

# THE NEW TIMES

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

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## A PREMIER THREATENS THE BIG IDEA

**When Premier J. Bjelke-Petersen of Queensland attacked Australia's foreign aid programme at the recent 1977 State Convention of the Queensland National Party, he was immediately subjected to the most bitter attacks he has yet experienced. The Federal leader of the National Party, and Australia's Deputy Prime Minister, Mr. Doug Anthony, denounced the Premier as "inhumane" and "un-Christian". UN representatives complained about the United Nations being criticised. Premier Petersen had suggested that Australia might withdraw from the United Nations. Australia Labor Party President Bob Hawke joined in the attack, charging that Mr. Petersen had gone "too far this time". The violent reaction to the Premier's criticism of foreign aid indicates that he touched a very tender nerve.**

We have often referred to the unrehearsed events of history, and how they often provide the opportunity to upset the most ambitious of the plans of those who seek to bring mankind under complete centralised control. The story of the eminent historian Professor Carroll Quigley whose revelations in *Tragedy and Hope* set in motion an international chain of events concerning the exposure of the link between Big Finance and International Socialism, is a graphic example. Although Quigley felt that the International Financiers were men of the highest integrity, attempting to create a New World Order, and should be praised, his disclosures resulted in his book being suppressed. Before he died Quigley wrote. "I am now quite sure that *Tragedy and Hope* was suppressed though I do not know why or by whom"

### AUSTRALIANS ALSO NEED AID

Then there are the revelations of Professor Peter Bauer of that holy of holies, the London School of Economics, who made a comprehensive study of foreign aid and concluded that "aid to underdeveloped countries" was a "weird confidence trick" being perpetrated by "a small but influential group of people determined to undermine Western society and its institutions" Whether or not the Queensland Premier has seen through this "weird confidence trick" we do not know, but he has taken a most commonsense attitude by telling the Fraser Federal Government that if it can provide tens of millions of dollars for aid to other countries, including those dominated by Communists, then it should divert some of these dollars to assist Australians. So far from being contrite about the "un-Christian" charge Premier Petersen a well-known Churchman, replies with the old truth about charity begins at home. He observes that large numbers of Australian beef-producers are "on their knees", being forced from their properties, that thousands of small businessmen are going bankrupt, His fellow Australians also need aid.

But the Big Idea is to force the standard of living of the

industrialised nations down to provide aid to underdeveloped nations. The Club of Rome is one of the international bodies backed by the Rockefellers and other International Financiers to further the international programme of levelling down. The Club was established in 1967 and had its first meeting in Rome. Aurelio Peccei first President of the Club of Rome, told a meeting of the Club in Toronto Canada, in 1974, that "A new international order will have to be established, not just in the economic sphere but in social and political areas". The Club is making no secret of its ultimate plans. *The Times*, London, of January 28 1977 quoted a co-chairman of the Club's study group as saying. "At present the per capita income of the rich countries was 13 times that in the poor countries, and the Club of Rome had initiated a further project to devise ways of reducing that figure from 13 to 6". That is clear enough. The Queensland Premier's "crime" is that he objects to any further reduction in the living standards of the people of his State. He has triggered a public controversy in Australia, which is now starting to attract increasing attention to the whole subject of foreign aid and what is behind it. Some investigators have produced figures indicating that there could be a slashing of all the most inflationary taxes, including Sales Tax if Australian foreign aid programmes were abolished.

While we agree with the thesis developed by Mr. Eric Butler in his article. *No Figs From Thistles*, in our March issue, we express the hope that some of the unrehearsed events taking place, coupled with the inherent unreality of the concept of International Socialism, will enable one nation, state, or province to take a different turning, to stand aside and let the big centralised schemes destroy themselves, while demonstrating that re-generation is possible through de-centralised initiative.

