

THE NEW TIMES

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

Vol. 46, No. 2

FEBRUARY 1981

BIG FINANCE FEARS COMMUNIST COLLAPSE

If the Polish drama were to trigger off a collapse of the Communist system throughout the Soviet Union and its satellites, there would at the same -time be a major crisis throughout the Western world and Japan. That crisis could result in a widespread attack on financial orthodoxy. The power men of international finance are well aware of the far-reaching implications of a major upheaval inside the Communist nations. A report from Washington states that a secret request by Communist Government in Poland for a colossal emergency loan has shaken Washington and "sent nervous tremors through world banks". The implication of the request is that a massive loan default could shake the whole international financial system. Not only Poland's astronomical debt to the international bankers, but that of the whole Soviet bloc, is now highlighting what we have been warning about for many years.

Poland is already staggering under a debt to the West of at least \$US18, 500 million. It could be as high as \$US22 million. The Polish debt is only part of the total Comencon financial obligation, Comencon being the agency, which dominates the Soviet-dominated policy of the Eastern European Communist nations. The American Central Intelligence Agency puts the total Communist debt at \$US77 million, while the Senate Foreign Relations Committee specialists on Soviet affairs, put the total at over \$US90 million. Whatever the amount, it is one measure of the massive economic aid, which the Western world has provided to prop up the Communist tyranny. And the Communists desperately require more aid. What the Reagan Administration does about the situation will demonstrate how genuine is President Reagan in his expressed desire to curb the Soviet.

A "SECRET WEAPON"

Mr. James Whitmore, a well-known consultant with International Business Services, is quoted as saying that the extent of the Communist debt subjects the world economic system to the mercy of Moscow. This is Moscow's real "secret weapon", he says. "It could devastate the West without a single shot being fired. Incredibly, it is a weapon we are not only constructing for the Russians but paying for as well." We have been saying this for years. One of the greatest hoaxes of this century has been the claim that Communism was a workers' movement, and that the Soviet had built itself up by its own efforts. As documented by a number of writers, including Dr. Anthony Sutton, Bolshevism was a creature of International Finance and sustained by it. There would be no global threat by Communism without the consistent backing of International Finance.

Those anti-Communists who are careful to dissociate themselves from "conspiracy theories", and who now are

faced with the irrefutable evidence of the International Finance-Communist nexus, insist that the only necessary explanation is that the International Bankers are "selfish" and "shortsighted." This could be a plausible excuse if it were not for the fact that the same bankers have been exceedingly busy in promoting the Trilateral Commission and the New International Economic Order, claiming that the Communist threat makes it essential that the World State be established. If the Communist threat were to disappear, the major excuse for trying to organise the World State would no longer exist. There would no longer be the need for major armament programmes. The nations of the West could start to assert their national independence. Far-reaching changes in finance-economy policies would be necessary.

The future of what is left of Christian Civilisation will be decided primarily by what happens to the debt system of finance. The immediate question is whether the Soviet bloc can service its astronomical debt, this including interest and capital payments. The CIA has provided the following assessment: By 1979, debt service equalled 18 per cent of Soviet earnings from merchandise exports, sale of gold and arms, tourism and transportation. Debt service ratios for the East European countries, based on exports to non-communist countries, were 92 percent, for Poland; 54 percent, for the German Democratic Republic; 37 percent, for Hungary, 22 percent, for Romania; 38 percent, for Bulgaria and 22 percent, for Czechoslovakia. According to these estimates the Soviet and East European gross debts to the West grew by \$68 million between the year ending 1971 and the year ending 1979".

It is estimated that Poland is now paying a crippling \$4500 million a year to service its foreign debt without paying off any of the principal. As the International Bankers have the power to create financial credit with the stroke of a pen, and do not part with anything tangible

ALTERNATIVE TO DISASTER

by Dr. Bryan Monahan.

An examination of deliberate inflation as a policy of subversion, and the answer necessary. Price 75 cents.

when they lend, they lose little or nothing if debts are not met. As witnessed by the desperate attempts to keep the Chrysler car manufacturing industry operating, massive credits have been extended and an enormous amount of debt written off. The debt system does, however, enable the creators of the debt, to impose their policies on the debtors. If the International Debt Merchants, many of them Political Zionists, or Zionist supporters, were genuinely opposed to Communism and the threat of the Soviet Union, now is the moment of truth. Not only Poland, but also other Communist-dominated countries, including the Soviet Union, has growing internal problems. A Western policy of economic sanctions similar to those used against Rhodesia, would quickly ease the Communist global threat and lead to internal revolts similar to those taking place in Poland.

