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

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A SOCIAL CREDIT PERSPECTIVE

By B. W. Monahan, originally published in *The Social Crediter*, November — December, 1985

The new (15th) edition of the *Encyclopedia Britannica* (1974) is divided into two main sections: the *Micropaedia* of ten volumes, of Ready Reference and the Index, and the *Macropaedia* of nineteen volumes. Under the heading Douglas, Clifford Hugh (1879-1952) in the *Micropaedia* is the information "British economist and founder of Social Credit". The only reference to the *Macropaedia* is: "Ezra Pound's absorption with economics", and in this article Social Credit is stated to be "an economic theory stating that maldistribution of wealth due to insufficient purchasing power is the cause of economic depressions".

C.H. Douglas was educated to be an engineer. Of all disciplines, engineering is the most firmly grounded in reality. It deals in the most practical way with the so-called "Laws of Nature". So it is quite wrong to describe Douglas as an economist. He can best be characterised as a realist - as one possessing the sense of reality, the perception and comprehension of what underlies appearance.

Contemporary society is so pervasive that it is not a datum of consciousness that the Age in which we live is a mere 200 years old. It began with what is now called the Industrial Revolution. That is a bad term, for what that beginning was the birth of a new Age, the result of the gestation of a cross fertilisation of new discoveries and an old culture and social order. That birth carried the potential of a new efflorescence of the human spirit - a promise, to the far-sighted, of the amelioration of the lot of the common man — the exorcism, as it were, of the Curse of Adam. What happened to that promise?

In his first book, *Economic Democracy* (1919), Douglas noted "the poverty and degradation which shoulder the very doors of the rich.... from every quarter come the unmistakable signs of crumbling institutions and discredited formulae, while the widespread nature of the general unrest, together with the immense range of pretext alleged for it, is a clear indication that a general rearrangement is imminent".

What had gone wrong? It was as if a mansion of magnificent proportions collapsed while still in the building.

With his engineer's perception of cause and effect, Douglas identified Will-to-Power as a force in society operating against the individual's interest in self-development, and he stated the basis for a viable reconstruction of society:

"It is suggested that the primary requisite is to obtain in the readjustment of the economic and political structure such control of initiative that by its exercise every individual can avail himself of the benefits of science and mechanism; that by their, aid he is placed in such a position of advantage, that in common with his fellows he can choose, with increasing freedom and complete independence, whether he will or will not assist in any project which may be placed before him".

Quite the contrary of this developed. Proceeding largely from Germany, "a policy of the forging of a social, industrial and political organisation to concentrate control of policy while making effective revolt completely impossible, and leaving its originators and successors in possession of complete power" was implemented. And despite the ruination it inflicted on Germany *via* the First World War, "every indication points to the imminence of a de-

termined effort to transfer and adopt the policy of central or, more correctly, pyramid control from the nation it has ruined to others, so far more fortunate".

Now this is certainly not "economics" as this word is generally understood. It can be called "political" in the sense that it is an analysis and specification of alternative policies confronting society: (1) That the evolution of the industrial arts should be directed towards the emancipation of the individual; or (2) that industrial organisation should be utilised as a system of government directed towards a fixed ideal of what the world ought to be.

It was apparent to Douglas in 1918 that in fact the second alternative, whether consciously or unconsciously, was being followed, and this led him to an examination and analysis of the mechanism of implementation and control. He considered the physical factors involved, utilising concepts developed in the discipline of physics — for example: conversion of materials from one form to another, rate of doing work, time-energy units, sources of energy, wastage, physical efficiency; and psychological factors such as: will-to power, social discontent, human satisfaction, sabotage, freedom of association and co-operation, legalism, distribution of property, social conventions, national culture and tradition.

In the course of this examination it became clear that money and cost-accountancy were of crucial importance: and time. It is time that gives dynamism to the economic system.

Economic Democracy is certainly not an economic theory or treatise. It is more in the nature of an engineer's report on a mechanism which is not operating satisfactorily from a community point of view; even more, that it is functioning dangerously — so dangerously as to bring about the destruction of the then existing civilisation if not rectified. This, it should be noted, was before the Great Depression and the Second World War; and today we are threatened with total world government — the acme of pyramidal control — or atomic annihilation.

Yet, as any competent report should, *Economic Democracy* makes recommendations as to alterations in design to secure the necessary rectification. And the fundamental recommendation is simply an inversion of design. Instead of planning from the top down, subordinating the individual to the system — a planned society — society should evolve from the bottom up.

Economic Democracy is objective and dispassionate. But since motivation is a prime force in society, Douglas had to report that "...every indication points to the imminence of a determined effort... to adopt the policy ... of pyramid control...."

The book on its publication roused considerable interest and provoked correspondence in the daily and other Press. But suddenly the subject was virtually banned. In 1918 - sixty years, two generations, ago - the public generally, including the great majority of those engaged in the practice of banking, were in complete ignorance of the nature of money. Money was regarded as a commodity, basically gold, most of which was stored for safe keeping in banks, which loaned some of it, mainly to producing organisations to enable expansion of their activities. This conception, though not so nearly absolutely wide-spread today, is still wide-spread and both governments and certificated economists and

financial commentators tacitly support it. The fact is that approximately 99 per cent, of what is regarded as money (i.e. cash in the pocket or on deposit in banks) is bank credit; that is to say, is owed *in toto* to the banking system.

This vital matter was not explicitly emphasised in *Economic Democracy* (it was dealt with definitively in *The Monopoly of Credit* published in 1931). It means, of course, that the total *real* assets of the community are mortgaged to the banking system; and that in turn means that control of financial policy is the effective government of the community. The visible government is essentially the administrator of a policy imposed from the top down, epitomised in the over-riding policy of compulsory employment ("Full Employment") despite technological miracles.