### THE PETERSEN CHALLENGE

When the Queensland Premier announced the "Petersen Plan" for reversing inflation - freezing the tax level,

reducing or abolishing the directly inflationary Sales Tax, and applying consumer discounts on basic items in the economy he created a chill in the ranks of the subversives, who know that such a policy would immediately defuse the developing revolutionary situation and deprive them of the conditions they require for their activities. The incredible story of how the "Petersen Plan" has been distorted, suppressed, and misrepresented is told in Jeremy Lee's *Censored Economics*. By hitting at foreign aid policy Premier Petersen has once caused alarm amongst those

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## SOCIAL CREDIT AND POLLUTION

Social Credit has been described as a way at looking at life; the whole of life. So far from being merely some "funny-money" scheme, Social Credit is the policy of a philosophy, a philosophy of complete truth. Social Crediters are therefore concerned with all human associations, and man's association with his physical environment.

Long before ecology and conservation became fashionable, C. H. Douglas had warned that centralised financial policy must produce increasing economic waste. Most of today's economic activity is both unnecessary and destructive. Instead of capital equipment being regarded as a means for producing necessary consumer goods, it is regarded as a means of producing "full employment" and the distribution of money incomes.

In the middle of the Second World War, when few were even thinking about pollution, Douglas wrote in *The Land for the (Chosen) People Racket* as follows:

**"At bottom, there is little doubt that there are two irreconcilable ideas in conflict.**

**The first of these is that the world in which we live is an organism and that men and animals have intricate relationships with the earth — not amorphous but specific and infinitely varied, which can only be disregarded at the peril both of men and the earth they live on. I do not mean in the least by this that a universal back to the land movement is either necessary or even desirable, but I do think that the idea that the earth is merely something to be exploited and 'lived on' is quite fatal.**

**The second and antithetic idea, is that the world is merely the raw material for a factory . . ."**

Events since Douglas wrote have demonstrated that Douglas was a true prophet, a man whose grasp of reality was such that he was able to predict the future.

The Marxists have not only sought to exploit the growing crisis in industrialised society, but grasped the emotional aspects of pollution. Large numbers of people are becoming increasingly concerned about the disastrous results of centralised financial policies and are desperately seeking for some alternative. The Marxists offer as an

alternative more State control and the inevitable bureaucracy.

planning to create the New World Order. We should be thankful that the planners are constantly haunted by the fear that their programmes can be upset by unrehearsed events and the exercising of individual initiative by individuals who possess knowledge.

The unprecedented anti-Petersen campaign, which will be intensified as the Queensland State Elections come closer later in the year, is of itself striking confirmation of how much the planners fear what is happening in Queensland, Australia.

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alternative more State control and the inevitable bureaucracy.

The pollution problem is also being exploited to intensify the assault on free enterprise and private property rights. The suggestion that the polluter should pay is a superficial approach and solves nothing in the long run. Only in a Social Credit society would the pollution problem be resolved constructively. Economic activity, and the energy required for that activity would be substantially reduced. The tragedy is that so many young people at present trying to move out of the industrial system to seek an "alternative life style" have not been successfully introduced to the Social Credit message. In order to meet this challenge The League of Rights has planned its 1977 Annual Seminar on the theme of health, freedom, food, soil and pollution.

### "WALL STREET AND THE RISE OF HITLER"

*By Dr. Antony Sutton*

Reviewed in the March 1977, issue of "The New Times", this explosive work was originally only available in hardback and sold for \$10. Described as the book which makes all previous books on the Second World War "obsolete", it documents how the Wall Street international financiers supported Hitler's rise to power, and helped to build the Nazi war machine and sustain it, even during the conflict. Shatters many of the myths of both "Left" and "Right".

Through a Crown Commonwealth publishing venture, "Wall Street And The Rise of Hitler" has now been produced as a paperback.

As The League of Rights has exclusive distribution rights and will be offering the book to the general book trade, readers are invited to order in advance, making certain they receive an early copy. Australian supplies are expected to arrive within eight weeks. Those making advance orders will receive their books immediately they arrive. Price \$3.60 posted. From all League addresses.

## TO THE POINT

We notice in recent press handouts by Australian Federal Treasurer Mr. Phil Lynch, that he is "with it" on the latest mumbo-jumbo concerning finance and economics. He now refers to "indicative planning". Someone should take Mr. Lynch aside and explain that this term originated with the Socialists. But he would no more understand this than Prime Minister Fraser would understand that by using the term "Zimbabwe" he was referring to a heap of stones! Words are a system of symbols, which should reflect reality. But if they are used to divorce people from an understanding of reality, they are used to promote madness. Consider the plight of the world.

