

# THE NEW TIMES

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

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## THE JAPANESE FACTOR

*by Eric D. Butler*

**The story is told of the Japanese businessman who had been a soldier during the Pacific War, revisiting Guadalcanal, the scene of some of the most bitter fighting as the Japanese drove southwards, and observing that financial power made it much easier to expand Japanese influence than the use of military power. "We wasted our time and manpower", he said.**

As the drive to centralise power globally intensifies, with Japan a member of the Trilateral Commission, currently headed by David Rockefeller of international banking fame, it has become obvious that Japan is a major factor in international power politics. The Trilateral Commission, dominated by Western European, Japanese and American banks, strongly backs the establishment of the New International Economic Order, formally agreed to at the United Nations in 1974. Both the Marxists in the Soviet Union and Communist China strongly support the NIEO concept, recalling that it was master strategist Lenin who pointed out that a World State could not be created without the establishment of an international economy.

Not only in Australia, but in the U.S.A. and Western Europe, there is growing concern about the expansion of Japanese influence, both through investments and a flood of exports which threaten local industries. As C.H. Douglas first pointed out, orthodox financial and economic policies, rooted in the power philosophy, make it imperative for all industrialised nations to strive to solve an internal deficiency of purchasing power by export drives. Writing in *The Monopoly of Credit*, C.H. Douglas said:

" ..... Most statesmen at the present time would agree that their primary problem is to increase employment, and to induce trade prosperity for their own nationals, and there are few of them who would not add that the shortest way to achieve this would be to capture foreign markets. Once this, the common theory of international trade, is assumed, we have set our feet upon a road whose only end is war. The use of the word 'capture' indicates the desire to take away from some other country, something with which it, being unable also to be prosperous without general employment, does not desire to part. That is endeavouring to impose your will upon an adversary, and is economic war, and economic war has always resulted in military war, and probably always will."

### REMOVING THE BRITISH OBSTACLE

The first edition of *The Monopoly of Credit* appeared in 1931, eight years before the start of the Second World War, which Douglas predicted as almost certain a few years before it started. The major obstacle to the World State idea was the British Empire and the character of the British peoples. It took two World Wars, a Great Depression, and the deadly poison of Fabianism, to drastically reduce the British factor globally. It was hoped that forcing Britain into the European Community would be the beginning of the end of any prospect of regenerating the

British world. The Australians and New Zealanders were told that they should now look to Asia for their major export markets. The Canadians have been constantly told that their future should be as part of a North American Economic Community.

Two World Wars, the second concluding with the introduction of nuclear power, conditioned the peoples of the world to accept the view that another world conflict was unthinkable and that the only alternative was the grouping of nations into regional organisations, these ultimately being merged together into a type of World State. Underlying this concept has been the

## OUR POLICY

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

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

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

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

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

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

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

carefully fostered view that the major force in history is militant national power. The conventional view of history is that Germany, later joined by Japan, was primarily responsible for the Second World War. But in modern times it has become clear that there is a superior power, which can bring nations into military conflict, and then exploit the results. One of the outstanding achievements of C.H. Douglas was to provide a different and more realistic perspective of history. Douglas pointed out that written history deals mainly with the historian's recording of episodes as seen through his eyes. This episodic approach is always suspect. Douglas described real history as "crystallised politics". If, over a period of time covering many episodes, there is a continuing policy then there is *intention* behind that policy. Long-term policies transcending many generations require organisation.

In his study of history, Douglas discovered that there was a relationship between Finance, Centralisation and a bid for world power superseding national power. The arrangements made to finance modern Revolutions and Wars revealed to Douglas that the money system is the vehicle of a continuous policy for the centralisation of all power with the ultimate objective being the establishment of a World State. No realistic assessment of the Japanese factor is possible unless made in the context of global power politics.

### JAPANESE HISTORY

A brief look at Japanese history helps to better understand Japan's role in world politics. The Japanese are a Mongolian people who progressively invaded the islands known as Japan, and dispossessed the original inhabitants, the Ainos, whose descendants have been treated as second-class citizens. Judged by conventional standards the Japanese are a highly intelligent people. When Australian Returned Servicemen's leader Bruce Ruxton charges that the Japanese were not honourable opponents during the Second World War, he is drawing attention to a basic cultural cleavage between the Japanese and Australians. The Japanese have a different value system than Europeans. Concepts of fairness, decency and justice are alien to many Asian peoples. This is not a criticism of Asians, many of whom, including the Japanese, have many delightful and praiseworthy attributes.

The brutal and inhuman activities of Japanese soldiers, first in the Japanese rape of Manchuria and China, and then during the Second World War, was a reflection of a culture which also makes the Japanese almost the perfect raw material for use in a highly corporative society, one which operates like a bee-hive. It readily lends itself to manipulation by centralised power.