"Considered as a means of making people work (an aim which is common both to the Capitalist and Socialist Party Politics) the existing financial system, as a system, is probably nearly perfect.

"Its banking system, methods of taxation and accountancy counter every development of applied science, organisation, and machinery, so that the individual, instead of obtaining the benefit of these advances in the form of a higher civilisation and greater leisure, is merely enabled to do more work. Every other factor in the situation is ultimately sacrificed to this end of providing him with work, and at this moment the world in general, and Europe in particular, is undoubtedly settling down to a policy of intensive production for export, which must quite inevitably result in a world cataclysm, urged thereto by what is known as the Unemployment Problem.

"To blame the present financial system for failing to provide employment is most unfair; if left alone it will continue to provide employment in the face of all scientific progress, even at the cost of a universal world-war, in which not only all possible production would be destroyed, but such remnants of the world's population as are left will probably be reduced to the meagre production of the Middle Ages.

"Considered as a mechanism for distributing goods, however, the existing financial system is radically defective. In the first place, it does not provide enough purchasing power to buy the goods, which are produced.

"I do not wish to enter at any great length into the analysis of why this is so, because it is always a matter of some heated controversy. I have, however, no hesitation whatever in asserting not only that it is so, but that the fact that it is so is the central fact of the existing economic system, and that *unless it is dealt with no other reforms are of any use whatever.*" — C.H. Douglas (1924)

The virtual boycott, so far as possible, of the public discussion of the subject matter of *Economic Democracy* was evidence that the operation of the financial system and its results were not due to ignorance of its true nature by those at the apex of the pyramid of power, but was the conscious pursuit of the consolidation and perpetuation of that power which Douglas's proposals threatened to destroy.

In a series of books, articles and addresses following *Economic Democracy* Douglas elaborated his analysis of the actual operation of the financial system, and its relationship to the industrial system and taxation. He showed that national finance was controlled by Central banks, which were integrated into an international system, culminating in the Bank of International Settlements - the Central bank for Central Banks. That system over a period of time shifted its headquarters, from European centres to London, and then to New York following the First World War which transformed Great Britain from a creditor to a debtor nation, and enabled New York to control British internal policies.

But the establishment of the International Monetary Fund, World Bank, etc. as a result of the Second World War, or World War Part II, being in effect the continuation of World War I, makes the Headquarters supranational, wherever situated. In consequence, the "almighty" dollar can be allowed (or be made) to decline, as happened to sterling. This is a clear indication that the U.S.A. is not billed, as a nation, to rule the world as World Gov-

ernment.

The central feature of the operation of the financial system in an industrialised country is that it does not distribute sufficient purchasing power to purchase the consumers' goods output. That is to say, a year's income cannot purchase a year's production; and this discrepancy is progressive. This gives rise to competition for export markets — trade war (by means of tariffs, etc.), the proximate cause of military conflict. A surplus of exports over imports, the difference being balanced by the import of "money", is of course an expedient to overcome the internal deficiency of purchasing power. As an end in itself it is a ridiculous policy — an unfavourable exchange of *goods*. What would happen if a country exported its total production and imported nothing but "money"?

In *Economic Democracy* Douglas predicted the breakdown of the finance-industrial system; and this of course came with the Great Depression of 1929, which was only terminated by preparation for war, by war itself, and after the war by the period of post-war reconstruction: a period now come to an end with another breakdown of the industrial system, now in evidence.

The unfolding of events over the years from 1918 revealed a new perspective for Social Credit. It became clear that it was not the *fact* of a defective financial system that lay at the root of our troubles. It was the deliberate *persistence* in the system.

In 1935 a Social Credit Party was elected in Alberta, Canada, with the largest majority ever obtained by Provincial Government. Every Act passed to institute reform based on Social Credit principles was disallowed by Federal authorities. Of this Douglas wrote: "Mr. Aberhart's Government has demonstrated, by forcing nominees of the Money Power to disallow his legislation, that 'economic determinism' is a mechanism of political intention. The Money Power does not, and never did, wish to improve the money system — its consequences in war, sabotage and social friction are exactly what is desired".

The League of Nations was the first attempt to set up an overt World Government with the ultimate aim of abolishing *national* sovereignties. The U.S.A. had been manoeuvred into the Great War by President Wilson — but Wilson was surrounded by a group of international financiers and others including, notably, Colonel E.M. House who completely dominated Wilson and who largely master-minded the setting up of the Federal Reserve Board, centralising all control of the U.S. financial system. The objective of the maneuvering was to have, as the nominal financial beneficiary of the war, a predominant voice in the peace negotiations at the Paris Peace Conference opening in Paris in 1919. These clearly would shape the post-war world; and in retrospect, and in the light of much since-published material, it is clear that the objective of the war was to provide the opportunity for such a shaping. And also in retrospect, the post-war period can be seen as a preparatory period for the resumption of war on an even larger scale.

At or round about the Peace Conference, a secretive group, originally formed by Cecil Rhodes with ideals of One World Government, and known as The Round Table, founded the Royal Institute of International Affairs. In an address, published in the Institute's journal *International Affairs*, Nov. 1931, Arnold Toynbee, the Director of Studies of the Institute stated that "we" were carrying on "a deliberate, sustained and concentrated effort to impose limitations on the sovereignty and independence of the fifty or sixty local sovereign states"; and "All the time we are denying with our lips what we are doing with our hands."

A parallel, and interlocking organisation, the Council on Foreign Relations (CFR) was established in the U.S.A., and rapidly became the effective government of the U.S. The Carter Administration in all essential posts is staffed by CFR members (or Trilateral Commission — a subsidiary organisation — Members); they occupy over forty key positions, and the majority of these held similar positions in the Nixon Administration.

