

# THE NEW TIMES

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

Vol. 46, No. 9

SEPTEMBER 1981

## UNDERGROUND MILLIONAIRES OR THE SOVIET UNION

by Ivor Benson

**In the following article, the distinguished South African journalist and writer examines an incredible story to come out of the Soviet Union, and asks if it is further evidence that the whole world is being prepared for a further move towards a convergence of the Communist and non-Communist world in an attempt to create a New World Order.**

The Soviet Union has given up another of its biggest and best-kept secrets-the great socialist republic, dictatorship of the proletariat, is swarming with millionaire capitalists, every one of them a Soviet citizen, and many in the same league as the super-rich of the capitalist west!

It is not strange, and most significant, that this fact should have passed unnoticed by the Western media and Western historians for more than 60 years, a fact of major importance that did not qualify for as much as a mention in *Time* magazine's most exhaustive 45-page presentation "Inside the U.S.S.R." in its issue of June 23, 1980!

Strange and significant, yes, but not altogether surprising when it is remembered that Western journalists and academics haven't yet even got around to admitting that the Western super-rich with their banks and multi-national companies have likewise been swarming all over the vast country ever since the Bolshevik Revolution promoting another kind of economic colonialism. \*

The story of "Russia's Underground Millionaires" was told in the June 29 issue of *Fortune* magazine, the plush and expensive sister journal of *Time*, by no less an authority than a former international law expert in the Soviet Ministry of Justice, one Konstantin Simis, now resident in the United States.

There is no reason to doubt the accuracy of the facts supplied, but good reason to examine closely and critically the meaning which Simis and the *Fortune* editors give to these astonishing facts which have emerged so suddenly and without warning from what is certainly the biggest area of secrecy and disinformation (i.e. lying) in the history of mankind.

### "A RIDDLE .....

We have been permitted to peep into what Winston Churchill once described as "a riddle, wrapped in a mystery inside an enigma" - but not for our final disillusionment, we may be sure.

"How to Succeed in Business Where Business is a Crime", says *Fortune's* supplementary headline.

First of all, then, let us take a look at the "business" which has won such rich rewards while practised under-

ground in the world's most efficiently and most rigorously conducted police state, whose citizens are said to live in constant dread of the KGB and its vast army of informers.

Writes Simis: "Everyone knows that the Soviet state is the monopoly owner of all means of production and that private enterprise is a crime. But the remarkable reality is that in the Soviet Union a great many private enterprises operate-at great profit. Indeed, a network of privately controlled factories spreads across the whole country and these factories manufacture goods worth hundreds of millions - perhaps even billions - of rubles (A ruble is currently worth \$1.40...)"

Private enterprise, he goes on, cannot for obvious reasons handle items like motorcars and machinery, but must concentrate on items of the kind that most people want and can afford to buy, like clothing, shoes, artificial-leather goods, sunglasses, costume jewellery, recordings of Western popular music, etc.

But how do they manage to do that in a country where every citizen is encouraged to spy on his neighbour?

Part of the answer: "A private enterprise will co-exist under the same name and the same roof, with a state factory; it could not exist without this cover. In this symbiotic relationship the state factory manufactures goods as called for by the state plan. These goods appear on the factories books and are distributed through commercial channels for sale. But alongside these official goods the same factory is manufacturing goods not registered in any documents." Goods of the first kind are called "registered for" and the others, in the jargon of the underground are described as "left hand".

Simis tells us that not only are there "tens of thousands" of such factories all over the Soviet Union, most of them concentrated in the great towns and cities like Moscow, Odessa, Tiflis, Riga and Tashkent, but there exists also a vast distribution network handling a "left hand" trade worth possibly billions of dollars a year.

One "company" is mentioned, part of the "Glazenberg empire" which owned so many factories that it was forced to set up its own marketing group which proceeded to organise outlets of its own in 64 towns and regions - in addi-

tion to all the outlets provided by the state.

And who are these daring and energetic businessmen who appear to have fashioned for themselves cloaks of invisibility?

### **JEWISH BUSINESSMEN**

Writes Simis: "For historical reasons, the underground business milieu in the large cities of Russia, the Ukraine and the Baltic republics has been predominantly Jewish. While my clients included Georgians, Armenians and members of other groups, the great majority were Jewish - like myself".

What "historical reasons"? Simis says that the Russian Jews, after having been discriminated against by the Czarist regime, were "liberated" by the Bolshevik Revolution, thereafter throwing themselves eagerly into spheres of life previously closed to them, like science, the arts, literature, etc. He tells us that during and after World War II, Stalin turned against the Jews, many of who were then forced to find outlets for their energies in "underground business."

