proved what C. H. Douglas had said shortly after the First World War: that unless conservatives took steps to deal with the credit question, they could only fight a series of rearguard actions until overwhelmed by the forces of revolution.

I was one of those who wrote to Prime Minister Menzies suggesting that the 1953 "plan of campaign" he should adopt was the one he had promised before the 1949 Federal Elections: a drastic reduction in all taxation and the restoration of consumer price discounts. I warned that unless there was a change in financial policies, it was a matter of simple arithmetic that his "plan of campaign" must lead on to greater disasters. Which is, of course, what has happened. The disasters now threatening to overwhelm what is left of Civilisation, are the bitter fruits of years of a long-term strategy by international power groups exploiting centralised credit control in such a way that increasing taxation and debt, along with "controlled inflation", appeared "inevitable". The moulders of public opinion are now skilfully suggesting that inflation is a type of "international disease" and that only **international** action can deal with the problem.

The individual does not readily surrender control of his own affairs unless presented with what appears to be such a dreadful threat that great sacrifices must be made to deal with it. The world after the Second World War would have been a vastly different place if the major Western powers, the British and the Americans, had used their superior power, including the monopoly of the atomic bomb, to insist that International Communism be checked. But just as Hitler had to be built up to produce a Second World War, so the Soviet Union had to be built up as a threat. As we now know, thanks to the documented researches of Antony Sutton, the Soviet industrial and military giant was created primarily by Western technology and industry, not by the Communist system of production. Treachery in the highest places in the West

made all this possible. While the Soviet was being built up. Western societies were being eroded, not by a "disease", but by a deliberate policy of accelerating inflation. Eventually the stage was set for what appears to be a tremendous climax, with the Soviet so strong that allegedly nothing can be done about it, while inflation and associated crises in the West make it necessary for the free society to be buried in some "international order." Dr. Henry Kissinger has recently repeated what I outlined in *Censored History*: "I believe that with all the dislocations we are now experiencing there also exists an extraordinary opportunity to form for the first time in history a truly global society, carried by the principles of interdependence. And if we act wisely and with vision, I think we can look back to all this turmoil as the birth pangs of a more creative and better system." Lenin said something similar when he stressed that an International Communist society was impossible without the creation of an international economic system.

THE WORLD PLOTTERS CHALLENGED

But as the stage is being set for the drama of intensified crisis during the coming year, and as the international power groups prepare to move boldly and openly towards their ultimate objective, the World State, factors are starting to emerge which threaten the Grand Design. The Kissingers have their vision, one rooted in the philosophy of totalitarianism and collectivism. But over the years some of us held fast to a vision stemming from a completely different philosophy, the philosophy of real freedom and personal responsibility. Through the genius of one man, C. H. Douglas, we were shown how through

decentralised credit control freedom for all individuals could be made a reality. We also had our strategy and worked in the face of enormous odds to advance that strategy. A comparatively small group sustained their faith and developed an international movement, which was like a thin red line of stubborn resistance in the face of all attacks. That thin red line has not only held, but has been progressively strengthened. As the curtain goes up for the crisis battles of 1975 the League of Rights movement around the old British world, and linked with allies in other countries, was never better equipped. One of the outstanding features of 1974 was that the policies of centralism everywhere were generating revolt against those policies. Nowhere has this been more dramatically demonstrated than in Australia where the revulsion against centralisation from Canberra resulted in the massive electoral backlash in the Queensland State elections last month. The central feature of this backlash was the positive lead given by Premier J. Bjelke-Petersen against inflation, presenting a simple two-point policy: the abolition of Sales Tax and the re-introduction of consumer price discounts.

THE HOPE OF "THE PETERSEN PLAN"

"The Petersen Plan" was unknown six months ago. Its presentation by the Queensland Premier at a Premiers' Conference in Canberra—where it was studiously ignored by both press and politicians—was one of those unrehearsed events of history, which often upset planners and plotters. But the event would have ended in silence

HOW WALL STREET FINANCED THE BOLSHEVIK REVOLUTION

Professor Antony Sutton, author of "National Suicide"—now available in a paperback edition—has done it again. This brilliant research expert turned his attention to the documented evidence concerning the financing and support of the Bolsheviks by Wall Street international financial groups. The result was "Wall Street And The Bolsheviks". The following are extracts from a review of this work by Medford Evans in "American Opinion". It is published by The John Birch Society, Belmont, Massachusetts 02178, U.S.A., and the overseas subscription is \$US12.00 per year.

