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

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WHAT WE FACE

By Eric D. Butler

Having reached its zenith before the First World War, Western Civilisation has been progressively disintegrating since 1914. If those in positions of influence had heeded what C.H. Douglas had told them in the early twenties, the process of disintegration could have been reversed. But Douglas was not heeded, and his grim warnings of the inevitability of another World War, the elimination of the British Empire and the attempt to create a "World Order" have all been confirmed by harsh events.

Western Civilisation is now in its death throes. The gravity of the situation has been highlighted by a recent statement by former US President Richard Nixon, who says that President Reagan is America's "last hope," and that if Reagan cannot solve the nation's internal problems "the US has had it as an economic power." If the U.S.A. cannot solve its escalating internal finance-economic problems, it cannot pursue a constructive policy on behalf of what is still called the Free World.

In spite of its enormous real credit, its productive capacity, the U.S.A. has been unable to operate its economy under conventional financial policies except by Keynesian economics. Following in the footsteps of Kennedy and Johnson, the Republican Richard Nixon made his famous remark. "We are all Keynesians now." Pumping enormous amounts of new credit into the American system, primarily to finance government deficits, and also for exporting to the Soviet Union and elsewhere, masked that fatal flaw which Douglas warned about. But the debt structure grew and with it the inevitable inflation. America has been through a devastating inflation, the greatest in the history of the nation over any significant period, even greater than that of the Civil War period. Since 1960, American consumer prices have approximately trebled.

mounting problems; the situation is just as bad in Western Europe, while the Japanese are also running into problems as both the U.S.A. and Europe fight to keep their products out, fearful of what they will do to their economies. The momentum of the situation is such that every industrialised nation is now entering the most convulsed situation since the end of the Second World War. Australians who believe they are going to escape the effects of the situation are living in a dream world.

It is in this explosive situation that we can expect to see feverish activities by the international power groups and their droves of idealistic lap dogs to force the nations into the New International Economic Order prison. If the Americans follow down the path the British are taking, we will all be facing next year a horrendous crisis. With nuclear war a threat

"MONETARISM" FAILS

Now Margaret Thatcher in the United Kingdom, Ronald Reagan and his "monetarists" arrived in office with a promise to reverse what has been taking place. And like the Thatcher Government, the Reagan Administration is already finding that "monetary discipline" merely worsens the economic situation without having more than a minimal effect upon inflation. Anyone with even the most elementary understanding of the operations of the present economic system could predict that the Reagan policy was going to increase unemployment, seriously cripple industry, without affecting inflation. Unemployment has already reached the highest level for five years, and is steadily increasing, while inflation continues at a high level.

President Reagan and his advisers are now admitting that the American recession is deepening, and there is no sign of any improvement in sight. Reagan has already conceded that he cannot keep his pre-election promise to balance the budget by 1984. The deficit must continue, otherwise there will, under present financial rules, be a direct plunge into a collapse and anarchy. But preventing this must inevitably produce still higher inflation, the most insidiously revolutionary factor of all. Inflation, predicted by Douglas, merely provides further evidence of the accuracy of his analysis of the basic problem facing a modern industrialised society.

WORLDWIDE CRISIS

But it is not only America, which is feeling the strain of

OUR POLICY

To promote loyalty to the Christian concept of God, and to a society in which every individual enjoys inalienable rights, derived from God, not from the State.

To defend the Free Society and its institutions - private property, consumer control of production through genuine competitive enterprise, and limited, decentralised government.

To promote financial policies, which will reduce taxation, eliminate debt, and make possible material security for all with greater leisure time for cultural activities.

To oppose all forms of monopoly, whether described as public or private.

To encourage electors always to record a responsible vote in all elections.

To support all policies genuinely concerned with conserving and protecting natural resources, including the soil, and an environment reflecting Natural (God's) laws, against policies of rape and waste.

To oppose all policies eroding national sovereignty, and to promote a closer relationship between the peoples of the Crown Commonwealth and those of the United States of America, who share a common heritage.

to international planners along with everyone else, every effort will be made to ensure that no major military conflict takes place. Although unrehearsed events are always possible. The greatest threat is that a major break down in the U.S.A. could intensify revolutionary developments everywhere.

Australians need not, of course, be sucked down by international developments. But this means some major changes in internal policies. 1982 could see a race between the adoption of corrective financial policies or major catastrophes.

Revenge as a Moral Value

The publication in English for the first time of extracts from the diaries of former Israeli Prime Minister, Foreign Minister and Minister for Defence, Moshe Sharett, further confirms the exposures of Anti-Zionist Jews like Dr. Alfred Lilienthal. The extracts are provided in the book, *Israel's Sacred Terrorism*, the author Miss Rokash being Jewish.

The book is aptly titled, as Sharett, in speaking of revenge, writes that "...we have eliminated the mental and moral brakes on this instinct and made it possible to uphold revenge as a moral value. This notion is held by large parts of the public in general, the masses of youth in particular, but it has crystallised and reached the value of a sacred principle ... which becomes the revenge instrument of the state."

It would be instructive to have the reaction of pro-Zionist Christians to this frank expression of Talmudism. And to the subversive Israeli campaign to exploit Christians to bring about the destruction of Lebanon, "the weakest link in the Arab League."

Urging the establishment of a Christian State in Lebanon, Prime Minister Ben Gurion wrote to Sharett stressing that the concept "has historical roots and it will find support in wide circles in the Christian world, both Catholic and Protestant."