In *Harpers* magazine for July 1958 there was published an article by Joseph Kraft. Kraft (a CFR member) revealed that E.M. House was one of the chief architects of the CFR, and boast-

ed of how the Council had succeeded in penetrating the Executive branch of the Federal Government even before World War II. He wrote:

"With the coming of hostilities, the Council's assembled pool of talent and information came into sudden and dramatic play. Stimson went to Washington as Secretary of War, taking with him the small nucleus of men, many unknown then, who were to found this country's modern defense establishment. 'Whenever we needed a man,' John McCloy, the present Council chairman who served Stimson as personnel chief, recalls, 'we thumbed through the roll of Council members and put through a call to New York.'

"At least as important, the Council provided for the U.S. government the first organized framework for postwar planning. Less than a fortnight after the guns began pounding in Europe, and a full two years before Pearl Harbor, Armstrong and the Council's executive director, Walter Mallory, journeyed to Washington with a proposition. State lacked the appropriations to set up a planning division; Congress was bearish about any official move that hinted at U.S. intervention; there was a danger that, if it finally did get going with a sudden jolt, postwar planning might be out of the hands of State. Why not they asked, let the Council begin the work, privately, with the understanding that its apparatus would be turned over to State as soon as feasible?

"Secretary Hull was in favor. Accordingly, in December 1939, the Council, with financial aid from the Rockefeller Foundation, established four separate planning groups — Security and Armaments; Economic and Financial; Political; Territorial — comprising about a dozen men each including research secretaries of the highest caliber (Jacob Viner of Princeton and Alvin Hansen of Harvard in the economic group, for example). A fifth group was added in 1941 to consider the problems of the exiled governments of the occupied European countries, which the State Department, because the United States was neutral, had to treat gingerly. In 1942, the whole apparatus with most of the personnel was taken into the State Department as the nub of its Advisory Committee on Postwar Planning Problems

"It appears that Council studies played a considerable part in shaping the Charter of the United Nations."

G. Edward Griffin (in *The Capitalist Conspiracy*) gives a partial listing of organisations represented in the CFR:

"The CFR, from behind the scenes, has dominated this nation for decades. CFR Members include top executives and journalists for the *New York Times*, the *Washington Post*, the *Chicago Daily News*, the *Christian Science Monitor*, *Harpers*, *Look*, *Time*, *Life*, *Newsweek*, *U.S. News and World Report*, *The Encyclopedia Britannica*, CBS, NBC, MGM, The Motion Picture Association of America; they include directors of the Ford Foundation, the Rockefeller Foundation, the Carnegie Endowment Fund; they include Presidents Hoover, Eisenhower, Johnson, and Nixon; Secretaries of State Stettinius, Acheson, Dulles, Herter and Rusk; a fantastic percentage of the President's Cabinet, Under-Secretaries, the Federal Reserve Board, Ambassadors to other countries, Supreme Court Justices and presidential advisors. The average American has never heard of the CFR, yet it is the unseen government of the United States."

It is clear enough from Kraft's article that the CFR had anticipated the outbreak of hostilities. The objective of setting up their own prepared group within the State Department was to *control* the hostilities and the postwar disposition of forces. To fully succeed in this it was essential to get the U.S. into the war, and this was accomplished by provoking Japan and *allowing* the attack on Pearl Harbour.

But the plot was much deeper. Thanks to the careful research by Antony C. Sutton, based on authenticated documents — many of them U.S. government documents only lately released — we now know for certain that groups associated in the CFR financed and aided industrially the rearmament of Germany, and promoted Hitler's rise to power. * * * *Wall Street and the Rise of Hitler*.

"The contribution made by American capitalism to German war preparations before 1940 can only be described as phenomenal. It was certainly crucial to German military capabilities

"Not only was an influential sector of American business aware of the nature of Naziism, but for its own purposes aided Naziism wherever possible (and profitable), *with full knowledge that the probable outcome would be war involving Europe and the United States.*"

Sutton reveals that the giant industrial groups could not take their 'profits' out of Germany. It is an important observation, because it points to the fact that profits in the ordinary everyday monetary sense of the word are meaningless in the context of the operations of the international monetary system. Practically all the 'money' in the world is 'owned' by the banking system, and in any case, according to a table Sutton gives, profits on loans by three New York financial houses of \$826,400,000 amounted to \$10.4 million - which is a total of only 1.26% over a period of years. Profit to the small businessman is meaningful, because it represents his livelihood in the same way as his wage represents the artisan's. As for the 'Multinationals' and cartels, they are merely the operating mechanisms of the international financiers. Douglas went to the heart of this matter with his observation that modern wars are of the nature of prizefights between A and B for the benefit of C, the promoter. The ultimate goal is One World Government under a self-perpetuating dynasty, and the operations of international finance and corporations are profitable, in the sense of beneficial, to that objective.

In the light of all this, what of the future?

A fairly recently published book, *Imperial Brain Trust*, by L.H. Shoup and W. Minter is, according to a Foreword, a Marxist analysis of the CFR. Superficially critical, it really serves to identify the U.S. as an Imperial Power operating through the CFR; which, of course, is an inversion of the actual case.

Chapter 7 begins: "We have shown in the previous case studies that the Council on Foreign Relations planned the post-World War II global order and tried to preserve it against challenges from the Third World and the Left". In fact, of course, the U.S. under the direction of the CFR has financed aid and arms to the "underdeveloped" countries, supported Communist governments and/or terrorist movements in those countries, covertly supported Communist Russian advances, and massively supported Russian industrial and military development. (See Antony Sutton's *National Suicide: Military Aid to the Soviet Union*.)

But Chapter 7 is in the main about the CFR's "1980 Project", which has as its aim "nothing less than the creation of a new global political and economic system to replace the existing one". In the Council's 1974 Annual Report there is a description of a new program, which, it states, "will be by far the largest operation at the Council, and because of its range and complexity, many other Council activities will be geared into it."

