

THE NEW TIMES

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

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CREATING THE WORLD STATE VIA "FREE TRADE"

"Free trade" is a term used in such a manner that anyone expressing doubts about it is immediately labelled as either an economic illiterate or one who is determined to support some "vested interest" in which he is involved. The truth is that the "free trade" concept is today being skilfully promoted as a means of "restructuring" the production systems of countries as a preliminary to fitting them into the New International Economic Order.

Genuine free trade between nations would be possible, and desirable, if this meant an exchange of genuine surpluses between nations for their mutual advantage. But under financial policies rooted in the totalitarian philosophy that the individual exists to serve the economic system, and must be "fully employed," every nation is seeking to solve internal problems by massive "export drives." The Marxists make no secret of their belief that "trade" should be used as an instrument of warfare.

"Free Trade" has been turned into a slogan by those who do not believe in genuine free, competitive enterprise. The developing multinational corporations, instruments of the international banking organisations, are in the forefront of the "Free Trade" campaign. They are increasingly establishing themselves in any part of the world, including Communist countries, where adequate supplies of cheap labour are available. It is relatively easy to persuade Australian farmers that "Free Trade" would enable them to buy equipment from overseas much cheaper than they can obtain it from their fellow Australian producers. But they do not want "Free Trade" extended to the point where Australian consumers might get some cheaper food from overseas! Their spokesmen are strong in their condemnation of the threat of the Common Market countries "dumping" their food surpluses on to the Australian markets.

THE WHIP OF FINANCIAL ORTHODOXY

Farmers in countries like Australia, New Zealand, Canada and the U.S.A. are, of course, not working under a genuinely free enterprise system serving consumers; they are under the whip of a financial orthodoxy which because of high inflation drives them to feverishly over-produce in an endeavour to meet increasing financial costs. As their own nations cannot possibly absorb the mountain of production, it has to be exported, much of it on credit to the Communist nations. This is the type of "Free Trade" the Communists like! They are enthusiastic about a New International Economic Order, which enables them to advance Lenin's teaching on international "economic interdependence" by going into partnership with the multinationals.

The proposed shape of things to come is outlined in that remarkable but hard to obtain book, *Vodka-Cola* by Charles Levinson, Secretary General of the International Federation of Chemical Energy and General Workers Union. Levinson writes, "... For the monopoly capitalists or multinationals, detente has never, we repeat, been about avoiding nuclear war, or about promoting constructive 'convergences' between the best socialist and democratic features of both systems. Least of all has it been about catalysing liberalism, human rights, and the market economy into the Communist countries. Slogans such as 'Peace through Trade', 'Economics

— the Arms of Peace', 'Make Love and Profits, not War', are promoted by lawyers on commission hustling deals for personal profits, as in the case of . . . the call-boys of media and of academe. These jaded hacks are paid their hire by all the call houses of the Rockefellers, the banks and oil companies, to apply the cosmetics of Madison Avenue and the advertising world to the motivations of the Western ruling elite. As with the Soviets, Poles, Czechs, East Germans and others, these motivations are entirely pecuniary and secular, accumulating more profits and cash flow for exploiting workers in the East in order better to exploit workers in the West . . ."

CONVERGENCE

The fable that Communism is a movement dedicated to the uplift of the oppressed is matched by the fable that Big Business is anti-Communist, conservative and pro-free enterprise. Big Business is a manifestation of the same philosophy of monopoly, which motivates Communism. Big Business and Socialism are the higher and lower roads to the same objective: the complete Monopoly State. Thus the growing talk of "convergence" best outlined by the leading Trilateralist, Zbigniew Brzezinski, the man who was President Carter's National Security Council.

Writing in his book, *Between Two Ages* (1970) Brzezinski said, "In the economic-technological field some international co-operation has already been achieved, but further progress will require greater American sacrifices. More intensive efforts to shape a new world monetary structure will have to be undertaken, with some consequent risk to the present relatively favourable American position." The underlying concept of the New International Economic Order, promoted both by the Trilateralists and the Communists, is a transfer of production from the more developed to the less developed countries.

Brzezinski spells out clearly what is proposed: "Further progress would in all probability require the abandonment of restrictions . . . on the international activities of American corporations and on their foreign subsidiaries and plants. The appearance of a truly international structure of production and financing would have to go hand in hand with the emergence of a 'theory of international production', needed to supplement our present theories of international trade. Progress along these lines would also facilitate the creation of a free-trade area, which could be targeted in progressive stages." This is the type of language, which is music to the ears of the international bankers.

Mr. William J. Casey, a member of the notorious Council on Foreign Relations, spelt the programme out even more clearly when he was Acting Secretary of State. Addressing a meeting at the Adelphi University, U.S.A., on March 3, 1974,

Casey referred to a "more equitable distribution of the world's output." Mr. Casey concluded his address with the comment that "even though the process of moving from the old economic order to the new one may be painful for some, it is a cost far less painful than the cost we would encounter if we tried to resist an inevitable trend." The acceptance of an "inevitable trend" is a surrender to Marx's dialectical materialism. Mr. William Casey is today a senior official in the Reagan Administration, a demonstration once again that changing politicians does not of itself change policies. Like all Trilateralists, Mr. Casey is working for the "restructuring" of the national economies of the world to fit them into the New International Economic Order. Such a programme means that ultimately no national defence against aggression is possible.