The progressive destabilisation of Lebanon, with Israel exploiting the situation to launch massive attacks on southern areas, killing large numbers of civilians, can be seen as part of an on-going Zionist expansion programme. It is not surprising that many Arabs frankly state they fear Zionism more than they do Communism.

Israel's Sacred Terrorism also confirms the charge by Dr. Lilienthal, and other anti-Zionists, that in 1954 it was Israeli secret agents who were responsible for blowing up American libraries, American-owned buildings and British installations

in Egypt. These acts were designed to halt growing American aid for the new Nasser regime and to induce the British to maintain their Suez bases, thus inflaming anti-British feeling in Egypt. The torpedoing of friendly American-Egyptian relations paved the way for the disastrous events of 1956, these proving a most welcome diversion for the Soviet's invasion of Hungary.

Responsibility for the anti-American and anti-British terrorist attacks was at first attributed to Lavon, the Defence Minister. Although Lavon was later exonerated by a commission, Sharett reveals in his Diaries that Lavon shared some of the culpability because of his militant dedication to violence. Sharett wrote, "He (Lavon) inspired and nurtured the unworthy adventuristic army and preached the lesson that not the Arab countries but the Western powers are the enemies, and the only way to deter them from their conspiracies is by a direct action that will terrorise them."

The Zionists' philosophy of the ends justifying the means, was most graphically demonstrated in the 1967 Israeli-Arab conflict when, in order to prevent the Americans from knowing that they were violating promises made to Washington before the conflict started, Israeli jet aircraft and motor torpedo boats were used in a brutal attack on the American naval ship, USS *Liberty*, sailing in international waters off the Sinai Peninsular. 34 Americans were killed and 171 wounded. When the *Liberty* refused to sink in spite of the enormous damage, Israeli forces machine-gunned the lifeboats and sent troop-carrying helicopters to finish the job. The attacking forces only withdrew when it was known that American rescue aircraft were on their way.

The reason for the attack was clear: The *Liberty* was an intelligence ship. It was in possession of information highly damaging to the Israelis. As Dr. Lilienthal says in his classic, *The Zionist Connection* (difficult to obtain readily because of Zionist pressure) there is no doubt the Israelis sought to send the *Liberty* to the bottom the sea together with its crew, and then perhaps to blame the Egyptians. When this could not be achieved, another Zionist cover-up took place. The most objective story of what happened has been told by a former junior officer on the *Liberty*, James M. Ennes, Jr., in his *Assault on the Liberty*.

It is certain that there can be no peace in the Middle East while the Zionist philosophy of attempting to elevate revenge into a moral value continues to find expression. Christians have a special responsibility to face the Truth about the situation.

Basic Fund Reaches \$14,000

As we go to press, the League of Rights' 1981-82 Basic Fund of \$45,000 has reached \$14,000. This is an encouraging start, but it has been made by a small minority. May we stress again that the League is a free association of individuals who believe that through such an association they can protect the sovereignty of the individual. Unlike governments, or the instruments of governments, the League cannot coerce people into providing the finance required for its continued operations. Each individual's contribution is a genuine measure of his or her dedication to those truths essential for a genuinely free and independent society. The League has never asked for more than it requires for its programme of service. But what it does ask for is the very minimum essential to provide that service. Failure to provide the minimum would be a confession of failure at the very time when the most decisive events in the history of our Civilisation are unfolding. We trust that our readers will agree that such failure is unthinkable. A big flow of donations or pledges before Christmas would be a most welcome Christmas present.

THE REAL WEALTH OF NATIONS

"I have been long accustomed, as all men engaged in work of investigations must be, to hear their statements laughed at for years, before they are examined or believed, and I am generally content to wait the public's time.

"But it has not been without displeased surprise that I have found myself totally unable, as yet, by any repetition or illustration, to force this plain thought into my readers' heads - that the wealth of nations, as of men, consists in substance, not in ciphers, and that the real good of all work and of all commerce depends on the final worth of the things you make, or get by it. This is a practical enough statement, one would think; but the English public has been so possessed by its modern school of economists with the notion that Business is always good, whether it is busy in mischief or in benefit; and that buying or selling are always salutary, whatever the intrinsic worth of what you buy or sell-that it seems impossible to gain so much as a patient hearing for any inquiry respecting the substantial result of our eager modern labours."

— John Ruskin in the Preface to *The Crown of Wild Olive*.

MONEY AND NATURAL LAW

by R.S. Nixon

The following article is based upon a Paper presented to a Seminar on Christian Responsibility Towards Government, held in Adelaide, South Australia on August 17, 1980.

Money and the way in which man relates his activities to the money system has always been subject to much disagreement. This is probably due to the fact that man's philosophy differs widely on the subject and consequently so does his policy.

THE UNIQUE INDIVIDUAL

From a Christian viewpoint the starting point usually has been to examine whether man's interaction with money does not violate both Divine and Natural Law. In 1 Timothy 6:10 we are told "For the love of money is the root of all evil." Money is not evil, but it is evil to pervert the purpose of money towards a materialistic end or use it as a mechanism to force one's will over others.