It is not surprising that many people find "High Finance" a mysterious business. Perhaps best left to the "experts". With a stroke of the pen the Reserve Bank of Australia has revalued Australia's holdings of gold to provide what one economics writer described as "a cosmetic \$680 million boost to falling overseas reserves" The Reserve Bank owns 7.5 million ounces of gold, but only a few know where this gold is. Some guess that portion of the gold supply is outside Australia. If it should turn out that no one knew where the gold was and that it was lost, what real difference would this make to Australians? Would it mean that they could no longer go on producing butter and eating it? Gold has some industrial uses, but to keep on juggling gold figures to produce a bigger overseas "reserve" and to claim that this helps Australia, is a form of insanity. Strangely enough, even in this day and age there are people who believe that their money supply is "backed" by gold reserves.

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Even with a comparatively passive and disciplined group of workers, the West German Government has not been able to solve the inflation problem. The Bonn Government optimistically predicts that inflation will be reduced to below 4 percent next year. Not so long ago a 4 percent inflation rate was regarded as a major disaster: now it is hailed as a major national achievement. The West German unemployment rate is over 4 percent. Like the Japanese, also operating an economy with a disciplined labour force. West Germany is pouring out an increasing volume of production and, unable to consume it domestically, is trying to solve domestic problems with more intense export drives. C. H. Douglas's BBC address on the economic causes of war to be played at this year's Annual *New Times* Dinner on September 23 is most prophetic.

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Prime Minister Fraser said that Australia's trade policies were better understood by the ASEAN nations and Japan as a result of the recent conference in Kuala Lumpur Malaysia. It was not so long before the ASEAN conference that Mr. Fraser was saying in an address to the nation that however important aid might be fairer and more equitable international trade is likely in the longer term to be much more helpful".

But at the ASEAN conference Mr. Fraser declined to consider any greater volume of imports from the ASEAN nations, instead offering them increased Australian aid. Although the figure of \$90 million has been publicised, there is little detailed information on the time factor. The

reality is that Australian taxpayers will be subsidising a gift to ASEAN nations. While those producing the goods to be given will no doubt be pleased. Australia as a nation will be poorer. Mr. Fraser might consider some time how he might provide some aid for Australian consumers.

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Dr. Colin Clerk has arrived back in Australia. This distorter of Social Credit says that the anti-inflation strategy of the Fraser Government is correct. Reducing public expenditure is essential for reducing inflation, Dr. Clark asserts. As an old admirer of Keynes he should know that under present financial policies a reduction in Government spending produces depressed conditions, with growing unemployment and business bankruptcies. The hard-pressed businessmen are not going to "stimulate" the economy by going into more debt to produce what could be impossible to sell Queensland Liberal Treasurer. Mr. W. Knox has advised his Canberra colleagues to stop worrying about the size of the deficit. But more than this is necessary. If the new credits created to finance the deficit were made available as the cost of administration, and used to finance consumer discounts, there would be an effective increase in consumer purchasing power without inflation and more wage increases. Industry would automatically respond to the increased consumer demand.

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The threat by the Queensland Government to take legal action against the Japanese Government over a breakdown in the long-term sugar agreement between Australia and Japan, is but one more example of the mounting international friction resulting from financial policies which are forcing every country to try to solve internal problems by exporting them to other countries under the pretence that this results in a "favourable balance of trade". Instead of making some contribution towards changing domestic policies, many bigger organisations are adopting the short-sighted policy of shifting their industries to countries where labour costs are lower. The disastrous end-result of this negative approach is inevitable.

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Mr. Pik Botha. South African Foreign Minister does not appear to have anything to offer for the long-term security of Rhodesia. The South African Government continues to create the impression that it hopes to survive at the expense of Rhodesia. In a recent interview with *The Times* of London. Mr. Botha expressed confidence that eventually there would be a slackening of the conflict and that a Rhodesian Government duly elected by the

majority of the population would gain international recognition. Mr. Botha is reported as saying that as Britain claims sovereignty over Rhodesia it had the right to draw up a new constitution for the country. What Mr. Botha is saying is that the British Government has the right to exercise more control in Rhodesian affairs than any Government has had since 1923. It is also significant that Mr. Botha offers a solution for the Rhodesians, which he rejects for South Africa. "Majority rule" is a dangerous myth, masking the reality of tyranny. There is as much genuine representative government in Rhodesia as any country in the world.

