

THE NEW TIMES

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

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A MAJOR BANK BREAKS THE MONEY MYSTERY.

Where does the money come from? For over sixty years Social Crediters have been revealing the truth about the creation of money, to the agonized howls of denial, and abuse, from "learned" economists, the banks themselves, and parroting politicians. Some of them are **STILL** doing it.

Now the Bank of New South Wales, one of Australia's leading Trading Banks — and the oldest, has issued in the Bank of New South Wales "Review" (Number 27, October 1978) a frank and accurate account of the origins of money. The Bank has kindly given permission to The Institute of Economic Democracy (a Division of the Australian League of Rights) to reprint this article, which is available in full from the Institute at P.O. Kingstown, N.S.W., 2350. Because of limitations of space we are unable to republish the Bank's "Review" article in full:

"Despite its universal acceptance and use, money remains a rather mysterious element in the economy. Most people realise that banks and government have something to do with the process of collecting and dispensing money, but few would have a clear notion of where it comes from and what forces regulate and influence its creation.

Before looking at where money comes from it is necessary to clarify what money is. Money has taken many forms. Before the development of the banking system and the circulation of banknotes and coins with a minimal intrinsic value, a wide range of commodities, such as shells, oxen, and gold and silver bars, provided the means to purchase goods, measure Values between goods, settle debts, and store wealth. A necessary prerequisite for any commodity functioning satisfactorily as money is that its supply can be controlled fairly easily. In primitive monetary systems this requirement naturally led to the choice of items, which were relatively scarce. The most satisfactory forms of money were those, which were durable, easy to move about, and readily divisible without loss of value. As economies evolved, the less efficient forms of money were gradually discarded to facilitate economic development.

Nevertheless, the general criterion for transforming a particular commodity into money, irrespective of its efficiency, remained its general acceptability by people in exchange for other goods. For example, in Australia it is possible to pay the grocer with paper notes issued by the Reserve Bank; but if, say, New Zealand dollar notes were tendered, the offer of payment in this form would probably be rejected. Consequently the New Zealand dollar is not money in Australia because it is generally not an acceptable form of payment.

Gold and silver coins were the first widely recognised metallic currency. A by-product of this usage was the genesis of the banking industry. People deposited surplus coin with goldsmiths, the owners of strong-room facilities. By the 17th century it had become accepted practice for goldsmiths to issue receipts for the deposits and for a receipt to be treated as a negotiable asset which ultimately

could be presented to the goldsmith to be converted back into gold. In principle this procedure was the same as banks issuing banknotes. The early notes were pieces of paper issued by a bank, which could be exchanged, when demanded by the holder for a fixed amount of gold. This system of guaranteeing the convertibility of the note issue into gold was called the Gold Standard and it had its heyday in the nineteenth century. The arrangement was finally abandoned in the 1930s under pressure of the Great Depression. Despite the intense debate, which took place in the early part of this century on the pros and cons of the Gold Standard, the acceptability of paper currency is not a special problem today. Banknotes are no longer convertible into gold, or any other precious metal, but

DOUGLAS CENTENARY DINNER

One of the highlights of this Douglas Centenary year will be the annual "New Times" Dinner, to be held this year on Friday, September 21 in Melbourne. To be known as the "Douglas Centenary Dinner", this historic event will be open only to "New Times" readers and members of their families. Prominent Social Crediters from all parts of the English-speaking world will be present. The charge is \$10 per person. There will be a number of special features at the Dinner, including displays of Social Credit literature going back over 50 years.

The League of Rights' National Seminar on Saturday, September 22, will be devoted to the Douglas contribution "towards releasing reality". The final Paper, "Social Credit And Practical Christianity", will be given by Mr. Eric Butler.

If sufficient interstate and overseas visitors indicate that they would like to take their annual holidays to coincide with the Dinner and associated activities, consideration will be given to planning a group tour in Victoria. Private hospitality can be provided if required. Early bookings for the Dinner will be appreciated. This enables adequate forward planning to take place.

they remain currency because people know that others will readily accept them in payment.

Today in Australia, as in most other modern economies, all money is a debt of the banking system. * Banknotes held by the public are liabilities of the Reserve Bank while bank deposits are claims on the trading banks and savings banks. In a strict sense, only bank cheques along with notes and coins are acceptable as money, but since all other categories of trading and savings bank deposits can be readily converted into cash or current account deposits they are included in the official volume of money statistics. In Australia, notes and coins currently represent less than 9% of the total volume of money. Much more important are trading and savings bank deposits which each accounted for about 45% of total money supply of \$39 billion in June 1978.

The composition of the volume of money has altered with changing commercial practices. The wider use of cheques to settle payments has resulted in a decline in the importance of currency. Moreover, in the post-war era savings bank deposits have grown strongly as a form of money. Other items such as credit cards, undrawn overdraft limits, building society shares, finance company notes and debentures, and short-term government securities, too, are important sources of liquidity (i.e. assets which can be converted readily into money) in the Australian economy. But so far they have not been incorporated into official statistics of the volume of money (see *Definitions*) and other liquid assets.