Pioneers in Conspiracy-analysis are necessarily adventurous, and generally quite conscious of the risk that while some readers will praise them for brilliant insight, others (plus many nonreaders) will dismiss us as a bunch of nuts. Not unnaturally, this adventurous, speculative turn of mind—while its heuristic value is incalculable—is seldom adapted to the production of works, which command such universal assent as to leave scepticism no escape hatch.

In recent years, however, a man has appeared whose work so combines brilliance of insight with prudence of method, thoroughness of research, aptness of application, and subtlety of inference, as to leave dissent without a voice. I am referring, of course, to Antony C. Sutton whose *magnum opus* in three-volumes, *Western Technology And Soviet Economic Development*, was once called (by me) "the most important book since the Bible"—a judgment I have found no reason to reconsider. The reason why that work is so important is that it removes from the realm of controversy the question as to whether

if it had not been for the nation-wide campaign mounted by the Australian League of Rights. But why should Social Crediters strongly support a policy, which is but a limited one? Social Crediters are often challenged to produce a plan. But Social Credit is the policy of a philosophy, not a blueprint. As Douglas once said Social Credit is a new strategy with which to fight a battle as old as man: the battle between freedom and servitude. Every step, no matter how limited, which protects or expands freedom, is a move towards a completely free society. "The Petersen Plan" offers an inspiring opportunity to unite the Australian people behind a policy which strikes right at the very heart of the credit monopoly. Once it was demonstrated that prices could be reduced without hurting any section of the community—in fact benefiting all—then further steps towards regeneration of our society could take place.

It is now possible to say that the tide of surging totalitarianism and revolution can be turned in Australia during this year. A constructive policy has been made a major political issue, events are dramatically confirming everything we have predicted, and we have the "know-how" and the movement to seize the initiative against the enemies of freedom. What is essential, however, is the total support of every reader of this and other League journals. As Shakespeare said, there is a tide in the affairs of men, which if taken at the floodgate, leads on to victory. Dare we fail to meet the challenge now before us?

the Soviet Union has, or ever had, independent industrial capability. Sutton shows, with a vast array of conclusive documentation, that Soviet economic development has from the start been crucially dependent on Western—primarily German and American—technology.

Since it seems virtually as certain as hypothetical matters can be that if the level of Soviet economic development had been significantly lower than in fact it has been, the Soviet system would not have survived these 57 years, it therefore seems logical to conclude that Soviet survival has depended on Western technology, which in turn depends not merely on scientific comprehension (an individual matter in which individual Russians have frequently excelled) but crucially on industrial organization and finance capital (which is a form of organization). Russia's most decisive industrial advance was made in the 1890s, under the leadership of the Czar's Finance Minister Count Witte, who was of Dutch ancestry, and who drew on the West for both methods and materials. Modern Russia has at all times depended as heavily on Western

Europe and the United States as the prairie states of America have depended on the industrial regions of the Great Lakes and the Northeast.

Now let us reflect a moment. Is it not practically an inevitable supposition that if the dictatorial rulers of Russia have had to get capital funds and equipment from the West, then they must have had dealings—throughout the past 85 years or more—with Western capitalists?

That is indeed, on reflection, practically an inevitable supposition, but it has never been supported systematically enough to be converted from a supposition into a case until the publication of Antony C. Sutton's latest book, *Wall Street And The Bolshevik Revolution* (New Rochelle, New York. Arlington House; 228 pages, \$7.95). Others have told us correctly and persuasively as far as they went with their facts (not necessarily as far as they went with their theories), that Jacob Schiff and his Kuhn-Loeb investment-banking firm "financed the Bolshevik revolution". No one has previously told us such things as the following, primarily based on the U.S. State Department Decimal File:

. . . in the fall of 1922 [five years after the *coup d'etat* which inaugurated the Bolshevik revolution], the Soviets formed their first international bank. It was based on a syndicate that involved the former Russian private bankers and some new investment from German, Swedish, American, and British bankers. Known as the Ruskombank (Foreign Commercial Bank or the Bank of Foreign Commerce), it was headed by Olof Aschberg; its board consisted of tsarist private bankers, representatives of German, Swedish, and American banks, and, of course, representatives of the Soviet Union . . .