Elsewhere in his article, however, he tells us about one Isaac Back who in the mid 1930s set about creating a family company which by 1940 (when Stalin was at the peak of his power) owned "at least a dozen factories manufacturing underwear, souvenirs and notions, operating at the same time a network of stores in all the republics of the Soviet Union".

Some of these Jewish entrepreneurs, including Back and one of the three Glazenberg brothers were prosecuted and imprisoned, but evidently not enough of them to discourage the rest. It was decided to "sacrifice" young Lazar Glazenberg, says Simis, whose job it was to defend them in court, "at least partly because of his playboy life-style as reflected in his two dozen suits and the wardrobe of his wife..."

It is significant, surely, that although private enterprise carried on in secret must be regarded as the most dangerous and destructive form of sabotage, being the exact antithesis of Marxist socialism, there is no mention of this class of big-fish offender among the hundreds of individual cases discussed by Alexander Solzhenitsyn in the three volumes of his Gulag Archipelago; indeed, Jewish prisoners are rarely mentioned by Solzhenitsyn, whereas, judging by their names, there was no scarcity of Jews among the slave camp bosses —Aron Solts, Jakov Rappaport, Matvei Berman, Lazar Kogan and, most notorious of all, Naftaly Frenkel who appears to have master-minded the whole technique of slave labour. Nor have big businessmen figured at all prominently in the great show trials, which the Western media were permitted to report and dramatise.

Next question: Why should this kind of activity with its almost fabulous rewards, plus attendant dangers, be confined almost exclusively to Jewish citizens of the Soviet Union?

### **DOLLARS FOR ISRAEL**

Simis gives us what is obviously an important part of the answer: "The sense of national identity among Jewish underground businessmen is strong - much stronger than that of the Soviet Jewish intelligentsia. There may not be

many among them who understand what Zionism is all about - even fewer who are prepared to relinquish their fortunes and emigrate to Israel - yet I never met a single one who was indifferent to the fate of that country and who did not feel a blood relationship with it. It came as no surprise to me that during the Six-day War the underground businessmen in many cities donated large sums in dollars - not rubles but dollars - to Israel"

These underground business tycoons would have been much assisted, we may be sure, by another circumstance revealed by Simis: "Nevertheless many Jewish underground businessmen of all ages eagerly join the Communist party for desperately practical motives: to enhance their social prestige and gain some shield - beyond bribery - to keep them from being prosecuted by the DCMSP".

Here he seems to have forgotten what he told us a few paragraphs back - that Jews were forced into underground business by discrimination that excluded them from the party and state hierarchy.

Simis explains how the wheels of the "left hand" industry are copiously oiled with bribes. The blue-collar factory workers are bribed with additional tax-free incomes to work for the private operator and keep their mouths shut, as are also the clerical personnel and foremen; bigger bribes are paid to officials whose duty it is to establish quantity and quality norms for goods manufactured for the state, giving the private operator his main supplies of raw materials in the form of surpluses which don't have to be recorded; and the biggest bribes of all are those paid to officials of the DCPSP, which is an arm of the KGB whose precise task it is to "combat the misappropriation of Soviet property".

### **TO WHAT END?**

It would appear that the underground businessmen who are caught and punished are those whose operations have become too glaringly obvious, like one Golidze who "owned two magnificent houses, luxuriously furnished with antiques bought from dealers in Moscow and Leningrad" and who "entertained officials with banquets which would go on for hours..."

Most Soviet tycoons try not to be too ostentatious as they stash away most of their wealth in foreign currencies,

## **Ivor Benson's Australian Tour**

Following his appearance at the Sydney Regional Dinner of The League of Rights on Monday, September 21, Mr. Ivor Benson, accompanied by Mr. Jeremy Lee, will conduct a lecturing tour through Southern Queensland and N.S.W. before attending the "New Times" Dinner in Melbourne on Friday, October 2 and participating in the Annual National Seminar of The Australian League of Rights on Saturday, October 3. This will be followed by a short Victorian and South Australian tour. Mr. Benson will spend approximately a week in Western Australia on his way back to South Africa. Full details will be made available as soon as they are finalised.

precious stones, metals and gold coins. Simis tells us that during the 1960s and 1970s the salon of one Elizabeth Mirkien enjoyed great popularity in Moscow, for here middle-aged businessmen could enjoy excellent meals, plus the euphoria of *feeling rich* as they risked the loss of huge stakes at cards and roulette.

"But all to what end?" asks Simis rhetorically. "Dealers in precious stones in Moscow, Tashkent, Riga and other cities continue to operate diligently to this day, filling the caches of underground millionaires with their wares. These caches amount to vast treasures, probably worth more than all the pirate booty in Caribbean waters. And yet - what about their owners? What are they waiting for? A fabulous future time when they will be able to unearth their riches and regally use them? Or the downfall of the Soviet regime?"

