

THE NEW TIMES

"Ye shall know the truth, and the truth shall make you free" - John 8:31.

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A PERMANENT STATE OF WAR

by Eric D. Butler

After weeks of headlines, which said that a major trade war, with unspecified but horrendous consequences, was threatening between the U.S.A. and Japan, it was announced that Tokyo and Washington had reached an agreement, thus avoiding disaster. But a close study of the agreement suggests that it was primarily designed to help President Clinton's sagging electoral prospects rather than to have any serious effect on what, under conventional finance-economics, is a major trade imbalance between the USA and Japan. In realistic terms, Japan is sending a much greater volume of production to the USA, mainly motor cars and parts, than the USA is sending to Japan, this providing what is termed a "favourable balance of trade" for Japan. Physically, Japan is the loser, but orthodox finance has Japan as the winner in the trade contest.

Irrespective of what alleged agreement has been reached between the American and Japanese negotiators, it can be predicted with complete certainty that the basic cause of the friction will continue to effect trading relations between two highly industrialised nations, both, along with all other developed nations, striving to solve their internal problems by capturing export markets. Internal politics everywhere are increasingly dominated by what are termed "trade prospects". Growing Japanese political instability is the result of Japan's depressed economy. Australians are told that the latest massive trade deficit makes it highly probable that interest rates will have to go up, further affecting the economy and this in turn governing the timing of the next Federal election.

ORWELL'S VISION

There is no evidence that George Orwell of 1984 fame was familiar with Social Credit, but in his futuristic novel he paints a picture of the world being divided into three major super-states, never at peace nor engaged in a major war, but with sufficient conflict to ensure that their economies could continue to operate with vast quantities of production being poured into arms manufacturing. The author of Social Credit, C.H. Douglas, predicted before the Second World War that military conflicts were inevitable while industrialised nations sought to "capture" foreign markets in order to produce "full employment". Douglas wrote in the chapter "The Causes of War" in *The Monopoly of Credit*, "We can get a glimpse of the main causes of war if we consider the problems of statesmen, who are expected to guide the destinies of nations. I suppose most statesmen at the present time would agree that their primary problem is to increase employment, and to induce trade prosperity for their own nationals, and there are few of them who would not add that the shortest way to achieve that would be to capture foreign markets. Once this, the common theory of international trade, is assumed, we have set our feet upon a road whose only end is war.

"The use of the word 'capture' indicates the desire to take

away from some other country, something with which it, being unable, also, to be prosperous without general employment, does not desire to part. That is endeavouring to impose your will upon an adversary, and is economic war; and economic

OUR POLICY

To promote service to the Christian revelation of God, loyalty to the Australian Constitutional Monarchy, and maximum co-operation between subjects of the Crown Commonwealth of Nations.

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.

war has always resulted in military war, and probably always will. . . . Military war is an intensification of economic war, and differs only in method and not in principle. The armaments industry, for instance, provides employment and high wages to at least the same extent that it provides profits to employers. . . .”

Military preparedness for the Second World War, and the conflict itself, was a dramatic demonstration of the truth of Douglas's prediction. "Full employment" was established and all the combatant nations had vast "export markets". There were no problems about "balance of payments". While it is true that nuclear weapons have introduced a new factor into military conflicts, making all nations concerned about the unpredictable results for all combatants in a major nuclear conflict, adherence to orthodox finance-economics makes growing friction and conflict of some kind inevitable. There has been considerable criticism of the blatant double-standards of American policy makers who, while claiming to support the Free Trade ideal, threaten the Japanese with tariff restrictions to their exports into the U.S.A. unless the Japanese do as they are told. The same American policy makers continue to subsidise some agricultural exports at the expense of Australian exports.

THE CHINESE FACTOR

The publicity concerning the USA-Japanese trade conflict has tended to obscure the escalating Chinese factor. The American policy makers are increasingly attracted to the prospect of expanding trade with China. But under the domination of the same export dogma, which haunts all developed nations, the Chinese must also try to maintain their internal economy, and social stability, by striving to "capture" foreign markets. Already Communist China has built one of the biggest military machines in the world, a development that has not gone unnoticed by other Asian nations. Those caught up in the anti-French protest fever because the French propose some tests for their nuclear weapons programme, have apparently not noticed that Chinese nuclear tests have continued. Occasionally there is a little wrist tapping of the Chinese government because of its poor civil rights record, but this does not slow the flood of Chinese textiles and other production into Australia. And Australians are constantly told of the export opportunities in the Chinese markets.

With every day that passes, the warnings of Social Credit author Douglas become more painfully relevant. Desperate attempts to grapple with the effects of a basically flawed philosophy and the debt financial system can only create more problems and frictions. The drive towards centralisation everywhere - small scale economic and political units being amalgamated into bigger units solves nothing; it creates even more problems. What basic problem has the attempted creation of the European Economic Community solved? There is constant reference to "greater efficiency", but no reference to the fact that growing centralisation and "rationalisation" has resulted in less human satisfaction. Human frustrations and tensions are resulting in an enormous amount of illness and social disintegration.