A "PLAN"

A classic example of the "convergence" programme is provided by the Siberian natural gas project, the biggest yet undertaken as a joint enterprise between the Communist and non-Communist world. The natural gas in Siberia is under the control of the Soviet government. But the Soviet neither has the technology to tap the gas, nor the industrial resources to transfer it thousands of miles across Russia, Eastern Europe, and then into Western Europe. The non-Communist world, including Japan, is providing both the technology and the pipeline, the project being financed by the international bankers. The economies of Western Europe will become increasingly dependent upon Siberian gas for their energy

"SOCIAL CREDIT" IN NEW ZEALAND

The author of Social Credit, C.H. Douglas, stressed that the only basic answer to social unrest was a falling price level, reflecting the fact that every technological improvement reduces the real unit cost of production. The compensated price was a major feature of the financial principles formulated by Douglas.

During the Second World War, all English-speaking countries crudely applied the Douglas proposal in the form of consumer price subsidies. These schemes were financed by taxation levied on the big expansion of new financial credit necessary to finance the war, during which all those involved had vast "export" programmes — military equipment was poured out in a flood. With such a tremendous emphasis on financing capital production geared to "exporting," and a limit on consumer production, inflation was inevitable in spite of rigid price controls. This meant demands for increased wages and social friction at a time when it was essential to have the maximum of national unity.

With the introduction of consumer subsidies wage increases were minimised and inflation practically abolished. When the Chifley Labor Government in Australia started to abolish consumer price subsidies, inflation immediately became a major political issue, with the Liberal-Country Party coalition promises before the 1949 Federal elections, to restore price subsidies as a major part of a programme for "putting the shillings back into the pound." Fabian Socialist Dr. H.C. Coombs, currently campaigning for Australian Aboriginal "land rights," former Governor of the Australian Reserve Bank and economic adviser, led the bureaucracy's opposition to the proposal to restore price subsidies, which was ultimately dropped. Inflation continued.

The United Kingdom continued with food subsidies until the British surrender to the Common Market. Food prices escalated. New Zealand continued with much of their subsidy system until the election of the first Muldoon government. Dairy products were relatively cheap; wage increases were moderate, as was inflation. Mr. Muldoon, an accountant, insisted that price subsidies had to be abolished, as they "cost too much." Inflation started to soar and at present is running at approximately 16-17 percent per annum. The amount of

requirements.

A report to the Trilateral Commission states, "Trade in manufactures takes us to the heart of the critical trade problem facing North and South over the long term: adjustment to a changing global division of labour, a relocation of world industrial capacity to the former 'peripheral countries' is under way. Its accommodation is central to the agenda of the next two decades and beyond..." Note carefully the word "agenda," which means that there is a conscious plan for remaking the world.

THE STEP THAT FAILED

The creation of the European Economic Community was no organic movement. It was a carefully prepared plan, one of its objectives being to break up the trading arrangements of the old British world. It was claimed that a big "free trade" area in Western Europe would benefit all those who joined. The backers of this plan are the same international forces promoting the New International Economic Order. They admitted that the EEC was a major step towards creating a World State. That step has failed disastrously and should be heeded as a warning. Problems are not more readily solved by making them bigger. The first nation, which puts its own internal house in order, offering any genuine surplus production in exchange for production from other countries, will have set a convulsed world on the road to true peace. The "free trade" programme being promoted is a deadly trap.

money required for subsidies was but a fraction of the volume of money which has had to be created — as an interest-bearing debt, of course — to finance inflation.

Further massive price increases on the wide range of consumer items and services triggered off a grass-roots protest meeting initiated by a woman, whose knowledge of finance was obviously not great, but who at least urged a halt. Concern about inflation unites most sections of New Zealand society, including the primary producers whose costs have increased by an estimated 80 per cent over the past three years.

We would have thought that in view of the inflation issue, a party using the term Social Credit, however misguided it might be about realistic political action, would at least have displayed some political sense by boldly backing up the grass-roots protest, and enunciated the Social Credit policy for dealing with inflation. But the New Zealand "Social Credit" party, headed by the "charismatic" Mr. Bruce Beetham, has studiously ignored the Social Credit principle of directly financing consumers through a consumer price discount system. So perhaps it was not surprising that when the New Zealand parliament met, Mr. Beetham came forward with a proposal to alter the Royal Succession legislation so that the first-born irrespective of sex shall be the Monarch.

It was left to the New Zealand League of Rights to once again give a lead by initiating a grass-roots campaign on the consumer subsidy issue.

HUMANITARIANISM

"... Humanitarianism, their ruling passion, an ersatz substitute for charity, invariably sides where there is most room for sentimental self-indulgence in the filth or famine of others.

"It sides automatically with the dog against the man, the Jew against the Christian, the Black against the White, the servant against the master, the criminal against the judge.

"It is a suicidal form of moral perversion . . . just as are the other perversions with which our intellectuals are riddled."

— Roy Campbell in *The Flowering Rifle*

"GIVE THE PEOPLE MONEY!"

By Professor Walter Murdoch

One of the many distinguished men, who supported the monetary proposals of C.H. Douglas during the Great Depression, was Professor Walter Murdoch of Perth University, Western Australia. One of Australia's greatest essayists, Professor Murdoch used his brilliant pen to flay the financial absurdities of his time. One of Walter Murdoch's best-known essays on finance was his essay, "Give the People Money," reprinted and distributed in tens of thousands. Although written against the background of the Great Depression, the basic points made in this essay have as much relevance today as when first written.