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The latest report from the Australian Industries Assistance Commission has sent a chill through sections of Australian industry. The Metal Trades Industry Association national director Mr. R. G. Fry has commented: ". . . the real tragedy is that while foreign competitors are effectively protected by their governments by tariffs and

non-tariff barriers, in Australia the I.A.C. has been allowed to develop into a destructive force. We are in a very serious wage-price situation in this country, and it is being made worse by the recommendations of the I.A.C. - leading to the closing down of Australian factories". The textile, clothing and footwear industries are all concerned at recommendations that present protection for these industries against imports be reduced. The basic problem comes back to financial policy. From a realistic point of view, Australian producers are as efficient as producers anywhere in the world. But they are being crippled by an inflation rate which forces wage costs progressively higher. Low labour cost nations can sell in Australia at a lower price, not because they are more efficient, but because of low labour costs. While some of the multi-nationals do not mind local industries being closed, this development is disastrous from the national viewpoint. Australia should aim to be an economically self-contained as possible. Only Social Credit makes this possible.

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## INTERNATIONAL JUSTICE? WHAT A SICK JOKE

*By D. Watts*

**Often, in these days I am reminded of an ugly, little incident that occurred in an English village during the First World War. A mob of yelling, hooting boys was seen chasing and stoning a small, terrified dachshund. "Well," they said self-righteously, "it's a German dog." For the hounding of Rhodesia by the political louts of today equally specious excuses are given.**

### USA JUSTICE

The President of the Land of Abe, the United States of America, poses as a knight errant rescuing beautiful human rights everywhere. Hollywood, pure Hollywood. Abraham Lincoln may have played to the gallery at times, but one gathers that about human rights he was sincere. Modern American Presidents apparently hold that white Africans have no human rights, but that black Africans have inhuman rights. Inhuman acts by anti-white Rhodesian Negroes apparently do not disqualify them, in the eyes of the rulers of the USA and Britain, from ruling savagely, as they would, the country which has been governed fairly well by whites despite the obstacles placed in the way of their doing so by the lovers of human rights. To make the disgraceful wrong look right, the bullying of the Rhodesian people by great Powers is said to be done to establish black majority rule. In that plea, majority rule can be crossed out. African Negroes, when they govern, seldom, if ever, have majority ruled States. Majority rule may sometimes be right; but it is a political, not a human right and always a conditional one. That would have been acknowledged had just men instead of canting humbugs formulated international policies. Divested of the disgustingly hypocritical term, "majority rule", the real intention of Americans and Britons is revealed as being to set up "black rule" in Rhodesia. That is racism at its nastiest.

After negrophilism from outside Africa had worked upon the racial feelings of Negroes to such an extent

that terrorists believed that being Negroes gave them the right to torture and murder people in a good cause, and set about doing it with as much pleasure as their forefathers had tortured and massacred in pre-colonial days, the USA and British heads of government who, with most of their vocal subjects, had been the chief agents of incitement to vent hatred in violence in Africa, played Pilate and ostentatiously washed their hands of all responsibility for any peril in which they had put the population of Rhodesia. They especially warned white Rhodesians that if they found themselves being overwhelmed by unspeakably cruel savages, they need expect no help from either of these two lovers of human rights. That was more greasy humbug. Probably white Rhodesians had no such expectations. What the American and British leaders were really doing, in a sneaky way, was to let the terrorists know that they could go ahead and do their horrible worst without fear of interference by the Americans and British.

That the President's avowed championship of human rights was intended to put the American people under sedation while he no doubt with good intentions, sacrificed upon the altar of whatever ungodly Powers he seeks to please and appease the popular ambition to make the USA a civilised and just nation seemed to be the inescapable conclusion when he began his campaign with a denunciation of the USSR's disregard of human rights. He must have known that not the USA or the whole Western World has the intellectual or practical power to influence Russia's domestic behaviour. He and his advisers

may have expected Russia's response to be defiant, for everyone knows that she meets adverse criticism with accusations against her accusers. What apparently took the President aback was the violence of the reaction. He should not have been disconcerted.