CATASTROPHE COULD FORCE CHANGE

But such a policy, which would result in writing off the huge debts owing by the Communist nations, would also dramatically change the situation in the West. What would the Fraser Administration at Canberra do if no more Australian wool could be exported to the Soviet? Permit a major collapse of the Australian wool industry? Or be forced to make the necessary financial changes to prevent woolgrowers, and the Australian economy from suffering? What about the vast production organisations of the West based upon building the Soviet economy, such as those involved in the building of the great gas line from Siberia to Europe? Events would help force the changes which rational argument has failed to produce.

The world clearly is on the eve of more major catastrophe. But it could prove that catastrophe will provide the Social Credit movement with the opportunity to make a decisive impact on the course of events. Now is the time for Social Crediters everywhere to rededicate themselves to the great task confronting them.

SOCIAL CREDIT TRAINING COURSE

As part of its planned expansion programme for 1981, the League of Rights urges that as many "New Times" readers as possible enrol themselves for the Basic Social Credit Training Course. More and better-equipped Social Engineers are required. The Basic Course consists of eight lectures, which are provided to students in note form as they proceed. Written answers are required. Highly qualified tutors conduct the course, correcting answers making comments and answering queries. The charge of \$10 covers the cost of notes and posting. Write to The Social Credit Training Course, Box 1052J, G.P.O., Melbourne 3001, enclosing the \$10.

LIGHT ON INTERNATIONAL FINANCIAL REALITIES

The following report from "The Washington Post", republished in "The Age", Melbourne, of January 20, sheds some revealing light on what took place financially in the settlement of the American hostage issue with Iran. Those simple people who still believe that money is a "commodity", and that probably plane-loads of coins, notes, and perhaps some gold were being shifted around the world in settlement of the crisis, should have their attention drawn to this report:

WASHINGTON. 19 Jan. - - The decision to transfer billions of dollars in bank deposits and gold to Iran in return for the release of the hostages is requiring some of the most complex diplomatic and commercial negotiations in peacetime history although the transfer itself will be nearly as simple as writing a cheque or pushing a button.

Unless Iranian officials require the US to produce unmarked bills, the settlement of the hostage crisis will involve nothing more than the mundane international transfers of money by cable that banks do thousands of times each business day.

No bills will change hands. Only the banking equivalent of telegrams will note the transfer of billions of dollars from the books of banks like Citibank, Chase Manhattan or Continental Illinois to the Central Bank in Iran.

It is likely that not an ounce of gold will leave the US. The switch involves nothing more than changing ownership labels on gold stored at Government facilities in New York, London and, perhaps, Teheran.

London money market analysts yesterday warned that the release of the US hostages could cause turmoil if vast amounts of unfrozen Iranian funds were flooded on to them.

But this depended on how the Iranian authorities decided to use the funds and how smoothly they were transferred, the analysts said.

The unfrozen Iranian assets are estimated to include at least \$A6800 million and about 1.6 million ounces of gold, much of which was in the American banking system for some time before being frozen.

If this huge amount, or big quantities of it, becomes available immediately to Iran and is switched from dollars to other currencies or placed on markets suddenly, currency exchange stability is likely to be upset.

But the analysts said that Iran might leave much of its assets in US dollars, as the dollar was attractive to foreign holders because of high US interest rates.

The Iranians might use cash or sell some of their gold to buy arms and supplies for their war with Iraq. But despite the market nervousness, most analysts feel the markets will operate smoothly.

Speculators have been playing a guessing game for months on how the release could affect the world's money markets, maneuvering in anticipation of the event.

AN AMERICAN CHRISTIAN ON "THE MYTH OF SOCIAL CREDIT"

By Eric D. Butler

It would be thought strange if someone presented a thesis on Christianity but failed to mention the author of Christianity. But an American writer, Gary North, who "received his Ph.D. from the University of California, Riverside, having specialised in economic history and Puritan economic thought", has managed to write extensively on "the myth of Social Credit" without once referring to the author of Social Credit, C. H. Douglas, or to any authoritative Social Credit writer. The most charitable view is that Gary North is genuinely ignorant about Social Credit. He is certainly ignorant concerning economic realities in the twentieth century.