In early October 1922 Olof Aschberg met in Berlin with Emil Wittenberg, director of the Nationalbank fur Deutschland, and Scheinmann, head of the Russian State Bank. After discussions concerning German involvement in the Ruskombank, the three bankers went to Stockholm and there met with Max May, vice president of the Guaranty Trust Company. Max May was then designated director of the Foreign Division of the Ruskombank....

We need to know who Max May was. He was vice president in charge of foreign operations for Guaranty Trust of New York. And what was Guaranty Trust? It was "the largest trust company in the United States and controlled by the J. P. Morgan firm." Sutton continues:

Guaranty Trust used Olof Aschberg, the Bolshevik banker, as its intermediary in Russia before and after the revolution. Guaranty was a backer of Ludwig Martens and his Soviet Bureau, the first Soviet representatives in the United States. And in mid-1920 Guaranty was the Soviet fiscal agent in the U.S.: the first shipments of Soviet gold to the United States also traced back to Guaranty Trust.

Antony Sutton's new book is replete with citations of

action by Morgan and Rockefeller interests that could only be viewed as pro-Bolshevik, pro-Communist, and it will be necessary for us here to note further instances of this kind. Before proceeding to do so, we might first consider the following disclaimer:

Lest the reader should deduce—too hastily—from these assertions that Wall Street was indeed tinged with Red, . . . we also in a later chapter present evidence that the J. P. Morgan firm financed Admiral Kolchak in Siberia. Aleksandr Kolchak was fighting the Bolsheviks, to install his own brand of authoritarian rule. The firm also contributed to the anti-Communist United Americans organization.

Perhaps the best known, and certainly the least business-minded, of individuals here noted is one whom Sutton calls an "Establishment Revolutionary." John Reed (1887-1920) was author of *Ten Days That Shook The World*, an eyewitness account of the Bolshevik seizure of power in St. Petersburg in November 1917. (October 1917 by the old calendar then still in use in Russia; hence the term "October Revolution.") Reed was a native of Portland, Oregon, who graduated from Harvard in 1910, and made a name in journalism by reporting from the field the border war between the Mexican cattle thief, bandit, and revolutionary leader"* known as Pancho Villa and U.S. forces under General John J. Pershing. Reed's reports were (naturally) sympathetic to Villa. The significant information that Sutton adds is that a German espionage agent "had an account with the Guaranty Trust Company and from this payments were made to Western Cartridge Co. of Alton, Illinois, for ammunition that was shipped to El Paso for use in Mexico by Pancho Villa's bandits."

But Reed was to go on to greater things. Continuing as a correspondent for *Metropolitan*, a magazine owned by Morgan partner Harry Payne Whitney, as well as for the radical *Masses*, Reed in 1917 went to Russia, where he not only observed events which he wrote up in the aforementioned *Ten Days That Shook The World*, but became so intimate with the Bolshevik inner circle that Lenin himself wrote the introduction for Reed's book. Said Lenin: "Here is a book I should like to see published in millions of copies and translated into all languages," and indeed the book sold widely. Reed's financial means of subsistence came not only from *Metropolitan's* Whitney (a director of Guaranty Trust), but also from the more Bohemian banker Eugen Boissevain, "who channeled funds to Reed both directly and through the pro-Bolshevik *Masses*." Boissevain was Edna St. Vincent Millay's husband. I felt pretty bad about that, but facts are facts.

Summing up, John Reed was, in words of his biographer Granville Hicks, "the spokesman of the Bolsheviks in the United States." He was also a leading Bolshevik in Russia, where he became a member of the Third International (Comintern) executive committee. Even sooner, he "possessed a Military Revolutionary Committee pass

*The quoted characterization is from the entry for Pancho Villa *Webster's Biographical Dictionary*.

(Number 955, issued November 16, 1917) giving him entry into the Smolny Institute (the revolutionary headquarters) at any time." He died of typhus in Moscow in 1920, and lies buried in the Kremlin. A Harvard man financed by Wall Street. That's the story of our lives—dumb Middle Americans that we are.

