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

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MAJOR DOUGLAS' PROPOSALS FOR A NATIONAL DIVIDEND

A Logical Successor to the Wage

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Those requiring information concerning the advanced Social Credit Study course, should contact Mr. Vic Bridger, 3 Beresford Drive, Samford, Queensland 4520.

The article below provides not only a comprehensive survey of Social Credit, but is refreshing evidence that some academics are being forced by the pressure of events to reassess Social Credit. It is a most encouraging development.

In the standard paradigm of orthodox economics, resource endowments determine personal wealth and personal income distribution. These endowments are taken as "given" exogenous variables, at least to economists. Consequently, remedies for inequalities in the distribution of wealth and income fall largely outside the purview of the positive science of neoclassical economics and can only be justified on normative non-economic grounds. The "new economics" introduced by Major C.H. Douglas in the years immediately following the First World War predicted both an exponential growth in production arising from technological change and an increase in inequality due to unemployment following the introduction of labour-saving technologies. Douglas additionally forecast a futile search for new forms of employment if income distribution continued to derive primarily from the use of productive resources and if an economy based on the profit motive prevented technical progress from creating an age of leisure (Douglas, 1919, 1920, 1922, 1924).

To counter this scenario, he designed proposals, which attempted to place every citizen on a level economic playing field. They derived from the view that all social production originates in a common cultural inheritance of past

invention, with present individual effort playing a secondary role. The concept of providing citizens with freedom to

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, either described as public or private.

To encourage all 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.

select employment and consumption patterns according to non-market criteria, i.e. to turn economic theory into a tool rather than a dictator of policy, was well ahead of its time. Although dependence on a single form of paid employment as an income source throughout adult life has been the exception rather than the rule (most particularly for women), the assumption that provision need only be made for temporary and exceptional interruptions in earning capacity underlies welfare state provision based on the Beveridge Report. Reliance on a "portfolio of income streams" (Handy, 1993) has been the norm not only in pre- and post-industrial society but throughout the process of industrialisation itself. From such a perspective the Douglas/"New Age" economics of the 1920s (as distinct from the Social Credit movement of the 1930s) offers imaginative insights into the current theory and practice of economic and social policy.

Three Approaches to Security of Personal Income ***The Beveridge Plan***

The Beveridge Plan was the culmination of measures to relieve temporarily occurring poverty due to transitional "flaws" in the economic system. From the Elizabethan Poor Laws through the National Insurance Act of 1911 to the measures advocated by Beveridge in 1942, the explicit assumption was that incomes are chiefly derived from employment. "Social security" denoted the provision of an income when earnings were interrupted through the "abnormal" conditions of unemployment, sickness, old age or widowhood.

Maintenance of full employment was regarded as central to the smooth functioning of a welfare state designed merely to compensate for infrequent "interruption or loss of earnings" (Beveridge, 1942, quoted in Parker, 1989, p.23). "Full employment"[1] was assumed to be full male employment, i.e. regular full-time work for men from 15 to 65, regarded as an achievable goal for all governments. Married women were usually assumed to be financially dependent on their husbands.

Although "Idleness" was listed as the last of the five evils, following "Want, Disease, Ignorance and Squalor" (Beveridge, 1942, p.6), the fear of encouraging "idleness" has haunted the provision of welfare benefits. The "dole" represented a transfer of income from those in employment through income tax and national insurance payments. It was normal to regard "paid work (as) the only work which concerns policy makers.. . (and as) ... more valuable than unpaid work" (Robertson, 1993). Means-tested benefits designed to reinforce the paid-work dependency culture created the unemployment and poverty trap [2] which inhibit the unemployed and low-paid from taking casual and part-time employment and unpaid voluntary work. For the full-time employed the option to spend less time in paid employment in favour of unpaid caring or voluntary work or of greater leisure is rarely available (Hewitt, 1993).