In *An Introduction To Christian Economics*, 1976 edition, North entitles Chapter XI "Gertrude Coogan And The Myth of Social Credit." Social Crediters will be astonished to learn that "Social Credit is an extremely popular movement in the United States", that "Social Credit is the economics of neo-populism" and that "It has infiltrated almost every right-wing movement in the country." It is true that there is in the United States a large literature on the subject of banking and monetary reform. But changing a monetary system does not necessarily indicate that there is any relationship to Social Credit. Hitler was a monetary reformer, grasping enough about the relationship of financial credit to the economic system to understand that credit could be expanded to make a much greater use of Germany's productive capacity, much of it unused during the Great Depression. Hitler believed in "full employment", as did John Maynard Keynes, who could also be described as a money reformer. Social Credit is, as Douglas defined it, "The policy of a philosophy", and if North had taken the trouble to read Douglas's first work, *Economic Democracy*, he would have discovered that the major part of the work is devoted to principles of association and the relationship of the individual to the group.

PERVERSION

North's standard of scholarship may be judged by his statement, "In my attempt to demonstrate the validity of 'creeping Keynesianism' within the Social Credit, neo-populist movement. I have selected Gertrude Coogan's books as primary documentation. She is the *only* one of these writers who apparently has had any formal economic training . . ." As pointed out by Douglas, Keynes was an extremely able man promoted during the Great Depression years to offset Social Credit by perversion. Keynes in essence conceded the Douglas analysis concerning the deficiency of purchasing power, but advocated that the deficiency be overcome by the creation of new financial credit for deficit budgets. Rooted in a different philosophy, Douglas's proposals were diametrically opposed to those of Keynes. Douglas pointed out that the real credit of a society, its productive capacity, belonged as a right to the individual members of that society, and that neither private organisations nor the State had the right to claim ownership of that credit by operating a financial credit monopoly. The true role of the State, said Douglas, was to distribute dividends to individuals. Consumer price discounts and social dividends are the obvious mechanisms for achieving this objective.

Douglas was not, of course, a man who had any "formal economic training", which North clearly regards as essential for anyone expressing views on economics. But he had a vast practical experience, as an engineer, on how the modern finance-economic system works. It is not without significance that engineers, farmers and other people actually engaged in operating the production system, generally find it easier to distinguish between reality and the black magic associated with credit creation and control. As Douglas points out, it may have been true at one stage in history to describe money, whatever form it took, as a "medium of exchange", but today when the production system is a type of vast co-operative, in which individuals make a specialised contribution, it is more correct to describe money as a ticket enabling the individual to make a demand upon the production system. A man involved in making a special part for a complicated engine, can hardly exchange this for a pair of shoes. Control of the demand, or money ticket system, means control of the economy.

MONEY REALITIES

Anyone who has read Miss Gertrude Coogan's books on monetary matters would agree with Gary North's statement that she has collected a vast amount of valuable historical material concerning monetary history. And that North has generally presented her views correctly. For example, Miss Coogan does advocate the establishment of a State monopoly of money creation. She does not claim that is Social Credit and if North had done some genuine research on Social Credit, he would have noted that Douglas specifically repudiated the proposal to create a State monopoly of banking. The role of the State was to ensure that there was available to the individual a means whereby he could, in association with his fellows, control credit policy. The realities of production and consumption, listed in a properly prepared National Balance Sheet, should be the basis of credit issue, not how much gold, a relatively scarce metal, can be found in the ground. Gary North argues strongly for gold as a basic form of money.

It is certainly true that gold is still a much sought-after rare metal. But even the present high price being paid for gold, is a reflection of a state of affairs in which individuals believe that either by finding gold, or speculating in gold, they can protect themselves against a continuing inflation or a complete economic collapse. Those not mesmerised by money myths must find it incredible that the production, consumption and the use of boundless real wealth

of the world could not take place if no gold existed. In a sane world, with security and freedom assured, gold, like any other metal, would be regarded purely for its commercial, and, to a lesser extent, its aesthetic value. But North argues that the difficulty and time involved in finding gold and silver is the reason why they "*must* be the basis of all currency and exchange . . ." (italics by North.)