A method at times used by the Russians when approaching a shaky conference table is to bombard the other party with theatrical accusations, criticism, displays of contempt and threatening prophecies till it is cowed and conciliatory and then magnanimously to begin bargaining from a position of superior psychological strength. The Russians had Ford and Kissinger kneeling; but seemingly they felt it to be necessary to make sure that President Carter will be in the state of mind to make real concessions in return for pie-crust promises before dealing with him.

It is a saying that justice must not only be done, but must be seen to be done. However, in the international arena justice must seem to be done even if it is not. President Carter's play-acting about human rights may satisfy Americans, for it seems to soothe the rest of the Western World.

#### OLD TIME BRITISH JUSTICE

Contemptible though be Britain's abandonment of a people who had come so generously to her aid in her time of need and in a quarrel that was not of Rhodesia's making, even more despicable in the broader field is the betrayal by British politicians of today of those who had worked and fought and often suffered to make the British judicial system and administration of justice the best in the world. That system grew out of the very character of the British people. In the past their idea was that a Judge should be strictly impartial, fearing no powerful person or group and favouring neither the high nor the low; that both sides of a case should be given an equally fair hearing and consideration, that no person or group should be held to be guilty until proved to be guilty; that not only some of the truth, but all the truth should be uncovered before a judgment is made.

Their innate sense of justice made the bulk of the English like fair play in sport and fighting. They thought that two or more against one, or a big fellow against a little fellow is not fair. They disapproved in actual action or metaphorically of what they called hitting below the belt or kicking a man when he is down. They believed in a fair bargain, not in a bargain that is unfairly good to one party and bad for the other party.

All that may sound strange and rather ridiculous to generations that refer to a political formula instead of to moral principles when determining what is right and what is wrong. Their political code seems to have reached an ideological starkness similar to the moral and religious starkness of the Blue Laws of the early colonists of Connecticut. In both instances, what is held to be right is conformity not what is just.

### LADY CILENTO FOR LEAGUE NATIONAL SEMINAR

The League of Rights is pleased to announce that Lady Cilento will be presenting the first Paper at the League's Annual National Seminar, to be held in Melbourne on Saturday, September 24. The theme of this year's Seminar will be "Freedom And Your Health". Three outstanding speakers will examine bureaucratic and monopolistic attempts to prevent the individual from making free choices concerning the type of medical care preferred.

Lady Cilento will also be guest of honour at "The New Times" Annual Dinner on Friday, September 23.

Interstate League supporters desirous of attending the 1977 National Weekend and requiring private hospitality should contact National Headquarters immediately.

#### THE UNITED NATIONS' JUSTICE

As Wordsworth might have said had he been writing today: Swift! Thou shouldst be living at this hour; the world hath need of thee. The Dean would have enjoyed with all his satirical mind and soul the goings-on of the United Nations Organisation.

The United Nations Organisation was set up by the winners of the Second World War (the political, not the military, winners) for suspicious reasons. Surely even politicians would know that what holds allies together during a war ceases to unite them when the war is ended, for the reason that the common interests have ceased to exist. As for the avowed aims of preserving peace and administering justice: anyone who can believe that an organisation of which Stalin, who cared not a grain of caviar about bloodshed or justice, was a member would be a blessing to mankind should be pitied. There may have been some idea among the founding fathers of using the UN to maintain supremacy over world affairs. Another probable intention may have been to prevent an emotional slump as occurred when idealistic expectations came crashing after the First World War. The UN, on the surface, had the appearance of being that practical triumph of right over wrong for which many people believed they had been fighting.

The UN of today is a political wolf in judicial sheep's clothing. Its General Assembly is controlled by Third World nations and governs in their interests. It is frankly a racist body. The powerful and permanent members of the Security Council use it to legalise questionable measures such as imposing sanctions upon peoples who they seek to destroy.

