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

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## AFTER THE MIDDLE EAST CONFLICT?

*by Eric D. Butler.*

**The German military philosopher Clausewitz said that military war is the pursuit of policy by other means. Military conflict has rarely been an end in itself, although there are examples of destruction for the sake of destruction. Military action must have some long-term political and economic objective. At the time of writing military conflict has not erupted in the Middle East, and may yet be prevented, at least temporarily, but my comments will not be affected by whatever developments take place.**

Israel's immediate and long-term policy is clear. Israeli policy makers want a war in which the Americans will do most of the fighting. Long before the Kuwait affair, Israeli leaders insisted that Iraq's military capacity must be destroyed. They took it upon themselves to launch what they called a "pre-emptive strike" to destroy Iraq's nuclear programme. Displaying their well known philosophy of the one-way street, the Zionist's argued that they were justified in preventing Iraq from developing nuclear weapons at the very time that they were secretly doing the same thing. Such was Zionist influence that Israel received but a light slap on the wrist for its military aggression against Iraq.

From the beginning of the current crisis, Israeli spokesmen have expressed their fears that the USA would reach a settlement with Iraq which would leave Iraqi military strength unimpaired. *The Australian* of December 7 carried a story from Douglas Davis in Jerusalem, which quotes Dr. Asher Susser, head of Tel Aviv University's prestigious Centre for Middle East Studies, as saying that any resolution of the current crisis which left Saddam Hussein in power and his military potential intact "will mean that the cheque has been signed for the next Arab-Israel war." Dr. Susser indirectly confirms the view that it is the continued existence of Israel which has provided the catalyst for the emergence of a Pan-Arabic movement headed by some strong and charismatic figure. First it was Nasser, now it is Saddam Hussein.

With the emigration of hundreds of thousands of Jews from the Soviet to Israel, and the blatant Israeli programme of settlement in the occupied Palestinian areas of the West Bank and the Gaza strip, and the continued suppression of the Palestinian people, with every indication that the long-term Zionist dream of a Greater Israel is being maintained, the removal of Saddam Hussein will not solve the basic problem in the Middle East.

### UNDERSTANDING POLICIES

While Zionist policies can be seen, what is the policy of the Bush Administration? A nation determined to preserve its own sovereignty and integrity, pursues policies determined to achieve that objective. A number of highly competent professional American policy makers, men like James Forrestal, warned at the time of the establishment of the Zionist State of Israel, that support for the Zionist invasion of the Middle East would prove detrimental to America's long-term interests. Those who insisted

on putting American interests first were progressively eliminated. Subsequent events have confirmed their warnings.

American patriots like the prestigious columnist, Patrick Buchanan, closely associated with both the Nixon and Reagan Administrations, are also asking how are America's long-term interests to be served by a major conflict in the Middle East. I am certainly no admirer of Saddam Hussein, but all the evidence

### 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.

I have suggests that his policies concerning oil are reasonably rational. Comparing him with Hitler is nonsense, and even Henry Kissinger has had to agree that there is no suggestion that have in annexed Kuwait, Saddam Hussein would then invade Saudi Arabia. The suggestion that a new major military conflict should be launched to pries Iraq out of Kuwait on "principle", borders on the obscene. With increased oil supplies, Iraq may solve some of its massive financial problems. But it must still sell the oil.

However, assuming the success of those calling for a war which will, after great cost, destroy Iraq, what then? The complete destruction of Iraq would leave a power vacuum in a volatile Arab world smouldering with a deeper resentment than ever of the invading infidel. Assad of Syria, transformed from a terrorist leader to an "ally" of the Americans and British, would be one of the first most likely to move against a destroyed Iraq. Iran and Turkey would not sit idly by while a weakened Iraq dissolved in civil war. Iraq is a relatively young country created

by the British after the First World War, and contains a number of conflicting elements, including those within the Moslems.

Whatever happens, the Middle East situation will be more explosive after the present crisis than before. An eventual calming of the situation will only be possible when the Israel and Palestinian question is constructively solved. The State of Israel was created by the Western powers in association with the Soviet Union. It is impossible to turn the clock back and the State of Israel must be accepted as an established fact. Its people are entitled to live in peace and security. A starting point must be an insistence by at least the Western powers that Israel withdraw from Palestinian areas occupied in 1967, and live within the boundaries specified by the United Nations in 1948. They must renounce all claims to any areas outside those boundaries. The Palestinians should be helped to establish their own State, with leaders renouncing all claims on Israel.

## FINANCE AND THE ENVIRONMENT

**The following article by a Canadian writer who, for professional reasons, does not wish his name to be publicised, is an in-depth examination of one of the major issues confronting mankind and deserves the closest study.**

In these amazing times when the dominant characteristics of future eras are not discovered through experience but rather decided in advance by anonymous extra-national seers, the finance-controlled media are billing the 1990s as the decade of environmental concern. We already know that the watchwords of the ten years that lie ahead will be "sustainable development", a phrase that, in a process resembling water torture, will be dripped relentlessly into our consciousness, eroding our power to think independently about ecological matters.