So what does it all mean? Simis himself doesn't seem to know, for he ends his article and, presumably, also the book he has been writing, with unanswered questions.

If we are to have any hope of getting at the real and final meaning of the Simis story, experience should have taught us that we are here exerting our investigative skills in an area of maximum falsification and concealment in which devices of deception are used which are the product of centuries, even millennia of practice and accumulated experience.

Winston Churchill was certainly not exaggerating when he described the Soviet Union as "a riddle, wrapped in a mystery inside an enigma"

#### "AN INSPIRED GUESS"

In these circumstances, the truth, if it is to be found is more likely to be the product of what, for want of any better description, we call insight, or, as some would say, "an inspired guess", than the product of a detailed and laborious study and juxtaposition of all the available facts — which, in any case, are always in short supply. Therefore we should know in advance that the truth we are seeking is not something that can ever be "proved" with evidence and argument; it is "truth" of a kind which only unfolding history can prove or refute.

For example, no one was ever able to "prove" Oswald Spengler's axiom that "there is no proletarian movement, not even a Communist one, which does not operate in the interest of money..." and yet it is one that continues to offer the clearest, most coherent and most consistent explanation of much that has happened in the world since those words were written more than 60 years ago. Likewise, Douglas Reed's dictum that "similar men, with a common aim, secretly rule in both camps"- the capitalist West and the Soviet Union.

Insights of this kind are not pure guesswork, but can be described metaphorically as the product of some higher computing process of the mind in which the enquirer, having absorbed as many as possible of the available hard facts, is able to "tune in" emotionally to the motivational systems involved - rather like having electronic bugging devices planted inside the minds of those men whose policies and actions are being studied. The infinitely wise Chinese call this *jen ai*, putting yourself in the place of the other person, the secret of all skill in human relations, whether these are friendly or hostile.

Now then, let us place ourselves in the position of Konstantin Simis and of his former Kremlin bosses and see what turns up. We are told in a biographical piece in *Fortune* that from 1953 Simis acted as defence lawyer for dozens of prominent underground businessmen, giving up his practice in 1971 to join the Ministry of Justice as an international law expert. In 1976 the KGB raided his apartment and seized the manuscript of a book on Soviet corruption, the first draft of which was already in the hands of an American publisher. Then Simis and his wife Dina, who was also a lawyer, were told that unless they left the Soviet Union they would be sent to a hard labour camp. Simis could hardly be expected to regard this as severe punishment for so grave an offence, for he was able to join his son who was already established at Johns Hopkins University as director of a Soviet studies programme, thus acquiring a vastly improved launching pad for his literary assault on the Soviet regime.

All this does not make good sense in terms of the ostensible motives and expected natural reactions of those involved - whereas, the expulsion of Solzhenitsyn is precisely what could have been expected by those able to share with the Soviet bosses the awful dilemma of what to do with a man who had become the glowing symbol of an awakened and aroused young Russian intelligentsia.

#### A BIG CHANGE COMING?

In our interpretation, what we are seeing today are the first signs of dramatic change in the picture of the Soviet Union as presented by the Western media and contemporary historians. In other words, the whole story of what has happened since the Bolshevik Revolution is going to have to be retold in a revised form.

Chapman Pincher in his book *Their Trade is Treachery* tells us that KGB agents like Kim Philby, Guy Burgess and others had been taught that when being investigated they must keep their interrogators talking for the purpose of fin-

## Have You Booked For "New Times" Dinner?

Every "New Times" Dinner is historic. With Mr. Ivor Benson, one of the world's greatest journalists, writers and commentators present as the principal guest of honour, and with the Dinner on Friday, October 2, coinciding with Prime Minister Fraser's explosive Commonwealth Conference, the stage is set for an event which those attending will long remember. All bookings must be accompanied with a donation of \$12. Receipts not issued unless requested. Those attending may indicate with whom they would like to sit. Fish and vegetarian meals for those requiring them. The Dinner is at The Victoria, Lt. Collins Street and guests may arrive for pre-dinner refreshments from 6 p.m. onwards, but should be no later than 6.50 p.m. in order to be seated for Dinner at 7 p.m.

All bookings to G.P.O. Box 1052J, Melbourne.  
Phone 63 9749.

ding out how much these interrogators already know for certain, so that their own story can be tailored to fit in with facts that cannot be disputed. Moreover, finding out what is already known, the person being investigated is warned in time to change his original story as he goes along.