I have often heard people say that this Major Douglas scheme, in which I believe, is quite impracticable because it is so complicated that no one can understand it. It isn't so bad as that, but it is complicated, and it must be complicated, for a very plain reason: that the present money system, which it seeks to modify, is complicated. If you think the present system, under which you and I live, is easily understood, depend upon it you don't understand it.

Most of us have grown up in a world in which it was not urgently necessary that we should understand what money really meant; we took it for granted, in the happy days before circumstances forced us all to become economists. I look back with dismay and some shame at the absurdity of my own delusions about money a few years ago.

In a recent article in the *Contemporary Review*, the Archbishop of York remarks: "I was taught some political economy at Oxford, including certain propositions about money. What is perfectly plain is that money is not what they told me it was."

Well, I was not taught economics at Oxford or anywhere else; I simply took for granted those propositions about money, which everybody around me seemed to be taking for granted. I now know that those propositions were none of them true: that money is not at all what I thought it was; that the banks don't act in the way I imagined they acted, but very far otherwise.

But I have also learned that the intricacy and delicacy of the money machine can be greatly exaggerated, and that when you apply commonsense to it certain simple facts do emerge; facts which explain why the machine has so appallingly broken down, facts which make it plain that no patching will ever set the old machine running again, and that the world will never get out of the slough into which it has fallen until we have the courage to undertake a reform at least as radical as that which Major Douglas demands.

Circumstances have forced people to do a lot of thinking in the last few years; and the result of this reflection is that certain statements which would have been violently disagreed with a few short years ago, may now be taken for granted in any discussion.

One of these is that the world is suffering from an unexampled depression, in the midst of unexampled wealth. The world's inhabitants are in the position of persons dying of thirst on a raft in the middle of a fresh-water lake. I don't need to insist on that, at this time of day; there are few persons who will not agree that the age of scarcity is over, and that we live in an age of plenty. The problem, which has puzzled the world from immemorial ages — the problem of how to produce enough food and other necessities of existence for the needs of the world's population — has been solved, once and for all.

Within the last fifty years the world has been transformed. Science has wrung so many secrets from nature, man's inventive faculty has harnessed so much energy to his uses, that the world is wealthier today than ever before, wealthy beyond the dreams of the Utopian dreamers of a century ago. The world is full of destitution and of wealth.

This is an age of plenty; there is plenty of everything people can want in the way of material goods. I don't merely refer to necessities, but to what we are accustomed to call luxuries. A motorcar is, I suppose, a luxury; well, the world now possesses

sufficient factories, machines, power, material and men to supply a motorcar to every household in the world. Well, then, why does not every household in the world possess a motorcar? Because the majority can't afford it. They have not the wherewithal; that is to say, they have not enough money.

Remember that the capacity to produce motorcars is wealth;

FORMER UNDER COVER AGENT FOR "NEW TIMES" DINNER

Mr. Patrick Walsh, former under cover agent with the Royal Canadian Mounted Police, has recently written a sensational exposure of Soviet infiltration into Canada. This exposure, which will be on sale during Mr. Walsh's coming tour of Australia and New Zealand, contains a disturbing message for all parts of the free world.

The Canadian situation has deteriorated to the stage where internal security has been taken out of the hands of the Royal Canadian Mounted Police and virtually placed under the control of Fabian Socialist Prime Minister Trudeau. There are ominous reports of the establishment of the equivalent of concentration camps and provisions for the seizing of Canadian passports.

Mr. Walsh will be the guest of honour at the Annual "New Times" Dinner, to be held in Melbourne on Friday, October 1. He will also be one of the panel of speakers at the League of Rights Annual National Seminar on Saturday, October 2, and be present at the National Action Seminar on Sunday, October 3. There will be a number of special features at this year's League National Weekend, and no one should miss it.

Because of inflation, the Dinner charge must be increased to \$14 per person. But a tremendous night is guaranteed. Early bookings may be made now. Interstate and Victorian country supporters requiring private hospitality in Melbourne should forward their request to League headquarters, G.P.O. Box 1052J, Melbourne as soon as possible.

and if you apply that to everything else you will understand what an enormous mountain of wealth the world now contains, wealth that we must not touch because we can't afford it; because we have not the money.

An invention, which enables a machine to do the work of men, obviously throws men out of work; so that what the scientists and inventors thought to be a blessing they were conferring upon mankind turns out to be a heavy curse. You would say off-hand, wouldn't you, that it would be an entirely blessed thing if we could have machines to do all the dirty work necessary, all the beastly drudgery, and set men free for better and pleasanter activities?

Not at all; the machinery that does the dirty work for us throws men out of any sort of work and produces an unprecedented volume of misery.

Since with the coming of machinery there isn't enough work to go round, at first sight it would seem natural to say that men must work for shorter hours. Instead of employing 50 men for a 48-hour week, why not employ 100 men for a 24-hour week?

To which the employer will very truly reply: I am quite willing to employ men for half time, but in that case, of course, I can only pay them half wages. I can't pay full wages for half time: I can't afford to do that. **I haven't the money.**

What it comes to, then, is that between 30 and 40 million persons capable of work are unemployed today. The modern community will not, if it can help it, allow these people to starve to death. It just manages to pay them enough to keep them alive, in a way of life which cannot be happy and which must in the long run be demoralising and degrading. The community would gladly pay them more if it could, but it can't afford to. **It hasn't the money.**

And so you get the spectacle, which would make a visitor from Mars believe that he must be suffering from delirium tremens. In certain parts of the world today there is a famine, and people are actually dying for lack of bread; and elsewhere people are saying there is too much wheat grown and that we must restrict our acreage.