To what end will this campaign for our minds be waged? The implications of the term "sustainable development" provide a complete answer. Humans are such linguistic creatures that they think concepts through the words used to describe them, and the new slogan for environmentalism comprehends a genuine ideological revolution. It should be obvious that "sustainable development" is a highly complex criterion that subjects the entire economy to a test that only an elite can possibly impose. The old environmentalist word, "conservation", was a sturdily democratic term, conservation being an activity to which everyone can contribute; but how can ordinary people participate in "sustainable development" other than as passive slaves of a panel of purported experts on the subject?

If this concept of sustainability (naive as it may be in a world such as our own, with its innumerable variables) acquires the acceptance planned for it, then the shape of things to come will be plain: dictation of economic initiative will be centralized to a degree never known in the Western World outside wartime.

Although the benefits to the environment of such a situation are uncertain, there is no doubting that it will afford the new environmental police and their friends limitless opportunities for self-aggrandisement.

### GOOD GUYS Vs. BAD GUYS

This objection to the notion of "sustainable development" points up a basic weakness in the position of many so-called environmentalists. They contend that the environment is being excessively exploited and polluted because of human greed, but in so doing they propound a quite unbelievable 'good guys, us, - bad guys, them' dichotomy. "Give us power," they say, "and — unlike the profiteering rotters who wield it now — we will use it unselfishly for the common weal."

Even if such pleading is sincere, anyone of elementary political experience knows that accession to power often

catalyzes today's starry-eyed Utopian into tomorrow's cynical despot. This is why, as a general principle, one is wise to distrust those who advocate combating evils flowing from existing concentrations of power by means of even greater concentrations of power. Environmental pollution is unquestionably undesirable, but that fact does not mean that the solutions to it proposed by those who make this point most clamorously are sage in proportion to their noise level.

Does, then, the corruptibility in human nature render all attempts at benign reform futile? If the reform is to consist of more central planning and control, it would seem so. However, despite the propaganda emanating from power-seekers of all sorts, from the idealistic to the crassly self-serving, who want power concentrated on principle so that it is more easily captured other directions for change are possible.

### A NOTE ON RESPONSIBILITY

On closer consideration, the practice of blaming a few relatively influential individuals for environmental deterioration also seems inappropriate. For example, it is difficult to perceive a fundamental difference between, say, a business owner who sells a "dirty" fuel, coal, as a way of making a living and his employees who help to produce the coal in order to obtain income. It would be nonsensical to assume that culpability is in proportion to the revenues derived. Double the salaries of the employees: will that make them want less to produce coal? Cause the mine owner to operate at a loss for a few years: will that make him want to produce less coal? The answer in both situations is no. Indeed, the probable effect will be to stimulate both parties to mine more coal and promote its consumption wherever possible.

The point is that both the employer and the employees are involved in a morally questionable activity for precisely the same reason — to get money. In these circumstances, it is hypocritical to criticize only the employer for his part in, for example, aggravating the problem of acid rain.

Of course, if either the employer or the employees believe that what they are producing is harmful then he or they are prostituting themselves to mammon — but they would hardly be unique in our society in that respect.

In so far as environmental degradation is concerned, the web of culpability covers essentially the whole of society, including the environmentalist jetting off to the next conference on atmospheric pollution.

This diffuse responsibility is awkward for environmentalists, since it becomes difficult to target a clear-cut enemy. Also, when virtually the entire community is collaborating in the practices supposedly needing change, the critic of the practices tends to appear like a holier-than-thou snob.

If the person who is willing to foul the earth in order to balance the family budget is not really different from the one who is willing to foul the earth to balance the company budget, how are we to deal with the environmental problem? Certainly we will not get far by telling them to stop balancing their budgets. On the other hand, if the imperative to balance budgets is vastly greater than it need be, if the preoccupation with money arises largely from artificial pressures in the economy, then there is hope for significant beneficial change.

### **THE SUPREMACY OF MONEY**

At some unknown, but fateful, point in medieval history, a money lender realized that the essence of a viable money system is confidence and that, once this confidence was established, a magical and very remunerative trick could be played.

Typically, the moneylenders were possessors of a stock of, say, precious metals, which they would loan out into the community. They found that, once they gained a reputation for reliability, in lieu of transferring actual gold or silver they could issue a promise to pay backed by the real wealth known to be in their vaults. Their next discovery was that, as long as people believed in the convertibility of the promises to pay, such promises could be issued to a value considerably beyond that of their holdings of precious metals. If, for example, experience taught the money lender that only 1/10 of his clients would at any particular time insist on payment in actual coin or bullion, he could safely make loans totalling about 10 times the value of his reserves of bullion. Thus was born financial credit and the principle of what we now know as fractional reserve banking, which has both allowed the community to expand the economy with unprecedented rapidity and delivered control over the expansion to the money power. The important points to grasp are (1) the promises to pay functioned perfectly well even though they were issued on a fraudulent representation of convertibility; (2) the money lender retained discretion to vary the availability of the promises to pay and there was never an exact correspondence between the total value of the promises to pay and the overall monetary needs of the community; (3) the promises to pay purportedly derived their value from the bullion in the money lender's vault but in fact this value came from the actual and potential productivity of the community itself. While the pretense that financial credit is based on precious metals has been abandoned, all these features have survived in modern financial systems, whose function is to create the financial credit of the community.