The story which the people of the West have been getting since before the Bolshevik Revolution is now going to be adjusted to accommodate and absorb information, which has been seeping through and which could quite soon be common property. For the future edification of a deliberately stupefied public opinion in the West, there are to be, as it were, "guided tours" through what were hitherto "no-go" areas in the realm of news reporting, public debate and contemporary history writing. A start must be made in preparing the public for changes inside the Soviet Union and in East-West relations, which are pending, or, at any rate, intended. These changes could be of a magnitude, and every bit as traumatic as, the changes inside the Moscow-Berlin pact of 1939 or the process of de-Stalinisation after World War II.

### A CONVERGENCE

Implied in the policies and actions of the leading Western powers, the U.S.A. in particular, is the assumption that all are working towards the "ideal" of some sort of convergence of the two worlds, an "ideal" that does not, however,

exclude the possibility of a third world war. Meanwhile, it is becoming increasingly obvious that economic socialism of the kind implemented in the Soviet Union by Lenin and his successors cannot ever be made to work. It is, therefore, highly significant that in the Soviet Union, as Simis shows, there has come into existence a vast network of super-rich capitalists, matching in so many ways the super-rich capitalists of the West, ready to take over when the present system of totalitarian state capitalism finally collapses, as collapse it must, sooner or later. How else? And who better entitled to take over than "heroes" of the underground, anti-Communist, counter-revolutionary struggle, freedom, every one of them "freedom fighters" in the new dispensation?

\*Vodka-Cola, Charles Levinson's massive "expose" of the involvement of Western banks and multi-national companies in the expanding Soviet economy, and the publicity given to this book in a BBC television documentary earlier this year, must be seen as part of the same historical phenomena as the Simis report. What is not generally known is that Levinson is a key figure in the international trade union movement, with headquarters in Paris. In this way the one-Worlders aim to retain control of the minds of the trade union masses by themselves undertaking to reveal much of the truth that can no longer be concealed. This is done with an exhaustively documented, highly plausible story carefully tailored to prevent the workers from finding out that they are themselves just as much under the control of the super-capitalists as the banks and companies operating in the U.S.S.R.

## THE RIGHT TO SUNSHINE

Contrary to the widely held myth that labour produces all wealth, the truth is that without air, sunshine and water, life could not exist. As yet these three most valuable assets are given no monetary value; they are completely free. And moves in Sydney, Australia, highlight the fact that it is generally agreed that the individual should have access as a right to sunshine. Increasing numbers of people are installing solar heating systems, "plugging in" to an unlimited source of energy. But it has been pointed out that, for example, much high-rise building interferes with access to sunshine. Mr. Duncan Hartshorne of the Total Environment Centre argues that solar access laws should be considered as a basic right as entrenched as the right to private property, clean air and water.

We would extend this argument and claim that every individual also has the basic right of free access to a cultural inheritance built up by his forbears over generations. It is this inheritance, which is the reason why there is a potential abundance of all the basic requirements for civilised living. If it is to be deemed unlawful for one individual to build in such a manner that he deprives his neighbour of sunshine, then it must be even more unlawful for those manipulating present financial policies to deny individuals ready access to their cultural heritage, which should be just as free as sunshine.

The logical extension of the current philosophy, which stresses that the individual should not be permitted to obtain anything free, is that those using sunshine for heating and other purposes, should be required to install meters to

measure the amount of sunshine, and that a monetary charge be made. And why should farmers not be asked to make a financial contribution for the rain, which falls on their properties? Rain gauges could be installed. Perhaps a new government department could be established for rain and sunshine, helping to maintain the policy of "full employment" by employing an army of officials to read the meters and gauges and to collect financial payment!

If it is "immoral" for the individual to eat and live without working as it is generally understood, then are all children immoral? They may be required to perform some household chores as part of their education, but they are regarded primarily as consumers with a natural right to life. Much of their time is spent in playing. There was a time when parents felt badly if their daughters had to go out to work to help the family. It is proper that the young should at a suitable age start to make their contribution in a production system, which is being increasingly improved, with the incentive that with greater improvements it becomes physically possible for them to retire earlier.

The growing plea for a shorter-working week, primarily to minimise unemployment by "dividing the work", should be replaced with an insistence on a shorter working life. The question of "where would the money come from" to finance individuals, who are only consumers, can be answered by asking why is there no financial charge for rain, air and sunshine. Money is a man-made system of symbols. The symbols should ensure that the individual gains access to that which his by right.