The production of rubber and oil has already been restricted. In Brazil, millions of bags of coffee have been burned; in the United States milk has been thrown into the rivers in such quantities that the fish have died of it; in Fiji they have been destroying sugar and in Japan they have been destroying rice; and all the while there are millions of people who are not getting milk or coffee or sugar or rice.

There can be no over-production of any article so long as there is a continued demand for that article. For all the things I have mentioned there is still plenty of demand, not demand backed by money. The milk is badly wanted, but it is wanted by people who can't afford to pay such a price as would make it worth the dairyman's while. **They haven't the money.**

And if our visitor from Mars, watching the destruction of so much wealth, the burnt coffee and the spilt milk, were to rub his eyes — as he naturally might — and ask: Am I mad, or are you? — we should reply: It must be you; we are sensible people and this arrangement you are looking at is generally known as sane finance; and those who want to change it for another system are generally known as either cranks or criminals.

Before I come to the remedies proposed by Major Douglas, I must mention one more paradox. That is the paradox of the so-called financial experts. These experts, who have learned the economics of an age of scarcity and have apparently learned nothing since, have only one piece of expert advice to give us: Economise!

To the persons dying of thirst on a raft in a freshwater lake their sage counsel is — Drink less! To people living in a world wealthier than ever before, they say, you must lower your standard of living. Here in Australia they put their hands together and devise a plan for restoring prosperity by cutting down wages and diminishing the buying power of the people, when any spark of commonsense should tell us that to lessen people's power of buying could only result in an increase of unemployment and a deepening of the depression.

The result of the combined wisdom of the economists is that the world keeps getting more inextricably into the mire; and that is why I, for one, am not profoundly impressed when high authorities tell me not to meddle in these matters that are too high for me, but to leave everything to the experts.

The key to the situation lies in an answer to the question: What is Money? What is this mysterious entity which people haven't enough of, so that they can't afford to get any good of the fact that they are living in an age of plenty?

Money simply means tickets for the exchange of goods. Whether printed on metal or on paper, money means tickets. Money is not a commodity, but a means of exchanging commodities, a very ancient device for doing away with the intolerable cumbrousness of barter.

The world is not suffering from a lack of goods today, but from a lack of tickets for the exchange of goods. To give you a picture of what is happening in this world of ours, I must ask

you to imagine a village — not a poor village — but a very wealthy one — threatened with floods. All the villagers come in haste to the railway station, where as it happens there is a train large enough to accommodate all of them, with steam up ready to go. They rush on board, but the guard comes along and asks them to show their tickets. Rather impatient, because the waters are rising rapidly, they get out and rush to the ticket office, only to be told that unfortunately there are no tickets to be had; the last were sold yesterday, and no new supplies have come along. They all rush back to the train, where they find the engine driver engaged in putting out his fires. "I'm very sorry," says the stationmaster, "but I'm afraid you'll have to drown. If it's any consolation to you to know it, I shall have to drown with you. There's no help for it. Obviously the train can't carry passengers who haven't got tickets. That has never yet been allowed." So they all drown for lack of tickets.

What would you think of a railway company, which, instead of printing tickets sufficient for the number of passengers it might be required to carry, limited the number of passengers and the number of trains to make them fit the number of tickets it had printed? That is what happens in the world today.

Instead of creating the right amount of money to carry on all the business possible in the world, we limit the business to make it fit the amount of money there is. We close factories, we limit production, we throw men out of work, we starve people, simply and solely for lack of money; and yet money is a thing we can create in precisely whatever quantities we choose.

Who does, in actual fact, create money? In old times, it was created by governments, and by governments only; and any private person who tried to encroach on this prerogative of the king, by making counterfeit coins or bank notes, could be put in prison or, even in England not so very long ago, hanged.

With the invention of the cheque system — an admirable device in many ways — the power of creating and cancelling money passed, without the public noticing what was happening, out of the hands of the king into the hands of bankers.

Out of the total money in the world today, a certain small amount consists of coins and banknotes; but most of the money consists of book entries in banks. Somewhere about 1½ percent of the money in Australia consists of coins and notes; the rest is that form of money known as bank credit.

QUEENSLAND STATE WEEKEND

Mr. Jeremy Lee, fresh from a tremendous Canadian tour, and Mr. Eric D. Butler, the centre of the recent ugly nationwide demonstrations against the New Zealand League of Rights, will both be present at the Queensland Annual State Dinner in Toowoomba on Friday, May 28. Several distinguished guests will also be present. A panel of top authorities on the explosive Aboriginal "land rights" has been assembled for the Seminar on Saturday, May 29. One of these will be the former Communist official, Mr. Geoff McDonald, whose statement read in the Queensland Parliament by Premier Joh Bjelke-Petersen, caused a national sensation, will be presenting a paper on the subject from the defence aspect. With the threatened revolutionary disruption of the Brisbane Commonwealth Games, the League of Rights 1982 Queensland State Seminar is the most important ever held. A highlight of the Action Seminar on the Sunday will be an examination of a co-operative credit scheme. All Queensland and Northern N.S.W. supporters should make every endeavour to be present. Any interstate visitors also welcome.