It should be noted that the moneylender's promises to pay circulated from hand to hand in trade as a commodity. Acceptance of the principle that money is a commodity has of course ever since made it impossible to establish a scientific relationship between the true monetary requirements of the economy and the availability of money.

Of course, because money is regarded as a commodity, its proprietors undertake constantly to enhance its value. This is achieved by causing demand for it to be high, which in turn is achieved by keeping it in short supply. Indeed, throughout the entire evolution of the money system, which financiers have essentially been able to guide to suit their own ends, maintaining a chronic shortage of financial credit has been the key to ensuring the money-dealers' dominant position in the economy.

### **THE FACT OF DEFICIENCY**

At first glance it might seem far-fetched to suggest that there is a chronic shortage of money in the economy. In fact, exactly

the opposite might be thought to be the case. After all, are we not told constantly that inflation, which is now accepted as a normal condition and which we have ever with us, is caused by excessive availability of credit?

In order for the point about deficiency to make sense, we must have a reference point for normalcy, and to develop this we must be clear on the proper role of the money system. Money occupies such a dominant position in our society — generally, ideas are realized when there is money for them and go nowhere when there is none — that we are accustomed to thinking of it as being primordial. However, this is surely a mistaken view, for, without the spiritual and physical capacities in the world, money is nothing. It has no independent existence and, while useful as a tool for releasing spiritual and physical capacities, by its nature it is completely subordinate to them.

From this perspective it follows that the proper role of money is simply to assist people to produce and consume in accordance with their physical and spiritual desires. To the extent that these are not being satisfied for want of money, the money system is failing. Judging by the frustration and poverty of many people, from this point of view the existence of a chronic shortage of money would seem quite likely, although unsatisfied material wants could be, as the socialists contend, at least in part the result of maldistribution of money rather than of an aggregate lack.

However, the deficiency that should be of central interest to environmentalists, because of its economy-distorting influence, is of a different sort. Another undeniable (except perhaps in the bizarre world of economists) principle is that the only sane motive for production is the desire to consume; i.e., to put goods to their end-uses. Consumption, as the word itself suggests, is the natural consummation of production. Since in our economy money licenses both production and consumption, it follows that the monetary system ought to function so as to permit consumption of whatever we produce. Unfortunately, however, it does not work that way.

### **THE MECHANISM OF DEFICIENCY**

There are two accountancy cycles in the economy. One is the cycle of loans and reimbursements of loans. The other is the cycle of price build-up and liquidation of prices. The two cycles are related because the loans, constituting the money supply, are the

## **NATIONAL CRISIS AND THE LEAGUE'S BASIC FUND**

As the national crisis deepens, it is interesting to note that the highly sophisticated media campaign against the League of Rights has been intensified. The League is feared because of the constructive advice it is bringing as the nation plunges into the type of crisis the League has warned about for a long time. The strength of the League is its dedicated army of volunteer supporters. But that army must have professional direction. This requires an adequate basic source of finance every year. The League's Basic Fund for 1990-91 is still \$23,000 short of its target. We are well aware of the financial strain under which most of our readers are operating. But we have no one else to ask for the support essential to save traditional Australia. The League's programme will not collapse if it does not reach its objective. But it will be badly restricted at a time when it should be increased. Please rush your contribution as quickly as possible to P.O. Box 1052J, G.P.O., Melbourne, Victoria. Thank you.

only possible source of the means to liquidate the prices.

The price build-up occurs as costs accumulate in the processes of production, which costs are liquidated when consumers buy the products. Hence, price accumulation is a function of production, while price liquidation is a function of consumption.

The loans are of several sorts — loans to business, to government, and to consumers. Loans to consumers and governments obviously tend to cause a deficiency of buying power because they involve mortgaging the future revenue of the community in order to permit present consumption, i.e., they do not liquidate costs but merely shift the obligation to pay them to a later time.

To understand the deficiency problem that arises through the granting of business loans, which is somewhat more complex, one must comprehend that bank loans constitute additions to the money supply. In other words, the issuing of a bank loan creates credit and the repayment of the loan cancels the credit. This accounts for the variability of the money supply.

Let us say that a company obtains a bank loan in order to expand its plant. The loan will be expended as the plant is assembled, flowing to employees as income and to suppliers of materials as business revenue. Most of the personal income will be spent on current consumption needs and flow from the retailers, through manufacturers with lines of bank credit, to the banking system, while most of the business income will return to the same point even more directly. This reimbursed loan money is then cancelled out of existence, but the costs it allowed to be generated during the building of the plant remain. When these costs are finally registered in the prices of consumer goods, the money needed to liquidate them is no longer available.

If the foregoing explanation elicits scepticism, it is only because people do not know how money comes into being and are accustomed to think of it as pooled rather than particulate. However, every dollar in the community is linked in a chain of debt relationships that leads ultimately to the manufacturers of credit, the banks. Regardless of popular notions on the matter, there is no self-generated "free" money floating around to fill the gap left by the premature cancellation of the credit disbursed during the development of the plant.

So where will the money to fill the growing disparity between the cumulative flow of retail prices and the cumulative flow of consumer buying power come from? If not from debt assumed by consumers or government, which as we have seen does not liquidate costs, it will be derived from debt assumed for further plant expansion, which again will distribute purchasing power in advance of expanding the effective cost burden on consumers. But of course this distribution leads directly to a deficiency of consumer buying power in relation to the latest generation of capital costs. As long as capital development is expanding, we can muddle through in dealing with the problem. But making the purchase of today's bread dependent upon the production of tomorrow's jet fighter or office complex is a hare-brained way to run an economy — absolutely a mug's game where environmental considerations come into play.