Shoup and Minter describe the Project:

"A March 1975 Council memorandum visualizes three stages in the life of the 1980's Project. First, looking at the totality of the global system, it will outline 'the characteristics of a desirable international environment.' The idea is to ask 'where would we like to be a decade from now?' Secondly, the constraints preventing the achievement of these desired conditions will be analyzed. The relationship between a desirable and a feasible global order will be dealt with in this stage. Thirdly, strategies will be developed and implemented to achieve Council goals. This final stage will involve achieving consensus about the new world order on a global scale. A Council memorandum stated that the 1980's Project must

come to grips with strategies for *modifying the behavior of all the relevant actors in the international community*- individuals, governments, agencies within governments, elite groups, industrial firms, interest groups, mass societies, and other groups and organizations at the sub national and transnational levels, (emphasis added)

Thus the ultimate goal of the Council is wide-ranging influence over the thought and action of people on a world scale. This extravagant ambition, along with the other goals of the 1980's Project, makes it the most important project, which the Council has undertaken since the War and Peace Studies Project.

"For the 1980's Project the Council has organized an operating

structure having four main elements: a full-time staff, a core Co-ordinating Group, twelve working groups, and numerous domestic and foreign advisers, experts, and small ad hoc bodies. The first two will be 'the main intellectual driving force of the Project.' The real locus of power will be in the Coordinating Group, fourteen men who will meet frequently to guide the entire 1980's Project. They will approve policy targets and give advice on the feasibility of policy choices and methods of implementation. The Coordinating Group will also provide 'the central integrating functions of the Project-resolving conflicts engendered when choices regarding goals in one area of behavior clash with goals and requisite behavior in other areas.' The group is composed of persons from a limited number of prestigious backgrounds—academic, business, and government. They were chosen 'for their capacities as policy "con-ceptualizers" but also for their sense of the politics and processes of policy-making and their ability to think about the wide range of problems to be explored by the Project.' Almost all of them have earned PhD degrees from Harvard, Princeton, or Columbia."

All this implies that the CFR already anticipates being in a position to carry its plans into effect, and this in turn implies having the sanctions — which in the last resort must be military sanctions — to enforce control over vital raw materials.

As events are shaping up at present, it looks like some form of merger (as the only alternative to an 'unthinkable' atomic war of annihilation) between the USSR and the U.S., operating through the United Nations, which will be given command of supranational armed forces, plus an expanded KGB to put down any internal threat of a return to national sovereignty. And as the CFR knowingly condoned terror in Russia and Germany, we can anticipate the Russian Communist system on a world scale.

Douglas foresaw all this in principle. In *Social Credit* (1924) he wrote:

"...The break-up of the present financial and social system is certain. Nothing will stop it; 'Back to 1914' is sheer dreaming; the continuation of taxation on the present scale, together with an unsolved unemployment problem, is fantastic: the only point at issue is the length of time the break-up will take, and the tribulations we will have to undergo while the break-up is in progress....

"There will probably come well within the lives of the present generation, a period at which the blind forces of destruction will appear to be in the ascendant. It does not seem to me to be necessary that this should be so, but it does seem to be probable".

The break-up began with the Great Depression of 1929, and

still continues.

Douglas's work was directed to warning against, and endeavouring to avert, the catastrophe he foresaw. He was *not* an economist in the current sense of that word. Virtually all certificated economists have been trained (or conditioned) in one or another theory of economics, and assume and treat money as a commodity. If the fact that it is not, and the consequences flowing from that fact, as elucidated by Douglas, had been grasped by statesmen in the immediate post-World War I period, the present catastrophe might have been avoided.

In 1918 The Royal Institute of International Affairs, and the CFR, did not exist. But the Round Table Group did, and was much more secretive. Douglas had to infer conscious intent underlying events, and it was only gradually that documentary evidence became available.

A good deal is now known about the CFR. But it is still impenetrably secretive in its inner core. Shoup and Minter were given access to many of its records, but disclosed that it possessed records, which are not available even to all its members.

There is certainly no hope in Party Politics, which, in fact, are a barrier against effective revolt. There is only one hope on the mundane plane: that a Government in being in a Country such as Australia, New Zealand, or perhaps Canada should recognise the immense danger confronting us and institute reform based on Social Credit *principles*. Australia, for example, has of itself sufficient food, raw materials, and industrial capacity to provide food, clothing and homes for every family in the land. To ensure the distribution of these as a *first priority* would gain public support, and would enable exposure of the nature of the present financial system to be effected. It is a risky chance; but it must be set against an absolute certainty.

Social Credit undoubtedly posed the greatest threat to the Conspiracy, because it was an attack on the Money Power, the citadel of the Conspiracy. Hence the boycott. This could not be fully effective, so certificated economists and journalistic commentators were trained to ridicule Social Credit (as the *Encyclopedia Britannica* in effect does) — a "funny money" scheme; and large circulation newspapers and journals will not publish Social Credit material.

The portents for the near future are very grim indeed. When it is fully grasped that the horror of the 1939 war was deliberately brought about, and that its promoters or their appointed successors are still in positions of enhanced power, it ought to be clear that even worse catastrophe awaits us.

"FAREWELL TO OLD ENGLAND . . . ?"

by Jeremy Lee

It is sobering and instructive, now and again, to look back at some of the warnings issued through *Intelligence Survey* in years past.

In July 1962 the League's National Director, Mr. Eric Butler, together with a young Member of the House of Representatives, Mr. D.J. Killen, addressed between them over fifty meetings in Great Britain.

Their mission was to warn of the ultimate dangers to British sovereignty and the Crown presented by the European Common Market and the Treaty of Rome.