Perhaps only a modern Jonathan Swift could do justice to a satire on a situation, which if not so deadly serious, would be hilarious. Having bombed the Japanese into submission in the Second World War, the Americans then played a major role in putting the Japanese back on their feet again. And fifty years later the American policy makers are threatening dire

consequences for the Japanese if they will not help them to solve their internal problems by importing more of their production. There is the amazing spectacle of fleets of ships taking Japanese cars across the Pacific for sale in the USA while at the same time other fleets are transporting American cars to Japan. It reminds one of Lewis Carroll's *Alice in Wonderland* and the Mad Hatter's Tea Party. Or perhaps there is an appropriate lesson in Charles Lamb's essay on the discovery of roast pork in ancient China; there initially it was felt necessary to burn whole houses down in order to get a little roast pork.

Today's misdirected economic and human activity is unnecessary and downright destructive. It is a manifestation of madness, of a divorcement from reality. The role of Social Creditors is to show the light of sanity, and by "good works" set an example to their fellows.

FINANCIAL RELIEF FOR FARMERS

In a submission to the Eyre Peninsular Strategic Task Force, Mr. Jim Cronin and Mr. Bill Carey of the Union of Farmers Inc. outlined the plight of farming communities on Eyre's Peninsular, South Australia, and a suggested programme of relief. The submission was widely and favourably commented upon. Jim Cronin was interviewed at length by the ABC.

Outlining how the farming community was growing older, with sons moving away from farming because of lack of adequate incentive, one of the highlights of the Farmers' Union submission was the establishment of a Young Master Farmer's Agricultural Institute on the Eyre Peninsular for ongoing studies and extension fieldwork, along with comprehensive financial management training.

The submission said that the only hope for stabilising primary industries was thirty-year loans at low fixed interest rates. The submission pointed out that State Savings Banks of South Australia provided this facility for many years.

The Union's submission was made at Streaky Bay on June 1. Jim Cronin was the man who pioneered the Bank Watch movement, which has helped large numbers of farmers throughout Australia to stay on their properties after negotiations with banks, resulted in the re-negotiation of loans and the writing off of part of their debts.

Mr. Jim Cronin may be contacted at "Deep Wells", Chandada, South Australia 5680.

"ON TARGET" FOR THE ACTIONIST

On Target is the weekly newsletter and action bulletin for those who wish to play some role in changing the course of events. It keeps you abreast of events and provides information on the type of constructive action you can take. Meeting and other notices, including information about important books, are published.

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AUTHOR OF "THE RIGHT ROAD" GETS IT ALL WRONG

The Right Road, by Andrew Moore, Oxford University Press, Melbourne, 1995. A review.

This work attempts to synthesise the "Right", extreme, far or otherwise in Australian history, commencing with the "Bunyip Aristocracy" which emerged in the 1850s, through the post World War One response to the bogey of Bolshevism, the manifestation of Fascism in the 1930s, and the cold War. It is an ambitious effort to cover one hundred and fifty years in 166 pages, and the end result is a rather generalised, broad-brush treatment, often using untested or ambiguous data.

The chapters on the 1920s and 1930s add little, if anything, to the historiography of the period. In reviewing the emergence of Fascism in the 1930s, a notable absence from the references is Michael Carthcart's 'Defending the National Tuckshop'. Also, no work attempting to analyse the nature of post War Australian conservatism should omit Peter Ray's work, 'Conservatism As Heresy'.

This review will not undertake detailed criticism of the complete range of subjects in Professor Moore's book, but will confine itself to the sections on the Social Credit Movement, the Australian League of Rights, and the comments concerning Eric Butler.

The Social Credit Movement had arrived in Australia, in the 1920s, with support coming from disparate bodies such as the Theosophical Movement and the Australian Natives' Association, among others. It began to attract wider attention in 1929/1930, as the effects of the Depression began to be felt widely. Most of the attention was focused on the monetary reform aspects inherent in Douglas's financial proposals, rather than the underpinning philosophical base. It is thus interesting to read on page 67 of Professor Moore's book that in the 1930s "many Social Crediters were attracted to Fascism". What is of note is that the area quoted is adjacent to the Barossa Valley, which had a significant population of people of German ancestry and even German born. A similar pocket existed in the 1930s near Rockhampton. In effect, many Germans were not only still loyal to Germany, but were also attracted to Social Credit, attending meetings etc. This did not make them Social Crediters; any more than genuine Social Crediters were inclined to follow Fascism. In the Reed Inquiry, of which more below, the Security Services attempted to play this card by interspersing interned Germans who had been identified as attending Social Credit meetings before the war, with Australian Social Crediters, some of whom were current or exservicemen. It is wrong to suggest that Social Crediters then or now could ever be Fascist, National Socialist, or Communist, since these ideologies represent highly centralised forms of government, and Social Credit is implacably opposed to any form of collective political system of government.