It can be said that modern Japanese history started in 1854 with the arrival of an American fleet under Commodore Perry and the American insistence that Japan open its doors to trade with the rest of the world. The Japanese proved to be quick learners of Western based financial and economic practices. Relatively unknown is the fact that the practical history of Bolshevism may be said to coincide with the financing of Japan in the 1904—5 war against Imperial Russia. Jacob Schiff of Kuhn, Loeb and Co., the International German—Jewish Wall Street-based bank, had let it be known he was keen to finance Japan in teaching the Russian ruling class a lesson because of their alleged bad treatment of his fellow Jews. The result was a 6 percent loan, *in sterling*, not dollars, with the result that the British were put to work to build up the Japanese navy. The Schiff policy also helped foster a war psychology among the Japanese. One of the major results of the British building of a much stronger Japanese navy was a British-Japanese Naval Agreement, which served the British, and Australians, well during the First World War. The Far East remained relatively secure, with the Japanese meeting all the requirements of the naval agreement with Britain.

### A BRITISH SURRENDER

The desperate 1916 military position of Britain and her allies resulted in surrender to Zionist pressure to agree to a "National Home" for the Jews in Palestine in exchange for loans from the Wall Street International bankers, who also financed the Bolshevik Revolution of 1917. At the end of the First World War the Debt Merchants of Wall Street started to impose their policies upon the British, one of the first results being the unilateral cancellation of the British-Japanese Naval Agreement by the British. This was a serious loss of face for the Japanese, with British diplomats and military strategists warning that in the event of another World War, the British would pay dearly for the insult to the Japanese. Subsequent events proved their warnings well founded.

Like every industrialised nation operating under orthodox finance, Japan suffered badly during the Great Depression, but having grasped some understanding of finance through contact with the works of C.H. Douglas, started to subsidise exports in an attempt to sustain the Japanese economy, and to pay for the necessary imports of raw materials. This brought the Japanese into conflict with the British textile industry. Countries like Australia erected tariff barriers against Japanese imports. The expansionary policies of the Japanese resulted in the military invasion of Manchuria in 1931 and the subsequent invasion of Eastern China in 1937. The attempted establishment of a Co-Prosperity Sphere throughout Asia was the forerunner of today's proposed Pacific Common Market, in which it is anticipated that Japan will play a major role.

### MANIPULATING JAPAN INTO WAR.

By 1941 it was clear that Britain and her allies were in a desperate military situation and, in the absence of American military intervention in the Second World War, would have to come to terms with Germany, even if only to gain time to build defences to the point where Britain was impregnable against any possible invasion. Roosevelt and his backers were keen to bring the U.S.A. into a conflict which they felt could be used to break up the British Empire. But they were faced with the problem of how to overcome the opposition of the overwhelming majority of the American people. They decided to exploit the Japanese factor.

The Japanese government of Prince Konoye was pro-Western and keen to remain aloof from the military conflict. Konoye made it clear he was prepared to negotiate the Manchuria and Chinese issues with the Roosevelt administration, even offering to go to the U.S.A. to meet personally with Roosevelt, an unheard of proposal by the Japanese with their stress on the importance of face. The American Ambassador to Japan, Joseph Grew, warned Washington that unless Konoye was given room to manoeuvre on Manchuria, he could be replaced by the Japanese war party. When the Roosevelt government not only refused to negotiate with Konoye, but imposed an economic blockade on Japan, it made Pearl Harbour a certainty, and the automatic entry of the U.S.A. into the War.

At the infamous Yalta Conference of 1945, Manchuria was handed over to the Soviet Union without even consulting the Chinese, and provided the springboard for the subsequent Communist takeover in China.

A badly defeated Japan, like West Germany, was quickly rehabilitated with Western aid, including the latest technology. If "capturing markets" is the major objective of a nation, then the Japanese have been outstandingly successful. They have built up massive foreign credits, even forcing their way inside the European Common Market, and are causing growing consternation in Australia by the acquisition of broad acres as well as real estate. The same type of development is taking place in the United States. Worried Australians are told by the witchdoctors

of financial orthodoxy that they desperately need Japanese investments in order to develop their economy. They are being virtually told that unless the Japanese are invited in, the nation has no future.

### MEETING THE FIRST JAPANESE INVASION

How different is this situation from that of the darkest days of the threatened Japanese invasion, when Australians were desperately attempting to keep the Japanese out. Most of the crippling restrictions of finance were swept aside during this period, with much of Australia's military equipment being built by Australians, using the Australian resources. There certainly was no suggestion of Japanese yen being needed! Adequate local finance was made available, even if on a debt basis. Orthodox financial rules were modified to introduce a system of consumer price discounts, which kept the price level stable for five years.

Like all other major nations, Japan is committed to the New International Economic Order, a feature of which is the internationalising of nations' economies. Under present financial and economic rules, and the collectivist philosophy which underlies those rules, Japan's policy makers must continue to seek expansion in all parts of the world: China, the Soviet Union and those nations like Australia which can provide the basic raw materials required to feed the Japanese industrial giant. Japan has emerged as a major factor in an emerging programme designed to centralise all power globally. As this programme runs contrary to reality, many unrehearsed events can be anticipated. For example, can a nation wracked with growing corruption at the top, and a high suicide rate, hold together indefinitely?

### AUSTRALIA CAN LEAD

If the old British world could have been held together, it had the tremendous potential to lead mankind along a different road to the one it is now attempting to travel. In many ways, Australia offers the prospect of regenerating the traditional British and Christian approach to the central power question. Australia has the material resources and the political and constitutional heritage to make it possible for the nation to develop itself without Japanese or other foreign investments, and without surrendering sovereignty in any Pacific Common Market, a concept which now has the enthusiastic support of Fabian Prime Minister Bob Hawke. Australia's future depends to a great extent on how it comes to grips with the Japanese factor. By putting its own internal affairs in order, by demonstrating that it wishes to trade with other nations on a basis of mutual satisfaction, it could by example demonstrate that progressive centralisation is not the way to go in human affairs.