Citizen's Income

The complexity of means-tested benefits, the expense of their administration and the harassment and insecurity

faced by citizens when their circumstances necessitated making a claim gave rise to research into the feasibility of a Basic or Citizen's Income (CI) (Jordan, 1987, Parker 1989, Purdy, 1993, Walter, 1989). By amalgamating all cash benefits and tax allowances and thereby reducing administrative costs of the present social security system, a non means-tested, non job-related income could be paid to each individual regardless of household circumstances. These proposals bear some superficial similarity to Douglas' National Dividend proposals in that the individual is the unit of assessment for a payment, which does not alter with household, employment status or employment. However, payment of a CI of subsistence proportions would be necessary to remove the complexities and expense of means testing. Moreover, it would require an income tax rate of 70 percent. Thus redistribution of income from the employed to the unemployed through a CI lacks political and economic feasibility.

National Dividend

National or Social Dividend schemes envisage a direct allocation of income by the State to all citizens. No transfer of wealth from those in employment to recipients is involved. Proposals of this type, made by Meade (1936, pp. 197, 250-1, 1989a) and implemented in Alaska (O'Brien and Olson, 1991) can be traced to the work of Douglas and A.R. Orage, the Guild Socialist editor of *The New Age*. Douglas was a prolific writer and campaigner. The Social Credit movement which arose from his work and spread throughout the English-speaking world in the two inter-war decades[3] aroused extensive debate in the quest for solutions to the economic depression of the time.

As an attempt to correct the imperfections of orthodox economic theory, Douglas' proposals were found wanting (Gaitskell, 1933; Hawtrey, 1937; Hawtrey and Douglas, 1933; Keynes, 1936). However, the body of work published between 1918 and 1924 in collaboration with Orage (Orage 1926) forms a coherent critique of the capitalist financial mechanisms, which regulate production and distribution in a technologically advanced society. Douglas' proposals for a National Dividend form an integral part of a series of recommendations for the social control of credit [[4].

The Douglas/"New Age" Critique

An engineer by profession, Douglas made four central observations on the workings of capitalist economies in the years immediately following the First World War (Douglas, 1919, 1921, 1922, 1924)[5]. Technological progress would reduce the availability of paid employment: financial mechanisms were designed to produce economic growth regardless of the equity of income distribution; the common cultural inheritance was the property of all citizens; and unearned income was, in principle, an acceptable form of income distribution.

Reduction in Availability of Paid Employment Using Veblen's phrase, Douglas the engineer claimed that the "progress of the industrial arts" had already reduced the need to labour (Douglas, 1979, p.49). Future improvements

in technology would further diminish the time/energy units of labour required to meet basic need (Douglas, 1974, p.103) and offer the option of increased leisure as an alternative to an ever-spiralling rate of production, consumption and destruction of the environment (Douglas, 1979, pp. 18-29; 1974, p.91; 1931, pp 78-9). The contemporary economy failed to provide this option. Production and distribution were conducted for profit. Laborsaving technology results in reduction in time/energy units of labour necessary to maintain a stable level of output. Alternatively, it could use the same number of time/energy units of labour to increase the volume of production. In the former instance the owners of capital reap the reward, and citizens who previously earned an income from labour find their incomes reduced or non-existent. In the second instance increased output occurs at the opportunity cost of greater leisure.

The citizen/worker who is dependent on paid employment for an income cannot opt for a static level of material consumption and a rise in "leisure time". Without increased production the benefits of technological progress accrue to financial interests and the owners of capital. The "unemployed", in common with many workers, seek an income rather than "work" for its own sake, and are reduced to a "servile wait" for a "servile job" (Orage 1934, p.22). Those who deplore the "dole" for exerting a demoralising influence would be better employed examining the "financial jugglery" which places the recipient in a dependent situation. Objections to an unearned income for all were "moral" not economic (Douglas, 1979, Part III, ch.2). "If the Machine does the work of one hundred men, its production is enough to pay one hundred men's wages. The Dividend is the logical successor to the Wage". (Orage, 1934, p.11).

Economic Growth

Douglas observed that financial mechanisms determined the nature and quantity of production and the distribution of subsequent revenue (Douglas, 1921). Production was debt driven. The repayment of debt plus interest necessitated an increase in financial credit at an accelerating rate in order to distribute the proceeds of technical progress [6]. Financial speculation dictated a constant drive to economic growth, any increase in material production being deemed an increase in wealth regardless of its usefulness so long as money value was attached to it so that its production generated profits for the producer and financier [7]. Since money and financial structures were socially constructed, they could be brought under the control of the community as a whole.