Not the whole story. There are some good parts, too. But first there are some more bad parts. The one about William Boyce Thompson is real bad. William Boyce Thompson (1869-1930) is described in part as follows by *Webster's Biographical Dictionary*: "American mining operator, b. Virginia City, Mont. Accompanied American Red Cross mission to Russia (1917-18); tried to get American aid for Kerenski regime, and after Kerenski's fall urged recognition of Soviet government." Sutton adds much more. Thompson, a director of the Federal Reserve Bank of New York, personally paid the entire expense of the Red Cross Mission to Russia, and in addition, shortly after his return to the United States, gave the Bolshevik Party one million dollars. Sutton reprints the following from the *Washington Post* of February 2, 1918:

New York, Feb. 2—William B. Thompson, who was in Petrograd from July until November last [actually until December 1917], has made a personal contribution of \$1,000,000 to the Bohheviki for the purpose of spreading their doctrine in Germany and Austria.

Mr. Thompson . . . believes that the Bohheviki constitute the greatest power against Pro-Germanism in Russia and that their propaganda has been undermining the militarist regimes of the General Empires [sic! Central Powers, perhaps?].

Mr. Thompson deprecates American criticism of the Bolsheviks. He believes they have been misrepresented and has made the financial contribution to the cause in the belief that it will be money well spent for the future of Russia as well as for the Allied cause.

It was already evident that Lenin had been sent to Russia by the German General Staff, in order that he might seize power from the Kerensky regime and take Russia out of the war against Germany, as he did. Edgar Sisson, who arrived in Russia at the time Thompson left and remained for over three months, reported that Lenin was actually a German agent, but it is not necessary to accept this in full in order to know that the Germans wanted him in Russia, and saw to it that he got there. Thompson returned from Russia to the United States via London, "where in company with Thomas Lament of the J. P. Morgan firm, he visited Prime Minister Lloyd George." Sutton reprints passages from one secret papers of the British War Cabinet regarding this visit:

The Prime Minister reported a conversation he had had with a Mr. Thompson—an American traveller

and a man of considerable means—who had just returned from Russia, and who had given a somewhat different impression of affairs in that country from what was generally believed. The gist of his remarks was to the effect that the Revolution had come to stay [Thompson was right about that, and he and other Wall Street operators were one of the main reasons why it has stayed.]; that the Allies had not shown themselves sufficiently sympathetic with the Revolution; and that MM. Trotzki [sic] and Lenin were not in German pay [no, in American pay except for Germany's furnishing Lenin's transportation from Switzerland to Sweden, en route to Russia], the latter being a fairly distinguished Professor In Mr. Thompson's opinion, it was necessary for the Allies to realise that the Russian army and people were out of the war, and that the Allies would have to choose between Russia as the friendly or a hostile neutral.

Note that Thompson, despite his contention that Lenin and Trotsky were not pro-German, laid it on the line that the Bolsheviks *would* take Russia out of the war against Germany; he merely contended further that this was the Allies own fault. (They had not been "sufficiently friendly with the Revolution.") We should note, too, that Thompson, no doubt strengthened by the company of Lament, made such an impression on Lloyd George that the latter persuaded the Cabinet to (in Sutton's words) "go along with Thompson and the Bolsheviks." In consequence Bruce Lockhart, a protégé of Lord Milner's, was sent to Russia "to work informally with the Soviets."

At this point a quotation from Lockhart seems in order. (He wrote a rather famous book called *British Agent*, published in 1933 in New York and London by G. P. Putnam's Sons.) When Thompson departed from Russia, which was of course, before Lockhart got there (that is, on this trip; he had previously been a British consul in Moscow), he had left in command of the American Red Cross Mission one Raymond Robins, of whom Sutton tells much, but whose description here we shall leave to Lockhart who came to know him well. After describing Robins in general—including in the description the statement, "Although a rich man himself, he was an anti-capitalist"—Lockhart continues:

In a less official sense Robins had a similar mission to my own. He was the intermediary between the Bolsheviks and the American Government and had set himself the task of persuading President Wilson to recognise the Soviet regime. He knew no Russian and very little about Russia. But in Gumberg, a Russo-American Jew, who for years had been in close touch with the Bolshevik movement, he had an assistant who supplied him with the necessary knowledge and arguments. And Gumberg's arguments in Robins' mouth made a most convincing case for recognition. I liked Robins. For the next four months we were to be in daily and almost hourly contact.