All enquiries to be directed to Mr. Chas Pinwill, 466 Anne Street, Brisbane. Phone: (07) 221 1985.

I am not quite certain of the exact figure; to be on the perfectly safe side, let us say that 3 percent of our money is created by the Government and 97 percent is created and controlled by the banking system. Governments make money out of gold or silver; what do banks make money out of? They make it out of nothing, as all the leading authorities on banking are agreed. They create it with a pen, when and to what extent they please; and they destroy it when they please. Every time a bank grants a loan, it creates money; every time it calls in a loan, it destroys money.

The banks, controlling the volume and the flow of money, control the lives and destinies of men; and governments eat out of their hands.

Now by every principle of right and justice, the total credit of the community belongs to the community, and not to a group of private individuals; and the first thing to do is to take the control of credit out of the hands of irresponsible individuals and put it in the hands of persons responsible to the community; **That is, the creation and control of money must be made a department of the national government.**

Having re-assumed control of the monetary system, the first task of government will be to deal with the present shortage of money, to bridge the gap between production and consumption.

One of the great services of Major Douglas was his discovery that with our present financial arrangement no industry can possibly pay out, in wages, salaries, and dividends, enough money to pay the cost of the goods it produces, and that is true of all industries.

This is the famous A & B Theorem, of which the orthodox economists are so fond of exposing the fallacy; but the facts, as someone has noticed, continue to behave as if they were in the pay of Major Douglas.

Major Douglas proposes to finance the consumer, to bridge the disparity between production and the power of buying products, in two ways. First, by treating every man, woman and child as a shareholder in the national business and issuing to each a National Dividend, calculated on the real value of the nation's assets. Second, by enabling all goods to be sold below cost price, the loss being made good by issues of national money.

The problem is how to create more money without causing a

drop in the value of money; and the answer is that money must be created in exact proportion to the real wealth in the community and that arrangements must be made not only for its issue, but for its cancellation. If you will take the trouble to look farther into this matter you will find that the Douglas Proposals contain in them no threat of inflation or deflation.

When I try to expound the scheme to friends, they say I can't see the fallacy in your argument; but it's too good to be true. If what you say is true, then the empire of poverty is over at last, and within a few months the world will be entering on an era of universal plenty; no, we have heard of these Utopian dreams before; it's far too good to be true."

Now my reply to that is this: If, a century ago, someone had announced that within 100 years the immemorial problem of production would be solved, and that man would possess the knowledge and the machinery to produce in abundance all the material goods he could need, most people would have laughed the prophet to scorn, and said, "It's too good to be true!" **But it is true;** everyone agrees that it is true.

And if someone else had prophesied, fifty years ago, that in fifty years the earth was going to be a planet on which misery and destitution would stalk abroad amid an unprecedented plenty of material goods, people would have said, "No, impossible; it's too bad to be true." **But it is true;** that evil dream has come true as we all know if we keep our eyes open.

I regard it as the bounden duty of everybody to do what in him lies to awaken the world from this nightmare; and that is why I commend to your close attention these Proposals, which to the best of my belief would result in making money our invaluable servant, instead of as at present our despotic master.

If you know of any better scheme for lifting us out of this morass into which we have fallen, of removing the burden of poverty and the haunting fear of poverty by which so many lives are shadowed, and making the way clear to economic freedom and economic abundance, by all means do what you can to forward that other scheme.

But I ask you to look patiently and carefully into these proposals of Douglas before you declare them impracticable. Only, remember, the time is short, and the patience of men not inexhaustible.

TO THE POINT

A representative of the European Economic Commission has been in Australia and New Zealand telling the politicians and peoples of these two Anzac countries that the immediate future for the EEC looks extremely "bleak." The Common Market has proved to be a major disaster, demonstrating that problems are not more easily solved by making them bigger. But the lesson from Europe has apparently been lost upon the Australian and New Zealand politicians. Deputy Australian Prime Minister Anthony has been in Wellington recently urging that the programme of "economic co-operation between Australia and New Zealand be speeded up. Fortunately a growing number of New Zealanders are becoming skeptical about the centralisation programme, stressing that if New Zealanders cannot solve their problems as an independent nation, they would have less chance of doing anything constructive under centralisation.

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As the author of Social Credit, C.H. Douglas, pointed out sixty years ago, the present finance-economic system can only be kept operating at all by an increasing volume of debt. One of the results of the vast debt structure is taxation, which becomes progressively more oppressive. With governments desperately searching for ways and means to obtain more taxes to sustain welfare programmes, "foreign aid," and much else, Australian Federal Treasurer John Howard at one time proposed that even the paperboys' earnings should be taxed. That was a little too much for Australians, and Mr. Howard backed away. Then he, or his "advisers," said there were miners getting rent-free houses from mining companies, and that they should be taxed on the saved rent. But when miners went on strike and one put a headlock on the Treasurer, that idea was dropped.

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But a variation of this type of tax has emerged in Canada, with the proposal that Canada's homeowners be taxed on the amount of rent they save. Commenting on this proposal, Mr. Ron Gostick, National Director of the Canadian League of Rights, outlines what it costs him in operating his "rent free" home, concluding that perhaps it would be better financially "to forgo the luxury of my 'rent free' home and rent someone else's or move into an apartment." Mr. Gostick suggests that as more Canadians get belted by Big Brother, they are beginning to awaken, commenting that "when they do, God help some of our politicians and bureaucrats."