The Common Cultural Heritage

Douglas drew a distinction between "financial credit" and "real credit". "Financial credit", which drives production and determines distribution, is generated by the banking system and is based on the probability of delivering money. "Real credit" represents the creative energy of society, and is the means, actual and potential, to produce goods. Potential real wealth is communal in origin. Without the

Common Cultural Heritage of the accumulation of technological innovations, the myriad inventions of materials, machines and processes by past generations, there would be no wealth for individuals or groups to appropriate for their own use on the basis of their "ownership" of capital or labour. This heritage, plus the "unearned increment of association", constituted the "real credit" of the community and belonged to every citizen. The right to determine the extent, nature and distribution of future production should equally belong to all citizens. A small caucus who control financial institutions should not be the sole arbiters of future patterns of production and distribution (Douglas 1974, pp. 83-5)[8].

The Acceptability of Unearned Income

An income from dividends without any work-test (i.e. past or present employment) was perceived as normal for owners of shares. Douglas demonstrated that, contrary to common perceptions, dividends did not necessarily derive from savings, i.e. consumption foregone (Douglas, 1979, p.135). They were a claim by some citizens on a share in the wealth of the whole community arising out of paper transactions. Though the "dole" could be regarded as a precursor of a National Dividend for all, its form in constituting a burden of taxation on those in work made it politically unappealing, no more attractive than the payment of unearned income via dividends to a select few (Douglas, 1979, p.111).

State payment to citizens of an income, which did not derive from paid employment, was established in principle in the UK before the First World War. The state Old Age Pension introduced by a Liberal government in 1906 was available to all, the limiting criteria for access being the age of the citizen. In subsequent decades other European nations adopted pension schemes on a similar basis.

Summary

The above four points constitute an argument for reappraising the status quo in respect of income distribution mechanisms and outcomes. Although the prevailing ethic endorses accepted practice, the latter does not arise from economic necessity. As technological innovation increases the scope for labour-saving technology, it renders labour-intensive production methods less frequent. Two possibilities arise. Profits continue to accrue to owners and financiers of capital-intensive projects regardless of employment levels. However, the threat of social unrest arising from the failure of the economy to provide income security for all citizens will necessitate both the pursuit of an escalation in economic growth and an increase in the maze of means-tested subsidies transferred through taxation of those in employment. Inefficient and unpopular "workfare" schemes [9] and a toleration of the black economy scarcely rank as viable long-term solutions. An alternative is the investigation of new methods of income distribution, based neither on work nor on redistributing

the pay of those in employment. The starting point of such an investigation is a review of the notion that the products created by society belong to those owning labour or capital, i.e. a reappraisal of the whole process of wealth creation.

From National Debt Through National Asset to National Dividend

In the Douglas analysis ownership is not synonymous with control. Materials, land, labour and factories can lie idle despite the wishes of their owners if their products are not in effective demand. Control of effective demand resides in the financial system rather than in ownership of the factors of production (Orage, 1926; Douglas, 1921, pp. 51-2). The financial system is not a naturally occurring phenomenon to be studied from a respectful, objective distance. It is a human invention, which can be brought under conscious human control.

In *Social Credit* Douglas provides an illustration. War would have come to an abrupt end in 1914 had the State accepted the financial reality that there was no money with which to fight. The purchase of weapons, munitions and army supplies required large sums of money, which could not be recouped from the "public consumer" through current taxation. Douglas traced the series of paper transactions, which transformed bank overdrafts into the National Debt. This creation of money (credit) was possible once the gold standard had been abandoned (Douglas, 1921, p.204). "Owners" of the National Debt, which increased £660 million in August 1914 to £7,700 million in December 1919, were paid interest at 4.6 percent from the public exchequer by virtue of no material contribution to the war effort in terms of labour or foregone consumption. On the strength of tanks destroyed, munitions expended, supplies consumed and the general devastation of the war, owners of Government War Securities held a claim against future production which had no justification in their past or present contribution to the community (Douglas, 1979, p. 135). The loan "simply represents communal credit transferred to private account" (Douglas, 1974, pp, 119-24). This saga demonstrated that political will can override financial constraints, i.e. economic operations are ultimately politically determined. Further, it established a precedent for the payment of dividends, a share of national wealth, to individuals whose contribution to the creation of that wealth was ephemeral. The National Debt is "clearly a distributing agent" (Douglas, 1974, p. 121).