Intelligence Survey (July 1962) carried Mr. Butler's report: -

"Although this is the worst possible time of the year for public meetings in Britain, with the long summer evenings and many people away on holidays, we spoke to comparatively large audiences . . . One of the highlights of the last two weeks of campaigning was the debate with prominent Common Market advocate, Mr. Norman Hart. A junior Government Assistant Minister, Mr. Sharples, also contributed to the discussion. He must have been embarrassed when Mr. Hart, a socialist, openly admitted the political implications and said the European Economic Community was a big step towards World Government . . ."

One year earlier, Mr. Killen had written a letter appearing

in *"The Times"*, London, July 11, 1961, asking: "... What is to become of the monarchical institution within the framework of European unity?"

REPLY

An article in *"The Sunday Express"* by Mr. Percy Howard addressed the question: 'throughout the debate on the Common Market there has always been a moment when the shrill voices of the propagandists for Europe grow oddly diffident and vague.

It occurs when the word sovereignty is mentioned. Whenever it crops up, they cease to argue. They confine themselves to

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observing with a wise, sad smile that nations must *work together in the modern age*.

They remind us — as if it were something that we might otherwise forget — that *this is One World*.

They point out — in case we might imagine that the reverse were true — that modern communications have *brought everyone closer together*.

But there is one aspect of the matter on which they have been entirely silent. They do not even deal with it by saying that this is the 20th century or that we must go forward if we are not to go back. They simply prefer not to discuss it at all.

It is the question of how much the loss of British sovereignty will affect the British Sovereign.

It is a highly relevant question.

The status of the Queen is inextricably bound up with the independent status of Great Britain. It is no coincidence at all that sovereign and sovereignty are almost identical words.

The sovereign power of the Crown, acting in conjunction with Parliament, is the assumption on which British life and freedom rests.

It enabled our democracy to evolve without any written constitution. And it has worked. It has worked so well that dozens of other nations have attempted to imitate the results ... At the moment — it is true — Common Market matters are limited to such things as duties and tariffs. But only for the moment. The whole object of the Common Market is to go much further than that. Indeed, the Market would not really work at all unless it went much further than that.

Lord Gladwyn, chairman of the Common Market campaign for Britain, has made it clear that the Common Market will eventually become a European Federation.

Dr. Hallstein, the author of the scheme, has said that its aim is to create a United States of Europe — with its Washington at Strasbourg, of course, and with Britain as just another State, like California or Utah . . .

. . . If that ever happened, how strange it would be to reflect that it came about because of the policies of a Tory Government.

Yet perhaps no more strange than the spectacle now presented by the Tories as they sing "Britains never never never shall be slaves — *except with safeguards and after due negotiations*." (End of article)

Or, as William Shakespeare had it:-

O let us pay the time but needful woe,
Since it hath been beforehand with our griefs.
This England never did, nor never shall
Lie at the proud foot of a conqueror,
But when it first did help to wound itself. .

DENYING WITH THEIR LIPS

It is the sovereignty issue, which is, and always has been, the one issue really feared by the EEC protagonists. They could always "blind with science" the British people when it came to economic arguments. The promise of a "golden economic future" however improbable in reality, is the edenic apple for the vote-catcher. People *want* to believe in it. The "light at the end of the tunnel" is a never-failing melody on the flute of political pied pipers.

But the feeling that ordinary Britishers, and their sons and daughters throughout the old Commonwealth, bear for the Crown, is too strong to bear political argument in the marketplace.

The late Ross McWhirter was one who knew this well. Writing in an article on October 30, 1971, Mr. McWhirter unerringly put his finger on the most telling argument, pointing out that the Treaty of Rome contravened:

(a) Section 4 of the Act of Settlement, 1700, which

declares the right of the people to be governed according to our (and no other) law, and describes this as the "birthright of the people thereof".

(b) The Coronation Oath Act, 1688, as amended, re-quires (as was done in 1953) the Sovereign solemnly to swear to govern the people of the United Kingdom according to Statutes in Parliament (i.e. our Parliament and no other) agreed, and the laws and customs of this (and no other) realm and to cause (our) law and justice in mercy to be executed.

(c) But above all, Chapters 1, 28 and 37, of Magna Carta (re-issue) 1297, which chapters are among the only four left on the Statute Book after repeals so recently considered and enacted as 1969, declare that it "for ever shall be steadfastly, firmly and inviolably observed" that no freeman of this realm shall be tried by other than "the law of the (i.e. this) land"; and further that "*And if any thing* (e.g. a treaty of accession, which awards law-making powers to the representatives of six or more countries, signed by pretended prerogative powers) *be procured by any person contrary to the premises* (of this Statute) *it shall be held of no force nor effect*"...

". . . The Crown to which we owe allegiance is being invited to divest itself of future use of certain prerogative powers (including ironically enough the Power of Treaty-Making) should these conflict with Community Law or principle, without the required provisions and express statutory authority so to do . . . "

SMOTHERING THE TRUTH

Thus it was, when the referendum — the first in Britain's history — was held on June 5, 1975, the British Government used millions of pounds to keep the issue confined to economic matters, with the "golden future" tune piped into every home and newspaper by an army of pied pipers.

The sovereignty issue was defused by the most outrageous and deliberate lie, contained in the Government's own pamphlet, entitled "BRITAIN'S NEW DEAL IN EUROPE". It said:

"The British Parliament in Westminster retains the final right to repeal the Act which took us into the Market on January 1, 1973. Thus our continued membership will depend on the continuing assent of Parliament."

Obviously, a man of McWhirter's courage, intelligence and knowledge of the Common Law was a continuing danger to the Government's unannounced intentions of moving towards a more fully integrated "United States of Europe" at some later stage — and *without* a second referendum, in which the lie would obviously be exposed.