Opposing Japanese financial and economic imperialism is not a "racist" approach. It is generally overlooked that as a result of Australian troops being stationed in Japan following the end of the Pacific War, hundreds of Japanese brides were brought to Australia. All the available evidence indicates that they have been well accepted and have fitted in to the mainstream of Australian life. Their children regard themselves as Australians. Many have become Christians and expressed their pleasure at having been liberated from the type of society they grew up in. What has been demonstrated is that a host nation can successfully absorb an alien group and its culture providing the numbers are small.

By taking control of their own country again, and insisting that there must be economical, financial, and political sovereignty, Australians could establish a much more realistic and harmonious relationship with Japan, welcoming Japanese as visitors expected eventually to return to their own country.

It was the early explorer Wentworth who visualised the establishment of a "New Britannia" in the Southern Seas. This vision needs rekindling at the present time.

## OZONE MADNESS

Ozone madness has reached the stage in Australia where Prime Minister Hawke has allocated millions of dollars for the establishment of a network of stations throughout the South Pacific to monitor climatic changes. The question was high on the agenda at the recent South Pacific Forum held on the little island nation of Kiribati. The Hawke programme will continue for 20 years. But will Kiribati be still around to receive any benefits from the programme? The more hysterical in the media have suggested that as a result of the "greenhouse" effect, Kiribati and other islands could disappear under the Pacific "within a generation" unless the destruction of the ozone layer is slowed down or stopped.

But top scientist with the Commonwealth Research organisation, Dr. Paul Fraser, described as one of the world's leading atmospheric scientists, charges that ozone reports are "alarmist" and that depletion of the ozone layer to date have been so small they cannot even be measured by the most sophisticated equipment available.

Power hungry Australian politicians have seized upon the ozone issue to suggest that the Australian electors might be persuaded to vote them increased powers, allegedly to look after the environment. Australian school children are being subjected to special programmes on the ozone issue, while reports are to hand of Municipal Councils changing their planning schemes because of the threat of future flooding as a result of the greenhouse effect on the weather!

## VALE HAROLD HOTCHKIN

The recent passing of Mr. Harold Hotchkin, aged 86, brings to a temporal close the life of one of the most remarkable and dedicated servants of the Social Credit Movement. Harold Hotchkin was a pioneer supporter of "The New Times". Those who attended the fiftieth anniversary dinner of "The New Times" will recall how Harold Hotchkin shared with guests reminiscences rich in Social Credit history.

Harold Hotchkin was a type of modern William Cob-bet, a man of the soil with a rare capacity for expressing himself in writing. He was a prolific writer, providing a regular column for the local Trafalgar paper for many years. Some of his writings will be found in the early issues of "The New Times".

Harold Hotchkin was the true Social Crediter, always involved in community activities, including the local football club. Moving to the Bairnsdale area following his retirement from farming at Thorpdale, Harold Hotchkin was elected to the local Shire Council, where he served with distinction. A prolific letter writer, he continued writing right up until he went into hospital before passing away peacefully shortly afterwards.

It might be said of Harold Hotchkin that he has left his footsteps on the sands of time, has paved the way for others to follow.

We extend our deepest sympathy to Harold Hotchkin's wife Jessie and family. Those privileged to know Harold Hotchkin were all the richer for the experience.

# BACK TO BASICS WITH C.H.DOUGLAS

As the many aspects of the human drama continue to unfold, the towering genius of C.H. Douglas, the author of Social Credit, becomes clearer for "those who have eyes to see".

Douglas's first book, "Economic Democracy", was first published in 1920. The following are selections from Part 1 and will repay careful reading. These chapters provide an understanding of the basic features of the relationship of the individual to his institutions and the problems associated with power.

It is suggested that the primary requisite is to obtain in the re-adjustment 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.

The basis of independence of this character is most definitely economic; it is simply hypocrisy, conscious or unconscious, to discuss freedom of any description which does not secure to the individual, that in return for effort exercised as a right, not as a concession, an average economic equivalent of the effort made shall be forthcoming.

## INSTITUTIONS EXIST TO SERVE INDIVIDUALS

Accepting this statement (systems were made for man, and not men for systems,) as a basis of constructive effort, it seems clear that all forms, whether of government, industry or society must exist contingently to the furtherance of the principles contained in it. If a State system can be shown to be inimical to them — it must go; if social customs hamper their continuous expansion — they must be modified: if unbridled industrialism checks their growth, then industrialism must be reined in. That is to say, we must build up from the individual, not down from the State.

It is necessary to be very clear in thus defining the scope of our inquiry, since the exaltation of the State into an authority from which there is no appeal, the exploitation of a public opinion which at the present time is frequently manufactured for interested purposes, and other attempts to shift the centre of gravity of the main issues; these are all features of one of the policies which it is our purpose to analyse. If, therefore, any condition can be shown to be oppressive to the individual, no appeal to the desirability in the interest of external organisation can be considered in extenuation; and while cooperation is the note of the coming age, our premises require that it must be the cooperation of reasoned assent, not regimentation in the interests of any system, however superficially attractive.