"To a financier a country is simply something on which to base a mortgage" (Douglas, 1924). And, "the inducement to subscribe to a loan consists in the interest paid on it". (Macmillan Report, 1931). Douglas argued that "the State should lend, not borrow", and should use the returns on its loans to pay a dividend to all its citizens (Douglas, 1974, p.121; 1979, pp. 149, 185).

In similar vein, though without specific reference to Douglas, Meade (1989; 1993) proposes a "Topsy Turvy Nationalisation". He notes that nationalisation after the Second World War resulted in "the State becoming owner-manager but without the benefit of an increased income". As the previous owners of nationalised concerns were

bought out and the National Debt increased, profits disappeared in compensation. By redeeming the National Debt and converting it to a National Asset investing funds on the Stock Exchange, the State could secure the "beneficial ownership of the income earned on certain capital assets without undertaking any responsibility for the management of the business concerns". Management would be left to the private sector.

Meade's *Agathotopia* proposals mirror Douglas in several respects and include a scheme for joint management of enterprise by "holders of Labour and Capital shares", which bears some similarity to "The Mining Scheme" outlined by Douglas and Orage (Douglas, 1920, Appendix). However, Meade more cautiously presupposes a greater degree of continuation of the status quo. He combines the dividends on the National Asset with payment of a Basic (transfer) Income. Although he recognises that security of income would reduce "the unbridled urge for unlimited growth and unnecessary consumerism" and render more acceptable "some reduction in total national output as a price for an improvement in its distribution", the State's acquisition of a National Asset would be dependent on economic growth. In contrast, the necessity for a continual expansion in output is questioned throughout Douglas' early writings.

Moreover, Meade presupposes the inevitability of the imperfect human being, i.e. that greed and competition are, and will remain, the primary motivating factors behind human behaviour, the standard assumption of mainstream

EXPLOSIVE BOOK GETS SILENT TREATMENT

Nigel Jackson's carefully researched and documented work, *"The Case for David Irving"* has proved too much for those who have supported the international conspiracy against British historian, David Irving. Obviously it has been decided that the Jackson book is so well documented that even to attempt to smear the book could prove counter-productive, and that the safest policy is to pretend that the book does not exist. But this tactic will eventually prove counter-productive, with even sections of the mass media pointing out that the refusal to grant Irving a visa to enter Australia is a serious breach of the principle of free speech.

The Irving case, and the Jackson book, could prove of the greatest historical significance in halting and turning back the international totalitarian campaign. The Nigel Jackson book will eventually take its place alongside a number of classics dealing with different aspects of the conspiracy against Western Christian Civilisation. It should be in the hands of everyone determined to contribute to the battle to ensure that Western civilisation is not completely defeated.

"The Case for David Irving" may be obtained from all League address. \$23 posted. Tremendous value for money.

economics. Douglas' broader vision of the potential for freedom from the servility enforced by economic necessity is echoed by advocates of Citizen's Income (Robertson, 1993). Security of income contains the potential to reduce the primacy of self-interested "Economic Man" (Lutz and Lux, 1988) and to set the aspirations of white, Western middle-class males (Harding, 1986) within a less subjective socio-economic reality (Waller and Jennings, 1990).

Douglas and the Work Ethic

One major objection to payment of a secure, non-means-tested, non-employment-tested income to all citizens is its potential to undermine the work ethic. Douglas questioned the ability of existing financial structures to provide the option to work less in order to produce a sufficiency of material goods and enjoy more leisure. Given industrialisation and the potential for infinite technological innovation which Douglas as an engineer foresaw, ample resources existed to provide for the needs of all citizens with a minimum of labour (Douglas, 1974, p. 78). Douglas questioned the sense in, and the necessity for, engaging in employment primarily to acquire a money income to meet basic needs (Douglas, 1919). In this he anticipated Gorz (1989), Maslow (1970) and Soper (1981). Already the spectre of Taylorism, embraced by Ford and copied by Russian Communism, was extending the scope of wage drudgery (Douglas, 1974, p. 49). Paid employment for its own sake was not ennobling, and no attempts to make it so, e.g. by the Arts and Crafts Movement, could disguise its servile nature. In Douglas' view professionals, including his own profession, find work intrinsically satisfying and do not engage in work *primarily* to secure an income. Hence *necessary* work will be undertaken without financial reward being the major motivation.