Definitions of Volume of Money in Australia

M1: notes and coin held by public plus demand deposits of trading banks but excluding Commonwealth and State Government and inter-bank deposits.

M2: M1 plus interest-bearing deposits of trading banks.

M3: M2 plus savings bank deposits.

The first and most obvious source of money is the Commonwealth Government. It has exclusive rights over the printing of banknotes and the minting of coin. The quantity of currency in existence, however, is attuned to the community's need for cash, which, apart from a short boost in December for Christmas spending, is relatively constant -- and in any case is an insignificant cause of variation in the money supply. It is only in exceptional circumstances, for example the conversion to decimal currency in Australia in February 1966, that a surge takes place in the production of new coins and banknotes.

The expansion or contraction in the volume of money by government depends on the amount of domestic expenditure it has to finance for which no tax revenue or loan funds from the non-bank public are available. In the case of a revenue deficit, the money will expand and, in the case of a surplus, it will contract. It is not normal for a government to meet a revenue shortfall by the ex-

*Not strictly true for coins which are minted by the Royal Australian Mint and, although distributed by the Reserve Bank, represent a claim on the Treasury.

DOUGLAS CENTENARY MEDALLION



The above is a photo of the Douglas Centenary Medallion produced by young Australian craftsman Mr. Robert Baines to commemorate the Douglas centenary year. Mr. Baines was recently awarded a Churchill Fellowship.

The symbolism of the medallion reflects the central theme of the Douglas revelation.

There will only be a strictly limited issue of this Douglas centenary souvenir, each one being numbered and signed by Robert Baines. It is in sterling silver, and will be set in an attractive case with a brief description of the symbolism of the medallion.

The medallion will be a permanent souvenir, which will increase in value — material and otherwise — with the passing of the years.

The retail price will be \$40 Australian. Profits from the sale of the medallion will be used to further Social Credit. Initial orders may be placed with the Australian, New Zealand, British and Canadian Leagues of Rights. The medallion will be available for Douglas Centenary Dinner in Melbourne, Australia, in September.

cessive printing of new banknotes, though there have been occasions in the past where this has occurred: for example in Germany after the First World War and in Hungary after the Second. In both cases the rapid expansion in notes in circulation led to the complete destruction of the existing monetary system, and economic and social chaos ensued.

In the Australian economy today, the so-called "printing press" operations necessary to cover the Government's revenue shortfalls are actually achieved by the Reserve Bank as the banker extending credit to the Commonwealth Government. When government cheques are presented through the banking system for settlement, the Reserve Bank effects payment, which increases bank deposits and consequently the volume of money. To cover the Government's indebtedness the Reserve Bank normally agrees to purchase low-yielding treasury bills. The money supply rises as if the note issue had increased, except that people have larger holdings of bank rather than cash money. This increase in the money supply, however, can be offset by government borrowing from the non-bank public, which would reduce bank deposits.

Another important source of money creation is by the banks. A deposit, or claim on a bank, can be formed in

two ways. The first is by a customer taking coins and banknotes to his banker. The depositing of cash in a bank, however, is a substitution of one type of money for another. Cash has disappeared out of circulation and has been replaced by an equal amount of bank money, so that the total quantity of money has remained unchanged. This method of deposit formation is relatively insignificant.

Bankers however, do not only lend out money they have received from others. They have the capacity to create money because their liabilities (deposits) are accepted as money. Consequently, the second and more important method by which a claim on a bank can come into existence is for a bank to acquire an asset. For example, if a bank wishes to purchase a government bond in the market, it makes payment for it by crediting the seller's bank, thus increasing total bank deposits.

The largest proportion of bank assets is in overdrafts and loans. When a banker grants a customer credit by overdraft, the bank "opens an account" in its books and gives the client the right to draw funds without first having to put money into the account. But bank deposits only increase when the customer actually draws on the account to pay his creditors. In the case of loans, funds are deposited directly to the customer's credit and result in an immediate increase in the volume of money. In either case the money supply increases as a result of the bank's lending activities. As long as the debt remains outstanding the community's quantity of money is increased.

Money created by bank lending increased in importance in Australia during the 1970s. This growth partly reflected the increased dependence of the corporate sector on external sources of finance following a sharp erosion in business profits. Banks also attempted to meet the stronger demand for personal finance, and savings bank housing loans in particular increased markedly during the decade.