The logical extension to this Christian philosophy is to ensure that the unique characteristics of the individual are nurtured towards a Christ orientated self-development in an economic environment, which offers freedom of choice and encourages the acceptance of personal responsibility. The extent to which this is possible is determined by the degree to which man obeys God, incarnates the truths outlined by Christ and develops the correct association with God's Natural Laws. Furthermore, love of one's neighbour is essential because it nurtures recognition that man must also have the economic and political freedom to offer his unique contribution without the impediments or the imposition of arbitrary limitations to individual freedom. This often means that the individual must have sufficient leisure time and economic means to offer help to less fortunate neighbours.

"As wealth can be defined as everything that contributes to the weal of man, the Christian should extend the term in his thinking far beyond its generally accepted reference to material resources and possessions, including money. Until that is done, we cannot see the problem in true perspective. Wealth must be "spiritual discerned," that is, seen in the light of the purposes of God, before it can be seen aright. Here is the justification of the claim that the Church should have a word to say, and should say it, where the problems of wealth and its management are concerned."

*"Money-A Christian View" by Christian Doctrine
of Wealth Committee -
Congregational Union of Scotland*

THE WILL-TO-POWER PHILOSOPHY

However, the diametrically opposite philosophy envisages the development of the ideal world through the subordination of free will to planned regulation, and the subordination of individual initiative and enterprise to planned group activity.

This approach is clearly illustrated by the comments of the famous Fabian Socialist theoretician, John Strachey in his book "Contemporary Capitalism" when commenting upon John Maynard Keynes' book "General Theory." Strachey said:

"The positive part of Keynes' work was a demand that capitalism should now be regulated by a central authority ... This it must do by constantly taking counter-measures of a balancing character, designed to offset the oscillations of the system. The principal instruments of its policy should be variation of the rate of interest, budgetary deficits and surpluses, public works and the redistribution of personal incomes in the equalitarian direction. This positive side of Keynes' work requires an authority to do the regulating and that authority can be in contemporary conditions, nothing else but the government of a nation-state."

From this statement we can see freedom of choice is diminished by the imposition of central authority controls, or more accurately, controls that affect the life of the individual. Secondly, it can be seen that the embodiment of the Keynesian ideas into a system has no inherent stability, as shown by the fact it requires constant counter-measures of a balancing character which often inflict hardship on the individual.

This approach can be compared with the very practical Christian revelation that "Ye shall know the truth and the truth shall make you free." When the individual correctly relates his activities to truth the result is an increase in both spiritual and physical freedom, in much the same way as an aircraft built to conform with the laws or truths of aerodynamics results in safe and stable flight, and an expansion of travel and transport opportunities.

Unfortunately the Christian approach to our present money system is doomed to failure if one also disregards the pedigree of the ideas by which it was conceived. A study of "The Manifesto of the Communist Party," by Karl Marx, and "Keynes at Harvard" by Zygmund Dobbs, demonstrates that the permeation of the centralised will-to-power philosophy into our present money system has produced the fruits of that philosophy and not the fruits of Christianity. Therefore any approach by Christians to modify the present money system by the aggregation of smaller systems into larger systems, or the New International Economic Order, can only result in the further erosion of individual freedom, as the inevitable corruption of power is magnified - especially when such power is exercised in a moral vacuum.

"It is patent that in our days not alone is wealth accumulated, but immense power and despotic economic domination is concentrated in the hands of a few ... The power becomes particularly irresistible when exercised by those who, because they hold and control money, are able also to govern credit and determine its allotment, for that reason supplying, so to speak, the lifeblood to the entire economic body, and grasping, as it were, in their hands the very soul of production so that no one dare breathe against their will."

- Pope Pius XI in "Quadragesimo Anno"

Christ's rejection of the power and glory of world domination, Matthew 4: 8-10, would suggest that claims in a Christian magazine, *Plain Truth*, that: "Inflation will be stopped when the right world government comes to power," illustrates the degree to which ignorance can be exploited on a subject that has almost entirely been abdicated by the Christian Church.

This claim helps to facilitate the implementation of World Government. It also highlights the significance of an observation made by C.H. Douglas that an understanding of the money question by the Christian Church is necessary for the

CHRISTMAS GREETINGS

In this our last issue for 1981 we extend to our readers and their families the compliments of the Christmas Season. This is a time for the coming together of families to celebrate the coming of Christ and the message of good news, which He brought. We wish all a happy and a holy Christmas season, and a New Year in which the torch of Truth will continue to be held high.

redevelopment of a Christian civilisation.

THE DEVELOPMENT OF MONEY

In order to test the accuracy of this observation made by C.H. Douglas it is necessary to examine briefly the development of money and to see whether it accurately reflects the results of the production of goods and services based upon natural law.

Money is anything, which no one will refuse if there is mutual agreement to exchange goods or services. Leather discs, stones, shells, precious metals, notes, coins or symbols on pieces of paper, all have been used as a claim upon wealth. Money has no value itself as can be illustrated on a desert island where money simply cannot be used as a claim upon non-existent real wealth required to survive in a barren environment.

Originally the producers of wealth issued their own money tickets, and because in many primitive societies cattle were the main form of wealth, cattle producers issued leather discs, which were used instead of cattle in exchange for supplies from merchants. When the holder of the leather disc wanted to collect a head of cattle he exchanged the leather disc.