As long as current methods of financing are practised, there is simply no way the flow of buying power can keep up with the flows of costs and prices; they are perpetually out of sync.

Indeed, the situation is a real catch-22 in that, while the purchasing-power deficiency is aggravated in a capital-intensive economy, the deficiency itself tends to promote an artificially intense concentration on expanding capital.

A final question remains: what if the capital development is financed not directly by means of bank credit but through re-investment of savings? In this case, money needed for consumption is diverted into capital production, from which it issues again as consumer income. However, while the aggregate volume of consumer purchasing power is not changed in this process, a new

set of capital costs is added to the flow of costs pushing up retail prices. Hence, this method of financing also results in a shortage of consumer buying power.

## ENVIRONMENTAL IMPLICATIONS

Historically, many communities have continued to exist, often in what their inhabitants considered relative prosperity, in conditions of economic stability over long periods. However, since the development of money economies based on financial credit, the option of stability no longer exists. Nowadays the economic options are, categorically, two: either growth or collapse.

The position is hard to rationalize as being inherently necessary. A community ought to be able to increase, stabilize, or decrease its productivity, as it deems appropriate. Nor should it be particularly surprising that it might want to choose the latter option: after all, it would make no sense for a community that has been able in a two-year production run to provide every household with a washing-machine with a life expectancy of 20 years to keep producing more and more washing-machines. Moreover, people have been known to discover that there are worthwhile activities in life other than the constant acquisition of material goods, and a widespread conversion to this belief could conceivably divert enough interest from economic production to cause it to diminish.

Why, then, have we lost the option of stepping off the treadmill of economic production? The answer is simple: because if we do not outrun the vast wave of inextinguishable debt and unpayable financial costs constantly arching over us we will be swamped, and, in the short term, superfluous resource conversion is one of the principal means we presently have of racing against the flood.

The picture that emerges from this understanding of the impact of the financial system is of an economy driven largely by financial imperatives rather than by consumer demand for tangible products of the economy, and consequently proliferating unwanted production. The financial pressures tending to make production a goal in itself constitute a powerful incentive to over-use and waste resources. Merely for the sake of distributing income, we must tarantistically churn over the resources of the earth.

The effects of this compulsive economic activity on the environment are tremendous. Thousands of deleterious intrusions on nature are justified on the grounds that they put income in people's pockets. Shoddy quality and built-in obsolescence are winked at because they guarantee rapid replacement of goods and sustained economic busy-ness. Financial strictures encourage companies to cut corners and employ inferior, polluting technology rather than up-to-date, clean productive methods. Production is tallied favorably in government statistics without regard to whether it degrades or debilitates people or is functional or ever actually fills a consumer need. Endemic misdirection of effort subverts ecological morality; the sense of humanity's place in nature is weakened.

To put the position somewhat differently, instances of environmental degradation are largely symptoms of the deeper problem of a persistent shortage of consumer buying power.

Environmentalists routinely denounce exponential economic growth as folly. Unfortunately, without precise understanding of what makes such growth imperative, they cannot suggest anything very practical in the way of alternatives.

## A COMMENT ON EMPLOYMENT

Full employment, one of the silliest concepts ever developed, is of course bound up in the whole sorry mess. It is the complementary principle to centralized control over economic policy by finance, because it implies that people should not be indepen-

dent, but rather coerced into participating in the plans dreamt up by the "more important" members of society.

The purpose of economic activity is to make life more, not less, congenial. A lot of, if not most, employment — especially the make-work variety is fundamentally pointless and degrading. It is psychologically harmful because the employee sees no worth in his work apart from the income it brings in. A society that professes love of the individual should be striving in every way possible to free its members from doing things they do not choose to do.

Why is the environmentalist's silence about the folly of the policy of full employment a significant failing? At least in part because keeping people employed is tremendously costly, and when it is done merely as a roundabout means of distributing incomes it constitutes sheer waste. Just as many individuals find that much of the income they derive from work ends up being expended in allowing them merely to continue working, so an economy that strives to keep all citizens at work winds up applying vast quantities of resources to that end without net gains in productivity. Office complexes must be built and maintained to house the "fully employed"; mountains of supplies must be manufactured for them to "work" with; systems for moving them to and from the workplace must be installed; great amounts of fuel must be extracted and refined and transported and burned to get them to and from work and keep them warm once they are there; and so on.

Of course this business of chasing our own tails could be seen as a rich joke on us — were it not that the toll it is exacting on the planet is causing the joke to wear a little thin.

The fixation, resulting from years of brainwashing on the subject by the media and object lessons in the form of economic depressions and recessions that we have on the desirability of creating jobs has blinded us to the fact that deliberate pursuit of "full employment" can lead only to inefficiency. Indeed, the policy has brought us far along this track, to the point where it can be said that, from the standpoint of contributing to the real betterment of society, much, and perhaps most, human effort is pure waste, and another substantial part is purely negative. In the latter category is the plethora of boards and market specialists who contrive to limit the supply of consumer goods\*.