Perhaps the Canadians could import the Australian mineworker who head locked the Australian Treasurer for a demonstration on how to get a message through to the Canadian Treasurer!

The sickening hypocrisy of the Political Zionists knows no limits. Among the Zionist "martyrs" being honoured by an Israeli stamp issue, are the two Stern gang terrorists executed in 1945 for the murder of the British resident minister in the Middle East at the time, Lord Moyne. The bodies of the executed Zionist terrorists remained buried in Cairo until July 1975. President Sadat of Egypt had them exhumed and sent to Israel, where they were re-buried with full military honours at a ceremony attended by Prime Minister Golda Meir.

The Israeli stamps commemorate 29 Zionists, including members of the Irgun Zvai Leumi led by Menachem Begin. Begin's group was responsible for the blood-chilling massacre of defenceless men, women and children at the Palestinian village of Deir Yassin, while earlier, in 1946, they had bombed the King David Hotel, with 91 people dying and many more seriously injured. Last September the bloody-handed survivors of the gang responsible for the King David horror turned up at the hotel in Jerusalem for the reception of a new book on their exploit. Perhaps Menachem Begin, the terrorist leader who is so strong in denouncing the "callous butchers" of the Palestinian Liberation Organisation, felt it might be straining his international credibility by being present with his fellow murderers.

Running true to form, when a writer in the October, 1981 issue of *World Medicine*, Mr. Karl Sabbagh, suggested to a group of doctors visiting Israel that they should recall Begin's past as they travelled throughout Israel, the London based Israel Medical Association threatened drug companies and others advertising in *World Medicine*.

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During the first quarter of 1982, the inflation rate in the

U.S.A. fell fractionally. But the lower inflation rate reflected the deepening recession, with business bankruptcies continuing to increase. The economic "experts" consider the cut in inventories a good sign as it means that businesses will have to increase their orders as soon as sales pick up. But sales can only improve if the money supply is increased. And if that happens under present financial rules, there will be a further increase in inflation. The only constructive answer to the problem is an increase in the money supply outside the cost system. Two relatively simple steps would move industrialised nations on to a new course: the financing of adequate pensions for people encouraged to retire at an earlier age, thus reducing the explosive youth unemployment situation; and the financing of a system of consumer price discounts to increase purchasing power by reducing prices. The money required for these two steps would be created in the same way that money is created to finance inflation.

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The role of the North Korean troops in Comrade Robert Mugabe's Zimbabwe was more openly revealed during the recent "independence" celebrations in Salisbury — now renamed Harare. Mugabe not only has little faith in his fellow Africans; like many others, he is not impressed with the Cubans. The North Koreans are tough and well disciplined. Mugabe continues to move towards the one party state, and as the whites continue to leave the country, looks ahead to having a reliable military force to keep him in power. Thus his dependence on the North Koreans. In the meantime the mindless Western politicians like Malcolm Fraser of Australia, continue to claim that by permitting Mugabe to come to power, they have helped to keep Communism out of Southern Africa!

THE MILLS ARE GRINDING SMALL

The following item was sent recently from Canada by Jeremy Lee.

Social Credit Party enthusiasts in New Zealand should look twice at latest developments in Canada. The Social Credit Party, which swept into office so convincingly under William Aberhart in 1935, has now pressed its own "self-destruct" button, and will deliberately step into oblivion at the next provincial election in Alberta.

Few will notice the party's demise. Almost everyone has forgotten its birth in the "dirty thirties." But a sense of relief will be felt by genuine Social Crediters, whose beliefs and dreams have been sullied by the petty party power-seekers for so long.

The very name "Social Credit" is now an abomination to most western Canadians. For 40 years the Social Credit Party has had the votes of traditionalists, loyalists and conservatives. Not once in that time has it given one measure of the service such votes deserved. Finally, its hypocrisy is too transparent to hide behind any longer. So it is going, not with a roar, but a whimper.

It might have staggered on for another decade, had not economic conditions and a radical Prime Minister started to reproduce in 1982 the sort of conditions which produced Social Credit enthusiasm in 1935. Conditions in Canada are grim, especially in the West. Alberta's oil industry has been crippled by Trudeau's National Energy Programme. The giant Canadian lumber industry is being strangled by an impossible cost structure, with a consequent loss of employment hurting hundreds of lumber towns and thousands of families. Farm bankruptcies are as high as those in the Depression years, and February's national bankruptcy figures were the highest in Canada's history.

HISTORY REPEATS ITSELF

Now across the huge Canadian prairies the same anger and

frustration that kindled a political prairie fire in 1935 is smoking and crackling ominously in 1982. But the Social Credit Party is no longer seen as the answer. It is widely identified as part of the problem. So a new political movement is packing out Legion halls and community centres from the Peace River in British Columbia to the wheat lands of central Manitoba — the "Western Canadian Concept."

Initially, it was laughed at by pollsters and politicians alike across the nation. But after coming from nowhere in a recent Albertan by-election to thrash both Social Credit and Conservative parties, the Western Canadian Concept (W.C.C.) is the name that is making the running.

And what of Social Credit, which had held that seat for over 30 years? It has had to face the fact that it has nothing left. Two weeks ago the party leader, Rod Sykes, resigned from the party's leadership while still in parliament. His deputy, Mr. Ray Speaker grappled with the remote possibility of political resuscitation for the next fortnight. But on Wednesday, March 31st the Social Credit Party formally decided not to run any candidates when Alberta next goes to the polls. Unable to face the enormity of its own deviation during its life, the Social Credit Party had, on that wintry Canadian afternoon, just enough realism to accept its own political demise.