Elsewhere, the subject of Social Credit and Fascism is again raised in the matter of the farcical "Raid" on Parliament House in Brisbane on 4 August 1939. First, the persons engaged in this stunt were members of the Social Credit Party, discredited as a Social Credit organisation, both in Queensland, and in Australia generally, by mainstream Social Credit organisations. The 'leader' of this fiasco was one George Gray, whose commitment to Social Credit was nebulous.

It is absurd to state (p. 69) that "... (d)espite Eric Butler's protestations to the contrary, anti-Semitism has been the touch stone of the League's ideology". The League's ideology is that

of Social Credit philosophy, and that, after Douglas, is simply a Christian philosophy. Social Credit is practical Christianity, that is New Testament Christianity, and not the arid, wrathful, and vengeful wastes of the Old Testament. The Old (Judaic), and the New (Christian) contain diametrically opposed messages. That is, Judaism is incompatible with Christianity.¹

On page 68 Eric Butler is described as 'a source of dissension' during his Army service. This statement is at odds with his service record, and bespeaks an ignorance of Army standards, in peace or in war. Butler was promoted to Sergeant, a senior non-commissioned officer (NCO) rank, prior to the departure of his unit, a heavy anti aircraft battery, from Melbourne to the Torres Strait in mid 1942. It is utterly inconceivable that a senior NCO could maintain his rank, particularly on active service, and be a source of 'dissension'. Butler held his rank of Sergeant for the twenty months he was overseas, and then was posted first to the Jungle Training centre, as an instructor, then to the Officer Cadet Training Unit in Victoria, again as an instructor, continuing to hold his rank.

The report, which Professor Moore uses in the preceding paragraph, is perhaps an excellent example of information contained in a Security Services report. During World War Two, the Security Services accumulated some 200,000 files on individuals and organisations, a continuation of the peacetime habit of political surveillance. Many of the reports are submitted by persons not well qualified or trained in the task, and in their reports can be discerned their own agendas.²

Nowhere is this inadequate and inept reporting better demonstrated than during the inquiry conducted by Justice Reed, later to be Director General of ASIO. On page 68 Professor Moore disposes of the Reed Inquiry in just two sentences, but he has left much unsaid that needs to be said. No Social Creditor, leader or otherwise, was ever interned for 'links' with the Australia First Movement. Indeed, the internment of the AFM was a botched affair, as Hasluck reported.³ These sources do not appear to have been consulted by Professor Moore. A number of Social Crediters were subpoenaed to appear before Justice Reed's Inquiry, convened to investigate the question of some seventy cases of refusal to pay rates and other forms of taxation, and the consequent writs taken out in various courts in the Commonwealth.⁴ After sitting for eleven months, from February to December 1944, including an illuminating session *in camera*, during which the Security Services were unable to substantiate their case, which appears to have been based on anti-Semitism equals German propaganda equals sedition, the Inquiry was obliged to merely note that some propaganda used by some Social Crediters resembled, but was not obtained from, German propaganda. No subversion, sedition or treachery was found, and in its Report, the Inquiry noted that the witnesses who had been called were loyal and patriotic, listing some by name, including Sergeant Eric Butler. The Inquiry's final report was not printed and bound in the Commonwealth Parliamentary Papers, as is customary. It was typed and then consigned to the archives for thirty years.

This book suffers from that of all attempts to skim the surface of history, that is, superficiality. Whilst no attempt is made to examine other areas of the book, on a plea of lack of

expertise, this work has failed badly in its coverage of the Social Credit Movement in Australia. In fact it has provided no coverage at all.
- R.B.

1. Encyclopedia Judaica. Volume 11, 1971, p.387.

2. See Frank Cain, *Origins of Political Surveillance in Australia*, 1993.
3. P. Hasluck, *The Government and The People, 1942-1945*. AWM, 1970.
4. This and the subsequent remarks are based on the reports and transcripts of evidence contained in AA 388/1.

A LESSON FROM THE INCA CIVILIZATION

by Robert R. Yake

To the great bulk of modern humanity, a lesson fully learned and comprehended from this most singular civilisation would be a difficult task. Perhaps unknown to some Social Credit faithful, the Empire of the Incas represented an incarnate example that outstanding human accomplishments have occurred without any mortal love for gold or any other form of money. In writing this short composition I do not want to obscure the fact that a medium of exchange is highly beneficial to developing strong nations. However, I must point out that there is a conspicuous difference between utilising a medium of exchange for the good of all and monopolising it for the purpose of greed, power, and to generally confound an idolatrous population.