Douglas' perspective echoes Veblen's belief that pecuniary and predatory traits are the product of the capitalist system. Economically secure elements of the working class could be expected to develop traits of "clear, logical thinking, co-operation, mutual aid and general humanitarianism". The "instinct of workmanship" and the power of "idle curiosity" to produce technological innovation were suppressed by the capitalist system (Hunt, 1979, pp. 330-2). This rejection of the inherent disutility of labour, with its denial of the necessary centrality of financial reward, was among the factors, which rendered Douglas' writing uncongenial to mainstream economists of the inter-war period. The Douglas approach, however, sheds new light on the rationale of employment as the dominant mode of income distribution.

Income distribution presently depends on the performance of *economically* necessary labour, which is essential to the maintenance of *financial* profitability. Much of the essential maintenance of home and community, the provision of subsistence requirements, cleanliness and health care, which underpin the financial economy, is mainly, although not exclusively, performed by women for little or no financial reward (Henderson, 1991; Lewsnhak, 1992). Essential labour may be well paid. Engineers, for example, may be amply rewarded in financial terms for designing a

bridge which is necessary for the transport infrastructure. However, Douglas argued that high financial reward merely indicates high rating in its own terms. Although mainstream economists protest to the contrary, there is no necessary correlation between economic value and social value. Economic theory remains woefully inadequate in determining what is an acceptable allocation of resources and desirable degree of equality in distribution (Wilson, 1992).

A frequent objection to Douglas' economics is that he failed to comprehend the significance of freedom of choice. In orthodox terms, supply and demand determines the use of scarce resources. The highly skilled are perceived as being well paid because their skills are in short supply. Hence the conventional justification for vast differentials between the pay of teachers and nurses on the one hand and business school graduates on the other. There is no statistical evidence, however, to support the assertion that the ratio of suitable applicants to available places is lower in respect of business school applicants compared with nursing or teacher training. On the contrary, 6,000 applications were recently received for the 127 places on a Salmon Brothers' training course. "Pay cheques at Salmon Brothers spiralled higher in spite of others who would do the job for less" (Ormerod, 1992).

Conclusion

The Douglas/Orage critique of capitalist finance as presented in the early 1920s is highly relevant to contemporary concerns. Selectivity and targeting of benefits inhibits participation in paid employment for recipients while placing an increasing burden of transfer payments in form of taxation and National Insurance contributions on employers and employees. Attempts to ameliorate the system may prove less fruitful than a radical restructuring in line with the Douglas/Orage analysis.

Notes

1. Defined as a national rate of employment at or below 3 percent (Beveridge, 1942).
2. See Parker (1989) for a description of the operation of the unemployment and poverty traps.
3. Douglas' tours in these decades included Canada, Tokyo, Norway, the United States, South Africa, New Zealand, and Australia. Social Credit political parties were successful in Alberta and British Columbia in the 1930s (Macpherson, 1953; Finkel, 1989).
4. Termed "Social Credit" by proponents of Douglas' theories. This name was first used by Orage (Douglas, 1920, Appendix) and subsequently became the title of Douglas' fourth book.
5. Original dates of publication are given in the References section. Where possible page references are given in the text for more recent editions, which are more generally available.
6. This was the substance of Douglas "A + B Theorem".
7. As early as 1918 Douglas was writing of the artificial stimulation of wants through advertising and the generation of planned obsolescence (Douglas, 1918).
8. Similarly Soper (1981, pp. 64-5) argues that financial structures determine patterns of production and distribution.
9. For a comparative description of workfare schemes, e.g. those proposed by Minford and Howell, see Parker (1989).