Unlike the Government, the banks' ability to create money indefinitely is circumscribed. Initially, banks need to maintain a safe minimum ratio between cash and deposits. They have to hold a certain amount in cash reserves to meet the requests of customers who wish to have their deposits converted into coin or banknotes. Not all of the banks' cash is held in the form of notes and coin in the till; savings banks in particular have large deposits with the Reserve Bank. The trading banks in Australia currently operate on a cash ratio of about 2%, while savings banks operate on a ratio of approximately 7%. In June 1978, near-liquid assets, such as short-term money market loans and holdings of treasury notes, accounted for another 1.5% of trading bank deposits and 1.2% of savings bank depositors' balances.

The banks' credit-creation ability is further constrained by the Reserve Bank's direct controls. The relatively high cash ratio of the savings banks results from the Reserve Bank requirement that those savings banks subject to the Banking Act (which, excluding State savings banks, account for about 75% of total business) hold at least 7.5% of their deposits in cash, on deposit with the Re-

serve Bank, or invested in treasury notes. In all, 40% of savings bank deposits must be held in cash, Commonwealth, local, or semi-government securities, and loans to authorized short-term money market dealers.

Trading banks, too, are subject to control by the Reserve Bank. First, a specified proportion of deposits is required to be lodged in low yielding (2.5% p.a.) statutory reserve deposits (S.R.D.s) at the Reserve Bank. The ratio can be varied at the central bank's discretion to take account of changes in monetary policy or seasonal variations in liquidity. In May and June the ratio was low, at 4%, to enable banks to maintain an adequate rate of lending during the seasonal liquidity trough. This determination compared with 8% at the beginning of the current financial year. In addition, the seven major trading banks, which account for approximately 90% of the total banking business in Australia, have agreed with the Reserve Bank to hold at least 18% of their deposits in liquid assets and government securities. This arrangement is known as the L.G.S. convention and has no statutory basis. Rather it is a formal agreement and it has been varied relatively infrequently since it was first introduced in 1956. The higher the combined influence on the S.R.D. determination and the L.G.S. convention, the more limited is the banks' ability to lend as is their capacity for increasing deposits and the money supply. A further restriction has been the quantitative limits placed by the central bank over new lending.

The key element in the banks' ability to create money is the alteration in their cash holdings — notes and coins and Reserve Bank balances — and statutory reserve deposits. And since cash is a liability of the Reserve Bank, it will reflect changes in the asset structure of the central bank. Whether the banks choose to increase their lending, and thus create deposits, or invest their surplus cash in near-liquid assets, such as government securities, largely depends on their assessment of the amount of L.G.S. assets they need to hold above the required minimum. The bank's choice can be circumscribed of course by quantitative restrictions on lending imposed by the Reserve Bank.

Mention has already been made of the effect of changes in the central bank's holdings of government securities, which reflect the Government's budgeting policy and open-market operations. The remaining important source of money, which influences the Reserve Bank's assets, and consequently the banks' ability to create credit, is that which flows in from overseas. The foreign exchange regulations of the Banking Act require all foreign exchange receipts to be surrendered to the Reserve Bank and converted into \$A.

The inflow of money from overseas into Australia as a result of private transactions increases the Reserve Bank's holdings of gold and foreign exchange. Such an increase will, other things being equal, boost the cash balances of the public and the banking system. A decline in overseas reserves would have the opposite impact and reduce the volume of money.

The inflation rate as measured by the consumer price

index slowed down markedly in 1977/78. The links between money supply growth and such economic factors as prices, production, employment, and the balance of payments, remain tenuous and controversial. Also it is not only the officially-recognised creators of money which need to be considered in assessing the impact of monetary regulations, for the published volume of money figures can give a misleading impression of the total liquidity available to the community. For instance, if bank interest rates subject to control are kept down, it could encourage a switch from bank deposits to other types of financial institutions not subject to interest rate restrictions, such as building societies or finance companies. Like the banks, these intermediaries can issue claims, which, while not recognised as money, are generally treated by the holders as liquid assets. Thus when a tight rein is being kept on rate of growth in the volume of money, these institutions have the capacity to speed up the rate at which money circulates. Post-war evidence in Australia supports this point. Direct controls over the creation of money were imposed on the banking system, limiting its growth. The inability of banks to meet demand for funds in an expanding economy fostered the proliferation and rapid growth of a wide range of usually more costly financial institutions.

More recently the greater dependence on market-oriented controls, such as open-market operations, appears to have dampened the ability of non-bank financial intermediaries to act in a fashion contrary to the thrust of monetary policy. Control of non-bank financial institutions has been assisted by the willingness of the Reserve Bank and the intermediaries to discuss monetary objectives. This technique of moral suasion by the Reserve Bank has contained lending by the non-bank financial institutions while the Government has concurrently slowed down the growth in the volume of money. Moreover, synchronisation of lending policies of all major financial inter-

WE ARE NEARLY THERE

As we go to press the Basic Fund of the Australian League of Rights stands at approximately \$43,000: but we are having trouble getting to that minimum target of \$45,000.