It is an historical shame of great consequence that Western Christian teachers did a poor job of enlightening their flocks to the fact that no one can serve both God and mammon; if Jesus Himself says that this cannot be done then surely it cannot. The Inca craftsmen mined and worked gold only for its aesthetic and artistic worth. It is because of the fact that they were completely isolated from the Old World for thousands of years that they developed a value system, which did not include the idolisation of gold. Unfortunately for the Incas and all other American Indians that same isolation made their bodies easy targets for the unfamiliar strains of viruses brought in by Europeans. The Incas were losing thousands to disease and were in a state of chaos by the time the Spanish conquistador Francisco Pizarro, kidnapped and murdered the Emperor Atahualpa. This act was an appalling example of this Spaniard's treachery that manifested itself out of his love of gold. Atahualpa was supposed to be released since he had fulfilled a promise to satiate a room with gold. Pizarro got his room full of gold and then had the Inca strangled.

Although this Empire was extremely well organised, the actual authority to carry out the workings of government had to come from the Emperor himself. Besides this being an obvious weak point, the Inca armies and citizens believed it to be inconceivable that their Emperor could be captured and murdered. For these reasons this most interesting civilisation fell apart practically overnight.

Fate, greed, and mother nature united to destroy these people but they did leave us a distinctive legacy. In less than 100 years, the Inca people were able to unite dozens of diverse tribes into a single harmonious and productive empire with everyone speaking the same language. This incredible feat was accomplished with a minimum of bloodshed and much diplomacy. These emperors are among history's finest examples of an all-powerful ruler not abusing his power. Another amazing fact about the Incas is that they were unlettered; they could not write down their history or anything else. They were, however, masters at memorising matters of importance.

The first Spaniards to become familiar with the Incas learned that there was never a hungry mouth in the entire domain and that every individual's needs were taken care of.

This fact has led some modern scholars to come to the conclusion that the Incas were actually practicing Marxism. I would strongly disagree. Without the benefit of a written language, many facts are obscured, but let's be reasonable. To start with, these people were masterful farmers, quite often in the most difficult terrain. They were builders second to none, cutting and polishing stones weighing more than 100 tons each, and then moved them up mountains to fit together so that a sheet of paper cannot be slid between them. They must have been very proud of their work since the textiles and ceramics they produced more than rivaled anything made in Europe. I could go on, but does this sound like the sort of Marxism practiced around the world in this century?

The Inca of Peru should not be confused in any way with the Aztec of Mexico, who was notorious for their obsession with human sacrifice. The Aztec was different in most ways from the Inca, but was the same in that he held no special regard for gold. It was the Aztec who, after seeing the rapacious thirst for gold of the Spanish, thought it practical to pour liquid gold down the throat of at least one captured Spaniard.

Let me clarify a few main points about this noteworthy civilisation on the west side of South America. Here is what the 1950 edition of the Encyclopedia Ameri-Cana has to say: In the land of the Inca gold was mined and used only for the decoration of temples or for the royal utensils; taxes were paid in manufactured goods whose production was regulated; work was obligatory; the growth of the family was encouraged; all were required to marry (apparently they had no problem with homosexual rights people); there was no monopoly; neighbourly help and communication were encouraged; food was stored against times of famine and destitution did not exist. The Incas were sun worshipers, but their religion embodied a belief in the unknown God who was Creator and pervaded all. There were no human sacrifices.

As you can see, many of these features are quite meritorious and although this society wasn't exactly practising Social Credit they were comparable to Social Crediters in that they weren't driven by greed.

I would like to mention a word of caution to anyone wishing to learn more about the ancient civilisation of western South America. Partly because of the gross inadequacies of modern education coupled with the propensity of many adults to believe in science fiction, there have been a number of professional charlatans making their fortune off the unenlightenment of many who buy their books making the most asinine claims as to why and how these ancient tribes accomplished their great exploits. These charlatans are actually talking about flying saucers and funny little green men. To make a long story short, my advice to the serious student is that he contact a book entitled *The Past is Human* by Peter White.

FORERUNNERS TO DOUGLAS

Writing in a British Social Credit publication, *Witana Gemot*, November 1994 issue, an American Social Crediter, Michael Lane, states that both the famous Bishop Berkely of the early eighteenth century and John Ruskin of last century, should be considered as forerunners to the insights provided by C.H. Douglas in the twentieth century. It would be surprising if Bishop Berkely were not familiar with what Bishop Burnet had written in his *History of His Own Times* (1693): "The fear of centralisation of the money power was indeed the grounds upon which the Tories and Commons fought so bitterly against the founding of the Bank of England, thinking that the bank would grow to be a monopoly." The establishment of the Bank of England, incredibly camouflaged in its authorisation by the innocuous-sounding "Tonnage Act", was not only a major event in British history, but reflected a deep cleavage between those instinctively trying to preserve a traditional way of life, and those who had grasped that the creation and control of financial credit was the road to centralised power.