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BEHIND THE DAVID GREASON AFFAIRS

When Channel 9 approached the League of Rights to co-operate in their Sunday morning programme from Sydney, the League was told that there was considerable interest in the League and that because of a coming book *I was a Teenage Fascist*, by a David Greason, in which the League was mentioned, it was felt that an "in depth programme" on the League was necessary. One of the founders of the Australian League of Rights in 1946, and National Director from 1960 onwards until he resigned two years ago to make way for a younger director, Eric Butler was central to the so-called in-depth investigation. Eric Butler made it clear that he had no desire to meet with David Greason, whom he had last seen at the 1963 National Seminar of the League, but had not spoken with him.

A study of the Zionist Jewish media clearly shows that David Greason has been promoted by the Zionist lobby as some type of a guru on what is generally described by the sloppy journalists, as "the extreme right". The influence of the Zionist Jewish lobby may be judged by the fact that a relevantly unimportant book was given enormous publicity in sections of the Australia media, and on radio programmes.

A serious study of the Social Credit movement in Australia, and the growth of the Australian League of Rights, has been under way for some time by a higher degree student at one of Australia's prominent universities. His initial work has been highly praised in some academic circles. In a review of the Greason book, which appeared in the September issue of the League's *Intelligence Survey*, the author writes, "After reading the three hundred and eleven pages of admittedly very entertaining prose, studded with most known forms of four-letter Anglo-Saxon expletives, the result can only be expressed as acute disappointment."

The suggestion that David Greason is competent to write any type of an objective study of the history of the League of Rights is laughable. On his own admittance, he was never able to understand Social Credit. His tenuous relationship with the League is beyond argument, as even indicated in his *I was a Teenage Fascist*. As a young teenage student of British background, David Greason, after some searching, eventually found the League of Rights when it was based in Little Collins Street. He said he was interested in the League and would like to make himself useful. He never did, except to distribute literature. He sat for hours in the League office and was tolerated by the League as a type of curiosity because of his youth. He admits that Mr. Eric Butler treated him with courtesy and even invited him to spend a weekend on the Butler farm outside Melbourne.

He had no problems with Eric Butler, but only with his wife, who instinctively distrusted him. He outwore his welcome at the League office when he started to try to pry into the League financial affairs, and membership lists. He was ordered to leave by a senior League official.

In his book of "revelations" he nowhere suggests or claims that the League of Rights was involved in unlawful activities or advocating violence. After trying to attach himself to several other movements, Greason gravitated to the handful of psychopaths of the National Front who accepted the Nazi philosophy. Every objective investigation of the League of Rights has agreed that the Christian philosophy of the League, and that of the National Front, are diametrically opposed. Perhaps Greason had found his true philosophical home? Whatever the answer, he eventually started to make himself useful to the Zionist Jewish lobby. He is now portrayed in the Zionist Jewish media as the successor to the late G.K. Gott, former Communist, then Fabian Socialist, who wrote the notorious little hate booklet on Eric Butler and the League of Rights, *Voices of Hate*. Zionist leader Isi Leibler and others keep quoting Gott's work as if it were some type of holy writ. It was so blatantly false that the League bought large quantities and used it for campaigning purposes. When no further supplies were available, the League sought permission, without success, to republish the book. But the League did in fact republish a limited number. During the national uproar over Aboriginal Land Rights, when Gott was appointed by the Hawke government, with a salary of \$50,000 for six months, to "investigate" the League, Gott was unable to supply copies of his great masterpiece. The only copies available were from the League of Rights! Thorough investigation has been unable to locate the report Gott was paid to produce.

It is to be hoped that David Greason can do better! The most revealing aspect of the widespread publicity / *was a Teenage Fascist* received was following a critical review in *The Australian*, lauding what they claimed was the great courage of Greason. Greason is now quoted extensively by sections of the media. The *Melbourne Herald Sun* of 21st September has Greason warning the Federal Liberals that they must cut all ties with "extremists" like the League of Rights.

David Greason will recall his futile attempt to "warn" Federal Labor Member Graeme Campbell against appearing at the League's 1993 National Seminar. So far from backing away, as most of the cowardly politicians do when the Zionist blowtorch is applied, Campbell has gone

on the attack. In a statement appearing in *The West Australian* on 21st September, Campbell charged, "Jewish lobby groups had directly influenced Federal government policy through big financial donations to the ALP". He said that the war crime trials, which cost the Australian taxpayers \$40 million dollars were the result of Jewish pressure. Campbell also said that Jewish political donations were also driving government proposals for racial vilification legislation. "It is quite clear that the Zionist lobby can command half the cabinet, or half the shadow Cabinet, for that matter, any time it feels like it." He said

that Deputy Opposition leader Costello had personally admitted to him in an informal discussion that there was also strong Jewish funding for the Liberal party. We have no doubt that this is correct.