The next development was that rare metals like gold and silver were used as money as they were regarded as wealth. The holders of these metals often deposited them in safe keeping with goldsmiths who issued receipts as a record of the deposits. Soon the owner of the gold and silver found it more convenient to exchange the receipts for goods and services than physically withdraw the deposited gold and silver. The exchange of goldsmiths' receipts was very convenient and these receipts became the lineal ancestors of the modern bank note. At this stage it is important to remember it was not the owner of the wealth, but the custodian of the wealth that was creating money.

The next state evolved when some goldsmiths observed that their clients left their gold and silver with them indefinitely, and that it would be safe to issue more receipts than there was deposited wealth, because it was extremely unlikely all receipts would be presented at one time. This dishonest practice became convention and the goldsmiths' enterprises grew into the modern banking system.

STATEMENTS BY BANKING AUTHORITIES

The fact that the modern communities' money supply is created in the form of financial credit can be substantiated by the following authorities:

The Rt. Hon. Reginald McKenna, one-time British Chancellor of the Exchequer, and Chairman of the Midland Bank, addressed a meeting of shareholders of the Bank on January 25th, 1924, and said, as recorded in his book "Post-War Banking":

"I am afraid the ordinary citizen will not like to be told banks, can, and do, create and destroy money. The amount of finance in existence varies only with the action of the banks in increasing or decreasing deposits and bank purchases. Every loan, overdraft or bank purchase creates a deposit, and every repayment of a loan, overdraft or bank sale destroys a deposit."

Professor A.L.G. Mackay, the well-known Australian economist, has stated in his text book on "Economics," that:

"In this way, by means of a loan, an advance, an overdraft, or by the cashing of bills, the banks are able to increase the volume of deposits in the community, and because of this process it is not correct to say that a bank loans out deposits which people make with it. It is clear that it creates the deposit by the issue of the loan; the loan travels back to the bank or to another bank and assumes the form of a deposit."

P.A.S. Taylor's "A Dictionary of Economic Terms" states:

"It is most important to note that a banker can create

bank deposits by giving a person or corporation a claim against him, not in return for money deposited, but for COLLATERAL SECURITY deposited with him, i.e. he makes an advance and this creates additional BANK MONEY." (For further information see "The Creation and Control of Money.")

SYMBOLS & NATURAL LAW

While the development of money system has facilitated the transition to a modern economy the question of whether the money system accurately reflects the natural laws relating to man's interaction with his economic environment, has to be resolved.

Just as the function of a temperature symbol is used as a measure of the amount of heat in a body, similarly, the function of our money symbols should be an accurate measure of the natural cost, or physical cost of the production of goods and services. Therefore if our money symbol is accurately reflecting natural costs, then the continual rise in costs we are experiencing must mean natural costs are also continually rising. The facts, however, suggest that our money symbols are a most inaccurate measure because natural costs are failing.

OUR TECHNOLOGICAL HERITAGE

The question of natural law and the true cost of production was outlined by the Rev. Norman Hill in a resolution to the 1960 Melbourne Anglican Synod:

"If there is one field of human endeavour in which we can readily see that the discovery and application of God's truths can provide us with greater material abundance and greater freedom, it is the modern production system. Every new technological improvement is the result of discovering more about natural laws - God's laws, not man's - which enables a modern factory to produce an increasing volume of goods with a reduction in the amount of human energy exerted."

In spite of a persistent call by some economists to become increasingly more efficient, the progressive reduction in the real cost of production has not been accompanied by a reduction in prices to reflect this truth.

PROFIT AND NATURAL LAW

There is a great deal of misunderstanding of what is known as the "Profit" motive; and in some Christian literature it is called a "selfish" "greed" or "acquisitive" motive, and it is claimed this has the effect of changing the individual's loyalty from God to mammon. A great deal of this misunderstanding would not arise if there were more widespread understanding of the true function of profit.

Profit has been defined as the desirable result, which accrues to individuals when they make the proper associations. In the physical sense a farmer makes a physical profit when a grain of wheat planted in fertile soil with sufficient water and warmth, germinates and grows into a mature plant yielding many grains of wheat. The difference between the farmer's input and the ultimate result can be termed a profit. Here we see the profit motive in agreement with natural law or truths.

Likewise the manufacturer or the factory worker produces a physical profit when raw materials and energy are converted into, say, a lever, which has a benefit to man greater than its inputs. Similarly the teacher in a sense produces a profit when the knowledge given the students accrues benefits to man when they are applied to the physical world. Conversely, poisoned knowledge produces destruction, a physical loss - evil.

A money system, therefore, should reflect this reality. A physical profit should ensure the individual receives a financial profit, rather than induce an attitude that elevates a manipulated financial profit as an end in itself with competition becoming such an obsession that it helps facilitate the

replacement of independent enterprises by monopolies.

It should be mentioned that the early theologians, including St. Thomas Aquinas, were very interested and concerned about devising practical methods of implementing a "Just Price." This is a subject deserving more consideration by present practising Christians.

MONEY PERVERSIONS

The perversions caused by inaccurate money symbols is reaching horrific proportions. Consider the family and how it discourages the birth of children and encourages abortions.

Consider the manufacture of goods with "in-built obsolescence." Just as a healthy and long living body is dependent upon the inputs of the correct healthy food, likewise in industry mechanical aids for man, built to conform to the laws of science, result in long and efficient life. This should result in less human effort required to replace these mechanical aids and more LEISURE TIME for man.

Consider Agriculture, where some farmers are claiming that they have to crop their entire properties to service their financial costs of production.