Of course, the greatest waste is of human life. Four hundred years ago Shakespeare could write, without attracting ridicule, of men resembling gods; but it is impossible to think of contemporary people in such sublime terms. There is surely nothing god-like about the grim commuters generated by the current economic system. Locked into the struggle to keep ahead of the financial demands on them, their highest aspirations all carry dollar signs. Full employment suits dull functionaries, not creatures bearing the stamp of divinity.

Even with the thwarting and misdirection of effort everywhere around us and the resultant entropy of human initiative, the achievements of our economy seem dazzling. Yet a system fashioned primarily to encourage and draw on the talents of the citizenry could conceivably be a hundred times more spectacular - not to mention a hundred times happier as well. A society in which people could love what they do for its intrinsic worth and know that their constructive actions will pay real dividends to themselves and others would contain limitless potential, and what now appear to be intractable problems, like environmental pollution, would likely vanish like a bad dream.

However, never having got straight in our minds that the field exists for the flower, not the flower for the field, we continue to wither like cut blooms in a vase.

### THE COMMUNITY REACTION

In urging revival of a more natural environment, environmentalists have tended to promote two lines of policy, neither of

which, because of the pressure-cooker principles on which the economy is run, holds much promise of enduring success.

One involves curtailing activities known to cause environmental deterioration. Quite understandably, the people who derive their incomes from these activities balk at such measures. When humans are forced to weigh a possibility of long-term ecological catastrophe against a certainty of immediate economic disaster, the ecological question inevitably gets short shrift. For instance, by now coal-miners are aware that the burning of what they work to bring out of the earth is unhealthy and threatens the well-being of life — possibly, if the doom-sayers are anywhere near right, all life — on earth; but they still want to mine coal. Because of the financial pressures on them as individuals, they feel they have no choice, and they are predictably hostile to environmentalist arguments that they see as tantamount to martyring of everybody earning his living from the coal industry.

The other policy line pleads for increased efficiency in the use of resources: conservation. But conservation means economic restraint and that means fewer jobs and that means less money in the hands of consumers and that means poor sales and that means business failures and that means even fewer jobs and that means human desperation and that means more willingness to do anything for a buck . . . and there goes the environment again!

For some environmentalists it is axiomatic that going back to a simpler way of life would ease environmental problems, but in fact there is much evidence that intermediate technology is much harder on resources than advanced technology. Also, the inquiring spirit of humans quite naturally looks ahead, and to thwart it would be to offend the very nature of mankind. Besides, if the financial problem is not fixed beforehand, a policy calculated to produce moderate reductions in living standards could catapult society back into very primitive conditions indeed.

Really, the only sane way to deal with the problems of pollution and spoliation is to remove the incentive for abuse. As has already been discussed, the principal engine of economic waste is the emphasis on production as an end in itself to deal with an inherent defect in the system of income distribution. It follows that correction of this defect would take the pressure off people to build capital that is redundant and that nobody wants in itself. It would allow a rational and balanced assessment of our environmental situation and open the broadest possible range of options for contending with it.

The first step towards economic and environmental regeneration is to increase the flow of income to consumers. Of course, by 'income' is meant real buying power — not recycled debt for which the people are already responsible in their roles as consumers and taxpayers. The banks create billions of dollars daily against the real wealth produced by the population, and the upshot is that the country is wallowing in debt. These same institutions could be instructed to create credit on a debt-free basis and, to equilibrate the flows of production costs and ability to liquidate them, distribute it in the form of dividends payable to all citizens.

In other words, in a responsible and scientific manner, let us make ourselves financially rich. We cannot be richer financially than we are in real terms, but we can be as rich. Indeed, it would be idiotic to be less rich. Well, yes, this does not say much for the quality of the thinking we have applied to the situation to date, but it is not too late to improve it.

### INVISIBLE PROSPERITY

In early creeds, people were admonished to believe not only in visible reality but in the invisible aspects of reality as well. Ironically, the danger today is the exact opposite: people believe in what is insubstantial while being unable to perceive the phy-

sical reality surrounding them.

To clarify the point, let us suppose that the flow of financial credit dried up. There is no question that the direct consequence would be that we would all go begging, and large numbers of us would probably end up starving to death. Yet we would travel to this pathetic end through the valley of abundance. Nothing would have changed in our productive capacity: the fields would still be fertile; the forests would still be growing; the factories and the communications systems and the incarnations of millions of inspired men and women would still be in place, along with the knowledge of how to put them to productive ends. Yet without money all of it might as well not exist. We would suffer total deprivation in the midst of the greatest productive potential ever known by man — probably, because of our belief that money (which nowadays could be nothing more than a minute flow of electrons in a computer) is more real than what it represents, without noticing the absurdity of the situation.

While industrialists warn us that we must win the race for the most advanced technology or fall back into "Third World" conditions, while you fret over keeping your job, while you

worry about your business crashing before it has a chance to get properly off the ground, while you pray that inflation will not erode your meagre pension, while you worry about your children's ability to make a go of it in a callously competitive world, the productive potential to give everyone a materially comfortable life almost effortlessly is everywhere around us. But we do not see it as it is because our attention is fixed on a wretched money system that drives people mad with cares.