We now have no doubt at all that the enemies of the League are quite panicky because of the League's exposure of super-sensitive issues, such as the New International Economic Order, the Immigration issue, the attack on the Australian Constitution, the promotion of a Bill of Rights — this is coming up again. The recent so-called "exposure" of the League, in book form by Andrew Campbell (admitted by our foes, already, as a sloppy effort) is a desperate attempt to discredit the League. Truth will out, and it is coming out: more and more fine types of people are now approaching the League and saying — "you were right all along". Such types of people have been driven away from the League in the past because of the effect of the smears and propaganda of our enemies. The picture is changing, and THIS is worrying our enemies.

The demands on our time and resources are heavy, and are becoming heavier. More literature than ever before in our history is just streaming from our presses around Australia, and flooding into the community. This means, of course, more and more costs. We must have the money to do it. We are ever applying the Social Credit axiom — "what is physically possible is financially possible." And what we do is financially possible because of the dedicated fervour of a small number of Social Crediters and those who support them.

Right NOW is the time to make your contribution to the League's Basic Fund if you have not already done so. Small donations appreciated: these usually indicate sacrificial giving. Queensland and Northern N.S.W. contributions to Mr. Jeremy Lee, P.O. Kingstown, N.S.W. 2350 — all others to G.P.O. Box 1052-J, Melbourne, Vic. 3001.

mediaries is likely to prove much more effective in controlling liquidity pressures when price stability is threatened than were the more selective and direct controls imposed in the past.

IS ISRAEL A DEMOCRACY?

This article is taken, with kind permission of the publishers, from the June 1978, issue of *Instauration*; the monthly journal of men and affairs, edited by Wilmot Robertson, author of *The Dispossessed Majority*. This book has been read by a great number of League of Rights supporters. *Instauration* is issued from Box 76, Cape Canaveral, Florida, 32920, U.S.A.

A principal side effect of the foundation and existence of the State of Israel has been to turn American politicians into some of the most incredible hypocrites in history. Congressional prating about "the only democracy in the Middle East" never seems to let up, although Israel was conceived in racism, born in violence and is maintained by political methods that the media find repulsive in Uganda, but somehow excusable when practiced by Golda Meir or Menahem Begin.

Let's examine a few of the lesser-known characteristics of Israeli "democracy".

The plan to make Arab Palestine into a Jewish state has involved the total destruction of 385 Arab villages leaving only 90 of the original 475 villages. In the district of Bethlehem, for example, all 23 Arab villages were destroyed, leaving only Jaffa city. All 31 villages in Ramleh district have been destroyed since 1948. Former Defense Minister Moshe Dayan has acknowledged that "There is not a single Jewish village in this country that has not been built on the site of an Arab village." (*This statement was not taken from a PLO propaganda flyer, but from the Israeli newspaper Ha'olam Hazeq, March 5, 1975.*)

Some thirty years after its founding, the State of

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Israel still has neither a Constitution nor a Bill of Rights, and the Israelis are reported complaining that the country is being run like "an autocratic mom-and-pop deli instead of a modern nation facing complex problems." (N.Y. Times Magazine, Dec. 30, 1975)

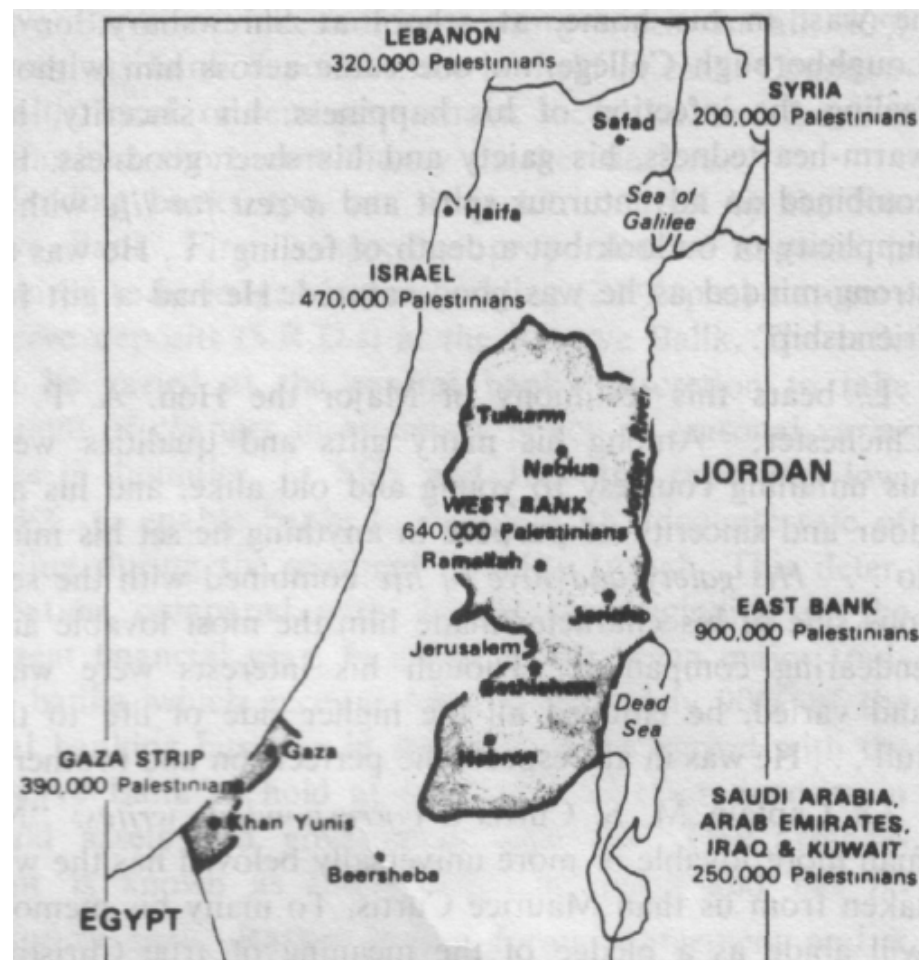
The Government may detain anyone for any reason whatsoever, for an unlimited period, without trial and without declaring the charge—this is called "administrative detention." It may expel a person from the country or banish him permanently, or forbid a person outside the country from returning to it. It may confiscate or destroy a person's property on the basis of only the barest suspicion that he has participated in an action against law and order. (*Israel Defense Laws, Articles 112 and 119*)