The most realistic epitaph was offered by former Social Credit Cabinet Minister Alf Hooke, when he heard the news by telephone on Wednesday night.

"That doesn't surprise me one bit" the 77-year-old Hooke, one of the party's original members, said. "There was nothing left of the party actually . . . Since Mr. Manning, we have had five so-called leaders — all of them nice guys, but there isn't one of them who knows what Social Credit is all about. . . . To me it's great news because it leaves me free to say more than I otherwise would because I felt a loyalty to the party even though I saw it committing suicide..."

LEARNING BY MISTAKES

Most important is whether the new W.C.C., coming to

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power under conditions so similar to those that gave birth to Social Credit, can profit from the reality of the Social Credit betrayal and ending. Already, there are signs of infiltration and diversion. There seems little doubt of political successes for the W.C.C. in coming months. But what vaccine can prevent the infection of compromise and perversion, which usually follows victory at the polls?

Only the establishment of a high level of autonomous initi-

DEFICIENCY AND DEBT

"The present financial price system is not merely self-liquidating, but is decreasingly self-liquidating. We also know that in fact, in those times of boom which are referred to by economists as proving that it is self-liquidating, the rate of increase of debt is greater than in times of depression."

— C.H. Douglas in *Money and the Price System*
Monetising Wealth

"Social Credit from a technical point of view is simply the power to monetise wealth. That is very nearly a complete definition of Social Credit. The power to monetise real wealth is now a monopoly. We want the power to monetise, and to distribute money, to be public property."

— C.H. Douglas in evidence before the United Farmers
of Alberta Government, 1934.

THE ROMAN CATHOLIC ATTITUDE TO SOCIAL CREDIT

Our Canadian contemporary, "Vers Demain," in an issue of September 15th, in the early fifties, publishes the text of a highly important letter written by the late Father Coffey, Professor of Logic and Metaphysics at Maynooth, to a Canadian correspondent, himself a Jesuit Father, then in Montreal, who had written to Father Coffey concerning an article published over his signature in the journal "Catholic Mind." The letter (translated) is as follows:

**Maynooth College,
March 23rd, 1932.**

My Dear Father N.....,

Thank you for your request for an account for the 20 sold. I do not know *Catholic Mind*, but I suppose that this organ has reproduced my article published in the *Clergy Review*.

The difficulties raised by your questions cannot be resolved except by the reform of the financial system of capitalism, conformably to the line suggested by Major Douglas and the Social Credit School for the reform of credit. It is the accepted system of finance that is the root of the evils of capitalism.

The analysis effected by Major Douglas and his disciples in England was elaborated independently by Foster and Catchings in their books *Profits and Business without a Buyer*, published by the Pollack Foundation (Houghton Mifflin Co., Boston, Mass., U.S.A.).

The exactitude of this analysis and the plan of reform proposed by Douglas have been boycotted with persistence, or falsely presented, by the capitalist press of the whole world, throughout the last fifteen years. Douglas gave evidence before the Parliamentary Committee of Inquiry on Banking in Canada in 1923; and, in spite of the boycott, his propositions have come to the knowledge of the public, particularly in Australia.

Unhappily, our Catholic theological censure has such a fear of the novelty of credit reform that its ecclesiastical adherents (myself among them) are prohibited from espousing it

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ative, with adequate sanctions, in the hands of ordinary voters at constituency or riding level can keep the political nose to the grindstone and the political wheels on the track.

If the sad and ignominious story of Canada's Social Credit Party serves to drive this important lesson home, then Canada will have gained more from the death of that sorry political association than it ever received during its long but undistinguished life.

The following books are recommended:

Social Credit-C.H. Douglas. \$5.80 posted.

Economic Democracy-C.H. Douglas. \$3.45 posted.

Alternative to Disaster- B. Monahan. \$1.00 posted.

Inflation and Freedom-B. Monahan. \$1.00 posted.

The Breakdown of the Employment System-C.H. Douglas \$1.00 posted.

The BBC Speech on Social Credit- A.R. Orage. \$1.00 posted.

The ABC of Social Credit-E.S. Holter. \$2.00 posted.

Money - Fact and Fiction - D. Malan. 80^c posted.

Natural Cost and the Ownership of Money-D. Malan. 80^c posted.

Upon That Mountain-A background to the New International Economic Order. \$1.45 posted.

publicly. And that, despite that Quadragesimo Anno insists on the evils of world monopoly of financial credit, and by implication invites Catholics to explore it and to study it.

Personally, I am convinced that the capitalist finance is bound inevitably to generate wars, revolutions, and the artificial starvation of millions of human beings in the world of POTENTIAL abundance. I do not see any prospect of the adoption of a sane system of finance in any country. And for all that such a reform is essential for the re-establishment of a Christian economic system of widely distributed property, and is, in consequence, the only alternative to a revolutionary, violent, and atheistic Communism.

I have studied the whole subject for fifteen years, but I am not yet free to publish the results of my investigations. That may lead you to believe that I am not a guide on the matter. Very well, I can at least tell you that I am honestly convinced that the Douglas proposals are not socialistic and that they do not contradict the teachings of the Church concerning private property. I believe that with their famous price-adjustment formula they constitute the ONLY reform which goes to the root of the evil. I know, with certitude, that the exactitude of the analysis (likewise in the Pollack books) has never been refuted.