# ON THE TARGET

## ON THE TARGET

The anti-South African campaign being conducted by Prime Minister Fraser must be delighting the Soviet strategists. Mr. Fraser has now joined in the campaign, which claims that South Africa is preventing the granting of self-determination to South-West Africa (Namibia). The different racial groups inside Namibia have already agreed. But the Soviet, through the U.N., insists that its protégé, the South West African People's Organisation (SWAPO), based in Communist Angola, must be involved in an internationally acceptable government. Prime Minister Fraser endorses this view. Namibia looks like being a re-run of the Rhodesian tragedy, when the Communists and their agents refused to accept the agreement between the blacks and the whites and the election of the Muzerewa Government. Does Prime Minister Fraser understand what he is doing, or is he a "useful idiot" being manipulated by his Foreign Affairs bureaucrats?

Confronted with the indisputable fact that percentage wise, the overwhelming majority of convicted criminals in the United States are black, the egalitarians and others attempt to fall back on the defence that the blacks are driven to crime because they are "discriminated against". But if, as appears certain, Wayne Williams, is found guilty of one of the 28 murders of young Atlantic blacks in Atlanta, there will certainly be a major backlash in the United States against the liberalism, which has attempted to ignore realities. Williams is not only black, but came from a relatively well-to-do family, and lived in one of Atlanta's better-class areas. His parents were schoolteachers.

\* \* \* \*

The permission by the Fraser Government for a major amalgamation of Australian trading banks is a further striking evidence of the centralist philosophy of a government, which keeps on talking about the "new Federalism." As every junior student of economics knows, there is not one good reason for the trading bank amalgamations to take place. Banks create financial credit; they do the nation's bookkeeping. And their profits for doing a relatively simple task are astronomical. It is much easier to create credit than to manufacture, for example, steel. If the Government permits monopoly developments in the banking world it can hardly object to similar developments in the trade unions. Every move towards a further centralisation of power takes a society closer towards Marxism, irrespective of what it is called.

\* \* \* \*

The media generally has made every endeavour to minimise the racial aspects of the riots sweeping Britain. It is true that some white youths have been involved, but there is strong evidence that they are representing Marxist groups determined to exploit a situation visualised a long time ago by Karl Marx, who said that the English would never make their own revolution, that foreigners would have to make it for them. All mobs are evil and destructive, but when skilled agitators start manipulating blacks, all hell literally breaks loose. Genuine social stability is only possible in homogeneous societies, whether they be black, white or yellow.

\* \* \* \*

The re-election of the Begin government in Israel can only ensure that Middle East tensions are maintained. The old

terrorist leader has demonstrated that he is prepared to continue a policy of external expansion irrespective of what the rest of the world thinks. And he is supported by religious groups who believe that Israel has a sacred mission to maintain and expand its occupation of the West Bank of the Jordan. This policy completely precludes the possibility of establishing any type of a national home for the Palestinians. Without such a policy, there is no hope whatever of stability in the Middle East. The Soviet strategists must be delighted. While there has been a reduction in the number of Jews being permitted to leave the Soviet Union, Jews were the only being still being permitted to leave. But the Zionists are having the greatest difficulty in persuading Jews emigrating from the Soviet to stay in Israel. *The Australian Jewish News* of July 10 quotes Mr. Mark Goldfield of the Association of Jews from the Soviet Union in Melbourne as saying that a "more positive approach would be to educate Soviet Jews about Israel and to correct the image they had of Israel."

\* \* \* \*

While many would agree with the claim of RSL leaders that Mr. Al Grassby has become a national joke, the Commissioner for Race Relations is an extremely dangerous and expensive joke. Like a cracked record, every time there is a protest against Australia's present immigration policy, Mr. Grassby speaks about "extremist" groups, listing the Australian League of Rights with the Ku Klux Klan, which in reality has no existence in Australia. Mr. Grassby says he is going to "investigate" charges that the League of Rights has "infiltrated" the RSL. The absurdity of this statement is breath taking. Many

## Dinner Messages

"New Times" readers, wherever they live, are invited to send appropriate messages to the annual dinner on October 2. Messages will be read at the dinner and be published in the special dinner edition of the "New Times" Address messages to The Chairman, New Times Dinner, G.P.O. Box 1052J Melbourne, Australia. Cables may be sent to 63 9749.

supporters of the League of Rights are members of the RSL by virtue of the fact that they served their nation in time of war. Some were decorated for their services. It is Mr. Grassby who should be investigated, a task that Senator Rae's committee might well undertake. Mr. Grassby and his fellow bureaucrats are not only being sustained by the taxpayers to engage in parasitic activities, but are creating problems where none existed.