In the preface of the UN Charter it is stated "WE, THE PEOPLES OF THE UNITED NATIONS *determined (among other things) to save succeeding generations from*

*the scourge of war and practise living together in peace with one another as good neighbours, to unite our strength to maintain international peace and security to ensure . . . that force shall not be used, save in the common interest, and to employ international machinery for the promotion of economic and social advancement of all people.*" Those vague but fine sounding intentions are impossible of realisation in a wicked world such as the present one; but had there been honest attempts to work towards achieving some of them, the UN would have deserved respect. As it is, it is an idealistic abortion kept alive in a kind of international humidicrib.

In paragraph 7 of Chapter 2 of the Charter it is stipulated that nothing contained in the present Charter shall authorise the United Nations to intervene in matters, which are essentially within the domestic jurisdiction of any state or shall require the Members to submit such matters to settlement under the present Charter. The scandalous request by Britain to the UN to intervene in the Rhodesian trouble and by Australia to assist the Whitlam Government to vent its ideological spite against the Cocos Islands regime, neither of which by any stretch of the imagination was an aggressive threat to world peace, might seem to be in direct contravention of the above quoted resolution. However, there was affixed to paragraph 7 a shyster's joy clause, to wit that this principle (non-intervention in domestic affairs) shall not prejudice the application of enforcement measures under Chapter VII. Chapter VII deals with: action with respect to threats to the peace, breaches of the peace, and acts of aggression. It is mainly concerned with the kinds of action, culminating in military action, to be taken against offenders and the duty of Member nations to support the UN in such action determined upon by the Security Council and to furnish forces and facilities if military intervention were necessary. Even if the General Assembly disapproved of the Security Council's decisions, it is not with the power to oppose in a practical way the strong permanent Members of the Council. If no Member of the S.C. vetoed it, a Member would be able, unchecked, to declare any of its people whatsoever a threat to peace and call on all members of the UN to assist, by means of sanctions or military force, to crush them.

At times the UN follows the illustrious example of the King of Hearts in *Alice in Wonderland* by writing in rules to suit the ambitions or prejudices of some member nations. There is in the Charter a section dealing with an International Trustee System. One of the most sensible articles in it provides for the education needed by the people of a trust territory in their progressive development towards self-government and independence. The General Assembly did some writing in which enabled colonies and trust territories to step over the educational process and become, civilisationally unprepared, almost instantly independent. The indecency of the appearance of new States at best clad in only a very sketchy democratic covering, soon to be discarded, is ignored by the smug General Assembly. This act, which might be described as political

pornography, is called de-colonisation.

More and worse Wonderland stuff is too rough to seem funny when presented an international justice. Readers will recall that when the King of Hearts directed. "Let the jury consider its verdict", the Queen of Hearts objected, "No, no, the sentence first, the verdict afterwards". There is admittedly a modification of that procedure in the UN's conduct of trials. Verdict and sentence are simultaneously predetermined and the case for the accused is not heard at all. That is not to be taken for hyperbole. Dr. Owen, the present British Foreign Secretary, remarked after returning to England from a recent consultation with President Carter. "If it was in my power. I would have removed Mr. Smith (Prime Minister of Rhodesia) the day I took office". Dr. Owen, of course, lives in an ideological Wonderland.

The UN Charter gives that organisation the right to expel a delinquent Member. Incidentally, that gives it the right to expel practically all its present Members; but in justice, it should give a Member the reciprocal right to resign. The United Nations Charter is of the nature of a contract between the Organisation and its Members. When one party to a contract fails to meet its obligations, the other party ceases to be bound by the terms of the contract. Since the UN has failed so signally to do what it undertook to do, no Member nation is bound by the articles of Chapter VII to apply, at the behest of the UN any sanctions upon any people or to make available armed forces or facilities should the Security Council decide to take action of a military nature against any people. Should it be asserted, as the General Assembly would have enough gall to do that the Charter it not a contract, then the UN is seen to be in actual fact, only a shoddy, racist dictator which no free, justice-loving nation should feel obliged to obey.