Presumably if all gold and silver disappeared from the face of the earth, the economies of the world collapse! North, like Von Mises and other supporters of what is known as "the Australian School" of economics, as distinct from men like Milton Friedman and the "monetarists", sometimes referred to as "the Chicago school" of economics, believes that money should be treated as a "commodity". The truth is that the bulk of money in the world today has been created by the stroke of a pen, and irrespective of whether it is called "fiat" money, "unbacked money" or any other term by the Norths of the world, so long as it is accepted it can be used by the individual to make demands on the production system. The modern banking system, which as a system is near perfect, should be regarded correctly as a financial bookkeeping system. That system has, unfortunately, been used to misdirect the economic system into serving power politics.

If Gary North had taken the trouble to examine what the author of Social Credit C. H. Douglas, said about finance-economics, he would have discovered that Douglas believed that the true purpose of production was, consumption, and that production should be governed by the genuine demand of consumers through the "money vote"; but that as the modern production system, based increasingly upon technology, cannot distribute adequate "money tickets" over any given period of time to enable all production to be bought, there must be a continuous expansion of the economy and debt, to prevent it from collapsing. The inevitable result is enormous economic waste, monetary inflation, and a frantic "fight for foreign markets" by all industrialised nations. The present plight of the world is exactly as Douglas predicted it must be if prevailing financial policies were persevered with. Perhaps even worse than the threat of another major world military conflict is that of the worldwide campaign to attempt to stampede the individual into believing that the only answers to the threat of military war, is surrender of his affairs to a World Government.

SOCIAL CREDIT AND CONSERVATISM

Informed Social Crediters will be astonished to learn that "Keynesianism is Social Credit with more extensive intervention into the economy by the government." Gary North's summary is revealing: "In the final analysis. Social Credit economics — the economics of neo-populism — is nothing but sheer economic quackery, a crude, pathetic imitation of economics. Its proponents are desperate little people, people, confused about the nature of the world they live in, clinging together in their little 'study groups' outside the dark, forbidding 'evils' of systematic scholar-

ship."

What can one say about "systematic scholarship" which criticises the writings of non-Social Crediters, who in many cases are advocating anti-Social Credit policies, and which does not even quote the author of Social Credit, C. H. Douglas? As North writes as a Christian, one can only hope that he adopts a much more responsible approach to other subjects than he has to Social Credit. So far from destroying the American conservative movement, as he fears, an understanding of genuine Social Credit is badly required to prevent the collapse of morale which will follow the inevitable failures of a Reagan Administration — unless financial orthodoxy is challenged.

A TARGET WHICH MUST BE REACHED

The steady expansion of The League of Rights over thirty years of service to the cause of Christian Civilisation has been based upon a planned annual programme with a minimum budget. Experience has vindicated the faith of those who believed that with such a planned programme, an annual Basic Fund would ensure sufficient activity and support to finance the League's total programme.

The base of the League has been progressively expanded, with the steady acquisition of printing and other equipment. The volunteer principle has been an outstanding success. Periodically the League has been written off as being in decline. But the growing number of young people of the highest calibre is a striking manifestation of healthy growth.

1980, the first year of what will be the decisive decade of this century, and which will see a major watershed in human affairs, witnessed a deepening of the crisis now gripping the whole world, including the Communist world.

The League is in process of developing a programme of greater education in depth, apart from other activities, and success will depend once again upon the League reaching its minimum Basic target. This is a target, which **MUST** be reached. Because of financial support required for last year's pre-election campaigns, all of which were successful, the target has been lifted to \$55,000. As yet the Basic-Fund has just passed the halfway mark, with approximately \$33,000 contributed. They are sufficient in number to provide the balance without any real sacrifice by anyone. Please do not fail those who have already contributed.

All Northern N.S.W. and Queensland contributions to be sent to Mr. Jeremy Lee, Ravensbourne, Queensland. W.A. contributions to P.O. Box 16, Inglewood, W.A. 6052, and the balance to Box 1052J, G.P.O., Melbourne 3001.