Against the wishes of virtually every conscious person, our beautiful earth is being insensitively ravaged and polluted, and, in a kind of Reichstag fire manoeuvre, power-hungry persons are using these environmental problems for self-serving political ends. When we trace the causes of the present situation to their source, we find a flawed financial system. We need not destroy the money system — indeed, to do so would be a grave error — but it is crucial that we reform it so it becomes the servant, not the master, of our aspirations.

\* *But never, mark well, of capital goods, because of the utility of their income distribution function, as already discussed.*

## DAVID IRVING DEMOLISHES AUSCHWITZ MYTH

Irrespective of what one thinks of David Irving the British writer, one must admit that his capacity for research of primary sources is phenomenal. Irving may not be a great historian in the sense of presenting history as "crystallised politics", to quote C.H. Douglas, but he has provided massive documentation for those capable of this type of history. He has shown considerable courage in changing a previous attitude in the face of new evidence. The following report on Irving's address to the Tenth Institute of Historical Review Convention in Washington in October of last year, by Charles D. Provan, appeared in "The Christian News" (USA) of November 12, 1990. We plan to make available the full text of the Irving address later.

I have long been of the opinion that the best Revisionist speaker around is David Irving, the internationally known British historian. This view was confirmed again for me when I heard Mr. Irving speak in person at the recent Institute for Historical Review convention. Mr. Irving was scheduled to speak only on the subject of Field Marshall Irwin Rommel's non-involvement in the summer 1944 plot against Hitler, but added an involved speech on the Holocaust. Lively, intelligent, and full of wit and vigor, this talk on the Holocaust ranks as the most radical Holocaust speech I've ever heard.

### IRVING ON HIS OPPONENTS

David Irving scored the major non-revisionist historians, pointing out that they refuse to debate. He illustrated this point by mentioning a recent discussion set up on Berlin TV, featuring many traditionalist Holocaust historians. When these fellows found out that David Irving was also invited, they all refused to show up unless Irving was uninvited! In addition, he drew attention to the repressive laws dealing with the Holocaust, laws that should have no place in free discussion of historical events.

### IRVING ON THE HOLOCAUST

According to Mr. Irving, the turning point for him on the Holocaust was the forensic analysis of the concentration camps in Poland done by Fred Leuchter. To quote Mr. Irving, "Called as an expert witness as a historian to give evidence in the Ernst Zundel case, they showed me the Leuchter Report, the laboratory tests on the crematoria and the gas chambers. As a person who at University in London studied chemistry and physics and the exact sciences, I knew that this was an exact result, and there was no way around it. Suddenly all that I had read in the archives clicked into place. You had to accept that if there's no evidence anywhere in the archives that there were any gassings going on; and if there's not one single wartime German document that refers to the gassings of human beings; and if there's no reference anywhere in the German archives to anybody giving orders for

the gassings of people . . . . and if, on the other hand, the forensic tests of the laboratories of the crematoria and the gas chambers in Auschwitz and so on show there's no trace, no significant residue whatsoever of a cyanide compound, then this can all only mean one thing."

Continuing, he emphatically stated, "So how do we explain the fact that for forty-five years since the end of World War Two we have all internationally, globally been beset by a common guilt — the idea being that the human race was responsible for liquidating six million human beings in gas chambers? Well the answer is that we have been subjected to the biggest propaganda offensive that the world has ever known, conducted with such refinement, with such refinement, with such financial clout that we have not been able to recognise it as a propaganda offensive from start to finish."

Irving focused on the Revisionist task of destroying the "Great Battleship Auschwitz," and how much of the effort in accomplishing this goal is actually being done by traditionalist Holocaust historians, now energetically fighting amongst each other. As an example, he mentioned the recent removal of the memorials at Auschwitz for four million dead, and their replacement with memorials stating "One Million Dead." This was done by Polish Museum authorities at the instigation of an Israeli historian! Another great blow to traditional historians has been the Soviet Union's release of the Auschwitz death books, listing some 74,000 deaths. Irving deplored the deaths of so many people over a three year period, but pointed out that the British *in one night* killed some 40,000 German civilians in Hamburg by aerial terror bombing!

Heavily sarcastic, Irving mentioned historical unrest in Germany due to the Israeli/Polish/Soviet revisions to the death tolls at Auschwitz, since it is coupled to the mathematically unreasonable assertion that "Six Million" is still the grand total, even though three million has been shaved off the previous Aus-

chwitz total.

### SOME OTHER REASONS FOR DISBELIEF

Moving on, David Irving mentioned some other reasons besides the above on "Why we don't have to believe in the Holocaust at Auschwitz". Of primary importance is new data revealed by an official British government historian, Professor F.H. Hindsley of the University of Cambridge, who served Britain during WWII as a code breaker for GCHQ (Government Communications Headquarters). In his government history of British Secret Service operations during WWII, Hindsley revealed recently that all the daily reports sent to German SS authorities from Auschwitz (and ten other major concentration camps) for the years 1942 and 1943 are on file in Great Britain, after having been decoded by codebreakers at GCHQ! These files list the following data for every day: the number of prisoners who arrived that day at the camp; the number of prisoners who left the camp that day; the number of prisoners remaining at the camp by the end of each day. In addition, all camps listed a fourth statistic, called "other losses", which the British Secret Service deduced was mostly losses caused by deaths. Irving quoted the Appendix of Volume Two of the British Official History of the Secret Service as follows: "In the case of Auschwitz, most of these 'other losses' turn out to have been due to illness. The remainder were partly accounted for by executions, which are described as having been executions by hanging, and executions by shooting. There are no references to any gassings in Auschwitz."