### **RE-PUBLICATION OF SOCIAL CREDIT CLASSICS**

As a result of the initiative of Mr. Phillip Butler of The Canadian League of Rights, Vancouver, B.C., outstanding Social Credit literature of the 'thirties, unknown to the new and growing number of Social Credit supporters, is being brought back into print. We have advertised "Poverty Amidst Plenty", by the Earl of Tankerville (80 cents). Now back in print are "Short Papers on Money", by The Marquis of Tavistock (\$1.00) and "The Fear of Leisure" by the famous English literary giant, A. R. Orage (\$1.00). "The Fear of Leisure" also contains Orage's B.B.C. speech on Social Credit Both "Short Papers on Money" and "The Fear of Leisure" have introductions by Mr. L. D. Byrne, O.B.E., who knew the authors personally.

We anticipate supplies of these two valuable books in Australia within two months, but orders will be taken now. Order from Box 1052J, or from other League addresses.

## COMMUNIST DEBT TIMEBOMB

**In "The Wanderer" (U.S.A.), issue of March 10, 1977, the well-informed political journalist, Paul Scott, examines the rapidly mounting financial debt, which the Communist world is building up at the expense of the West.**

**It is merely that the Communists are taking advantage of Western political and economic incompetence for as long as they can get away with it; or is there more to it than that? Are the Communists plotting a major financial dislocation for Western economies by blowing up a huge debt bubble, and then bursting it? Western economies will break, come what may but are the Communists speeding the process along? The report runs:**

WASHINGTON, DC— What to do about the mounting debt of Russia and other Soviet-bloc nations to the West will be high on the agenda when leaders of Western European countries, the United States, and Japan hold their economic summit meeting in London next month.

The unprecedented rapid build-up of Communist debt to the West skyrocketed to \$39 billion by the end of 1976. This is three times the \$13 billion that the Soviet bloc owed the West in 1973 and could easily trigger a major crisis in East-West trade before the end of the year.

That is the frank warning contained in a study of the "role of debt in East-West trade" now being carefully examined by President Jimmy Carter and his financial and trade advisers.

Prepared during the final days of the Ford Administration for action by the new Administration, the study stresses that the Soviet bloc used Western credits to finance most of its massive purchases of goods and technology from Western European nations and the United States since 1973.

Most alarming part of the Soviet bloc debt problem is that it now appears that the Communist nations lack the resources to pay off this huge debt and will have to default or cut back on trade, unless new and larger loans are available from Western sources. The explosive situation as outlined in the study is as follows:

"During 1973 to 1976, the USSR and Eastern Europe have run fairly consistent and relatively large trade deficits with the West. These countries have simply not been able to increase their exports as rapidly as they have increased their imports.

"While the Soviet Union has been able to generate significant amounts of hard currency through other means (such as arms sales and gold sales) and some of the East European countries have 'invisible' income (tourism, etc.), the great bulk of merchandise trade deficits has been

made up by borrowing in the West.

"The result is that over the three-year 1974-1976 period, the net debt of these countries is estimated to have grown about \$26 billion, to an estimated total of about \$39 billion by year-end 1976. The Soviet bloc does not appear to have the resources for repayment of most of this debt at this time."

### THE CREDIT PERIL POINT

The debt study also hints that the peril point for the West in extending credit to finance further trade with the Communist countries may have been reached. It states:

"Although rapidly expanding Western credit has permitted much of the recent increase in East-West trade, it is evident that continuing expansion of debt cannot indefinitely finance a continuous increase in Communist country imports from the West. Many experts believe we are at the point where the Communist countries must increase their exports to finance trade with the West or

### DOUGLAS TO SPEAK AT "NEW TIMES" DINNER

Yes you have read correctly. Through the initiative of a Canadian Social Creditor the only existing recording of a speech by the late C. H. Douglas founder of the Social Credit Movement, has been obtained from the BBC. The speech is Douglas's B.B.C broadcast on the basic causes of war. The address is just as appropriate today as when it was given just over 40 years ago. The quality of the recording is excellent and those attending the Dinner will be privileged to hear the voice of the man who changed history.

"The New Times" Dinner, to be held on Friday, September 23, will be the first event in the League of Rights' National Weekend. The League's annual Seminar will be held on Saturday, September 24 and the Action Seminar will take place on Sunday, September 25. Interstate and country supporters requiring private accommodation for the League's National Weekend should make their bookings as early as possible.