In essence, what is happening is that the financial rules are demanding in some instances, the extraction of resources from the land at a faster rate than the regeneration cycle of nature allows. Nature resists the imposition of a physical debit, which severs the continuity of nature's life cycles.

INFLATION

Inflation - a rise in both prices and the amount of money available to match them is really a measure of the perversion of economic reality.

It has been described as an insidious attack upon both rights and justice. It is simply theft, and robs individuals of the value of their savings. Unfortunately many of the victims are those in society unable to take alternative measures to protect the value of the money they have honestly acquired. Modern inflation is a new version of the ancient crime of coin clipping which was denounced by church leaders. Those found guilty were punished severely.

TAXATION

TAXATION is also having its social effects and reduces the purchasing power of incomes and wages. This in turn contributes to industrial conflicts.

In Australia it increased from \$622 per head of population in 1969/70 to \$2,056 per head of population in 1978/79. Either the individual is going to retain the greater part of his income and purchasing power to spend on the goods and services he chooses, and thereby by his "money vote" control the production of goods and services, or the Government is going to spend a greater portion of his income, and thereby increase its control over the individual and the economy.

There must come a point when taxation becomes such a burden that Caesar leaves little or no money for the Christian to give to the works of God.

Dr. Geoffrey Dobbs, in his brilliant essay, "The Just Tax," outlines the principle of no taxation without 'consent' and representation. Taxes that are unspecific and unidentifiable as to purpose, destroys the concept of consent or resistance to them on the grounds of purpose.

An example is taxpayers funding murder-and being corrupted - when their tax money is used to fund abortions.

USURY

Today the Church appears to be silent on the immorality of usury. The definition of usury varies from "the lending of money at exorbitant interest" to "the price (usury) for the use of money."

Professor Soddy is quoted in "Money Manipulation and NEW TIMES —DECEMBER 1981

Social Order" by the Rev. Dennis Fahey, as saying: The evils of genuine usury in the middle ages through the shortage of precious metals and the insufficiency of the medium of exchange, cried aloud to heaven for redress."

The question of interest on new financial credit created by the banking system seems clear. William Patterson, founder of the Bank of England in 1694, claimed: "The Bank hath the benefit of interest on all moneys which it creates out of nothing."

The financial cost of this money, presently ranging up to about 12.5%, bears no relationship to the natural cost of its creation and a service fee of 2% or less is an alternative worthy of consideration.

Is there moral justification for the exorbitant interest rates charged on loans, other than bank credit, advances on which the consumer has often become dependent to obtain our abundant supply of goods and services?

Money is not a commodity, but a claim to wealth, and has no intrinsic value; therefore it is reasonable to expect that the borrower would only be charged a loan administration fee, if such a policy were accepted. This concept would be more readily accepted if the individual savings were not eroded by inflation.

LEISURE vs. FULL EMPLOYMENT

Fundamental to the application of natural laws to the production of goods and services that result in an increase in the volume of production with less human energy exerted, is the question of what to do with the individual made redundant because of the application of God's truth. Many people are horrified at the thought of, say, computer technology, substantially increasing the number of unemployed.

If application of truth is to provide the individual with increased freedom, then it is logical to ADJUST the individual's relationship with the production system to provide more leisure time. This can be achieved in several ways, including having a voluntary retiring age at a younger age than the present, and often compulsory, retirement age.

Many people in this age group have a tremendous capacity and desire to develop their creative talents. They also could provide a tremendous stabilising influence if their experience and time was donated to helping youth in a world torn apart by disintegrating social values.

The opportunities for creativity for the positive thinking Christian, resulting from increased leisure from the application of technology, are simply immense!

INCREASING PURCHASING POWER

However, the result of the perversion of our money system is that rather than prices being progressively reduced, due to a reduction in the physical or natural cost of production, they are continually rising and are accompanied by a deficiency in purchasing power.

It was C.H. Douglas who demonstrated in his "A + B Theorem" that the 'rate' of flow of purchasing power is never equal to the rate of flow of prices. In other words in our economy there is not enough purchasing power to claim the goods and services produced without generating increasing debt. It denies the redemption of debt.

For example, the fact that in June 1978 the public debt of the Commonwealth and States was \$26,923 million, while at the same time the total volume of money in Australia was \$39,246 million, illustrates the magnitude of the debt problem, especially when private debt has not been included.

Also it should be remembered that debt results in a loss of sovereignty to both individual and government, as the lender stipulates controls, as illustrated by the remarks given in 1961 to Richard Fry, *Guardian* correspondent, by Dr. Per. Jacobsson, managing director of the International Monetary

Fund:

"The Fund stands for monetary discipline. A change of policy is essential for Britain's future role in the world."

If the real credit of a nation can be mortgaged for an interest bearing debt to the banking system, then the logical conclusion is to suggest that some money should be created against the real credit of the nation as a credit, at a rate related to the production of goods and services to maintain the consumers purchasing power and ensure that the money symbols reflect the truths of natural law.

To this end the issue of a National Dividend to all individuals and the application of Price Subsidies to reduce prices should be given very serious consideration. (For further information see "Censored Economics," "A Programme for Reversing Inflation" and "Social Dynamics.")

CONCLUSION

In conclusion it should be recognised that a money system is man-made, and therefore any undesirable feature of it is not inevitable. So that the reality of God's creation - man and his environment - can be released, man must be free to ensure God's will is done on earth. To this end what is revealed to be

physically possible, and desirable by Natural and Devine Law, should be made financially possible.