Needless to say, the aforesaid quote deals a heavy blow to the traditional view of Auschwitz as a camp set up to exterminate various peoples.

At this point, Irving mentioned the eyewitness reports of gassings at Auschwitz, dismissing them by pointing to the abundance of eyewitness testimony for operational gas chambers at all sorts of other places where all historians now admit there were none.

A further devastating shock to the common view of Auschwitz is that on September 3, 1990, Franticek Pieper, the head of the Auschwitz Museum, admitted to Professor Berndt Martin, the head of the History Department of the University of Freiburg that the main "gas chamber" of the Museum, "Auschwitz One", was not authentic, and was built for the tourist trade! Thus, a main attack point of the Revisionists (and, by the way, one of the major conclusions of Fred Leuchter) has been confirmed. Oddly enough, though this point has now been admitted by Polish authorities, it still remains illegal to state in Germany, due to the "Holocaust Denial" laws! Here is what Irving had to say: "How about that - an admission, Ladies and Gentlemen, that in Auschwitz One, the crematorium and the gas chamber that is shown to tourists from all over the world, is a post-war dummy put up for the benefit of the tourists, something we've always suspected, something which we've particularly suspected since the Leuchter Report came into our hands."

Irving then asked the rhetorical question of: Why would the Polish authorities need to build a fake 'gas chamber' to show tourists, if there were authentic ones (such as Auschwitz Two through Five) only a short distance away?

At this point, Mr. Irving began his talk on Field Marshall Rommel. It was quite interesting also, though more restrained. His main point here was that Rommel never joined the anti-Hitler coalition in the German armed forces, and had nothing to do with the assassination attempt, having been wrongfully accused by the Gestapo, and forced to commit suicide (with Hitler's approval, by the way). In this speech, Irving again showed his willingness to reconsider primary historical information in the effort to find out "what happened and why".

## THE SPIRIT OF LENIN LIVES ON

The master mind of the Marxist movement, Lenin, observed that the World State, which he visualised as a Communist State, could not be established without first establishing an international economy. The Marxists in both the Soviet Union and Communist China readily endorsed the concept of a New International Economic Order, claiming in essence that Lenin was the spiritual father of the concept. They have had no difficulty in accepting the International Bankers as their allies.

The establishment of a United States of Europe was first advanced by Lenin's colleague, Trotsky. Both Lenin and Trotsky would warmly approve of the establishment of the European Economic Community, with the Socialists openly advocating a greater centralisation of power. The International Bankers of the Trilateral Commission warmly approve, as do the managers of Multinational organisations, themselves the creatures of the credit monopolists and the products of the debt system operated by those monopolists.

A highly centralised Germany had its origins in the policies of Frederick II of Prussia when he ascended the Throne in 1740. His philosophy was clearly outlined in his *Political Testament*, in which he recommended that "to despoil your neighbours is to deprive them of the means of injuring you." Anarchist Cloutz who described himself as "the personal enemy of Jesus Christ", was a high member of Grand Oriental Freemasonry and had a profound influence on Frederick, revealingly described as the "Great".

Bismarck completed the centralising process initiated by Frederick, and had the close support of the Marxist Socialists. Bismarck observed that "We march separately but we march together". The high-water mark of German culture was pre-Bismarck - a product of the decentralised German States. Excessive centralisation, along with a pioneer State Welfare system and a "modern" education system, dramatically changed the character of the German people within a few generations.

The German-Jewish bankers were dominant.

Anyone doubting the impact of centralisation on a people and their culture might consider the role of the German people in the decentralised Swiss Federation. Hitler's philosophy, which was basically similar to that of the Marxists, as he candidly admitted, never made much impact on the German speaking Swiss.

One of the most disturbing features of the proposed establishment of a Japanese dominated Multi Function Polis in Australia, is that in time a major Japanese economic presence in Australia must have a serious culture impact. The undergirding philosophy of Japan is that of the Corporate State. It is the internationalists who applaud the moulding of populations into highly centralised units which can be wielded like a club. Such a philosophy is anti-Christian and runs contrary to the true evolutionary process of diversification. Policies rooted in this philosophy must produce increasing friction, as witnessed by what is happening in the Soviet Union and Eastern Europe.

But the drive towards greater economic centralisation continues in spite of disastrous results. Former British Prime Minister Margaret Thatcher, and her successor, John Major, have made clear their grave reservations about the direction in which the European Economic Community is moving. But the Achilles heel of the Conservatives has been their financial orthodoxy. A recently published book, *The Japanisation of British Industry* provides some startling information concerning the extent of Japanese investment in both Wales and Scotland. There are now 37 Japanese Companies in Wales, employing 200 Japanese nationals along with 20,000 workers. It was the Thatcher government which encouraged many Japanese giants to establish themselves in both Wales and Scotland. Co-author of *The Japanisation*

of *British Industry*, Barry Wilkinson, claims that aspects of Japanese culture are already having an effect in both Wales and Scotland. Ironically, both the Scottish and Welsh Nationalist movements, seeking independence from government in London, are seeking membership of the EEC. A Welsh Nationalist is quoted as saying that "our future destiny lies in the EEC". Lenin would warmly approve such sentiments.