Isn't that a pretty picture? The anti-capitalist rich man, deputized by a pro-Bolshevik Federal Reserve Bank director to head a *Red Cross* mission (Sutton says aptly, it should be called a Wall Street mission) to Russia, taking his lines from a script prepared by a Russo-American Bolshevik Jew (Sutton has much to say about "Gumberg", whose real name was Michael Gruzenberg), in daily, almost hourly contact with a Scottish adventurer (and gifted writer) selected for this post by Alfred Viscount Milner eminent British Imperial statesman and financier, whom Sutton quotes as saying, "Marx's great book *Das Kapital* is at once a monument of reasoning and a storehouse of facts." Imagine these two pleading with their own governments to recognize the Bolshevik regime whose terrorist methods were already evident in the dissolution of the Constituent Assembly by armed force in January 1918. What shall we make of it? Is it simply a case of "Whom the gods would destroy they first make mad?" (Lockhart, by the way, was jailed by the Bolsheviks before he got out of Russia, and vilified by them after he got out.) How do our captains of finance and industry think? Better or worse than you and I? Different, that's for sure.

I have drawn perhaps too heavily on Sutton already: I urge that you consult his work for yourself to get a more adequate idea of how deeply our financial and industrial leaders have been involved from the start in support of the Communist dictatorship in the Soviet Union. You will want to learn something about the American International Corporation, organized by Morgan interests "with major participation by Stillman's National City Bank and the Rockefeller interests." Together with Kuhn, Loeb & Company and Guaranty Trust, A.I.C. rescued the Bolsheviks from terminal disaster 15 years before the Roosevelt Administration extended formal recognition to the Soviet Union. Sutton points out that the Bolsheviks could not have survived without trade, and that Wall Street had the muscle in America "to obtain the export licenses needed to ship goods to Russia."

Curious how little some things change in 54 years. Capitalists (some capitalists) still think that with their "shrewd know-how" they can exploit the Communists. In an attempt to resolve something here, let's first quote Sutton one more time. His own wrap-up section is titled, "The Explanation for the Unholy Alliance." I should like to quote it in full, but will only hit the high spots:

What motive explains this coalition of capitalists and Bolsheviks? . . . the simplest explanation of our evidence is that a syndicate of Wall Street financiers enlarged their monopoly ambitions and broadened horizons on a global scale. The gigantic Russian market was to be converted into a captive market and a technical colony to be exploited by a few high-powered American financiers and the corporations under their control. [Emphasis in the original.] were these bankers also secret Bolsheviks? No, of course not. The financiers were without ideology.

[Compare Vanderlip's insistence to H. G. Wells that he was nonpolitical; and compare, too, Wells' sarcastic demolition of the idea that one who deals with a Communist state can be nonpolitical, whatever he may imagine himself to be.] *The financiers were power-motivated and therefore assisted any political vehicle that would give them an entree to power: Trotsky, Lenin, the tsar, Kolchak, Denikin—all received aid, more or less....*

[Fascists, too, received aid from Wall Street.]

[Thomas W.] *Lamont secured \$100 million loan for Mussolini in 1926....*

Sutton does not use the word *Conspiracy*, but in the following he supplies a pretty good semantic equivalent:

The Marburg Plan, financed by Andrew Carnegie's ample heritage, . . . suggests premeditation for this kind of superficial schizophrenia, which in fact masks an integrated program of power acquisition....

The governments of the world, according to the Marburg Plan, were to be socialized while the ultimate power would remain in the hands of international financiers....

This idea was knit with other elements with similar objectives. Lord Milner in England provides the transatlantic example of banking interests recognizing the virtues and possibilities of Marxism....

. . . Woodrow Wilson came under the powerful influence of—and indeed was financially indebted to—this group of internationalists. As Jennings C. Wise has written, "Historians must never forget that Woodrow Wilson . . . made it possible for Leon Trotsky to enter Russia with an American passport."

But Leon Trotsky also declared himself an internationalist.... Bolsheviks and bankers have then this significant common ground - - internationalism...

Wall Street did indeed achieve its goal. American firms controlled by this syndicate were later to go on and build the Soviet Union [Sutton has three volumes documenting that] and today are well on their way to bringing the Soviet military-industrial complex into the age of the computer.

Well, is there A Conspiracy or not? I suggest that such a concept is at least a Vaihingerian "fiction." We must act as if there were A Conspiracy if we are going to be effective in this world. Sutton has established that Wall Street regularly employs conspiratorial methods, and that major capitalists have regularly dealt with Communists. It needs no establishing that Bolsheviks—Communists—use conspiratorial methods. Nor does it require elaborate proof to show that Wall Street-Communist relationships exist to this day. David Rockefeller's Chase Manhattan Bank, for example, in May 1973 opened its office in Moscow at One Karl Marx Square.