THE BASIC CAUSE OF POLLUTION AND BUILT-IN OBSOLESCENCE

The following Paper was presented by Mr. Phillip Butler of The Canadian League of Rights, at the Douglas Centenary Seminar in Melbourne, Australia, on Saturday, September 22, 1979:

The growing interest by young people in Social Credit as a result of their concern about the disastrous impact of a misdirected economy, prompts us to publish the following Paper given by the young Assistant National Director of The Canadian League of Rights, delivered at the Douglas Centenary Seminar in Melbourne, Australia, on Saturday, September 22, 1979.

Clifford Hugh Douglas stated in "The Tragedy of Human Effort", "I suppose that there can be few amongst us who think about the world in which we live, and, perhaps, fewer amongst the more obvious victims of it, who would not agree that its condition is serious and shows every sign of becoming worse".

That statement was made on October 30, 1936 at the Central Hall, Liverpool. It certainly has become worse and I have no doubt will get worse still. Douglas went on further to say, "Many must have asked themselves why the ability of scientists, organisers or educationalists, brilliant and laudable in essence, seems to lead us from one catastrophe to another, until it would appear that knowledge, invention, and progress, so far from being our salvation, have doomed the world to almost inevitable destruction".

Taking this as a background from the genius Douglas, let us now look at man's slide from a great high of development to the point where today because of a faulty accounting system, man is destroying his environment at a rapid rate.

A HISTORY

If one looks back to the 1400's, one notes that the labourer was able to maintain a rather high standard of living — even when compared with our society today. This was with only around 50 days of work a year. Just think of it — only 50 days work per year to be able to obtain at that time the requirements of life, and to have a rather high standard of living!

It does make one wonder when we see people today having to work eight hours a day, five days a week, and in the case of a family man we even find that the wife is forced into the work force to try to make ends meet. You would think that being the case then our standard of living must be slipping and also our society was on the decline — and that I do believe is the case because there is little doubt that the individual does not need to toil the way he does today. Or at least putting in time on the job to obtain enough purchasing power to get the bare necessities of life -- let alone those goods and services which are termed as "luxuries".

In many cases this labour is quite unnecessary - - in fact not only is it unnecessary — but it is downright destructive, destroying resources and also destroying the soul of the individual.

Today we have machines, which can lift the burden of physical labour and in fact free the individual to be able to develop himself in whichever way he may wish. This is the result of the fact that each generation has

passed down an inheritance of knowledge which has been applied to new discoveries as man has applied the basic principles of association.

It was because the individual back in the 1400's was able to obtain the necessities of life by such little toil, that we can see that they were able to go about developing their creative skills - - which is the civilizing aspect of society — because it was out of this era came the building of the great cathedrals of Britain and Europe and also much of the great art and music which people still admire today.

The ability to develop this technology to the degree where in some cases machines do all the work - - has come to us free of charge. It is our inheritance. But, we have those people who believe that nothing in life should be "free". They believe that man must do everything the hard way and that the individual in some way must pay for it. As Australian Prime Minister Fraser says. "Life was not meant to be easy"!

You could in fact say that Mr. Fraser and his ilk, and even well meaning people, believe in what that brilliant young Canadian Social Creditor, Robert Klinck, calls, "The Principle of Earned Merit Only".

Mr. Klinck points out a Truth, which many people have overlooked in their struggle to come to grips with this reality. He points out that large numbers of the victims of this point of view - - the Principle of Earned Merit Only -- are playing right into the hands of those people, the political and financial centralisers, who are trying to destroy our potential for real freedom.

Therefore, with this type of philosophy being promoted, is it any wonder that we have the attitudes and problems we have today in the field of production?

PRODUCTION & CONSERVATION

Douglas inspired many people to look at this question of conservation and in particular the question of soil husbandry - - organic farming - - or basically a better understanding of God's Laws or Natural Laws, governing the use of the soil. One such person of note is amongst us today. Dr. Geoffrey Dobbs, who has made major contributions in this field over the years.

Dr. Dobbs makes all these people today who rush around concerned about pollution and the environment, look like Johnnies Come Late. This whole question has been dealt with for many years by Social Crediters. But, realizing today that we have a problem, many people today then look at the problem without really recognizing what is causing it. They then prescribe solutions which

are in fact what the centralisers want. More centralized control over the production sector of our society. They are responsible for bringing in restrictive legislation.