As Governments are institutions belonging to the individual, there is no justification for Governments to break political promises and impose their will over the individual. The Christian has therefore a moral duty to see that Government policy does not transgress Divine and Natural Law and that to this end the individual, and associations of individuals must have sanctions over Governments.

...I Believe- *that, whereas man cannot worship both God and Mammon; and, whereas the love of money - man-made system of symbols - is the root of all evil, it is a denial of Christ to tolerate a financial policy which elevates money as a commodity subject to speculation, usurious interest, created as an ever-increasing debt, producing in turn unjust taxation and a monetary inflation which is both immoral and socially destructive. ..*

*"A Creed for the Practical Christian " by
Eric D. Butler*

THE ZIONIST-COMMUNIST CONNECTION

A small item of news in "The Australian Jewish News" of April 24th of this year contains an unpublicised story of the greatest significance. The item is from Tel Aviv and says, "From 1971 to 1980 a quarter of a million Jews left the Soviet Union, which is 13 percent of the Jewish population, according to the 1980 census." The item also says that 30 percent of the Soviet immigrants in Israel are employed as scientists and academics. This news item flatly contradicts the Zionist propaganda campaign, which claims that the Jews are a persecuted minority inside the Soviet Union, and denied access to higher education. Clearly they are a very special group, being exploited by both Communists and Zionists for purposes of high international politics.

Anti-Zionist literature, particularly for the Soviet armed forces, can be discounted and of little more relevance than Hitler's anti-Communist outbursts while at the same time he was claiming privately that he was practising Communism. Anti-Jewish feeling has always been strong in Russia and often finds expression. But the evidence is overwhelming that there is some type of working relationship between international Zionist leaders and the Soviet, as there was between the Zionists and Hitler's government. The organised exodus of tens of thousands of Jews from the Soviet does not take place without arrangements between Zionist leaders and Soviet.

With the successful exposure in recent years of how the Soviet and its satellites have been financed by international bankers, this enabling massive economic blood transfusions to be provided from the West, even some conventional anti-Communists have been forced to shift their stance. But the general explanation offered is that the provision of huge financial credits is but an example of the "greed" of some "capitalists," and their "short-sightedness." However, the financing of the Soviet did not start in recent times; the international bankers were supporting the Bolsheviks even before they gained control of Russia in 1917. Some of the hard evidence for this is provided in Dr. Anthony Sutton's *Wall Street and the Bolshevik Revolution*, the publication of which helped to end Dr. Sutton's academic career at Stanford University, California.

CONSISTENT JEWISH SUPPORT

International Jewish support for the Soviet has been consistent, not even Stalin's anti-Jewish outbursts in his last days resulted in any suggestion of an international campaign against the Soviet. Revelations by the former international law expert in the Soviet Ministry of Justice, Konstantin Simis, in *Fortune* magazine of June 29th, adds a new dimension to an understanding of the Zionist-Communist connection. Another Jew who has managed to leave the Soviet Union, not to go to Israel, but to live in the U.S.A., Simis reveals the

existence of a large network of private enterprises, conducted in the main by Jews behind the facade of State-owned organisations. Simis writes of "tens of thousands" of such private enterprises all over the Soviet Union and the many millionaires who run them. Simis says that while these Jewish millionaires supported Zionism, they were not prepared to move to Israel. However, they did make large donations to help Israel. As such donations, in dollars, not rubles, could not possibly be made without the knowledge of the Soviet authorities, where does this leave the much-publicised anti-Zionist attitude of the Soviets. Some of the shrewder Arab leaders have suggested that much of the Soviet's anti-Zionism is designed for the Moslem world. There has been a significant increase in anti-Zionist statements since the Soviet invasion of Afghanistan, a Moslem nation.

THE ROLE OF HENRY KISSINGER

Typical of the many Jewish Zionists, who have consistently helped the hopelessly inefficient Soviet system to survive, is financier Armand Hammer, head of the giant Occidental Oil Company. Hammer started early in the Soviet story, playing a key role in the establishment of no less than 22 Western companies in the Soviet under Lenin in 1920. Lenin certainly understood the name of the game. Hammer still organises massive economic assistance for the Soviet Union. It was Albert Kahn, the Jewish industrialist from Chicago, who constructed some of the biggest Soviet industrial plants, including Stalin's big steel works in the Urals. And so the programme continued until more recent times, under the cover of *detente*, Dr. Henry Kissinger endorsed an increased flood of economic aid to the Soviet. Technological aid for the Soviet's military system poured in. Today Kissinger warns of the Soviet strength he helped to make possible. Confronted by a group of leading Zionists in New York on June 15, 1975, Dr. Kissinger assured them that they had no need to worry about President Ford's policies. Kissinger mockingly told the group that Israel was of little real political or military value to the U.S.A., but

that publicity to this effect ensured that billions of American and West German dollars were invested in Zionism. Kissinger said that his strategy after 1973 was to break up the Arab united front and eventually to isolate the Palestinians. "...the United States went into a protracted stall with the Arabs (to give Israel time to attain its ends). Evidence of Kissinger's secret meeting with the Zionists was published in the Washington weekly, *Spotlight*, of May 25th. Evidence of the meeting, released apparently by mistake, during which Kissinger was also reported to have said the U.S. secretly intervened in the 1973 Arab-Israeli war because "what we wanted was the most massive Arab defeat possible," has helped to fuel anti-American feeling throughout the Arab world.