Entirely by coincidence, no doubt, Mr. Ross McWhirter was tragically assassinated in his home by a bomb about five months later.

In February 1984, members of the European Assembly - including Britain's Euro-members — voted for a Draft Treaty establishing European Union. Its terms, (drafted by — who else? — an Italian Communist) bear a striking resemblance to the 1977 Constitution of the U.S.S.R. There was no place in it for either the Monarchy or Christianity.

The Treaty then proceeded to the national Parliaments of constituent Members. In Britain, it passed through the House of Commons without a ripple. In the House of Lords it was opposed by British Judge and constitutional expert Lord Denning. A Select Committee in that House reported, "The powers of the United Kingdom Parliament will be weakened by the Single European Act."

This was, if anything, an understatement. The Treaty itself was cited to "transform relations as a whole among their

states into a European Union."

Lord Denning himself said the Act marked the creation of "a new legal order in international law."

"Parliamentary sovereignty has gone — it has been replaced by Community sovereignty," he claimed.

A report in *The Times* (October 9, 1986) under the heading "DENNING CRUSHED ON SOVEREIGNTY", reported Lord Denning as asking:

"The question I seek to raise is, are the subjects of Her Majesty the Queen to be compelled for their rights and defences to go over to courts manned by European judges operating procedures quite unknown to us?"

The Queen was, by the British Constitution, the source and fountain of justice. Judges and peers swore an oath of alleg-

iance to her. In return for that allegiance, the Queen had a duty to protect her subjects. It was for that reason the courts were set up to decide disputes. Are we to say today that British subjects are to go, not to courts in England, but to attached Courts of Justice in Luxembourg, where the procedure and process has already been condemned by the Court of Appeal in England?"

Nobody answered Lord Denning's potent question. But the House of Lords rejected his amendments, and endorsed the Act, which has since received Royal Assent.

Thus, it is not with the guns of Trafalgar blazing, nor with the heroic and indomitable spirit of Dunkirk and the Battle of Britain that "Old England" is going down. It is through the "rotten parchment bonds" and deceiving silence of her own "bought men" that Britain has helped "to wound herself" and do harm to its Queen.

BRITISH FARMERS UNDER FIRE

by Richard North

The following article is reprinted, with acknowledgement, from the *Illustrated London News*, April 1985.

British farmers have been producing more milk, beef and grain than is needed, have damaged the landscape in the process and been heavily subsidized while doing so. They now face a much more uncertain future.

In 1984 Britain's farmers produced their biggest grain harvest ever; 27 million tonnes. The British do not eat and cannot sell half a tonne of grain each. Our milk producers have been contributing mightily to the 2 million tonnes of milk powder and butter which the EEC has sitting in store.

The surpluses are a triumph of technology, but a disaster for the taxpayer and the consumer who pays for them. Milk, beef and grain farmers face a new official indifference. They have each been reaping something like Twenty thousand pounds a year in public subsidy. They are going to get much less in future.

In the 1970s the Ministry of Agriculture, Fisheries and Food (MAFF), the National Farmers Union, and the EEC were persuading farmers to grow as much as they could. The policy encouraged the use of expensive and polluting chemicals in fields cleared of hedges; nearly bankrupted the EEC, encouraged environmental destruction; and irritated the Treasury. Desperate to staunch the flow of cash into farmers' pockets, the EEC agreed to impose quotas on milk production and is working out how to slash grain subsidies. But how to avoid the agricultural depression which might see bankruptcies and dereliction in the countryside on a scale already afflicting the US?

Paul Howell

Paul Howell, scion of a Norfolk family as well known for politics (father Ralph is Conservative MP for North Norfolk) as for farming, (1,000 acres at Dereham), is a 34-year-old Euro-MP for Norfolk, and a member of the European Parliament's agriculture committee. He once worked for the emergent Margaret Thatcher as a speechwriter, but had no idea how successful she would be, when Prime Minister, at halting inflation. "Suddenly, the value of land stopped rising," he mourns, and laughs. The value of land is one of the keys to the present crisis of confidence, which assails Britain's farmers. It is now desperately high to those who have not got it; but static which is bad news for those who used it as security for huge borrowings.

Paul Howell is robust, large, handsome, smokes too much and runs around in a turbocharged black Renault. Not given to bemoaning his fate, Howell — whose family runs a dynamic, aggressive, go-getting farm, with high yields - is potentially one of the most vulnerable of farmers.

Although he has long argued that Britain's farmers would have to learn how to survive real, rather than artificially high,

prices for their produce, they need big profits just to support their interest payments.

He shows visitors a nearly new space-age milking parlour, which is now derelict. "I was brought up on this farm. Fed pigs here as a boy. Now we have no animals at all, and I freely admit it is a bit of a ghost farm without them. We came out of animals very late. The money was in grain, and we had to go where the money was. And, in the 1970s, we had made a decision to modernize and expand." The result is a farm in which all the crops must be harvested by one of the three huge John Deere combines now resting quietly in their sheds. Oil-seed rape and cereals are garnered by subsidized machinery wolfing down especially low-tax farm diesel.

"I see some future in diversification," he says. "There are some new crops, like lupins or leafless peas, we can look at. And, of course, the hard times ahead won't be uniform. The man who owns his own land will be in clover, and so will the dog and stick man, probably." He meant the primitive farmer who has hardly changed his ways since before the Second World War; indeed the old fashioned farmer may turn out to be the one best equipped for surviving into the 1990s because he is unencumbered by heavy debt and high overheads.