Concerning the possibility of a realisation in the concrete of the constructive proposals of Douglas — with the mass psychology of a doped public and with all the power of propaganda of the capitalist Press aligned against them — that is the secret of the gods! But the only alternative that I see to their adoption is the chaos of Communism.

In finance is now centred exclusively all interest in the tragic transition from capitalism to Communism.

With apologies for this desultory scribble, I remain, my dear Father N.....,

Your wholly devoted,

P. COFFEY

The Social Creditor. Eng. Oct. 16, 1932.

Those Who Are Not For Us Are Against Us

By C. H. DOUGLAS

(Originally published in *The Fig Tree*, December, 1937)

To those interested in such matters, the mainly repulsive tribal rag-bag known to the general public as the Old Testament, and to the Jews, in part, as the "Torah" (the Law), is a veil, probably itself much mangled, to a treatise legible only with the aid of a key. Origen, most scholarly of the Early Christian Fathers, as quoted by Dunlap, remarks, "If we hold to the letter, and must understand what stands written in the Law, after the manner of the Jews and common people, then I should blush to confess that it is God who has given these Laws: then the laws of men appear more excellent and reasonable. The "Zohar", the chronicle of the early Jewish Rabbis (III folio. 1526) says. "The recitals of the Torah are the vestments of the Torah Woe unto him who takes this garment for the Torah itself."

Now it is becoming evident from many sources such as *inter alia*, the excellent studies of Cromwell (whose real name was Williams; and of the Stuart Kings, which have appeared from several pens in the last few years, that there is the closest relationship between the type of so-called religion which delights in the savagery in the Old Testament, read literally, and the financial tyranny under which the world is groaning, and through which it may yet be wrecked for centuries to come. Cromwell himself was the nephew of a rich moneylender and was financed by Manasseh-ben Israel as well as by the English Whig bankers. His sour-faced Praise-god-Barebones soldiery justified their atrocities and vandalisms by reference to Old Testament barbarity. William of Orange was alike the nominee of Lutheran-Calvinistic preachers and "Dutch Finance, and the Georgian era is outstanding for its coarseness and brutality. The constitutional crisis still fresh in our minds was notable for a prelate's public utterances addressed to Old Testament prejudice rather than Christian charity, and skilfully utilised by Whig bankers once again. Scotland itself, whose present plight is one of the world's tragedies, stems, in its condition today, direct from John Knox.

Whether there is anything of practical consequence to be extracted from a decoded Old Testament I do not know - it is "not my pidgin". But that evil, cruelty and tyranny in the world derive no small part of their terrifying strength from the fact that they are interwoven with the philosophy of a book supposed to convey Divine inspiration in the form in which it is commonly read, I have no doubt whatever.

Equally, the devastating feebleness of so many well disposed persons arose in great measure from a schism between a philosophy which was pumped into them in their early years and is still active in their unconscious minds, on the one hand, and an intellectual rejection of it, on the other. No one can act effectively against their unconscious convictions. That is why we see so much of what one may call St Martin's in the Fields-ism, which the B.B.C. is delighted to broadcast—an impeccable protest against social symptoms which always shies off an indication of causes, more especially and completely, of the chief cause, the financial system.

The mediaeval preachers used to insist that religion, which stopped short of actual conversion, was like unto filthy rags. They had the root of the matter. Every attempt to treat a symptom of the financial disease diverts attention from the disease itself. The Labour revenge-complex all power to the State Party with its "planning" and bureaucracy, is a great deal further from a Christian economics than even the Liberal *laissez-faire*, with all its abuses. Both are Whiggism: an assumption of moral superiority used as a cloak behind which to exercise authority in support of the hidden potentate, Mammon.

There are many readers of this review who are in despair at the revolting exhibitions of human frailty, which are, so far as they are able, assisting the bankers against the Social Credit Movement. I do not share that view. The devil does not waste time, and he is the Father of Lies. If the Devil were not active in it, there would be no virtue in the Social Credit Movement. But that is no reason why he should not be known for what he is. "They know not what they do" does not mean that nobody else shall know what they do.

Labels mean little. There is enough of the genuine spirit of Christianity in the world today, in the followers of every creed, to form the basis of a genuine democracy, and a genuine democracy can rest only on that spirit. But to that democracy, and to sound judgment, there is no more disruptive influence than a spurious "Divine Law". That there are passages in the Old Testament of high poetic merit, either in the original or in the beautiful language prevalent in English literature at the date of King James's translation, is unquestionable. But as a guide to life a book stands by its results. *Si monumentum requiris, circumspice*.

The Development of World Dominion

By C.H. Douglas

This work consists of a remarkable series of comments made by the author of Social Credit, in "The Social Crediter." As the drive to create the World State emerges more openly with every day that passes, this work sheds an increasingly brilliant light on how Civilisation has been brought to its present desperate plight. The penetrating scope of the wide range of comments demonstrates the great genius of the author. This is a handbook of permanent value for those who wish to oppose the submergence of the individual person into the collective. It is indexed in such a manner that the reader can quickly turn to any subject with which he is concerned. He will find that every comment will assist him to preserve his sanity in the prevailing madness, and indicate what is necessary by the individual to prevent himself from being used to serve the purposes of others, instead of his own.

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