THE STORY OF DAVID KARR

The *New York Times* of October 5, 1979, carried the story of one David Karr, another Jew who was engaged in promoting large-scale trade with the Soviet. He had opened in Moscow a large American-style luxury hotel, but had died in Paris shortly after its opening. The *New York Times* report stated that "Mr. Karr acted as a private liaison between the United States and the Soviet Union on such issues as strategic arms limitation and emigration of Soviet Jews. In addition to serving as a conduit between top Russian officials and both the Carter Administration and Senator Kennedy, Mr. Karr and his associates have said he played a key role in developing the foreign policy position of Governor Edmund G. Brown, Jr. of California."

It was in Paris in 1974 that Karr joined the Jewish investment-banking firm of Lazard Freres and was responsible for the signing of a long-term co-operation agreement with the Bank of Foreign Aid of the Soviet Union, providing for worldwide financial services. It was his early association with Armand Hammer, which had showed Karr how to operate successfully on the Soviet scene. He was closely associated with the Kennedys', hiring as his lawyer Kennedy's brother-in-law Sargent Shriver and Kennedy's speechwriter Theodore C. Sorensen, also Jewish with a Russian mother. A close friend of the late Soviet Prime

Minister Kosygin's son-in-law, Gvishiani, Karr and Gvishiani made millions out of the licensing rights to sell Olympic medals in 1980.

The Reagan Administration's agreement to provide badly needed grain for the Soviet, and the continued flow of other American exports suggests that nothing has basically changed since President Reagan was elected. The Republican conservative magazine, *Human Events*, has named Allen J. Lenz, who runs the daily operations desk of the National Security Council, as one who believes that Soviet aggression should be ignored and American exports to the Soviet continued. *Human Events* quotes him as saying, "It is questionable, and probably unlikely that significant pressure can be exerted on the Soviet Union through a sustained economic boycott." Lenz is a Jew and his views are supported by another Jew, Myer Rashish, Under Secretary, for Economic Affairs under Secretary of State Alexander Haig.

THE TOTAL PICTURE

Soviet President Brezhnev has appointed his son Yuri Brezhnev as First Deputy Foreign Trade Minister. His mother, Victoria, a Jewess "from a wealthy Jewish family" says, according to the *Canadian Jewish News* of November 13, 1964, that her son considers himself to be a Jew. Late in 1980, Deputy Premier Dymshits, another Jew, was named to head the powerful Soviet economic council. No doubt this met with the approval of those running the Soviet's economic private underground.

The total picture which starts to emerge when all the facts are assembled, is that there is a close nexus between the controllers of the Soviet Union and International Zionism, and that without the backing of international banking groups who, even when not Jewish as is in the case of the Rockefellers, are pro-Zionist, the Soviet economy would be in a desperate plight, while without the manpower which the Soviet Union provides, Israel would also have problems in sustaining its population. Both International Zionism and International Communism are dedicated to the principle of World Government. Whatever their differences, they are running in double harness towards the same basic objective.

GEMS FROM DOUGLAS

"The theory of rewards and punishments is the foundation stone of the Labour leaders' platform, just as it is of the employer whom he claims to oppose. The only difference is in respect of the magnitude and award of the prizes and as to the rules of the competition for them. To anyone who will examine the subject carefully and dispassionately it must be evident that Marxian Socialism is an extension to its logical conclusion, of the theory of modern business."

— Social Credit

"Production is far more dependent upon real capital than it is upon labour, although without labour there is no production. More and more the position of labour, using, of course, this word in its widest possible sense, tends to become the catalyst in an operation impossible without its presence, but carried on with a decreasing direct contribution from labour itself."

- *The Monopoly of Credit*

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"The financial system is essentially a system of black magic, and one of the best protections against black magic is not to believe in it."

- *The Alberta Experiment*

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"In attacking capitalism, collective Socialism has largely failed to recognise that the real enemy is the will-to-power, the positive complement to servility, of which Prussianism, with its theories of the supreme state and the unimportance of the individual (both of which are the absolute negation of private enterprise) is only the fine flower; and that nationalisation of all the means of livelihood, without the provision of much more effective safeguards than have so far been publicly

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evolved, leaves the individual without any appeal from its only possible employer and so substitutes a worse, because more powerful, tyranny for that which it would destroy."

-*Economic Democracy*

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"The labours of our scientists, our engineers, and our organisers have brought us to the edge of a new world—a world of leisure affording opportunities for the expansion of a real culture, such as history has never even contemplated.

"If we refuse to accept this opportunity which has been placed before us, and from entering into which we are only prevented by an obsolete, if not iniquitous, financial system, make no mistake as to the issue.

"There is no possibility of a peaceful retreat into the age of leisure. The alternative is a world cataclysm, in which this civilisation may easily pass away, as did those of Egypt and Rome, probably from substantially the same causes."

- *Ipswich Address, April 4, 1933*

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"If there is one thing which seems to me to be beyond dispute, is that you cannot have a policy...the policy of a country, policy of a race, or of a nation, without having a phil-

osophy behind it. You cannot have a bridge without a model and drawing behind it, or without having a desire to have a bridge. You might as well say the Sydney Bridge just grew, although nobody had ever said they wanted a bridge. I am absolutely convinced myself that there must be somewhere behind the policy a philosophy, or you cannot have a policy."