Of the 62,000 Arabs in Jerusalem only 100-150 have been granted citizenship. (American Zionist, Nov. 7975, P 26)

Because of Israel's strict racial citizenship laws, a woman who was born in Palestine, whose husband was buried in Palestine, and whose children were born and are living in Palestine, must live apart from her family for the remainder of her life. Yet everyday, there are welcomed at Lod Airport Jews from Europe or North or South America who had no ethnic connection whatever to Palestine—and little, if any, religious connection (*Case reported by Israeli League for Human and Civil Rights*)

Seventy percent of the Knesset, Israel's parliament, is comprised of Zionists who entered the country before 1948. This element represents less than ten percent of Israel's present population. The Sephardic element, about half the population, has hardly any effective representation at all.

Church and state are indivisible in Israel. Four hundred rabbis are on the government payroll. A woman whose husband disappears or decamps can never remarry. In court a woman has no standing as a witness. She cannot be divorced without her husband's consent. When a childless woman's husband dies, she is required



by law to offer herself in marriage to a brother.

Children of mixed marriages are defined as *mamzerim* (bastards) who cannot marry. Women converts to Judaism are restricted by rabbinical laws that apply to prostitutes. As the *Talmudic Encyclopedia* (1953, vol. 2, p. 23) states: "Every female born a gentile has the name of a prostitute..."

The Israeli Jew who discovers that his grandmother, great-grandmother or great-great-grandmother was not Jewish or was converted to Judaism by the wrong kind of rabbi is in deep trouble. This break in the female line makes him officially non-Jewish, automatically nullifies his marriage in Israel, puts his children's names in the "Black Book" and, among other things, disqualifies him as a blood donor to the Red Magen David,

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THEY LOVED LIFE

By the Rev. PERCY JACKSON

Originally published in "The Social Crediter" in 1944

Among the things I have kept for the sweetening of my soul are hundreds of notices, chiefly from *The Times*, most of them obituary notices, touching the people of our day. The quotations to follow are characteristic of scores and scores of such.

L. H. C. K. writes of Lt. E. P. S. Russell, R.N.V.R.: "We were together at Eton . . . No man could have asked for a better or truer friend. He was an enthusiastic talker and a patient listener, and he had a rich fund of humour, which I never heard him use unkindly.

"He was one of the very few people of whom it can be truly said 'He *lived* every minute of his life.' Somehow his vital personality stimulated one so that a *moment* with him was one to be enjoyed and remembered . . . The courageous manner in which he died was entirely in keeping with his fine character. A poor swimmer, he dived

overboard to go to the assistance of a shipmate in distress. But the heavy seas were too much for him, and in his gallant attempt to save another man's life he perished."

Of Major C. M. Baldwin writes J. W. A. S.: "His very presence was always an inspiration and a tonic. He was quite imperturbable. No matter what kind of crisis might involve him or those with him his never-failing cheerfulness and optimism, combined with a courageous commonsense seemed to enable him to carry it off . . . The crisis might never have existed. He was a splendid companion and *enjoyed whatever life had to offer to the full*. He joined in everything, though England and things English—riding to hounds, boxing, shooting. Rugby football—made a special appeal.

"His charm of manner was infectious, affecting young and old alike wherever or whenever they had the good fortune to meet him . . . We have lost a grand fellow."