## THE POLICY OF CENTRALISATION OF POWER AND ITS EFFECTS

The second great factor in the changes which have been taking place during the final years of the epoch just closing is undoubtedly the marshalling of effort in conformity with well-defined principles..... They may be summarised as a claim for the complete subjection of the individual to an objective which is externally imposed on him; which it is not necessary or even desirable that he should understand in full; and the forging of social, industrial and political organisation which will concentrate control of policy while making effective revolt completely impossible, and leaving its originators in possession of supreme power.

This demand to subordinate individuality to the need of some external organisation, the exaltation of the State into an authority from which there is no appeal (as if the State had a concrete existence apart from those who operate its functions), the exploitation of "public opinion" manipulated by a Press owned and controlled from the apex of power are all features of a centralising policy commended to the individual by a claim

that the interest of the community is thereby advanced.....

Thus far we have examined the psychological aspect of control exercised through power. Let us turn for a moment to its material side. Inequalities of circumstance confront us at every turn. The vicious circles of unemployment, degradation and unemployability, the disparity between the reward of the successful stock-jobber and the same man turned private soldier, enduring unbelievable discomfort for eight pence per day, the gardener turned piece-worker, earning three times the pay of the skilled mechanic, are instances at random of the erratic working of the so-called law of supply and demand.

In the sphere of politics it is clear that all settled principle other than the consolidation of power, has been abandoned, and mere expediency has taken its place. The attitude of statesmen and officials to the people in whose interests they are supposed to hold office, is one of scarcely veiled antagonism, only tempered by the fear of unpleasant consequences. In the State services, the easy supremacy of patronage over merit, and vested interest over either, has kindled widespread resentment, levelled not less at the inevitable result, than at the personal injustice involved.

In its relations with labour, the State is hardly more happy. In the interim report of the Commission on Industrial Unrest, the following statement occurs: -

"There is no doubt that one cause of labour unrest is that workmen have come to regard the promises and pledges of Parliament and Government Departments with suspicion and distrust."

In industry itself, the perennial struggle between Capital and Labour, on questions of wages and hours of work, is daily becoming complicated by the introduction of fresh issues such as welfare, status and discipline, and it is universally recognised that the periodic strikes which convulse one trade after another, have common roots far deeper than the immediate matter of contention. In the very ranks of Trade Unionism, whose organisation has become centralised in opposition to concentrated capital, cleavage is evident in the acrimonious squabbles between the skilled and unskilled, the rank and file and the Trade Union official.

Although the diversion of the forces of industry to munition work of, in the economic sense, an unproductive character has created an almost unlimited outlet for manufactures of nearly every kind, it is not forgotten that before the war the competition for markets was of the fiercest character and that the whole world was apparently overproducing; in spite of the patent contradiction offered by the existence of a large element of the population on the verge of starvation (Snowden Socialism and Syndicalism), and a great majority whose only interest in great groups of the luxury trades was that of the wage earner.

The ever-rising cost of living has brought home to large numbers of the salaried classes problems, which had previously affected only the wage earner. It is realised that "labour-saving" machinery has only enabled the worker to do more work; and that the ever-increasing complexity of production paralleled by the rising price of the necessaries of life, is a sieve through which out and forever out go all ideas, scruples and principles, which would hamper the individual in the scramble for an increasingly precarious existence.

We see, then, that there is cause for dissatisfaction with not only the material results of the economic and political

systems, but that they result in an environment which is hostile to moral progress and intellectual expansion; and it will be noticed in this enumeration of social evils, which is only so wide as is necessary to suggest principles, that emphasis is laid on what may be called abstract defects and miscarriages of justice, as well as on the material misery and distress which accompany them. The reason for this is that the twin evil (common more or less to all organised Society) of servility is poverty, as has been recognised by all shades of opinion amongst the exponents of Revolutionary Socialism. Poverty is in itself a transient phenomenon, but servility (not necessarily, of course, of manner) is a definite component of a system having centralised control of policy at its apex; and while the development of self-respect is universally recognised to be an antecedent of any real improvement in environment, it is not so generally understood that a world-wide system is thereby challenged. In referring the existent systems to the standard we have agreed to accept, however, it seems clear that the stimulation of independence of thought and action is a primary requirement, and to the extent to which these qualities are repressed, social and economic conditions stand condemned as undesirable.

We are thus led to inquire into environment with a view to the identification, if possible, of conditions to which can be charged the development of servility ....and in this inquiry it is necessary to avoid the real danger of mistaking effects for causes, and, further, to beware of seeing only one phenomenon when we are really confronted with several.

#### **THE FALLACY OF SOCIALISM**

For instance, that from the misuse of the power of capital many of the more glaring defects of society proceed is certain, but in claiming that in itself the private *administration* of industry is the whole source of these evils, the Socialist is almost certainly claiming too much, confounding the symptom with the disease and taking no account of certain essential facts. It is most important to differentiate in this matter, between private enterprise utilising capital, and the abuse of it.