We have all seen what is happening to farming these days where in many cases the farmer is prising as much as possible out of the soil and not putting anything back. It is not because the farmer does not believe in conservation — farmers are probably the greatest conservationists one can find — but because he has a financial problem. Farmers are not getting the financial returns they require to practise sound conservation policies.

In many places around the world farmers no longer farm the land — they mine it. They throw tons of artificial fertilizer on and then rip as much as possible out of the soil year after year. One project, which has really impressed me while in Australia, of just what can be done if one does come to understand Natural Law in farming, is the project of the Nixon brothers in Katannie, Western Australia. It is most impressive to see their property - like an oasis in a desert — and all because they realize that if you treat the soil properly, it will respond accordingly.

Because farmers are so under-capitalized and lack adequate financial returns, they are then ideal converts to ideas put forward by the centralizes for short-term solutions. One of the schemes attracting many Australians is the Saskatchewan Land Bank Scheme. A programme brought in by the socialist New Democratic Party Government of that Canadian Province.

The programme sounds great because it means that farmers can sell their land to the Land Bank (the Government) and therefore have the capital to plough back into their properties. But, who is going to do this when he is not building up any equity in the property. Again the land will be abused and finally the Government will have control of the land base of the country. So instead of forcibly taking control of the land base as in Soviet Russia, they are using this carrot to take control.

We also find in the area of secondary industry that there is a high rate of pollution. Again, this problem can be traced back to financial problems. Because of this problem we then have to have Ministers of the Environment - - meaning another layer of government bureaucracy and a further tax burden to the taxpayer.

Now we get to another area where we try to keep the production system and then the financial system operating - - that - being to find huge export markets around the world, even if it means trading with our sworn enemies. Dr. Antony Sutton has shown us in his various works just how much we are sending to the Communist world to keep our system operating.

PLANNED OBSOLESCENCE

We now come to the most destructive area of all.

We find engineers deliberately building equipment, which will soon wear out so that you either have to buy parts, or even a new machine.

It has been spelled out clearly in Vance Packard's classic, "The Waste Makers", in which he states, "The phrase

'planned obsolescence' has different meanings to different people. Thus many people are not necessarily defending the deliberately shoddy construction when they utter strong defences of obsolescence in business." Mr. Packard then went on to say that "The Management Review" of the American Management Association reprinted an article with the headline: "Obsolescence Can Spell Progress". This article referred to the kind of obsolescence that is "a healthy dissatisfaction with doing things less well than they can be done".

"A somewhat different meaning apparently was involved when 'Retailing Daily' printed the assertion that 'it is not only our privilege to obsolete the minimum home and home furnishings. **It is our obligation.** We are obligated to work on obsolescence as **our contribution to a healthy, growing society.**'"

Quite an admission that this in fact is going on — of course many of us realize this is the case when we acquire a car or a washing machine. But, it again means that in many cases we are consuming unnecessarily at an ever-increasing rate non-renewable resources.

And because of this planned obsolescence we then have another great government bureaucracy developed called the Department of Consumer Affairs, which is supposed to protect the public from this type of policy. But, governments do not challenge that policy because it would mean that the whole production and financial system would come to a shuddering halt.

NEW TECHNOLOGY

Coming back to the central theme of what we are discussing, that systems should serve the individual instead of being used to control him we find that one of the most morale-sapping policies is opposition to the installation of labour-saving machines, or of forcing the employer to retain people on the payroll even if this means doing nothing.

A classic example of this has been provided in Chicago where one of the major newspapers, in an attempt to preserve industrial peace, retained employees displaced by the latest computer-type setting equipment. These employees turned up to work every day and still set type in the old way — but they re-set the previous day's news! It would not be used, but they were putting in time and receiving wages. These men would have been able to self-employ themselves constructively if they had been paid the wages received for wasting time. But the present finance-economic system does not permit this.

I feel that perhaps I can best conclude this Paper by quoting the words of Dr. Bryan Monahan, Chairman of The Social Credit Secretariat, read as a message from Mrs. Wanda Teakle of Queensland at the "New Times" Dinner:

"...We have to get away from the idea that the well being of the human Spirit is measured by the annual production of pig-iron: we have to appreciate that a large part of production in general represents pure waste, and is sheer madness, the politics of destruction. We have built our house, now let us adorn it with

works of art, furnish it with craftsman's care, surround it with beautiful gardens, and live in it graciously and abundantly. Let us conform to the meaning we ourselves put into our lives. The destiny of man requires the uttermost freedom, and a final, awful, personal responsibility. Life is initiative: the rest in entropy".