Of Lt. C. G. M. Thornycroft another writes: "He was one who never gained, or sought, distinction, but whose life made many others happier, and also better. Wherever

he was, in his home, at school at Shrewsbury, or at Loughborough College, no one came across him without feeling the infection of his happiness, his sincerity, his warm-heartedness, his gaiety and his sheer goodness. He combined an adventurous spirit and *a zest for life* with simplicity of outlook but a depth of feeling . . . He was as strong-minded as he was good-natured. He had a gift for friendship...."

L. bears this testimony of Major the Hon. A. P. S. Chichester: "Among his many gifts and qualities were his unfailing courtesy to young and old alike, and his ardour and sincerity of purpose in anything he set his mind to . . . *His gaiety and love of life* combined with the serious side of his character made him the most lovable and endearing companion. Though his interests were wide and varied, he enjoyed all the higher side of life to the full . . . He was in all respects the perfect son and brother."

Of Captain M. S. Curtis *a correspondent writes*: "No man more lovable or more universally beloved has the war taken from us than Maurice Curtis. To many his memory will abide as a pledge of the meaning of true Christian manhood. *His vivid charm* and keen sense of humour made his self-discipline and devotion to duty seem natural achievements. *His rich and many-sided enjoyment of the world*, issuing in unsparing service, would have delighted his great headmaster. Dr. Saunderson. Of Oundle.'

R. L. V. P. writes of Lt. Viscount Maitland: "Ivor Maitland was at all times *one of the most delightful characters* it is possible to meet. His charm and *spontaneous gaiety* were an inspiration to everyone who knew him. He was always cheerful, overflowing with *joie de vivre* and good humour. A more loyal friend could never be found. A keen sportsman, he was educated at Stowe . . . Those who knew him and loved him will always carry with them through life the memory of a sweet, generous, gay and very lovable person."

Of Lt. Col. Sir Ranulph Fiennes writes H. R. M.: "'Lugs' was a man of exceptional personal charm and great breadth of vision . . . His enthusiasm and sense of humour were *infectious* . . . *He was incapable of being jealous or unkind*. He was a splendid leader who took a tremendous interest in those less fortunate than himself. He had travelled and read extensively and the post-war period will be much poorer owing to his death . . . His frankness and his clear brain will be missed by many."

Of Squadron Leader L. H. Day: "To his friends, his important place in their lives was won not only by his courage and inspiring leadership, but even more, by his real 'goodness' and shining honesty . . . He had no time for shams and bluff. His happiest epitaph would be in the words of one who had been his gunner. 'A grand skipper and a very great gentleman.'

Of Lt. F. C. Boulton it is written: "Oxford, like Harrow, owes him a great debt . . . But his friends will think first of his *lovable and gracious personality*. He had those qualities which we do not usually associate with war *shyness and a love of music, and of little children and all things beautiful*; but he faced the ugly duties of the time with courage."

Of Flying Officer P. J. C. Bateman-Champain: "A *natural style* appeared in nearly everything he did which gave him the same sort of distinction as a person that he always had as an athlete . . . But it was his complete innocence of conceit or self-pity, his knack of unobtrusive leadership, his instinctive dislike of evil, *the effectiveness of his compassion for the unprivileged*, the intimacy of his friendship with his father and mother; it was these that were the really characteristic example of his *naturally distinguished style* . . . We rejoice in the continuing enrichment of many sorts and conditions of men that has come from the integrity of his loving and life-saving 27 years of life."

J. L. C. S. affirms of Surgeon Lt.-Commdr. M. Cay, R.N.: "Apart from his professional skill, he possessed all those attributes which form the make-up of an officer and a gentleman of high degree. His was indeed a gentle character, with a natural kindness and tolerance, which endeared him to all who met him. He gained few material rewards for all he did but he would not have sought them. I am sure he never realised the influence he had on the future lives and conduct of the many young doctors he trained . . . When I last saw him he was smiling and waving his hand, and that is how he would wish us to remember him."

Of Lt. David C. Lloyd, Royal Marine Commando, this is declared by Lt. G. L. Taylor, R.N.V.R.: "Few people meeting the gay Commando would have guessed what hard work he had in childhood to overcome the handicap of ill-health. He lost his life in the landing at Salerno. He was a perfect companion; his infectious laughter, his sense of the absurd which could shed light on the dullest party, perhaps by some grotesque turn of mimicry—in a word, *the happiness which he radiated* wherever he went, will not easily be forgotten. Quite unselfconscious and unspoilt by popularity, he was by nature generous, but above all warm in his affections. The remembrance of his *gaiety* must comfort us...'

And lastly of Lt. Col. Low Wyfold writes A. R.: "[I was given] special opportunities of appreciating the excellence of his brain, his courage, and his skill. He was a highly esteemed figure in his county of Oxfordshire—a leader of many enterprises. His family life, in his delightful home, was a model of happiness and all else, and fulfilled in the highest degree the best traditions of 'Merrie England.' To his children he was as the most delightful of 'brothers.' . . . He was a loyal friend, and went to endless trouble to help others in their difficulties. His advice was indeed worth having, as he had a first-class brain and the kindest of hearts. He will be missed indescribably in the locality in which he lived."