\* \* \* \*

The proposal to implement a 15 percent across-the-board cut in tariffs has nothing to do with any strategy for reducing prices inside Australia; it is part of Prime Minister Fraser's strategy to have the Commonwealth Conference in

Melbourne concentrate upon the New International Economic Order. Government officials are already working on proposals, which will enable Mr. Fraser to announce at the Melbourne Conference that his government is increasing its overseas aid programme by between 6 and 8 percent. This will be in line with the Brandt Commission Report, the essence of which is that the "developed" nations must be prepared to reduce their living standards to assist the "under-developed" nations. The World Council of Churches endorses this policy as a manifestation of Christian charity. Prime Minister Fraser says that such a policy is essential to halt Communism. The Communists endorse it because it is, in fact, a manifestation of International Socialism.

---

## THE ENEMY

By C.H. DOUGLAS

(Originally published in "The New English Weekly" in 1933)

**It is, I suppose, becoming clearer to any persistent propagandist of financial reform that the opposition to be overcome is not primarily intellectual, but is philosophical. Assuming agreement in respect of fact, it is not possible over any considerable period of time for anyone successfully to maintain a logical deduction from those facts, which differs materially from that of anyone else. Logic is not the peculiar prerogative of a specially favoured class, and the weight of popular agreement upon the side of technically accurate deduction is bound ultimately, if not immediately, to be decisive. Philosophy is another matter. De gustibus non est disputandum.**

The economic fact from which all technical argument of a constructive nature must proceed, is that the world has passed out of a condition of economic scarcity into one of economic abundance, a condition which, except by willful misuse, is not only permanent but cumulative. The struggle for existence, in the economic sense, has been finally decided by a decisive victory of humanity over its traditional enemy, Want.

But at this point we meet the argument, now scarcely veiled, that this victory is not a good thing that it is necessary not merely for humanity to struggle, but always to struggle unsuccessfully. The specific objective of the International Economic Conference was to equate, i.e., reduce, Production to the *Power* of consumption, the power of consumption, of course, being measured by present standards, and thus to undo so far as possible the results achieved by the progress of the industrial arts.

I am confident that there is only one method by which to dispose of this philosophical difficulty, and that is to bring it out into the open. If we are to regard the economic system, not as a means of providing ourselves with amenities with a minimum amount of trouble, but as a moral discipline intended to keep Satan from providing idle hands with mischief, we ought to know it. But we ought to know more than this. We ought to know what are the qualifications of those who set us our tasks, and who appointed them to this position, which appears to carry with it a considerable degree of immunity from the tasks which are set to those whose excellencies are practical rather than moral.

Since the methods by which the world has been kept at work up to the present time are obviously breaking down, it would be reasonable to assume that a body of opinion determined to

reconstruct the economic system without altering its philosophy, would be busy with alternative plans. It is clear that this is so. We have one such plan in Russia, where a five-year programme, which was to produce the Millennium, is now to be succeeded by another five-year plan, which will defer it. We have the persistent mis-statement of the present situation as a problem of unemployment instead of as a problem of leisure, and we have the ominous formation of a militant Fascist Army in Ireland, and the activities of Sir Oswald Mosley in this country, both apparently designed to supersede parliamentary methods by a coup d'etat in the unlikely event of a parliamentary majority being obtained which would be favourable to financial reconstruction of a nature calculated to distribute the available product.

There seems to be a common factor in all these alternative plans, which must be significant. Their protagonists, at all events, who represent them in the public imagination, however superficially dissimilar, appear to be united in the characteristic of having no noticeable experience or even ability in the actual process of increasing the tangible economic wealth of the world. Without denying to MM. Lenin, Stalin, Mussolini, Hitler, Montagu Norman and the other outstanding figures of the post-European War period, qualities which have no doubt conduced to their emergence as world-figures, it would be true to say that a more unpromising group of individuals to be wrecked upon a desert island, and there compelled to increase its amenities by their own efforts, it would be difficult to find. It would appear that the willingness to undertake to plan the intimate details of the lives of the persons who compose large nations, and ultimately to carry this process to world hegemony, seems to be in inverse proportion to the ability to manage the traditional coffee-stall.

This consideration has the greater significance when we consider not merely the theory of a planned state, and ultimately a planned world, but *the personnel*, which seems to go with the theory. We have in our own country a promising batch of World Planners largely between the ages of 21 and 30, conspicuously free from the limitations, which might be imposed by practical experience. Perhaps these need not be taken too seriously. Behind them, however, and not very dissimilar in philosophy, are the Planned Economists whose views are implemented by the Banking System.