EVENTUAL COLLAPSE OF THE PLANNED WORLD STATE

By D. WATTS

A good deal of the mismanagement of national and world affairs has come from the failure of members of the most influential section of the educated people to straighten out their Theory of Value. They hold that moral values of behaviour are relative but political values of organisation are absolute. That is an artificial paradox. All values are absolute, but all concrete embodiments of values, including political forms, are relatively good or bad. Whether universal suffrage, majority rule, political independence, colonialism, centralism, federalism, etc., be good or bad in practice depends upon how they are related to situations. The way in which they are related depends upon the position from which the assessment is made. That does not mean that the judging position of value may be arbitrarily chosen. Civilised people have a higher value-point than have backward people. It is folly to decide from a civilised point of value what is good and bad to and for backward people. It is downright evil to judge from a primitive point of value what is good and bad to and for civilised people.

Through endowing with absolute values of good and evil certain specified political institutions and practices, political theories yet to be fully tested have become creeds. Consequently, from what comes to us through the media, most of the politically interested intellectuals seem to be as smug as the wowsers whom they deride, as unimaginative as the bourgeoisie that they despise, almost as fanatical as any Hitler or Mao whom the human race has ever produced and mentally as cowardly as any bigot who ever feared that knowledge would destroy his beliefs. That their creed is political instead of religious is no indication of superior intelligence. Under cover of the creeds, practically every value supposed to be upheld in the articles of belief has been flouted and that with the eager co-operation of believers.

Our world today, with its miseries and insufficiencies, its deterioration of standards and its menacing future, has been created by those trying to put certain political and economic theories into practice. No one is infallible. Everyone of us may be proved to have been wrong when we were sure that we were right. To refuse to admit that is to refuse to admit that we are human; yet, in the face of a dire demonstration of error, the dictators of public opinion are still teaching today the old doctrines of disaster. They are still promising that war and hunger and injustice and the rest can be abolished if only there be established a centrally governed World State. A World State would be good or bad, depending upon from what value-point it were judged. From an inhuman point of value it would, as at present planned, be good. From a human point of value it would be evil.

The value-point of those at present working so diligently to set up a World State is inhuman. It is necessarily so because their thinking is shaped by Materialism. They may not adhere to that philosophy, but they accept its conclusions. Materialism's assumed ultimate reality is Matter. Matter does not think. It has no feelings. It is governed by inexorable physical Laws. On account of all that, whatever happens within its limits is neither good nor evil. The deterioration of moral standards is a partial return to the a-moral character of Matter. The communist practice of making ideological laws supreme over moral behaviour is a similar partial return to the Unhuman. Other instances of psychical regression abound. The truly terrifying evil however, is that the creation of a World

State is actively being undertaken by grossly materialistically thinking factions that have every intention of ruling it with absolute power. That would be inhuman government of human beings. The inhuman masters are, of course, Communist dictators and international financiers.

THE FINANCE-COMMUNIST ALLIANCE

Communism and high finance are mutually attractive, not merely because their aims are the same and more surely achieved in alliance, but because they are complementary in nature—as our intellectuals would have discovered long ago had they not been blinkered by their ideological creeds. As I have pointed out before, there can be no concrete things that are not embodiments of abstract realities, and no abstract quantities or qualities that can be manifest unless concretely embodied. Communism is frankly concrete political materialism. Finance, as formulated in a system, provides the mathematical abstract which a materialistic political system must have in order to exist. So far we have had Communist States with an internally centralised financial system and an international financial system gathering about itself its needed concrete embodiment in the shape of industrial and business organisations. In a World State the two organisations would perfectly complement each other.

All that is something well understood by financier magnates, and the practical usefulness of such a combination would be comprehensible to communist leaders. It is ironical that the capitalist system in which private possession and enterprise were supposed to be protected should end up by passing its charges into the keeping of a communist system; but just as ironical that the communist system which was supposed to break down the capitalist system should become an ally of capitalism in the international sphere. Detente seems to be intended, by

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A limited supply only of Antony Sutton's new "shocker" now available. A perfect companion for "National Suicide". Hard-back edition: \$9 posted to any part of Australia. Order from Box 1226L, G.P.O., Melbourne.

international businessmen at least, to prepare the way for an alliance between predators.