The point of this present note is to put the question: Is this type of gay effortless grace and goodness, humility and nobility any longer to be permitted to grow in England? *The kind of character revealed in these extracts requires space and freedom for its growth, and some amplitude of resource.*

There are those rejoicing in the prospect of bespoiling

the Israeli equivalent of the Red Cross

Oriental Jews are victims of racial attitudes, Ashkenazi non-democracy, cultural genocide, discrimination in education, and appalling living conditions (Statement in a booklet entitled *Danger: Jewish Racism*, published by the Council of the Sephardic community of Jerusalem)

When unskilled Arab workers were being paid one Israeli pound per day by the Public Works Department, the Jewish worker beside him was paid 2.63 Israeli pounds for the same work. When a skilled Arab laborer was paid 2.5 Israeli pounds per day, the Jewish worker on the same job was paid 3.14 Israeli pounds.

These items are just a few nibbles from the veritable feast of information on Israeli politics taken from "*Democracy in Israel*" by Norman F. Dacey. Copies of the 70-page booklet may be obtained by sending \$2 to the American Palestine Committee, P.O. Box 137, Southbury, CT 96488

the estates, taxing out of existence the old country esquire, by death duties and other rigours making well nigh impossible the continuance of life tuned in to this level of delightsomeness. One may have knowledge of humbugs in County Society, so there is everywhere. But there are those who interpret the trusteeship of their estates in the most thorough-going fashion, and whose coveted reward is the happiness, not only of their relatives and House associates, but of their employees also and all who depend on them, and whose pride is in the sweet wholesomeness of their lands.

The levellers will have no room for this kind. The centralisers may offer him a salary, but he will take his orders from an office in London. The taxers will see that he is kept poor. With the element of gaiety removed from goodness, life will become dour, grim: and with Government by "regulations" the element of enterprise and adventurousness dies of inanition.

In certain circles the Beveridge Report is being hailed

as a contribution towards ameliorating the severest distress of our social disorder. A great deal of sentiment is being exploited, and those who have been uneasy for the wretchedness of the men on the dole are apt to accept, with little exercise of the critical faculty, the proposals as a salve for their consciences.

This little note is not intended as an examination of the proposals, which arouse the gravest misgiving, on various grounds. The question is pertinent however, if it be judged intolerable to permit the old frustration and despair to settle once more upon our people, why is it not deemed possible to level up instead of to level down; that is, to make possible the blithe survival of the best pertaining to our English traditions and to otter hope to the whole of the Commonwealth *at the same time*? Can we build a society, which fosters and conserves the finest qualities of English life and *at the same time*, extends a generous gesture to all to partake more liberally of the Feast of Life? We know the resources are adequate for the job.

THE REPUBLICATION OF C. H. DOUGLAS'S WORKS

One of the major activities of the Douglas Centenary year is the progressive republication of Douglas's works. It is hoped that by the end of the year all of Douglas's major works will be in print. There will also be a collection of articles and addresses, which have not previously been published in book form. Douglas's work has stood the test of time and should be on the bookshelves of those who wish to have available for ready access one of the finest products of Western Christendom.

The following is a list of Douglas's works immediately available:

ECONOMIC DEMOCRACY. First published in 1919, this basic work has been re-published with a lengthy Introduction by Dr. Geoffrey Dobbs, who knew Douglas personally. There is also an excellent biographical sketch of Douglas and included as an appendix is Douglas's first article, "The Delusion of Super-Production" which first appeared in the "English Review" of December 1918. It makes prophetic reading today. There is a comprehensive index. Price \$3.45 posted.

THE NATURE OF DEMOCRACY. This is the text of the famous Buxton address, given after Douglas had returned to England after his momentous 1934 world tour, covering Australia, New Zealand, Canada and the United States. For the first time Douglas outlined his concept of realistic, non-party political action. Price 75c posted.

THE APPROACH TO REALITY. An address to Social Crediters in 1936, together with answers to questions, in which Douglas formally repudiated the concept of advancing Social Credit by a Social Credit party, and spelt out the type of Social Credit action he was advocating.

Price 65c posted.

THE POLICY OF A PHILOSOPHY. The 1937 London address at which Douglas formally outlined that Social Credit was much more than a money reform scheme; that it was a policy designed to make a reality of the philosophy of de-centralised power. Price \$1.05 posted.

MONEY AND THE PRICE SYSTEM. The speech delivered in Oslo on February 14, 1935, to H.M. The King of Norway, His Excellency the Prime Minister, the President and Members of Oslo Merchants' Club. A most lucid exposition of the basic defect in the present finance-economic system, and how to overcome it. Price 85c posted.