Since the world in which we live began, millions of remarkable persons have added their own fragments to total human knowledge. They have drawn ajar the door of the kingdom of ease and plenty, whose splendour can be dimly glimpsed through the widening crack.

Motivated by inspired curiosity to discover what is possible, or merely to attempt to find easier ways of doing difficult jobs, they left the world richer by their efforts. Cultural heights, beyond picking wild fruit and crouching in handy caves and hollow logs, are hard to conceive without the help of their observations and experiments. The body of these personal contributions to our knowledge of the rules governing cause and effect, and the mechanisms, which flow from them, we carry with us down the centuries. Most of our benefactors are unknown. Those who uncovered the secrets of the use of wheel or lever, or originated metal smelting, bread and wine making, and a myriad other processes, are lost in antiquity.

Yet all major inventions merely build on knowledge of principles, processes and designs, which flow with us from the past. From our cultural storehouse we draw those elements, which appear useful to our purpose and erect a design, which makes real some inner thought. The resulting structure is then submitted to the higher authority of reality for testing. According to how it complies with this reality, it will work or fail.

The web of laws, which govern the universe, cannot be ignored. Unlike traffic laws, they are not arbitrary. They operate inflexibly, regardless of class or colour, on saint or sinner: they cannot be changed. Scientists formulate rules, which enable them to predict to a high degree of certainty the results, which flow from the association of known things in the same circumstances. Water does not sometimes boil when the kettle is placed out in the snow. It boils at a recognised temperature, under the same conditions, every time. No act of parliament can change this: it is outside the jurisdiction of Caesar. When an engineer designs an engine, which uses water, he must bow before this reality, or fail. The reality within the nature of the universe is Truth. It speaks in the language of action, which is cause and effect: ask any question in action, and the answer will be spoken in the same language. A murderer and a saintly man both fall at 32 feet/second (squared) — less wind resistance, and hit the bottom of the fall with similar results. Petrol does not burn one day, and under the same conditions refuses to burn the next. Gravity does not behave unpredictably.

This predictability is the basis of all science and all responsible action. Without the certainty of natural laws, organised and responsible action would be impossible.

This network of stable law extends through all levels of experience. If this were not so in the organisational and moral fields, as in the physical, chaos would prevail and no course of action could ever be judged by its fruits. We would all have to be leapers into the unknown, hoping that our actions were in accordance with Truth. In the storehouse of our cultural heritage there is also a mass of objective material relating to these higher levels of reality.

A UNIQUE INDIVIDUAL

Crowning this treasure-box of information are the four short records of the life, in an area of the Middle East, of a unique Individual from Whose existence we date our Christian calendar. Known as the Gospels; or "good news", these writings are attributed to four observers of this period of history: their names, Matthew, Mark, Luke, and John. They set down for our use accounts of the sayings and doings of Jesus of Nazareth gathered from eye-witnesses of these events, together with inspired comments on their meaning and significance. Except for minor differences in this latter area, which lie outside the area of normal direct observation, the four reports are remarkable in their consistency and agreement.

A classic example of this has been provided in Chicago where one of the major newspapers, in an attempt to preserve industrial peace, retained employees displaced by the latest computer type setting equipment. These employees turned up to work every day and still set type in the old way — but they were putting in time and receiving wages. These men would have been able to self employ themselves constructively if they had been paid the wages received for wasting time. But the present finance economic system does not permit this.

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". . . We have to get away from the idea that the well-being of the human Spirit is measured by the annual production of pig-iron: we have to appreciate that a large part of production in general represents pure waste, and is sheer madness, the politics of destruction. We have built our house, now let us adorn it with works of art, furnish it with craftsman's care, surround it with beautiful gardens, and live in it graciously and abundantly. Let us learn to be artists, making the raw materials of our lives conform to the meaning we ourselves put into our lives. The destiny of man requires the, uttermost freedom, and a final, awful, personal responsibility. Life is initiative: the rest is entropy".

NATURAL COST AND THE OWNERSHIP OF MONEY by J. D. Malan.

Described by many as the most simple outline of how present financial rules do not reflect true economic facts, and are consequently causing inflation. Price 75 cents.