Michael Lane's article, entitled "Berkely and Ruskin", reads

Half a century before James Watts steam engine patents inaugurated the industrial revolution, Bishop Berkely was asking pertinent questions about money and power that went straight to the heart of the matter and anticipated many of Douglas's insights. *The Querist*, published from 1735 to 1737, is a set of 895 rhetorical questions about economics, all beginning with the word "Whether". The gist of the argument may be easily conveyed. *The Querist* asks:

Whether the number and welfare of the subjects be not the true strength of the crown? (1.130).

Whether (money's) true and just idea be not that of a ticket, entitling to power, and fitted to record and transfer such power? (3.89)

Whether current bank notes may not be deemed money? And whether they are not actually the greater part of the money of this kingdom? (1.33)

Whether all circulation be not alike a circulation of credit, whatsoever medium (metal or paper) is employed, and whether gold be any more than credit for so much power? (3.10)

Whether it be not the greatest help and spur to commence that property can be so readily conveyed and so well secured by a *compte en banc*, that is, by writing one man's name for another's in the bank book? (2.47)

Whether the sum of the faculties put into act, or, in other words, the united action of a whole people, doth not constitute the *momentum* of a State? (3.308). Douglas would call this, more simply, a nation's *productive capacity*.

Whether such *momentum* be not the real stock of wealth of a State; and whether its credit is not proportional thereunto? (3.309)

Whether there be any difficulty in comprehending that the whole wealth of the nation is in truth the stock of a national bank?

Whether the public aim ought not to be, that men's industry should supply their present wants, and the overplus be converted into a stock of power? (2.120)

Whether the public aim in every well-governed State be not that each member, according to his just pretensions and industry, should have power (1.8)

Whether, as seed equally scattered produceth a goodly harvest, even so an equal distribution of wealth doth not cause a nation to flourish? (1.214)

Whether the political body, any more than the natural, can thrive without a proportionable circulation through the minutest and most inconsiderable parts thereof? (3.190)

These queries make at least four vital points: (1) Money is not wealth but a bookkeeping system for wealth. (2) A legal claim on wealth is power. (3) Industry produces more wealth than people can immediately consume, and (4) Political freedom consists of this power being generally distributed. Like

the Popes later on, Berkeley nibbled around the edges of Social Credit without quite grasping its full implications. The reason? He failed to recognise that money and prices are complementary and that to guide the system in the public interest, you need to hold both reins. Nowhere does he question the system of market pricing. He puts his faith in national issue of credit, in the form of a national bank.

The most trenchant contemporary critic of 19th century capitalism was not Marx, but Ruskin. John Ruskin has a bad name among many good writers (like Ivor Benson). I believe this reputation stems not from his own work but from the unfortunate association of his name with Cecil Rhodes in Carroll Quigley's *Tragedy and Hope*, a remarkable thirteen-hundred-page history of the 20th century published in 1966. Quigley states that Ruskin inspired his aristocratic auditors with the idea of spreading their class ideals to all classes in all the nations of the Empire and that Rhodes and some other Ruskin enthusiasts started a *secret* society for that purpose in 1891, with the fortune Rhodes had made in South Africa. The Anglo-Boer War of 1899, was due to the efforts of this group, which also managed the war's publicity by getting one of its members, Flora Shaw, named head of the *Times* colonial section. Ruskin would only have been disgusted. It would not be the only time his ideas were impressed to serve other's divergent purposes. Socialists like William Morris combed Ruskin's critiques of capitalism to serve their pet cause, although Ruskin himself declared:

"The first necessity of all economical government is to secure the unquestioned and unquestionable working of the great law of Property - that a man who works for a thing shall be allowed to get it, keep it, and consume it, in peace." (*Munera Pulveris*, 67).

Ruskin had founded his own *nonsecret* society, "St. George's Company", with its own newsletter *Fors Clavigera* ("Nail-wielding Fortune") for those who shared his convictions and wished to put them to the test. Yet the partial list of Companions that Ruskin published in December 1883 does not include Rhodes or any of his group (*Fors Clavigera* 93 postscript). The mature Ruskin's views on British cultural imperialism are well captured in his comments that same year on an account of Sir Walter Scott's meeting with Mungo Park in Scotland. Park reveals to Scott that he is contemplating returning to Africa. "With what motive?" asks Ruskin:

"He is at that time practising as a physician among his own people. A more sacred calling cannot be - by faithful missionary service more good could be done among fair Scotch laddies in a day than among black Hamites in a lifetime . . . But when Scott expressed surprise that he should intend again to re-visit those scenes, he answered that he would rather brave Africa and all its horrors, than 'wear out his life in long and

toilsome rides over the hills of Scotland, for which the remuneration was hardly enough to keep soul and body together.' I had italicized the whole sentence, for it is a terrific one. It signifies, if you look into it, almost total absence of the instinct of personal duty, - total absence of belief in the God who chose for him his cottage birthplace, and set him his life-task beside it: absolute want of interest in his profession, of sense for natural beauty, and of compassion for the noblest part of his native land." (*Fors Clavigera* 92).