The Zionist Jewish lobby is now openly showing itself in Australian politics. The tragedy is that it is the Zionist Jewish lobby, which is producing a backlash, which could result in genuine extremism. David Greason might bear in mind that the Zionist Jewish forces everywhere have a record for turning against those whom they feel can no longer serve them.

ZIONIST JEWISH LOBBY FINANCING BOTH AUSTRALIAN PARTIES

Canberra correspondent for *The West Australian*, Tom Salom, reported in *The West Australian* of September 21 that West Australian Labor backbench Member Graeme Campbell had claimed, "that Jewish lobby groups had directly influenced Federal Government policy through big financial donations to the ALP."

Campbell charged that the establishment of the war crimes investigation unit in 1987 was a direct result of Zionist funding of Labor. Taxpayers were subsequently forced to meet the bill of \$40 million cost of the unit's "wild goose chase", which failed to gain a conviction despite exhaustive investigation.

Mr. Campbell has said that Jewish political donations were also driving Government proposals for racial vilification legislation due to be introduced into Parliament later this year. Campbell said that the proposed laws would be costly to enforce, make "thought Police" out of the government, and put restrictions on freedom of speech. He said, "It is quite clear that the Zionist lobby can command half the Cabinet, or half the Shadow ministry for that matter, any time it feels like it".

Mr. Campbell said that deputy Opposition leader Peter Costello had acknowledged strong Jewish funding for the Liberal Party during an informal discussion in the halls of Parliament House two weeks previously.

This exchange took place after Mr. Costello had tried to ridicule Campbell in the Parliament, claiming that he was supporting "the right-wing, anti-Semitic League of Rights." Mr. Campbell said that Mr. Costello had told him the Jewish lobby gave the ALP more than it gave the Liberal Party.

The League has been told by a source, which it regards as reliable and responsible that the Zionist Jewish lobby had donated some "millions" to the Liberal Party at the time of the war crimes legislation debate. A senior member of the Federal Attorney General's department resigned because of what he regarded as the outrageous pressure being applied by the Zionist Jewish lobby. He wrote to the League of Rights about the matter. A reading of the Parliamentary debates on the war crimes legislation shows that while a number of members of the Liberal and National Parties were unhappy about the war crimes

legislation, the Opposition Parties eventually capitulated, as they have done on the Keating government's use of the External powers section of the Constitution, to override Tasmanian laws concerning sodomy.

The best that Mr. Costello could say was that Campbell "was a discredited figure and an embarrassment to Prime Minister Keating and the Labor Party". "Mr. Campbell is the chief defender of the anti-Semitic League of Rights in the Australian Parliament. I will not dignify his comments any further." Mr. Costello's close association with the Zionist Jewish lobby is well known. He is entitled to associate with whom he likes, but such associations are a matter of legitimate comment when they obviously affect his party's policies. Like the Labor Party, the Liberal Party is heavily in debt to the banking system. The debts run into millions. Political parties in this position are extremely vulnerable to the outside influence of any group, which can help provide financial backing.

Graeme Campbell's reported statement that Costello told him that Zionist Jewish contributions to the Labor party were greater than those to the Liberal Party is obviously true. For the time being the ALP is the chosen instrument through which the Zionist-Jewish lobby is working. But in case the Labor Party collapses, an insurance policy has been taken out by helping to finance the Liberal Party.

A CHINESE CHRISTIAN

"If today in Europe a man confined himself to studying Latin and Greek, he would be inevitably a backward man. But if, in no matter what country, a man is ignorant of and despises the intellectual and literary foundations of civilisation, he is in danger of being no longer civilised, and the question is then presented of knowing not only in what degree he can know man, but in what degree he is a man".

Dom. P.C. Lou Tseng-Tsing, O.S.B.