Because of inflation there will be a small increase in the donation for "The New Times" Dinner. This year it will be \$8 per person, which is most reasonable under present conditions. Money must be sent with bookings for the Dinner.

As "The New Times" Dinner has developed into an annual event of significance for Social Creditors all around the English-speaking world, short dinner messages are welcomed from all readers wherever they are. These contribute to the atmosphere of the Dinner and are published in the special Dinner issue of "The New Times".

**The theme of this year's Seminar will be "Freedom and Your Health", a most topical one in view of growing controversies about fluoridation and cancer treatments and associated subjects. The first Paper will be given by Dr. Lady Cilento, a most distinguished medical figure. The second Paper, "The Divine Law for Health", will be given by Mr. Horton Davies of Nutritional Products, and the third Paper, "Are We Masters of Our Own Fate?" by Mr. Eric Butler. A slide programme on the controversial question of laetrile and cancer will be shown during the dinner recess.**

## **MULTIRACIALISM**

Idealistic multiracialists should have learnt from the history of this century that ideals are realistic and capable of practical application only when values such as justice and truth determine social and political forms, not when forms, in themselves, take the place of the metaphysical values. There are not and never will be ideal forms, whether political, social or behavioural; for all forms must constantly change and eventually perish. Multiracial idealism is unrealistic, being the child of an abysmal ignorance of the laws of organisation and of human nature.

drastically cut back on their imports."

The impact that defaults by Communist nations on Western credits could have on Western European countries already in serious financial and economic trouble is causing added concern among U.S. officials.

The study notes that governments and private banks of Great Britain, France, and Italy have extended huge credits to the Soviet bloc nations. Defaults on these loans by the Communists could force a number of the private banks and corporations to "go under", according to NATO officials.

### **PREVIEW OF TROUBLE**

In recent months, Japan, another big Western lender to Communist countries, has been rocked by the cancellation of \$100 million in orders from Communist Cuba and North Korea's default on several trade-connected loans.

These defaults could be a preview of much larger non-payment of loans by Russia and Eastern European nations. Soviet diplomats throughout the world have been quietly encouraging third world governments to default on their loans to Western European nations.

This Soviet diplomatic move could be a forerunner to similar defaults by Soviet bloc nations as part of a campaign to force the establishment of a "new international financial order".

For the Communist nations, borrowings have become big very rapidly and have turned into "a strategic consideration", according to officials of the North Atlantic Treaty Organization.

These officials point out that by financing their trade through Western European banks the Russians now have the capability of creating serious financial problems for these banks and the economies of these countries.

### **THE DETENTE PROBLEM**

Generally, such borrowing has the blessing of Western governments, including the United States, as an integral part of the detente policy of former Secretary of State Henry Kissinger.

The Kissinger argument was that letting the Soviet bloc nations tap Western credit markets would enable them to improve living standards enough to increase their stake in maintaining world peace.

The more involved the Communists because with Western trade and credits, Kissinger contended, the more open they would be to Western political ideas and leverage.

It appears that the opposite is happening and the West, including the United States, will soon be left "holding the bag".

## **A REPORT FEARED BY THE FINANCIER-MARXIST CONSPIRATORS**

"A Programme For Halting The Financing Of Economic Blood Transfusions to The Communists," the Report of the Crown Commonwealth League of Rights to the 9th World Anti-Communist League, and 7th World Anti-Communist League Conferences, held in South Korea, 1976, is one of the most explosive documents of this century. It is impossible to calculate the international implications of this Report, which documents how International Financial power groups financed the Bolsheviks to seize control of Russia, have sustained them ever since, as confirmed by the great Solzhenitsyn, and are working towards the creation of a "One World". The insidious role of the Fabian Marxists in undermining the English-speaking nations from within, is graphically outlined. The subversive role of Keynesian economics outlined, and the destructive effect of "controlled inflation" examined. A comprehensive programme outlined for ending inflation and stopping the economic blood transfusions to the Communists should be placed in the hands of all responsible people.

Price \$1 posted.

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