Ruskin's most ambitious work bears the satirical title *Munera Pulveris* (Gifts of Dust) and was published in 1863. Here he sketches out a program that clearly makes him a forerunner of Douglas, though Douglas nowhere acknowledges the debt and was perhaps unaware of it. Already in 1857, Ruskin had read *The Querist* and grasped the nature of money. Money is "only a transferable document . . . giving claim, at sight, to some definite benefit or advantage, most commonly to a certain share of real property . . . The money is only genuine when the property it gives claim to is real, or the advantages it gives claim to certain; otherwise, it is false money, and may be considered as much 'forged' when issued by a government, or a bank, as when by an individual." (*A Joy Forever*, 148). Later, in *Fors Clavigera*, he would ask the important question, Where does money come from?

"Such golden rain raineth *not* every day, but in a showery and capricious manner, out of heaven, upon us; mostly, as far as I can judge, rather pouring down than filtering upon idle persons, and running in thinner dribbles . . . to the actual workers. But where *does* it come from? And in times of drought between the showers, where does it go? The country is getting rich again,' says the *Spectator* . . . When, last 25th June, it was poor - what . . . had become of the money? Was it verily lost? . . . When we are in a panic about our money, what do we think is going to happen to it? (Can no beloved physician guard it against) fits of an apoplectic character, alarming to the family? . . . To me the strangest point in the whole matter is that though we idlers always speak as if we were enriched by Heaven, and became ministers of its bounty to *you*; if ever you think the ministry slack, and take to definite pillage of us, no good ever comes of it to you; but the sources of wealth seem to be stopped instantly . . . while on the contrary, as long as we continue pillaging you, there seems no end to the profitableness of the business." (*Fors Clavigera* 4)

Ruskin never did answer this question, because -although he could have learned it from Berkeley -he failed to recognise that all credit was money. But just to *ask* the question is a great deal.

Writing before the age of the electric motor and the internal combustion engine, which made power cheap and portable, Ruskin had little love for the expensive and necessarily centralised steam power of his day and found it fit only for colossal works on other continents. But in 1876, he did direct readers to pages 214-24 of *Threading My Way* by Rober Dale Owen, son of the founder of New Lanark, wherein is found a calculation that the machine-saved labour in producing English textile fabrics amounted, at the time of writing (1874), to the labour of six hundred million adults under the conditions of a century before, and the comment:

"Thus, in the aid of the manual labour of seven and a half millions of human workmen, Great Britain may be said to have imported . . . six hundred millions of powerful and passive

slaves; slaves that consume neither food nor clothes. . . slaves patient, submissive, obedient, from whom no rebellion need be feared, who cannot suffer cruelty nor experience pain. These unwearying and inanimate slaves outnumber the human labourers who direct their operations as *eighty to one*. What is the result of this importation? If we shut our closet doors . . . we shall probably say that the inestimable aid, thus sent down from Heaven as it were, to stand by and assist man in his severest toils, *must* have rendered him easy in his circumstances, rich in all the necessities and comforts of life, a master, instead of a slave, a being with leisure for enjoyment and improvement, a freeman delivered from the original curse which declared that *in* the sweat of his brow should man eat bread all the days of his life."

Ruskin further anticipated Douglas by calling attention to the myth of "employment" as a goal:

"I should be glad if the reader would first clear the ground for himself so far as to determine whether the difficulty lies in getting the work or getting the pay for it. Does he consider occupation itself to be an expensive luxury, difficult of attainment, of which too little is to be found in the world? Or is it rather that, while in the enjoyment even of the most athletic delight, men must nevertheless be maintained, and this maintenance is not always forthcoming? We must be clear on this head before going farther, as most people are loosely in the habit of talking of the difficulty of 'finding employment'. Is it employment that we want to find, or support during employment? Is it idleness we wish to put an end to, or hunger? We have to take up both questions in succession, only not both at the same time." On the contrary labour taken by itself is a negative quantity, a "cost". Labour is; "The quantity of 'Lapse,' loss, or failure of human life, caused by any effort. It is usually confused with effort itself, or the application of power (opera); but there is much effort which is merely a mode of recreation . . . But labour is the *suffering* in effort . . . Everything else is bought and sold for Labour, but Labour itself cannot be bought nor sold for anything, being priceless... The object of Political Economy is not to buy, or to sell Labour, but to spare it . . . This being the nature of labour, the 'Cost' of anything is the quantity of labour necessary to obtain it." (*Munera Pulveris* 59-60). Thus, the aim of political economy is to spare labour (say, by reducing hours) and to pass these savings on to consumers in the form of cheaper goods: "If the demand is constant, the relative prices of things (should be) as their costs, or as the quantities of labour involved in production." (Ibid 63). This contemporary manner of advance is the natural result of the growth of technology and the increment of association (division of labour). But shorter hours combined with correspondingly cheaper goods are the same thing as *leisure*, which is the real goal. "I have not the least doubt", concluded Ruskin, "that under St George's rule, when none but useful work is done, and when all classes are compelled to share in it (i.e. the privilege of leisure is to be shared), wages may indeed be so high, or which amounts to the same thing as far as our present object is concerned, time so short, that at least two, if not three days out of every week . . . may be devoted. . . to the contemplation and study of the works of God (in schools and museums)" Thus, Ruskin saw here an extension of the promise of the Sabbath.