The danger which at the moment threatens individual liberty far more than any extension of individual enterprise is the Servile State; the erection of an irresistible and impersonal organisation through which the ambition of able men, animated consciously or unconsciously by the lust of domination, may operate to the enslavement of their fellows.

#### **NATIONALISATION NOT THE REMEDY**

In attacking capitalism, collective Socialism has largely failed to recognise that the real enemy is the will-to-power, the positive complement to servility, and that nationalisation of all the means of livelihood, without the provision of much more effective safeguards than have so far been publicly evolved, leaves the individual without any appeal from its only possible employer and so substitutes a worse, because more powerful, tyranny for that which it would destroy.

It is a most astonishing fact that the experience of hundreds of thousands of men and women in such departments as the Post Office.... has not been sufficient to impress the public with the futility of mere nationalisation.

#### **WORLDWIDE MOVEMENT TOWARDS CENTRALISED CONTROL**

Because the control of capital has given power, the effect of the operation of the will-to-power has been to accumulate capital in a few groups, possibly composed of large numbers of shareholders, but frequently directed by one man; and this process is quite clearly a stage in the transition from decentralised to centralised power. This centralisation of the power of capital and credit is going on before our eyes, both directly in the form

of money trusts and bank amalgamations, and indirectly in the confederation of the producing industries representing the capital power of machinery. It has its counterpart in every sphere of activity; the coalescing of small businesses into larger, of shops into huge stores, of villages into towns, of nations into leagues, and in every case is commended to the reason by the plea of economic necessity and efficiency. But behind this lies always the will-to-power, which operates equally through politics, finance or industry, and always towards centralisation

We are, therefore, faced with an apparent dilemma, a worldwide movement towards centralised control, backed by strong arguments as to the increased efficiency and consequent economic necessity of organisation of this character (and these arguments receive support from quarters as widely separated as, say Lord Milner and Mr. Sydney Webb), and, on the other hand, a deepening distrust of such measures bred by personal experience and observation of their effect on the individual. A powerful minority of the community, determined to maintain its position relative to the majority, assures the world that there is no alternative between a pyramid of power based on toil of ever-increasing monotony, and some form of famine and disaster; while a growing and ever more dissatisfied majority strives to throw off the hypnotic influence of training and to grapple with the fallacy which it feels must exist somewhere.

#### **PERSONALITY AND ORGANISATION**

Now let it be said at once that there is no evasion of this dilemma possible by the introduction of questions of personality — a bad system is still a bad system no matter what changes are made in personnel. The power of personality is susceptible of the same definition as any other form of power, it is the rate of doing work; and the rate at which a given personality can change an organisation depends on two things; the magnitude of the change desired, and the size of the organisation. As it is hoped to make clear, the effect of a single organisation of this pyramidal character applied to the complex purpose of civilisation produces a definite type of individual..... Pyramidal organisation is a structure designed to concentrate power, and success in such an organisation sooner or later becomes a question of the subordination of all other considerations to its attainment. For this reason the very qualities which make for personal success in central control are those which make it most unlikely that success and the attainment of a position of authority will result in any strong effort to change the operations of the organisation in any external interest, and the progress to power of an individual under such conditions must result either in a complete acceptance of the situation as he finds it, or a conscious or unconscious sycophancy quite deadly to the preservation of any originality of thought and action.

It cannot be too heavily stressed at this time that similar forms of organisation, no matter how dissimilar their name, favour the emergence of like characteristics, quite irrespective of the ideals of their founders, and it is to the principles underlying the design of the structure, and not to its name or the personalities originally operating it, that we may look for information on its eventual performance.

#### **THE METHODS OF INDUSTRIAL ORGANISATION**

It may be well therefore to consider briefly the usual methods, which the modern industrial system has developed to deal with the organisation of large numbers of individuals to the end that their combined effort may result in commercial success.

Very broadly the main difference lies between what may be defined as the military and the functional systems of control, or some combination of the two, and these involve an interesting difference of conception.

As we have seen, the development of industrial activity has been very largely a practical application of the economic

proposition in regard to the division of labour; the "Military" organisation conceives a large business or Government Department as an aggregation of human units to carry out on a large scale that which one immensely agile and versatile man could do on a small scale, and, broadly considered, the perfect organisation of this character would be derived by dissecting the various attributes of the perfect one-man business, making each of them a Department, and staffing them with men who in the aggregate, represented nothing but an expansion of that attribute. Fortunately, the perfect organisation of this character has yet to appear but the effect to endeavour to achieve it has quite definitely left its mark on civilisation and the development due to the unbalanced exercise of one set only of perhaps many abilities resident in the human unit, is a very definite factor in the existing discontent and one which, if perpetuated, could only be increased by wider education.

A little consideration will at once suggest that this type of organisation carried out to its furthest limits is pyramid control in its simplest form, and it is clear that successive grades or ranks decreasing regularly in the number of units composing each grade, until supreme power and composite function is reached and concentrated at the apex, are definitely characteristic of it.

The next step is to split the functions of the higher ranks so that each unit therein becomes the head of a separate little pyramid, each of which as a whole furnishes the unit composing a larger pyramid; in every case, however, eventually centralising power and responsibility in one man, representing the power of finance and of control over the necessities of life.