Under Which King?

There is no single aspect of political economy, which deserves more attention, and receives less, than the nature of an order. Like so many other matters of importance and subtlety, most people understand so little of the subject that they are practically unaware that it presents any problem; still less, a problem on which the whole structure of society depends. The immense success of mediaeval civilisation (and its ultimate failure) can be seen to be linked with one conception of an order and the sanctions which sustained it; the different, but notable, achievements of the nineteenth century, and the chaos which has succeeded that short-lived adventure, are plainly the outcome of another. The problem is often stated by the use of the word "sovereignty"; and we have an indication of that identity in the title of the gold coin which ruled the nineteenth century, the English sovereign, as well as in the declared intention to remove national sovereignty to an international centre.

The essence of Mediaevalism (often, it may be noted, referred to as the Mediaeval Order) was the existence of the Church as a sanction, as an organisation for making effective certain checks and balances upon the use of physical force to carry an order from its utterance to its execution. The Church claimed to be, and was to quite a considerable extent, a living body of Superior Law, not different in intention but far higher in conception, to the Constitution of the United States. And it is important to notice that the breakdown of nineteenth century English prosperity can be seen in retrospect to be contemporaneous with the decadence in social prestige of the village parson.

Now the nature of the problem presented to political economy, as distinct from ideology, by an order, is simply this: Either Brown gives orders on his own behalf, or Mr. Pink-Geranium gives them for him. That someone has to give orders on Brown's behalf is not in dispute. And the decision between these two courses is *ultimately* dependent on which source of authority succeeds in making results most accurately and rapidly eventuate from orders, in reasonable identity between specification and product. And the problem is complicated for Mr. Pink-Geranium by the fact that he has no one but Mr. Brown to whom to give orders, and Mr. Brown is convinced that it is more blessed to give than to receive.

There was a period, say between 1850 and 1914, in which the *economic* aspect of this problem was in a fair way to solution. The gold sovereign was a complete order system.

Mr. Brown had only to tender his yellow warrant of sovereignty and he got what he wanted. He set in motion the most marvellous train of self-acting psychological sanctions. Factories sprang to life, trains ran, and ships sailed, all concerned not merely to do his will, but to do it better than anyone else. It is quite irrelevant to this particular argument that a large and increasing number of Mr. Browns had no sovereigns; it is a fact of history that the man who had one always wanted two, and in consequence, if every Mr. Brown had possessed a sovereign it would still have been effective. It is perhaps unnecessary to observe that the virtue of the gold sovereign lay not in its material but in its sanctions.

Now the *political* equivalent of the gold sovereign is the vote, and the merest glance at our life and times is sufficient to establish the conclusion that it fails to work. There is nothing in the possession of a vote, which remotely approximates to the power of choice and the certainty of delivery enjoyed by Mr. Brown with his golden sovereign in the latter days of the nineteenth century. No one outside the walls

of a mental hospital would contend that the individual voter gets what he votes for, or voted for what he is getting. So obvious is this that the greatest difficulty is experienced in getting people to vote at all. The vote costs nothing; and it is worth precisely what it costs. If it cost ten shillings to vote, how many votes would be registered?

But the matter does not end there. While the political vote is valueless to the individual, it enables the Satanic Powers to claim a mandate which it in fact does not confer, and which it is powerless to enforce. The situation is so satisfactory that the ballot-box is a cardinal provision of the World State, and it is clear for any ordinarily intelligent person to see that it is the intention—and in "Britain" the rapidly developing fact—that the economic vote will be destroyed in its nineteenth century effectiveness, and substituted by the political vote as exercised in Russia.

It is urgently necessary to realise these matters because they dominate our future. British Governments now hold office by a trick; no British Government has any genuine mandate. Our whole political system is not merely irrational; it is a fraud and usurpation. We have allowed the vicious nonsense which derided the values established by a thousand years of unique political experience to destroy in our name every safeguard against tyranny provided by historic continuity in the Three Estates, and we welcome the people who spawn this nonsense when they desert the Europe they have wrecked. Nothing can save us but a drastic de-hypnotisation. It is coming; but it may kill us.

—C. H. DOUGLAS.

1945

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273 Little Collins Street, Melbourne 3000

THE NEW TIMES—FEBRUARY 1981