As a critic and collector of art, Ruskin was especially concerned by the proliferation of goods of bad quality and even "goods" of *negative* quality, destructive of life (like brass knuckles). He hoped the government would discourage the

former by competing in the market with good and useful things of a guaranteed standard. A social creditor would answer that if you provide people with the purchasing power, they will demand quality from the market. As for goods of a negative quality, you have to have a little faith that a human nature freed from a vicious money system will find its way to its Christian heritage. But in any case, no government would be competent to make such determinations.

Finally, a tantalising possibility: "Suppose it should thus turn out... that a true government set to true work, instead of being a costly engine, was a paying one? That your government, rightly organised, instead of itself subsisting by an income tax, would produce its subjects some subsistence in the shape of an income dividend? -police and judges duly paid besides, only with less work than the state at present provides for them." (*Munera Pulveris* 129). Ruskin worked out this possibility in an exceptional passage that is the centrepiece of *Munera Pulveris* and that needs to be quoted at length:

"Let us suppose a national store of wealth, composed of material things either useful, or believed to be so, taken charge of by the Government, and that every workman, having produced any article involving labour in its production and for which he has no immediate use, brings it to add to this store, receiving from the Government in exchange, an order (i.e. money) either for the return of the thing itself, or of its equivalent in other things, such as he may choose out of the store, at any time when he needs them. . .

We hitherto consider the Government itself as simply a conservative power, taking charge of the wealth entrusted to it. But a Government may be more or less than a conservative power. It may be either an improving, or destructive one. If it be an improving power, using all the wealth entrusted to it to the best advantage, the nation is enriched in root and branch at once, and the Government is enabled, for every order presented, to return a quantity of wealth greater than the order was written for, according to the fructification obtained in the interim. This ability may be either concealed, in which case the currency does not completely represent the wealth of the country, or it may be manifested by the continual payment of the excess of value on each order, in which case there is . . . a perpetual rise in the worth of the (whole) currency, that is to say, a fall in the price of all articles represented by it.

Now, if for this conception of a central Government we substitute that of a body of persons occupied in industrial pursuits, of whom each adds in his private capacity to the common store . . . so that the store itself . . . becomes disseminated private property, each man giving, in exchange for any article received from another a general order . . . we at once obtain an approximation to the actual condition of a civilised mercantile community . . . Observe that in both conditions that of central-Government holding, and diffused private-holding, the quantity of stock is of the same national moment." (*Munera Pulveris* 40-44 my italics)

So having built up a picture of a great government store, Ruskin decentralises it into a market and says that the same argument applies. He comprehended that the issuer of money is the de facto *custodian* of the national wealth whether it gathers into a public store or not. Thus, we can go back and reread this selection substituting for the word "government" the word "Market".

Ruskin scarcely realised what he had stumbled across; and the words "this conception" may well refer more particularly to the "destructive" alternative that I omitted. Nevertheless, the

test as I have given it, with Market substituted for Government, is identical with Douglas' analysis. I have added the word "whole" because Ruskin is not concerned here with the size of the monetary *unit*; he is concerned with what the country's income will buy, or what a week's pay will buy. The fall in prices he envisions is predicated on holding a week's pay constant; it is not deflation, or shortening of the money supply (which entails a fall in both prices and wages).

BEHIND THE ZUNDEL FIRE BOMBING

German-born Ernst Zundel of Toronto, Canada, became an international figure after republishing and distributing a pamphlet, which he did not write, which questioned the accuracy of the worldwide claim that six million Jews were killed, mainly by gassing, during World War 2. He was found guilty of a "crime" under Canadian legislation. Defended by the brilliant Canadian barrister, Mr. Doug Christie, Zundel appealed to the Canadian Supreme Court, which eventually ruled that Zundel's right to free speech had been violated. Doug Collins was one of those who strongly defended Zundel's right to free speech.

Zionist Jewish spokesmen made no secret of their distress that Zundel had successfully defeated the campaign to have him imprisoned. A constant campaign of smearing was sustained. Those loudest in their claims that Australia needs anti-hate legislation also might consider what has happened to Zundel. While away in British Columbia on a speaking programme, Zundel's Toronto home was firebombed with an estimated \$600,000 worth of damage, including the destruction of the equipment he used to produce his newsletters. The most revealing aspect of this affair was the reaction of some Zionist-Jewish leaders.