JEWISH PRESSURE DEFEATS CHRISTIAN MINISTER IN BRITISH PARLIAMENT

The Zionist-Jewish lobby in the United Kingdom was pleased when eventually John Patten was relieved of his position as Education Secretary in the Major British government. Patten is a dedicated Christian and made every effort to have Christianity taught in the schools. Early this year he claimed that his guidance for schools on religious education and daily worship "could represent a turning point in the spiritual life of this country". Patten said that while it was required that all Religious Education syllabuses should be predominantly Christian; they could take into account the teaching of other religions.

While some Moslem leaders welcomed the attempt to ensure that education had a moral and spiritual foundation, a number of Jews expressed their concern about the Patten initiative. Not surprisingly, there was strong opposition from headmasters. The Jewish Board of Deputies urged the government to provide legal safeguards to prevent Christian missionaries from getting a foothold in schools. Plans to require the mention of the name of Jesus in State school assemblies had, according to the Board of Deputies, caused "universal dismay" among Jews. The debate concerning what form of public worship was acceptable to the Jewish Board of Deputies highlighted the basic cleavage between Christianity and Judaism.

Patten was forced to retreat and eventually resigned. In a terse three line letter Patten wrote: "My dear Prime Minister, When we met last night you explained that you no longer wished me to remain as Secretary of State for Education, and I am writing to say how glad I was to serve in Her Majesty's government. With my best wishes for the future." Patten did not resort to the usual type of double talk, which sacked Ministers are expected to indulge in as "a matter of etiquette". His letter left no doubt that he had little respect for a Prime Minister who gave him little or no support in his attempt to restore Christianity to its traditional place in the British education system. The Zionist Jewish media openly expressed their satisfaction at Patten's removal.

THE LEAGUE OF RIGHTS SECRET WEAPON

The major sustaining power behind the survival and growth of the League of Rights has been the faith and dedication of its supporters. Starting each year with a Basic Fund which would not even pay the salary of one senior bureaucrat, the League generates sufficient support to make it the most potent non-party influence in Australian politics.

But the annual Basic Fund has always been vital. As announced in our last issue, the "target" for 1994-95 has been set at \$50,000. We are delighted to announce that in spite of the current economic climate and its devastating effect on the rural community, the early response to the appeal has been inspirational. As we go to press \$14,000 has either been donated or pledged. This support has come from only a handful of League supporters, and a challenge to the great majority, who are left now with a balance of \$36,000 to find. The League's programme continues to unfold on the assumption that the Fund will be progressively filled.

There has already been a nation-wide reaction to the latest League brochure, contrasting the policies of the League with those of Prime Minister Paul Keating. Supplies of these can be made available to anyone who can make effective use of them. There has been no fixed charge.

Unlike the major political parties, who now all operate on massive bank overdrafts, the League has never run itself into debt. It proceeds with special projects confident that it can pay its bills, and adequate financial support will be forthcoming.

All donations to the Basic Fund should be sent to G.P.O. Box 1052J, Melbourne 3001, Unless requested, receipts for donations will not be sent, saving on costs and the time of the League's small, mainly volunteer, staff.

WILL THE FINANCIAL SYSTEM COLLAPSE?

We are often asked, how long can the controllers of the present financial system sustain it before it collapses? The modern financial system is basically a bookkeeping system, and the controllers of that system are desperately trying to juggle that system in a variety of ways. Enormous quantities of debt can be, and are, written off. The constant problem of monetary inflation is dealt with by the type of financial policies, which have been imposed on all developed nations over the past few years.

We are not primarily concerned about the possibility of the financial system itself collapsing; what we are concerned about is that all attempts to ensure that the monopoly of financial credit is maintained are rapidly undermining the

very foundations of stable and civilised society. All attempts to sustain the debt system results almost inevitably in a progressive centralisation of all power. Centralisation can, and is rapidly reaching the stage where the social consequences become explosive. Only a decentralisation of financial credit power can halt the overall development of economic and political centralisation.

As Douglas said, relatively few individuals are moved by explanations, they are moved by events. Events are now graphically confirming what Douglas said. Social Crediters must equip themselves to take advantage of this situation while there is still the opportunity to show their fellows that there is a solution before a complete breakdown.