However, what neither communists nor financiers are of their nature, able to realise is that another kind of complementation occurs in the living world—that between physical and psychical action. That inability to understand the importance of the psychical element in human affairs builds eventual failure into their systems. Patronage of cultural activities will not save their systems from ultimate collapse, for that is not complementation but an adding of frills to their organisations.

That which makes the psychical side of human nature seem comparatively negligible to both communists and financiers is that it is non-mathematical while communism is almost exclusively an organising of the mathematical, physical complement of the community, and the financier deals with the mathematical abstract of physical products and production. Because most of those planning and ordering world affairs have thought that there is no need for practical men to bother much about anything but the nature of physical things, except perhaps when psychical behaviour at its basest is related to physical possessions, there is now an urgent practical necessity to correct ignorance of psychical reality. Otherwise good intentions will remain, as they are now lost in the wilderness of distorted values. Because the non-mathematical psychical element does not fit into a mathematical pattern, either there is a determination to exclude its interference in human affairs, as in communist countries, or efforts are made to compel it to fit in. Mathematical, or physical, explanations of psychical behaviour are attempted; but when it comes to the point, all that is ever shown is the complementary physical action—the chemical or electrical action upon a physical brain, the beats of a physical heart, the pressure or temperature of physical blood, etc. Though, being complementary, physical action can influence psychical action psychical action can govern physical action. Physical injury may impair psychical action, but physical action such as, for instance, walking and talking is psychically governed. Perhaps it is not too late for a study of the significance of the psychical element in practical affairs to show us the way back to our right road.

BLASPHEMOUS POLICIES

In the preliminary stages of biological and civilisational development psychical power serves physical form but later it appears that the course of human evolution is towards the increasing of psychical power resulting eventually in a government of the physical complement by the psychical complement. The Lords of the Material World are not more Powerful than is the Lord of Creation. They try to defy him at their own peril.

Yet they, the rulers of our material world and virtual owners of our material wealth, do try to defy the Creator, whether they see him as Nature or God. How people can think that in this materialistic period of human history there could be a World Government that would not be

a World Tyranny or a human catastrophe is baffling. To begin with, under such a Government, the complexity of human necessities and urges and situations would need to be reduced to universal simplicities for one uniform Law to be enforceable. What horror and pain would be entailed in an endeavour, impossible of success, to reduce all men to simple sameness is indicated in present-day ideological experiments. The inclination of ideological builders of New Societies, on finding that the planned forms do not fit the people is to make the people fit the forms. Recently certain fatuous admirers of Communist China have informed us with bated breath that the Chinese leaders have set themselves the momentous task of making the Chinese into a different kind of people. Never, I think, in all my long years of accumulating knowledge of evil have I learned of a more chillingly blasphemous intention. Here are paranoiacs setting themselves up to be God and create men in their own image. Even Hitler did not dream of creating a Master Race; he merely wanted to assist Nature, so determined as he thought, to produce it.

People can be educated and even sometimes reformed; but education is a drawing out of abilities innate in the person so that he becomes more completely what he already is. A person can be really reformed only if he wills to reform himself. He retains his personal integrity. A person who tries to re-create another is seeking to intrude sacrilegiously into the innermost sanctuary of another's being, there to substitute his own will for that other's. If successful, it would be literally demoniac possession. Unhappily, the will of their subjects does not interest the architects of World States and it concerns even less those who set about constructing them. A man with great power over other men always despises those whom he dominates.

Looking at the opposite way of ordering a World State, it appears that an attempt to diversify laws and methods to suit particular peoples would begin by making a rich seedbed for corruption and end very soon in splitting the world organisation into fragments. Neither by imposing uniformity nor by permitting internal diversity could a World State be established by Communist leaders or International financiers, singly or in alliance. The psychical element in human beings, which seems to be of not much account to them would always defeat them. The psychical force in man has, in a struggle against an initially tremendously strong physical supremacy, made the progress that it has done because the power of evolution is behind it. Its advance is slow but insistent and persistent and, in total movement, not to be stopped.

WORLD STATE MOVEMENT MUST FAIL

The reason why the present movement towards setting up a World State must fail in spite of the large support being given it is that practically the whole interest of the organisers is in physical commodities and physical production. These are mathematically calculable, while psychical things are non-mathematical in nature. The

exclusion from consideration of all psychical behaviour except that which directly serves physical ends is unrealistic. Indication of that is the fact that Babel is crumbling even while it is being built.