Writing in the *Ottawa Sun* on May 4, Jewish writer Bonokoski said, "It is a credit to the tolerance of the human spirit that it took so long to step over the line when it comes to Ernst Zundel, a man with absolutely no saving grace." In other words, this Jewish writer is expressing surprise that Zundel's house had not been burned down earlier. A number of liberals, including the Mayor of Toronto, commented that Zundel only had himself to blame for what had happened. There are no reports of any Zionist Jewish leaders coming forward to denounce an act of terrorism against someone whose right to exercise free speech had been upheld by the Canadian Supreme Court.

Talmudic dialectics are used to justify a philosophy of the one-way street. The traditional Christian view is that hate and acts of terrorist violence are never justified. A saner and safer world requires the practical application of the Christian law of love in all spheres of human endeavour.

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A MUNICIPAL COUNCILLOR'S INSPIRING CAMPAIGN

Councillor Bevan O'Regan of Narrabri, NSW, is one of those special individuals who demonstrate the truth of the famous observation that "there is nothing so dangerous as individual initiative". That initiative is even more dangerous when backed by knowledge. As witnessed by his numerous re-elections, Cr. O'Regan is regarded as a true servant of his fellows. Over the years he has watched with growing concern what was a long-term strategy by the Canberra centralists to exploit Municipal government to eliminate the States and destroy the Federal Constitution. Council amalgamations into Regional governments, these crossing State boundaries, was a major feature of the strategy.

Following a series of lectures in Victoria on the subject of Council amalgamations, Cr. O'Regan turned to modern technology in an attempt to warn his fellow Councillors throughout Australia of what was being planned by the Federal government, with special reference to a national local government conference in Canberra late last year. He made a striking and most informative video, outlining the long-term strategy behind the amalgamation programme, starting back with Fabian socialist Dr. Evatt, during and after the Second World War. Hundreds of these videos were shown around Australia, most of them bought by Councillors. It is not too much to say that this alerted large numbers of Councillors to the threat to local government.

But as outlined in his first video, it was the enormous debts of local government, which made it so vulnerable to centralised financial control from Canberra.

Cr. O'Regan decided to produce another video, entitled "*Councils at the Crossroads*" in which is included a panel of

New Zealand local government representatives discussing with several eminent economists, including Professor Hotson of Canada, whether it was practical for Reserve Bank credits to be made available to Local Governments free of interest charges, thus reducing their massive debt charges. Professor Hotson said that not only was this practical but urgently necessary if major social disasters were to be avoided. He reminded his New Zealand listeners that in the past their Reserve Bank had financed a number of organisations with extremely low interest credits.

Before the present mania for internationalisation had been introduced in Australia, the Wheat Board, for example, had been financed by the Reserve Bank at low interest rates. *The Story of the Commonwealth Bank* documents how during the First World War, Sir Denison Miller, Governor of the Bank, had saved the Australian primary producers tens of millions of pounds by providing extremely low interest, less than one per cent, for their industries.

The famous Australian Royal Commission on banking, 1937, reported that the Commonwealth Bank had the power to "make money available to the government and to others free of any charge." In a subsequent explanation, the Secretary of the Commission stated, "This statement means that the Commonwealth Bank can make money available to governments or to others on such terms as it chooses, even by way of a loan without interest, or even without requiring either interest or repayment of principal."

At a reduced price, Cr. O'Regan's video on a programme for financing local government, sells for \$25 posted from all League addresses.

DOUG COLLINS FOR *NEW TIMES* ANNUAL DINNER AND LEAGUE NATIONAL SEMINAR

On a coming visit to Australia to enjoy what he terms a "working holiday", Mr. Doug Collins, the British born Canadian journalist and author, and former broadcaster, has accepted an invitation to be the guest of honour at the Annual New Times Dinner on Friday, October 6th, and to present a Paper at the League of Rights National Seminar on Saturday, October 7th. The former British soldier and Intelligence Official plans to interview a number of prominent Australians on the immigration and multicultural issues. Doug Collins is widely in demand as a speaker in both Canada and the USA. He is noted for "not pulling his punches", and will undoubtedly make a distinctive contribution to the growing debate throughout Australia concerning immigration and multiculturalism.

Early bookings for *The New Times* Dinner will be accepted. In spite of rising costs, the charge for the Dinner is

being maintained at \$30 per person. The organisers reserve the right to reject bookings for the Dinner, which is strictly a closed "family affair". The League of Rights also announces a "tightening up" concerning attendance at the League's National Action Seminar on Sunday, October 8th. This function is to be restricted to League actionists only and to those who wish to become actionists.

Along with Doug Collins, the League has arranged for a panel of outstanding speakers at the League National Seminar. The charge for the complete Seminar, of three sessions, will be \$10 per head, with discounts for families. The theme of the Seminar will be "*Immigration, Multiculturalism and Australia's future.*"

Plan for the national weekend now. Limited private hospitality can be organised for country and interstate visitors.