There has, of course, been a centralised planning scheme in operation in this country ever since the War, with the Bank of England as its focus. For reasons sufficiently familiar, estate management in the hands of private owners has been practically superseded by that of Land Companies, for the most part concealing the identity of large insurance companies and banks that are the beneficial owners of their shares. Bearing in mind the advance in the industrial arts between the fifteenth century and the present time it is, I think, instructive to consider the results of Centralised Planning of the financial variety as compared with the results achieved in the Middle Ages in, say, the Cotswolds. There are still numbers of architects from all over the world who visit Broadway and its district in order to mould their ideas upon the cottages and small manor houses to be found in special excellence there, as in Cheshire and Shropshire, but I have yet to hear of any sustained pilgrimage to view the ribbon building schemes which deface practically every main road leading out of London.

Now it is pertinent to ask how it is that this pestilent separation of the desire to rule from the ability to create, has come about, and I believe that the quite simple answer is that the ability to create has provided sufficient mental, or, if you prefer it, spiritual satisfaction to its fortunate possessors, and the opportunities for the exercise of their talents have been so considerable in the material world that they have been too busy to worry about law-making. In effect, they have said, "Let me build the roads, the railways and the bridges of the country, and let who will make its laws." But it won't do.

Let me beg you to notice that I have not said that the only qualification for making the laws of the country is that you have made the roads of the country. Far from it. But I have affirmed that inability to make the roads or to run a business is not in itself a qualification for organising the activities of those who do carry on the processes, which make available the wealth of the world for general use. Lack of experience in organising one business does not in itself appear to be a well-grounded recommendation for the post of Chief Organiser of businesses collectively.

The matter may perhaps be put in this way. One of the earliest lessons learnt by the worker in concrete materials, the Builder, the Chemist, the Agriculturist, is that you cannot bluff a Natural Law, a natural law being something that makes the same thing happen in the same way when the conditions are the same. The learning of this lesson is conducive to the acceptance of fact as fact. Any attempt to treat a physical law as non-existent, results in failure to achieve the object desired.

No observer can fail to notice, however, that when we enter the realm of constructive politics any conception of fact and Law in the scientific sense disappears. The most that can be said for governmental institutions at their best, is that they may

be founded upon a crude empiricism probably satisfactory in a static society, but unsuitable to a changing age such as the present. The word politician has become almost synonymous with a term of contempt. I think we make no mistake in this matter. It does not seem possible that a system of regulating the affairs of nations by so misrepresenting facts as to obtain the acquiescence of the public to a course of action leading to an end they do not desire, can be satisfactory. Rightly or wrongly, the politician is suspected of being a person who can talk of "Chinese Slavery" in one place and "Unemployment Relief Works" in another, while meaning the same thing in either case.

Why does the idea persist that to be understood in matters of legislation is to be found out? Why must we continue to pursue, in matters of national moment, the techniques, which is admittedly ineffective in matters of smaller business? Why does, e.g., Sir Stafford Cripps, as gentle a Parlour Pirate as ever slit a cream bun, advocate the wholesale looting of the well-to-do, when he would, no doubt, faint at the suggestion that he should steal a teaspoon?

We are not seriously helped in obtaining an answer to these questions by saying that what this country needs is a little common honesty. It needs a great many things. Additional grey matter between the ears of some of its leading men would be a help. There is small doubt, however, that Great Britain and America are handicapped by a system of political thought which takes its immediate rise from Puritanism, although Puritanism, as well as what is commonly called "capitalism" which is an ally of Puritanism, can be traced much further back. Philosophically, one of the characteristics of Puritanism is the transcendence of God, as distinguished from the immanence of God. Arising directly out of this philosophy there has grown up a convention, to use the mildest description, that, to be respectable it is necessary to be "other-worldly." "Thy Kingdom come" is noble, but "Give us this day our daily bread" is vulgar, and "Let me get at the bread which is going to waste" is downright immoral.

Possibly you may have seen a Clydesdale horse confronted with the proposition of dragging an immovable load. He gives two or three hearty tugs at it, after which nothing will induce him to do more than lean gently into the traces. As the result of several centuries of endeavouring to do the undoable, there probably never was a time in which disinterested legislation was so rare, just as there probably never was a device, which was so effective in silencing criticism of interested legislation, as this idea of self-interest on a worldly plane must necessarily be wicked.

I would therefore make the suggestion, in order to add to the gaiety of nations by creating a riot at once, that the first requisite of a satisfactory governmental system is that it shall divest itself of the idea that it has a mission to improve the morals or direct the philosophy of any of its constituent citizens. And the second axiom might reasonably be that the prime object of a government is to remove the causes of friction between individuals, rather than to repress the results.

Possibly we can get a little nearer to the subject. In any problem of a practical nature in which the co-operation of considerable numbers of individuals is required, the first essential is agreement upon the objective. If anyone knows the objective of the British Government at the present time, I

should be grateful if they would share the information with me. But I do not believe that the British Government, as such, has any objective, and that may be one of the more favourable features in the situation, because I am confident that it is not in possession of the data to enable it to formulate a satisfactory objective.