Several points are to be noticed in the conditions produced by such an arrangement: Firstly, there is fundamental inequality of opportunity. The more any organisation, whether of society as a whole or any of the various aspects of it, approaches this form the more certain is it that there cannot possibly by any relation between merit and reward — it is, for instance, absurd to assume that there is only one possible head, for each railway company, Government Department, or great industrial undertaking. There is no doubt whatever that the intrigue which is a commonplace in such undertakings has its roots almost entirely in this cause, and contributes in no small degree to their notorious inefficiency.

Another objection, which becomes increasingly important as the concentration proceeds, is the divorce between power and detail knowledge. This difficulty is recognised in the appointment of official and unofficial intelligence departments, which, of course, are in themselves the source of further abuses.....

It will be seen, therefore, that we have in the industrial field a double problem to solve: while retaining the benefits of mechanism for productive purposes, to obtain effective distribution of the results and to restore personal initiative.

### **GENERAL DISSATISFACTION OF WORKER AND CONSUMER**

Quite apart, therefore, from all questions of payment, there has grown up a spirit of revolt against a life spent in the performance of one mechanical operation devoid of interest, requiring little skill, and having few prospects of advancement other than by the problematical acquisition of sufficient money to escape from it.

The very efficiency with which factory operations have been sectionalised has resulted in a complete divorcement between the worker and the finalised product, which is in itself conducive to the feeling that he is part of a machine in the final output of which he is not interested. His foreman and departmental heads are from the largeness of the undertakings, almost inevitably out of human touch with him, while all the well-known phenomena of bureaucratic methods contribute to maintain a constant state of irritation and dissatisfaction.

Bearing these distinctions (between consumers and pro-

## **BOOK NOW FOR ANNUAL DINNER**

**Early bookings for the Annual New Times Dinner, to be held in Melbourne on Friday, September 29 would be appreciated by the organisers. The charge of \$25 covers refreshments. Guest of honour will be the well-known Australian Aboriginal leader, the Rev. Cedric Jacobs, M.B.E., J.P.**

ducers) in mind it will be recognised that there are two separate lines along which to attack the situation presented by the dissatisfaction of the worker with his conditions of work, and not less serious discontent of the consumer with the machinery of distribution; and these may be called mediaevalism and ultra-modernism.

Mediaevalism seems to claim that all mechanical progress is unsound and inherently delusive; that mankind is by his very constitution compelled under penalty of decadence, to support himself by unaided skill of hand and eye. In support of its contentions it points to the Golden Age of the fourteenth century in England, for example, when real want was comparatively unknown, and green woods stood and clear rivers ran where the slag heaps of Widnes or Wednesbury now offend the eye and pollute the air. When arts and crafts, made industry almost a sacrament, and faulty execution a social and even legal offence; when the medium of exchange was the Just Price, and the idea of buying in the cheapest and selling in the dearest market, if it existed, was classed with usury and punished by heavy penalties.

While appreciating the temptation to compare the two periods to the very great disadvantage of the present, it does not seem possible to agree with the conclusion of the Mediaevalist that we are in a cul-de-sac from which the only exit is backwards; and it is proposed to make an endeavour to show that there is a way through, and that we may in time regain the best of the advantages on which the Mediaevalist rightly sets such store, retaining in addition a command over environment which he would be the first to recognise as a real advance; a solution which may be described as Ultra-Modernist.

### **ANALYSIS OF EXISTING DIFFICULTIES**

In order to do this, certain somewhat abstract assumptions are necessary, and it has been the object of the preceding pages to present as far as possible the data on which these assumptions are made. They are as follows: —

(1) The existing difficulties are the immediate result of a social structure framed to concentrate personal power over other persons, a structure which must take the form of a pyramid. Economics is the material key to this modern riddle of the sphinx because power over food, and housing is ultimately power over life.

(2) So long as the structure of Society persists personality simply reacts against it. Personality has nothing to do with the effect of the structure; it merely governs the response of the individual to conditions he cannot control except by altering the structure.

(3) It follows that general improvement of *conditions* based on personality is a confusion of ideas. Changed personality will only become *effective* through changed social structure.

(4) The pyramidal structure of Society gives environment the maximum control over individuality. The correct objective of any change is to give individuality maximum control over environment.

## CAN MARGARET THATCHER HOLD ON?

While British Prime Minister Margaret Thatcher continues to oppose the complete surrender of British sovereignty in a Common Market with a common currency and a Central Bank, she is not only meeting opposition from sections of her own Tory Party, Big Business and bankers, but inflation is a major factor in undermining her domestic electoral base. The worst strikes in 10 years are the result of demands for higher wages to offset rising prices. The much-vaunted privatisation policy has not solved Britain's basic problems.

Latest British public opinion polls show Mrs. Thatcher trailing Labor leader Kinnock by 10 percent. Unless Margaret Thatcher can modify present financial policies, she appears to be on her way to defeat at the next British elections. The Labor Party has no reservations about accepting the concept of a United States of Europe, confident that it would be dominated by the Socialists.

The concept of a United States of Europe was strongly advocated by the Bolshevik leader Trotsky. Whether called bankers or socialists, all the power groups support the concept. It can be predicted with complete certainty that the concept will result in bigger and more explosive problems.