The big question is: when prices for their crops fall, will farmers who owe a lot of money at the bank be able to reduce the amount of crops they produce, or will they go hell for leather for the last ounce of profit on their land, ploughing up every last corner? What price conservation then? "Some people say we'll be ploughing, up to the white line in the middle of the road," says Howell. He knows that every hundredweight of fertilizer he puts on the land easily pays for itself at the moment, but he is already easing back on pesticide sprays. He is deeply uncertain of what direction he can take as all the assumptions of the modern farmers collapse around his ears.

Barry Wookey

Everybody who is anybody is looking at organic farming. Prince Charles took himself down to Barry Wookey's farm near Marlborough in Wiltshire to see the doyen of "alternative" farming at work.

Mr. Wookey's 1,600-acre farm supports a pretty manor house and a Range Rover, and horses in the stable. "It began when I started to think about how the oil could not last for ever,

and then I read Rachel Carson's *Silent Spring*. I knew in my heart that the way we were farming was wrong." He grows hard wheat (fairly uncommon in this country) for bread making, but uses no chemicals or fertiliser. Instead, he has sheep and beef cows, and rotates them with his cereal crops.

"My fields are profitable whether under cereals or animals." Barry Wookey insists as he slashes at a stray thistle with his blade-ended stick. "They would be even more so if I had the 105 pound subsidy per acre that I could get if I was growing cereal for the wheat mountain." (His sort of wheat is not subsidized.)

Barry Wookey runs a tightly managed, profitable farm. He lectures a good deal ("though I prefer example to precept"), and at question times has heard every reason in the book about why his system cannot work, or why it cannot spread to other farmers. His own feeling is that if he can make a go of it when the odds are against him, then others certainly could with a bit of encouragement from officialdom. For years he battered on government doors, suggesting that they take a look. "Frankly, they didn't want to know, until recently." Now they are rather more perceptive.

Sir Richard Butler

Farmers are assiduous in presenting themselves as the indispensable backbone of the nation, but they are also the most efficient mendicants the taxpayer has to support. It is as though John Bull were a social security sponger.

Both roles are rehearsed by the National Farmers' Union, which has its headquarters in Knightsbridge. There Sir Richard Butler, an Essex farmer and son of the late R.A. Butler, the great politician, is the president. A shy man, he is not renowned for flamboyant public performance. But this year, during his presidential address at the NFU's annual general meeting, he was seen brandishing a hammer. He had, he said, "the farmers' tool" to remedy matters.

He had been government-bashing, accusing them of weak negotiating at Brussels, where all the EEC farm ministers try to cut everyone's spending but their own. In truth, his position is enormously complicated. There simply is no practical policy, which could be sold simultaneously to his farmers, the farmers in the rest of Europe, and the taxpayer.

"How are we to bring the cost of surpluses under control?" he asks, freely admitting that "in this building" there is a good deal of puzzlement. One suspects that his suggestion box is not overflowing with brilliant ideas. The experience of milk quotas was not good, and will not work for grain, the next big subject area. The American "put aside" programme, leaving land idle, seems wasteful. Price controls can hit the worse off disproportionately.

Michael Smith

Since he came out of the Army in 1981, Michael Smith and his brother have built up a free-range egg system, based on their 40 acres in Hampshire, but franchised to more than 30 farmers who faithfully follow the Smith regime and who sell their

eggs through the brothers' firm. Now the Smiths account for well over a quarter of a million eggs a week.

"The definition of free-range which we stick to is that all the birds must have access to green grass within 10 or 12 paces of the hen house during daylight hours," says Michael Smith. This means that 250 birds is the most a farmer could put on an acre of ground. On poorer land it would be fewer. But Michael Smith believes that hens could be used in rotation with crops, providing fertilizer as well as eggs.

Demand for free-range eggs is increasing and they are proving more reliably profitable than battery produced eggs ever were. And, of course, they can be bought by people who eschew the battery variety on animal welfare grounds. For once there was clear proof that the consumer did want a better product and would pay for it. It took a long time for farmers to believe it.

Oliver Walston

Images of plenty and scarcity are clearly defined to Cambridgeshire farmer Oliver Walston, whose father Lord Walston is himself no mean farmer. The 3,000 acres, which Oliver farms at Thriplow, near Royston, are in what he calls "the world's best grain-growing lands". There's not enough rain for good grass, hence the corn and the absence of horn.

Walston was so shocked by the famine in Ethiopia that he organized "Send a Tonne to Africa", which was his ruse to get the farming community to disgorge one million pounds in late 1984 for the starvation victims.

He is a stubby 43-year-old, with *Rake's Progress* prints by David Dockney vying for attention in his office with the Apple computer. "The consumer and taxpayer are fed up with our producing stuff no one wants at prices no one can afford," he says. "We have been a protected species." He freely accepts that the farming community has been "rumbled", as he puts it.

What he wants to know, though, is how to respond? Should he increase his input of pesticide and fertilizer, and hope to maximise profits that way? Or should he reduce inputs, and hope to reduce his costs to the point where he makes more profit on each bushel of crop, though he gets fewer of them?

Frankly, he does not know the answer, though he suspects that the high-input route may be the right one. Still, he is a complicated fellow and keeps his ear to the ground. "I have started with a field of 65 acres. With Friends of the Earth and the Ministry, we are trying a system of very low inputs for five years, simply because *maybe* we have to change. Farmers have had a laager mentality for too long. It's interesting to talk with Friends of the Earth: they may learn from me, and I may learn from them".

One sad irony is that if the more organic low-input system really settles in, Oliver Walston thinks it will require less labour than he now has. In 1946 the Walstons employed 80 people on 1,500 acres. In 1985 there are 14 people on 3,000. It may be even fewer one day. That would be a blow for people who think organic must be in all ways beautiful.

ONE ROYAL FUNCTION

The following article is taken from the British newsletter "HOME" Oct.—Nov. 1986.