Sir Walter Fletcher, whose remarks were quoted by Sir Frederick Gowland Hopkins in his Presidential address to the British Association this year, said, "We can find safety and progress only in proportion as we bring our methods of statecraft under the guidance of biological truth." I think that this is one of those remarks, which illuminate a subject much as the skyline is illuminated upon a dark night by a flash of summer lightning. We know little about ourselves, and less about our neighbour, and almost nothing at all about the nature of a healthy Society. Nor do we display any particular anxiety to increase our knowledge in these directions. Yet there is, nowadays, none so poor that he is not prepared to produce at short notice the plans, which will put every human being in his place, and re-construct an organic Society in all its parts, within the space of a few short weeks. Preferably, with the aid of a few good machine-guns.

It is no less than a tragedy, that the inductive method, for which in particular the English temperament is specially suited, is not in itself a reliable instrument in this emergency. The physical scientist, who wishes to obtain a sure foundation for the formulation of laws, begins his investigation by standardising his reagents. Temperature would be meaningless if we had

not something we call "zero." But in regard to the biology of the State, we are in a difficulty. We do not know what a healthy State would be like. We do not even know how unhealthy we are, though we have a strong suspicion that we are very sick indeed.

To those, then, who are anxious to make a definite contribution to the salving of a sick world, it may not be impertinent to suggest that the natural creative forces of the universe might plausibly be expected to produce at least as good results, if left alone to work themselves out through the agency of the individual, as may be expected from planning which is undertaken without any conception of the relation of the plan to the constitution and temperament of those who are affected. In words, which are just as applicable to this situation as to that in which they were uttered, it may be said, "Gentlemen, I beseech you to consider the possibility that you may be mistaken."

If all history and all observation has not been misread, there is implanted in the individual a primary desire for freedom and security, which rightly considered are different forms of the same thing. There is no such thing as a freedom and security, which is held upon terms, whether those terms are dictated by the State, by a banking system, or by World Government. Until it can be shown that, with the resources which science has placed at his disposal, the individual is incapable of making freedom and security for himself, the multiplication of organisations whose interference he cannot avoid will only make a world catastrophe the more certain.

---

## PLANNED OBSCOLESCENCE

Statistics used for measuring inflation provide an incomplete assessment. They do not measure a reduction in quality, which in spite of improved technology is being lowered because of planned obsolescence.

Visiting lecturer from Liverpool Polytechnic, Dr. Schofield, an expert on tribology, the science of friction and wear, made some revealing comments at the conclusion of a lecture programme which included the first course on tribology in Australia.

*The Age*, Melbourne, of July 1, quotes Dr. Schofield as saying that obsolescence is now built in to everything people buy. He said, "In the old days a washing machine lasted 25 years. They lasted this long because manufacturers didn't know how to make them fail." Dr. Schofield agrees that technology has resulted in the production of better washing machines, but on the average are good only for two years of trouble-free use. "Our washing machines, our irons self-destruct as soon as possible after the guarantee period", he said. "This isn't an act of God, it is planned obsolescence."

Dr. Schofield said industry was dominated by accountants whose main concern was short-term profits, which was being achieved at the expense of quality.

Dr. Schofield claimed that "The life cycles of washing machines, sweeping machines and cars have all been falling", asking, "Are we heading for the one-wash washing machine, the one-walk shoe or the one-sweep sweeper?"

Dr. Schofield estimated that 40 percent of Australia's gross national income was spent on replacing worn-out and

broken equipment in homes and factories. Techniques were available for reducing damage caused by wear, but these were not being used.

Dr. Schofield claimed that rubber technology had been developed to the stage where tyres could be built to last the lifetime of a car, and provided other striking examples of deliberate waste making.

An economy based upon a policy of built-in obsolescence is not only wasteful of natural resources and energy, but has a most serious effect on the psychology of human beings. The policy of deliberate economic sabotage is the direct cause of a finance-economic policy which insists that instead of the true purpose of production being consumption, with production being of the highest possible quality with the minimum use of human energy, it is based upon the philosophy that "full employment" must be maintained, that this is the only way in which monetary incomes should be distributed. Making things, which wear out quickly, helps to maintain "full employment".

In his earliest writings, C.H. Douglas warned that a financial policy of debt and crushing taxation must lead to increasing industrial sabotage. Only a change in financial policy would make genuine conservation possible. But the credit monopolists and their allies are determined to prevent this at all costs - including the destruction of Civilisation. Only an informed and determined public opinion will prevent the continuation of a massive programme of economic sabotage.