## MULTI-CULTURALISM IN THE SOVIET

The recent massacre in China has tended to obscure what is happening in the Soviet Union, where the "liberalism" of Gorbachev does not extend to permitting the many different ethnic groups to take control of their own affairs. Brutal force with heavy losses of life have taken place.

Reports of ethnic clashes have become more frequent. A recent report says that 50 people had died and large numbers seriously injured as a result of ethnic clashes in the Central Asia area.

In contrast to earlier ethnic clashes between Christian Armenians and Moslem Azerbaijanis, religion was not the major factor in the latest unrest, but race.

Flying in the face of reality, the central planners of the world attempt to create an ideal world on the basis of what they call equality. The results are always disastrous.

## THE SLOW SQUEEZE

A number of books have appeared in recent years outlining nightmarish scenarios for a coming global monetary collapse. But all the available evidence, and commonsense, suggests that a world depression of the severity of the 1930s is unlikely. Such a depression would result in revolutionary conditions with developments beyond the control of power planners. Since the end of the Second World War there have been periods of economic expansion, resulting in an upsurge in debt and a rise in inflation, these followed by policies of "restraint". Led by the Federal Reserve of the U.S.A., a policy of "restraint" is being imposed in Australia and most countries. Writing in *The Australian* of June 13, American representative Maxwell Newton, says "The Greenspan freeze continues. Since December, as the most intense and chilling phase has developed, money growth in the U.S. has for all practical purposes ceased."

But eventually the freeze will be modified in order that there is no complete economic collapse. The overall result of what is being attempted, is a steady centralisation of power. There is a growing polarisation in society as the big get bigger while there is a "levelling down" among the great majority.

In Australia the Keating policy is to use high interest rates to curb economic growth, such as house building — now moving into a disaster period — while attracting Japanese and other overseas investment which, in the main, fuel the programme of more bigness. Not surprisingly, the Hawke-Keating government is regarded favourably by many of the representatives of Big Business. The political problem for the Hawke-Keating government is that the representatives of Big Business do not constitute a majority of the electors.

The main threat to Mankind is not that the monetary system will collapse, this system being of no importance in the absence of an economic system. Already enormous physical, social and spiritual damage has been done in the attempt to sustain a philosophy, which treats the individual as merely raw material to be planned. The real threat is the progressive break down of social order under the pressure of what is an anti-human policy. The Social Credit message continues to offer the only hope in this situation. It is a message based upon practical Christianity, a message that insists that all institutions, political, economic and social, exist to serve the individual.

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## PSYCHOPOLITICS AND THE LEAGUE OF RIGHTS

The eight-page article, "WHO ARE THE RACISTS?" in *The Bulletin* of April 4, followed the next week with a two-page interview with Irene Moss, "PRE-EMPTIVE STRIKE ON RACISM", reflect the pattern of a sophisticated example of psycho-politics, one of the objectives being an attempt to minimise the growing influence of the Australian League of Rights while at the same time preparing the way for de-stabilising the Opposition parties on the vital immigration issue.

Considered in retrospect, the failed attempt late last year, after months of build up, to have the League of Rights investigated by the all-Party standing Parliamentary committee on Legal and Constitutional Affairs, headed by Victorian Labor Member Mr. Alan Griffiths, may well have been a type of feint to be followed by a more insidious campaign against the League through the Human Rights Commission, which obligingly set up an investigation into "racial violence" in Australia under Human Rights Commissioner Irene Moss. Irene Moss is an Australian of Chinese background, with a career, which suggests that she has not suffered because of her racial background. Part of her education was at Harvard University. She is married to a Jewish banker, Mr. Alan Moss.

Irene Moss is to be assisted by Mr. Ron Caston, a Melbourne QC and Zionist supporter. Caston is a civil libertarian who

appears rather selective about the question of liberties. For example, we have seen no comment by Mr. Caston on the latest contribution to the psychopolitical war against the League of Rights by Mr. Alan Griffiths, who has made a formal request that the electoral act be changed to force political candidates to disclose their association with "extremist" groups like the League of Rights. This move follows allegations after the recent ACT election that certain candidates were linked with "the extreme right-wing League of Rights." The constant reference to the League as an "extremist" organisation is another manifestation of the use of psychopolitics.

### GUILT BY ASSOCIATION

The "crime" of one successful candidate at the ACT elections was that he had distributed League of Rights litera-

ture! The totalitarian thrust of the Griffiths proposal should be revolting to all freedom-loving Australians. Over a long period of time many candidates for political office, some of them elected, have in some way been associated with the League. There was a time, as revealed in the special February issue of *The Survey*, when prominent Members of Mr. Griffith's own party were associated with the policies recommended by the League of Rights. But that was when the Labor Party was at least an Australian nationalist party, and had not succumbed to internationalism.

While dissociating herself from the League of Rights, the Independent Labor candidate for the Greensborough, Victoria, by-election, Barbara Gilchrist, in a letter to *The Age* of April 10 (also published in other papers) strongly rejects the Griffiths proposal, stating, "I believe we are becoming far too accommodating to Government demands and proscriptions in the ALP's version of the corporate state", and asks the pertinent questions: "Who will draw up the blacklist? What criteria will be used to determine 'extremism'? "Like the term 'racist', 'extremism' is used as a weapon in the process of psychopolitical war. It is, by constant repetition, used to convey the impression of something evil and sinister. It requires no definition. Practically all references to the League in the media describe it as "extremist". It would be folly to deny that large numbers of basically decent people have become victims of this psychopolitical campaign, as the League discovers every day. The only effective counter to this is the continued distribution of the special *Survey*.