- *The Policy of A Philosophy*

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"The modern State is a completely immoral organisation. Its taxation differs in no fundamental quality from that levied by a highwayman of the Middle Ages, and the fact that a small proportion of the taxes which are extracted is used for the alleviation of the more pressing necessities of the poor, bears much the same relation to the question as the liberality, to his followers, of a mountain bandit."

- *The Monopoly of Credit*

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"To argue that the best way to stop war is to abolish nationality is exactly the same thing as to say that the best way to stop fighting between individuals is to abolish individuals."

- *The International Idea, 1932*

THE WHEEL

In a message to the 1981 Regional Dinner of the Polwarth Voters' Policy Association, Mr. N.G. McDonald provided the following valuable comment:

"Congratulations and best wishes for your Fourth Annual Dinner.

"You have overcome the most difficult task - the initiative to organise and start this unique gathering.

"Watch a small boy bowl a hoop. Once set up, the hoop only needs a constant tap to keep it upright and rolling.

"Your Voters' Policy is more than a hoop. It is a wheel, with a circle of members linked to a hub (the committee). The strength is the link between the hub and the rim of members. These links are straight and strong. Perhaps you can guess - what is vital to the strength of the wheel? Of course, the spokes.

"Resolve tonight, to be a real spoke in the wheel...not an obstruction, but instead a rigid connection between the hub and the rim of progress. A spoke is a radius-so be one and radiate!

"Remember too-that every spoke is part of the circle of revolution - the silent one which challenges centralisation and debt slavery."

NOTES ON CONSUMER PRICE DISCOUNTS

The purpose of increasing wages is to increase the purchasing power of the wage earner - generally to offset an erosion of purchasing power by inflation.

The financing of increased wages requires an expansion of the nation's money supply. This takes place as a result of the banking system creating new financial credits for employers in the form of overdrafts.

The new credits are issued as an interest-bearing debt, which must be repaid, plus the interest.

Prices must therefore be increased to recover the debt incurred to finance wage increases, plus the interest.

The wage earner does not receive the full wage increase because of increased taxation.

This means that the increased prices are greater than the increase in real wages. The result is a never-ending effort by the wage earner to gain higher wages, often by destructive strike action, to offset inflation.

Increases in interest rates and indirect taxes such as Sales

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Tax, add to the wage-earner's problem. Greater and more efficient production cannot resolve the basic problem.

The astronomical increase in debt in all industrialised nations is striking proof that present financial policies are based on a fallacy.

Less money creation could produce far better results for employer, employee and consumer if used, not to increase wages, but to reduce the prices of basic items in the economy by a system of consumer price discounts.

A system of consumer price discounts was used successfully in Australia and other English-speaking countries during and after the Second World War. There was no inflation in Australia from early 1943 until 1948. Prices rose immediately the price discount system was discontinued.

The British system of price discounts on food was abolished as part of the Common Market betrayal. British housewives know what has happened since.

Price discounts on dairy products in New Zealand not only encouraged maximum consumption of an abundant product, but also contributed towards a low inflation rate. Mr. Muldoon the accountant said that price discounts were unsound economics. The result has been record inflation. More debt finance has had to be created to help finance the inflation. This is regarded as "sound economics!"

ZIONISTS PROLONGING MIDDLE EAST CONFLICT

The *Toronto Sun*, May 22, reported:

"Canadian and American Jews are prolonging Middle East conflicts by supporting Israeli 'discrimination' against Arabs and other non-Jews, an Israeli civil rights leader said here yesterday.

"Dr. Israel Shahak, chairman of the Israeli League for Human and Civil Rights, told reporters the State of Israel 'parallels anti-Semitism' by denying to non-Jews living there and in Israeli-occupied lands many of the rights long denied to Jews elsewhere..."

Dr. Shahak went on to describe the Israeli discrimination, adding that it "worsens Middle East tensions and 'demoralises' freedom-loving Israelis of all faiths." Dr. Shahak, who survived a Nazi concentration camp, was in Toronto to address a public meeting sponsored by the "Jewish Alternatives to Zionism" organisation.

THE POLICY FOR THE WORLD STATE

Speaking in Sweden in May 1962 U. Thant, at that time Secretary General of the United Nations, succinctly outlined the policy for establishing the World State: "The concept of taxing the rich according to their capacity to pay, in order to cater to the poor according to their needs, is now well established as a simple canon of social justice in all democratic countries. It requires only a little imagination to lift this concept to a higher plane, namely the international plane, and to extend its scope from the country to the universe."

Australia's "conservative" Prime Minister, Mr. Malcolm Fraser, Canada's Fabian Socialist Pierre Elliott Trudeau, along with the Soviet Union, Communist China and the international bankers are now striving on the "higher plane" to advance the policy for the World State. It is called the New International Economic Order. Defeat of that policy is one of the most urgent tasks confronting freedom lovers today.

It is worth noting that U. Thant was a Socialist from Burma, a nation not notorious for demonstrating how to solve the problems of mankind. Mr. Trudeau has fragmented Canada, while Prime Minister Fraser cannot even produce harmony in his own party. It was Karl Marx who wrote so glowingly about his concern for mankind while treating his own family in the most abominable manner.

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