There is a particular development, which threatens the success of world planning in its present form. That is the food problem. It has an historical genesis. Karl Marx's theory was formulated when industrialisation was becoming the paramount interest and his vision was of a development from an industrialised society. Agriculture, like aesthetic culture, lay mostly outside his calculations. The present financial system was adapted to an economy in which manufacturing and business were more profitable than was food-production. The policy of manufacturers was to buy raw materials as cheaply as they could and to sell manufactured goods at as great a profit as possible. Since the cheapness of labour contributed to the largeness of profits and it was necessary to pay workers enough to enable them to buy sufficient food, the price of foodstuffs anywhere in the world was kept as low as possible. It followed that a country's advancement was, as it still is, measured by the extent of its industrialisation. Since men must eat, the leaders of industrial communism in Russia endeavoured to compromise with nature by organising agriculture on factory lines and by imposing on its pursuit a political form. Over the years this has contributed something to total food shortage in the world. The distorted view of economics has led to over-industrialisation in which nations are trying to sell at a profit to other nations manufactured goods, which they, themselves, make. It is highly likely that the manufacturing industries which devoured so much fertile arable land will bring the world into a state in which there are dear food and unprofitable manufacturing concerns. Indeed, such a reversal has already begun.

THE MEANING OF WORLD CONTROL OF FOOD SUPPLIES

Those who are ambitious to reign supreme over an industrialised World State would be unlikely to forgo their scheming to obtain world power were the kind of economy, which we now have to change. Immediately upon the official recognition that there is a hunger problem Dr. Kissinger came up with a proposal to set up an international stockpile of food to be distributed by some central agency to the needy. What a humanitarian suggestion! Anyone but an ideological fool can know that, under pressure exerted by Money Emperors and Communist Kings, voluntary donations by nations, especially if pledged to indefinite continuance, would soon become imposed taxes and the taxing would be increased until it became virtual dispossession. A group controlling the world's food supply could gain world political, industrial and business power almost without effort. It would have, literally, the power of life and death over all the nations of the world.

Really astute intriguers would not be dismayed by the rejection of Dr. Kissinger's proposal. Indeed, by patiently

dangling an ideological carrot before the asses, they have already enticed them up to the door of that Ogre's Castle, a totalitarian world organisation, so that they can be confident that the beasts of burden, carrying an extra load in the form of World Food Control, will be persuaded to enter, perhaps with a few kicks to supplement the lure of the carrot.

An astounding thing is that, with all the braying about the need to set up a planned World State and about the benefits it would bring to self-tortured mankind, there is practically nothing said about what would be its constitution nor of what checks upon the power of the central government it is suggested to institute. Vaguely mentioned, sometimes, is a World Parliament. How it is expected to work is never explained. The failure of the European Economic Community, the unacknowledged failure of the U.N., the sequence of failures of the international monetary system—all this seems to have no significance for the doctrinaire World Staters. They are busily assisting in cracking eggs to make an outside omelette and quite oblivious of the fact that the vultures build their nests and lay their eggs out of reach.

Suppose for a moment that a World State could, by present methods, be established and then would hang together for a while; and next look at human and political realities. It should be plain, when combining the two pictures that this World State would be made of the same kind of people, as is the present human race with all its faults. The very size of the organisation would make an overall administration exceedingly difficult so that a resort to tyranny would be inevitable. Wars between nations would merely be converted into even more cruel and disruptive civil wars. The World State would be a primitive, not a civilised, one.

THE FAILURE OF MATERIALISM

The world has come, with logical inevitability, from pseudo-scientific Materialism to the present political, economic and cultural failure. The theory was that Matter generates energy and therefore life, that consequently man is the product of his physical environment and that therefore a scientific handling of men's physical conditions would abolish the need to take moral considerations into account. The material failures together with the general moral deterioration in all departments should warn the intelligent of the evils that must attend efforts to establish a World State under the present conditions. There is no purely mechanical method of creating a satisfactory World Order. No helpful god emerges from the political machine. The only way to make this world a better place is by psychical development of a world civilisation. When going downhill great, exciting panoramas are spread before us, but we do not see at the incline's foot the slough into which we are running. When climbing upwards before us is the earthy face of the mountainside, but there are resting places and flowers and if we persevere, real achievement at the end.