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## THE CHURCH AND POLITICS

"The equivalent to the Roman world order today is Marxism in the East and Materialism in the West. There is not all that much difference between them when analysed. Marxism has an ideology which specifically denies any reality outside of matter in motion, and Western materialism is based on hedonism and pragmatism — which is, incidentally, why Marxism will 'win' in the end, because it is a full-blown religion claiming absolute answers to all life's questions. So-called individual freedom, and the "free enterprise system", mean nothing unless they are tied to something absolute and metaphysical, such as the Christian doctrine of Man, — Man made in the image of God, whose purpose in creating us with free will is so that we may return God's love because we freely choose to do so — with no strings or coercion attached.

"That is why the Church must not align itself with the Right wing or the Left wing of this world's order — both of which deny the origins, purpose and end of God's creation. The Church's job is to proclaim an entirely different world, a cosmos which is God's Kingdom — an aeon which is the Messianic Age, a life which is eternal. The Church must show this 'different world order' in every aspect of its life, in its Liturgy, in its economic life, in the education of its children, in its influence in society. This does not mean that the Church *retreats* from political activity — just the opposite, its members must strive to obtain laws which are based on clearly Christian doctrines. The basis of our law-making over the past 50 years or so has changed, and the deterioration of society is a clear reflection of this fact. The Church has gone a-whoring after other gods and our present moral bankruptcy is the result."

*Bishop Robert Crawley* in *The Rock*, "A Journal for Anglican Traditionalists", December 15, 1987. *The Rock* is a personal quarterly published by the Right Reverend R.C. Crawley, 10989 Hilsa Crescent, R.R. 4, Ladysmith, BC. VOR 2 EO Canada. Subscription \$13.00 annually. \$18 overseas Air Mail.

Since Bishop Crawley wrote the above there have been dramatic changes in the Communist world, but the Marxist virus continues to survive under different labels. The basic issues confronting mankind remain the same.

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## DILUTING CHRISTIANITY

"We are no longer permitted to pray for the conversion of Jews. It may give offence . . . . The implication is clear; Jesus died for everyone except for the Jews, either because they don't need it, or because Jesus was not God Incarnate. You see the sort of thing? Inter Faith worship services are now the 'in-thing' - prayers by Hindus, readings by Moslems, sermons by Jews - always in Christian Churches, and usually fronted by bishops. I haven't heard of one in a mosque or synagogue. Moslems and Jews don't wish to dilute their religions."

- *Bishop Robert Crawley* of B.C., Canada.

## THE PROBLEM OF ABUNDANCE

by *Neil McDonald*

Lonely and confused, she spends most evenings in a dark room — switched off from electric light no longer affordable.

She screws tight again, the lid of a small pill container. Denial of an overdose will bring tomorrow.

A phantom — unemployment has scared early optimism. She regularly types applications for advertised jobs. Grateful for a cushion of Unemployment Benefits, she restricts personal spending to bare essentials. Her savings are nearly drained. Should she surrender her mortgage?

Daily she scans leaflets dropped in her mailbox. Shops are desperate to sell items cluttering their shelves. She would gladly be a customer with a regular job and income.

Media reports puzzle. There's too much wool, too much wheat, too many potatoes, pears and oranges. Surplus sheep are shot. Excess cars are stockpiled so workers take early holidays. Too much of everything — except jobs.

She envies her uncle — retired on a war service pension. He is also unemployed — but happier with an adequate income. Retirement is a welcome type of unemployment.

Yet, thousands of Australians search and seek to be unemployed. They queue for lottery tickets offering a magic carpet to leisure.

Production is not a problem. Despite go-slows, fake sickies, absentees and strikes, there's over-supply.

Fools posing as economic experts, lash prospects of more leisure. They urge - "work harder, longer, faster — become competitive, export or perish." They want more migrants to produce even more and snare some of our dwindling housing.

Unemployment is a signal that every person is not needed in the work force. Labor saving devices mean less operators. Those not needed deserve a basic wage. Those who elect to work are worthy of an extra bonus,

False prophets have placed Australia in pawn. The doom of boom and bust is a reflection of a money system in conflict with reality. Build a house and create an asset — a credit instead of interest bearing debt, Politicians, Churches ignore God's abundance. Nowhere is any nation in financial credit.

Poverty midst plenty should have gone with gas buggies. Australia's problem is not scarcity -- but abundance. Much surplus is hidden with exports to places also wishing to export. Crazy?

Sadly, no political party has a solution to open Aladdin's cave. Scarcity is much more visible, when everybody's manual help is needed. But, surplus seems beyond our pygmy polities.

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## "A COMMON GUILT"

"So how do we explain the fact that for forty-five years since the end of World War Two, we have all internationally, globally been beset by a common guilt - the idea that the human race was responsible for liquidating six million human beings in gas chambers? Well the answer is that we have been subjected to the biggest propaganda offensive that the world has ever known, conducted with such refinement, with such refinement, with such financial clout that we have not been able to recognize it as a propaganda offensive from start to finish."

- *David Irving*.

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