THE TRAGEDY OF HUMAN EFFORT. A 1936 address at Liverpool, England, in which Douglas predicted, "I am . . . convinced that if control of policy is left in the hands of bankers and industrialists with their present mentality . . . a world catastrophe is a mathematical certainty within a few years." Price 85c posted.

DICTATORSHIP BY TAXATION. A 1936 Belfast ad-

dress in which Douglas dealt with the confusion between money and real wealth. He exposed the present system of taxation as "organised robbery," and an instrument to impose increasing totalitarianism. Price \$1.05.

REALISTIC CONSTITUTIONALISM: An address of the greatest significance, in which Douglas showed that constitutionalism, was a vital aspect of Social Credit. Price 55c posted.

REALISTIC POSITION OF THE CHURCH OF ENGLAND: A most important work in which Douglas not only examines the breakdown of The Church of England as an effective Christian force, but outlines what is essential for "practical Christianity." Price 55c posted.

LAND FOR THE (CHOSEN) PEOPLE RACKET: Deals with the programme to destroy private ownership of property. Some really brilliant philosophical material. Douglas at his best. Price 75c posted.

THE DEVELOPMENT OF WORLD DOMINION. This is a collection of Douglas's weekly notes in "The Social Crediter" over the post-Second World War years up until the end of his life. Although Douglas deals with history, politics, economics and philosophy, he is constantly pointing out that there is a constant policy running through man's affairs, leaving a trail of wreckage behind as it moves. A work into which the student of affairs can dip endlessly to partake of Douglas's wisdom and deep understanding. Price \$1.35.

THE OLD AND THE NEW ECONOMICS. This is Douglas's formal reply to the criticism of Australian Professor D. B. Copland, leading protagonist for financial orthodoxy during the 'thirties. A lucid exposition, as fresh today as when written, of the basic flaw in the finance-economic system. Price 85c.

A LESSON FROM SWITZERLAND

The comparative stability of the Federation of Switzerland is the result of several factors, the most important being that there is constitutional machinery available to

SOCIAL CREDIT TRAINING COURSE

"New Times" readers, who have not availed themselves of the opportunity to study Social Credit through the 8-lecture Social Credit correspondence course, should take the course as a special Douglas Centenary project. Developed over many years, this course provides the student with an opportunity for an orderly study of philosophy, finance, economics, politics and constitutionalism. First class tutors handle the course, assisting students in every possible way. Some of the most outstanding Social Credit actionists have come through this training course. Notes and questions to lecture notes provided. The charge for the course is \$10. Australian and New Zealand readers who require taking the course should write to The Director, Social Credit Training Course, Box 1052J, G.P.O., Melbourne.

EXPOSING THE "NEW INTERNATIONAL ECONOMIC ORDER"

One of the biggest current threats to Australia's future as an independent nation is the "New International Economic Order." A major feature of the drive towards the World State, the N.I.E.O. proposes the establishment of a number of international commodity boards to control basic food supplies and minerals. This concept was first advanced by the hero of the Fabian Socialists, John Maynard Keynes, as far back as 1942. Keynes collaborated with the top Soviet agent, Harry Dexter White, to establish The International Monetary Fund and The World Bank. The N.I.E.O. proposes an International banking monopoly with a new international currency.

Actionists should also have copies of Jeremy Lee's excellent booklet on the "New International Economic Order", "Upon That Mountain." Price posted, \$1.25. Six copies for \$4 posted.

enable the people to have a direct say in their own affairs. Other factors are the size of the nation, approximately half the size of the Australian island State of Tasmania, with a population of 6.5 million, and an effective decentralisation of political power. Solzhenitsyn has praised the policy which ensures that no one can become a citizen of Switzerland unless acceptable to the people in the Canton where the migrant is living. While there was reasonable publicity for the recent referendum result in which a majority of electors voted in favour of nuclear power, comparatively little publicity was given to the decision not to reduce the voting age to 18. Clearly the Swiss believe that there would be less responsible voting with a reduction in the voting age.

In his examination of the political voting system Douglas observed that it was a major fallacy that the wider the franchise the more the rights and freedoms of the individual were protected. The lowering of the voting age means that those with the least experience of life can be manipulated by the powerlusters against the more experienced. Reforms in Western political systems, designed to provide electors with more effective control over their paid political servants, might well incorporate some of the best features of the Swiss system. The essentials for a genuine democracy are lucidly outlined in the late James Guthrie's booklet. *Our Sham Democracy*.

CENSORED ECONOMICS

by Jeremy Lee.

An exposure of how the media and leaders of all Australian political parties have conspired to misrepresent, destroy and suppress the "Petersen Plan" for reversing inflation. An examination of the proposals put forward by Premier J. Bjelke-Petersen in 1974. As many Australians as possible should read this revealing work. Price \$1.30.