#### MR. HAWKE COMES IN

Immediately following Dr. Henderson's *Australian* article a representative of National Action obligingly made two phone calls to Henderson's office allegedly threatening to picket his house, break up his meetings and distribute his photograph and leaflets in the street. While such threats are within the law, the publicity given to them provided Prime Minister Hawke with the opportunity, in answer to a question from a Labor backbencher, to tell Parliament that the actions of "dark and sinister forces" posed a danger to Australia's standing in the eyes of the world. Mr. Hawke went on to say that any "anti-Asian actions" also threatened Australia's trade, tourism and investment interests.

Mr. Hawke also said that there had been a recent increase in the number of incidents of racial violence and threats in Australia, that Members of Parliament, Church leaders and journalists had been targets of intimidation, and that the Human Rights Commission had initiated an inquiry into this "wave of repugnant behaviour". Mr. Hawke did not, of course, mention that there has been growing violence between some ethnic groups, or that no charges have been laid by the police against any individual.

What Mr. Hawke wants is the creation of a climate of opinion in which the League of Rights can be used to advance a prepared strategy.

When John Howard tentatively raised the immigration issue last year, he touched a deep nerve in the Australian body politic, which resulted in an orchestrated campaign of abuse. John Howard immediately went into retreat, and promptly sacked Senator John Stone from his shadow ministry because Stone spelled out clearly what he thought the Opposition's immigration policy should be: a limitation of the number of non-Europeans coming into Australia. There is also the deep-seated fear in the ranks of the totalitarian masters of this country that there are Members of the Opposition parties, both Federal and State, who may be sympathetic to the concept of the Swiss system of Initiative Referendum and Recall. And there is also the fear that Independent candidates, who have had some association with the League, might be elected to public office.

#### CONTINUING COUNTER-OFFENSIVE

As we have predicted for a long time, events would eventually bring the League and what it stands for, to the centre of

the political stage — providing it could be sustained. Thanks to its unique character, the League has managed to survive and to grow. But it must meet the current anti-League strategy by first changing the climate of public opinion. It is imperative that the mass distribution of the February issue of *The Intelligence Survey* be stepped up now that selective distribution has taken place. Every reader should have a supply, and constantly distribute. Not only the future of the League, but the future of Australia, depends upon how thoroughly this League counter-offensive is carried through.

This will be followed later by the next counter-offensive, building on the first. The League lacks the massive resources of its enemies. But it has the formidable instrument of Truth, providing it can be circulated widely enough.

But how are the promoters of the psycho-political campaign reacting to *The Survey*? They are pretending that it does not exist! Their view is that it is safer not to publicise it, while continuing with the constant theme that the League is an "extremist" organisation.

#### DR. HENDERSON'S CONTRIBUTION

Writing in *The Australian* of April 3, Dr. Gerard Henderson of the Sydney Institute of Public Affairs provides a classic example of the on-going psycho-political campaign. The Henderson article is headed, "IT'S TIME TO MUZZLE LUNAR RIGHT'S BAYING". Henderson opens his article with reference to Mr. John Bennett's 1989 edition of *Your Rights*, which is described as being "anti-Semitic", another political swear word rarely defined, and claims that it is symptomatic of a growing intolerance in Australia, and the emergence of what "I have termed the Lunar Right in Australia." The Lunar Right is described as "a diverse group extending from the tired anti-Semitism of Eric Butler's League of Rights across to the explicit racism and avowed anti-democratic sentiments of recently formed groups such as the National Action and the Perth-based Australian Nationalist Movement."

Henderson used the same technique as *The Bulletin* survey of "racism" in Australia. Linking the League with minor groups like National Action whose philosophy and tactics the League have, as the smearers like Henderson well know, publicly repudiated. They are not only counter-productive, but is a bonus for those seeking to impose multiculturalism in Australia. Henderson is right when he says, "Societies have a clear obligation to protect citizens from violence and intimidation. ..." But law abiding citizens like League of Rights supporters are entitled to protection against the type of verbal violence and psychological intimidation being promoted by Dr. Henderson, who helps to confirm the nature of the current campaign against the League. After deploring that Australia had "become a less tolerant place since the Asian immigration debate in 1988", he says that "One unfortunate consequence of this debate was to give a measure of credibility to the theories and actions of the Lunar Right."

Then comes the punch line; "There is a clear obligation on Messrs. John Howard, Ian Sinclair and John Stone, among others to make a public and unambiguous stand against the organisations and individuals who are peddling racism and intolerance as a means of furthering their fanatical ends." Labor Party strategists will be delighted with this approach, which matches exactly what they are attempting. We are informed that those strategists are pleased with the contribution of the Boswells and other useful innocents of the Opposition parties to the systematic smearing of the League, which they feel has now been sufficiently institutionalised to permit Hawke to turn immigration into a major election issue by either forcing John Howard and colleagues to disown the League and its "racist" policies or be charged with supporting the League and its "extremist" policies.