A considerable proportion of members of the Press and of the broadcast media seem to consider the Royal Family as a sort of free Aunt Sally; fair game for any kind of speculative, disparaging or scandal-sniffing gossip, ridicule, patronising sneers, or even straight inventions and lies, since anything about them makes saleable 'News'.

They rely upon the dignity of their victims to ensure that they will never be hit back, but at the same time want to have it

both ways, as they insist that royalty must move with the times, behave like ordinary people, and on no account be 'stand-offish'. So when a royal person does just that, the screams of shocked and offended complacency resound to the welkin.

Princess Anne has been a particular target for this sort of treatment, because she has her own style in good-humoured astringency. Every now and then she hits back, to the delight of the many who admire her 'guts' and the hardihood with

which she carries out her royal duties as President of the Save the Children Fund.

It seems that at an Associated Press banquet on 17 September in a speech which struck a balance between humour, some commendation of the press, and criticism, she told them clearly what she thought of the amount of unadulterated trivia, rubbish and gratuitous troublemaking'; likewise, also, 'the sheer volume of repeated stories, half-truths and lies' which appeared in the media 'in response to a perfectly normal family occasion' — her brother Andrew's wedding.

To which we all say, 'Bravo'. We couldn't have put it better ourselves; but if we did, the Press which bosses and bullies us would take not the slightest notice. But when a Princess says what we all think, they have to. And that is one of the most valuable functions of royalty, that, while they are not part of the political or financial hierarchy which dominates the people, they have the status, wealth and influence which enables them to be heard when they say what the silent majority of normal, decent, peaceable citizenry know to be quite obviously true.

MEDIA: ESSENTIAL TOOL OF MONOPOLY

This is in marked contrast to the republican idea of having some partisan politician bumped up to supreme power wielding boss-hood as a national symbol or alternatively some obscure, government-nominee in the office of president. Such people are very much part of the power-monopoly, of which 'the media' are an essential tool, but from which a hereditary royalty is independent.

Hence that instinctive and traditional alliance between

royalty and the common people which almost alone acts as a counter-balance against over-powerful government, and which is reinforced by the fact that the royal family is, in an important sense, an ordinary family, selected for splendour and influence by 'nature' rather than as the agents of political power.

CROWN AND PEOPLE: LOVE AND LOYALTY

Not surprisingly, those whose idea of power is limited to coercive control despise the relationship of love and loyalty which exists between Crown and people, which accounts for the large extent to which the mobthink-control media act as publicity agents for every sort of subversion, scandal, fraud, criminal violence and terrorism, the last of which would scarcely exist without their co-operation. When the non-power-wielders object to this, they get 'the silent treatment', but when royalty does it, they get 'the outrage and sneer treatment' such as was doled out to Princess Anne after her bit of truth telling....

There used to be journalists who considered themselves to be the servants of the public, supplying them, to the best of their ability, with an honest view of reality, but in recent years such people have mostly been silenced or thrust out of public cognizance, since the opinion-formers have degraded the idea of service to persons, by substituting the idea of 'public-service' as controlling them for their own good'. There is a well-known saying about the danger of 'a servant when he ruleth'. The Royal Family does indeed serve us without ruling us, and often represents us far better than our so-called 'representatives' who 'represent' not us, but their party.

THE MURDEROUS PAPER SYSTEM

"The foundation of a colony in New South Wales was the result of two revolutions: the industrial revolution in Britain and the revolt against British rule in America."

The above statement is certainly true. Both revolutions had a very important role in the founding of the colony. There were massive problems concerning crime in the cities of England, a result of horrible poverty, disease and unemployment. The huge excess of criminals meant that a dumping ground was needed. The American Revolution was the deciding factor in where to send the criminals, if it were not for it, they would have been sent to the American colonies instead of Australia. But although the statement is correct, it is incomplete. The abnormal overcrowding of the cities, which eventually caused the crime problem, did not come about by natural causes.

The reason why the cities' numbers were swelled lies in the Tithe system that originated in the Middle Ages. Up until 1836 the Tithe could be paid in whatever the payer produced, be it wool, grain, or whatever. In 1836 the Commutation Acts were introduced, saying that all Tithes were from that date onwards to be paid in the newly introduced paper money. But the only catch was that one had to get a job to obtain the banknotes.

Thus, a mass exodus of job seekers began into the cities to find work in the new factories and mills in order to earn the money. Others remained in the country and poached to keep themselves alive.

So, to make the statement complete, we would have to add the revolution in the English countryside to the list of reasons for settlement in Australia. It is little wonder that the paper money was despised by many. A

journalist of the time commented: "It is the destructive, the murderous paper system that is transferring the fruit of the labour, and the people with it, from the distant parts of the countryside to the neighbourhood of the all devouring Wen (city)."

The writer, Richard Shannon, is a 14-year-old grade 10 student at Toowoomba High school. In the history examination paper for the Junior certificate the students were given the following statement and were asked whether it was true or false, and why: -"The foundation of a colony in New South Wales was the result of two revolutions: the industrial revolution in England and the revolt against British rule in America."

Richard answered the question, but took it a step further, pointing out that the cause of the British revolution was rooted in the introduction of paper money, which was to replace the gold coin.

ATONEMENT

"Running through all history like the thread of Ariadne, it is possible to trace a continuous policy which I can only describe as a divorce between things themselves and the description of them.... At this very period at which we live, it is probable that one of the fundamental struggles which is taking place, and one on which the future of civilisation depends perhaps more than on any other, is the attempt to obtain an atonement, or as it has been pronounced, and at-one-ment, between reality and the description of it. It is the importance of that attempt which justifies the work, which is being done by the Social Credit movement, which might be properly described as a movement for honesty in public life. It is elemental that no progress towards a sane world is possible while its malaise is subject to persistent misdirection."

-C.H. Douglas at New Age Dinner, London, March 18,1933.