

# THE NEW TIMES

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

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## SOCIAL CREDIT AND "RACISM"

by Eric D. Butler

**The charge of "racism" is one of the most deadly weapons used by those who direct psycho-political warfare against the individual. The charge is even more deadly when linked with the charge of "anti-Semitism". Most public figures cringe away when subjected to these charges. Australia's Prime Minister John Howard provides the classic example of a politician who feels either unable, or unwilling to stand up against those forces determined to tear Australia from its traditional cultural roots. In so doing he contributes to the erosion of the social credit of Australia. The author of Social Credit, C.H. Douglas, observed that so long as an association of people termed a nation, remained basically homogenous, it could, given time, work its way to a solution of its problems. The fragmentation of a nation by multiculturalism makes it increasingly difficult to solve problems.**

This basic truth was understood by the Greeks of the great Greek Civilisation who pioneered the concept of democracy, the stress being on genuine representative government. Greek democracy was based on the concept of those being represented being basically of the same racial and cultural kind, and of government being small and close to the people. The social credit of a society is enhanced when the members of a society share the same basic philosophical and cultural beliefs. They can more readily gain the benefits of the increment of association. The Biblical story of the Tower of Babel is the story of the failure of multiculturalism. The pseudo-intellectuals and those who uncritically follow them believe that all wisdom was born with them, and that thousands of years of history can be discounted.

Which brings us to Prime Minister John Howard who, unfortunately for Australia, has come to office during what could prove the most defining period in Australian history. It will decide whether Australia can return to its basic cultural and philosophical roots, with a process of regeneration, or whether it will continue on a path, which must end in complete disaster. Any assessment of the possibility of John Howard making any significant contribution to Australia returning to its historic roots, must consider John Howard's background and how he came to become Australian Prime Minister. Not even John Howard's supporters would claim him as one of Australia's deepest thinkers. The story is told by a commerce leader who had to represent a section of the automobile industry while John Howard was Treasurer in the Fraser Government. Senior bureaucrats said that John Howard was their favourite Minister: he could be briefed, put in front of a television camera and be trusted never to vary from the briefing. John Howard was the Treasurer who sought to impose a tax on magazines and books. His bureaucratic advisers had persuaded him it was a good idea, even though the projected revenue from the new tax was relatively little more than what it would cost to implement the tax. Church leaders who interviewed Howard to argue what a

devastating impact the tax would have on Church magazines, reported that trying to talk to John Howard was like trying to talk to a brick wall. His bureaucratic advisers persuaded John Howard that all fringe benefits should be taxed. Howard doggedly set out to impose the tax, and got himself thrown out of a Queensland hotel by an irate miner!

### AN EARNEST MAN

John Howard is an earnest man, with a puritanical streak. He was readily persuaded that the de-regulation of the banking system was an excellent idea. He accepted the advice of former International Monetary Fund official Hewson. He made an attempt to persuade the Fraser Cabinet to adopt de-regulation, but failed. John Howard is Prime Minister primarily because the Liberal Party's first choice for a new leader after Hewson, Alexander Downer, was a major disaster. John Howard must be given full marks for persistence. The bad media mauling he received when he first suggested that the rate of Asian immigration was running ahead of public opinion, demonstrated how John Howard was prepared to reverse himself. Once again he has demonstrated that he is a man of straw. The Pauline Hanson factor brought him back into the sights of the media mafia and the interests they represent. John Howard the political opportunist was initially careful not to appear to be insulting a growing number of Australians who had dramatically demonstrated that Pauline Hanson was reflecting their views. John Howard and his advisers sought to make a virtue out of the situation, claiming that at long last Australians could feel free to speak out on major, controversial issues without being smeared. John Howard sought to establish himself as a strong defender of free speech. This immediately opened the door for the controversial British historian David Irving to, in essence, congratulate John Howard, announcing that on the basis of John Howard's support for free speech he would be immediately making another application for a visa to enter Australia. This

has produced something approaching frenzy in the ranks of the Zionist Jewish lobby. The big Zionist hit men were quickly wheeled out to argue why, while they believed in free speech, this freedom should not be extended to Irving. A brilliant example of a type of Talmudic dialectic was provided by Robert Manne of Australia's leading literature journal, *Quadrant*.

## A PANDORA'S BOX

It has become clear that Howard's attempt to bypass the Hanson issue has opened up a type of Pandora's box. The media kept needling Howard to directly denounce what Pauline Hanson had said. Soon the headlines announced that John Howard had been warned by leaders of the Australian Asian community that the Liberal Party risked losing the considerable financial support of the Asian community. It was revealed that some \$50,000 to \$100,000 was involved. John Howard buckled and attempted to prove that no one was more opposed to "racism" than he was. The poisonous results of multiculturalism are now clear for all to see. The governments of Australia are faced with the threat of losing

financial and other support from the groups who do not accept the value system of traditional Australia. Opposition leader Kim Beazley has charged that John Howard is "playing with fire" by not directly attacking Pauline Hanson's views. John Howard cuts a pathetic figure as he claims that he is opposed to all forms of "discrimination" and strongly believes in "racial equality". These terms first became widely used following the first great revolution to shake Western Christian civilisation, the French Revolution. The term "equality" means no quality at all. And that is what now threatens Australia. A nation consisting of warring tribal groups, manipulated by elitist power groups who certainly do not believe in equality. In fact, the leading proponents of multiculturalism and non-discrimination are those Zionist Jews who believe that they have been "chosen" to impose their ideology on all others.

A group of people who do not discriminate in favour of themselves, and their traditional way of life, is doomed to be removed from the stage of history. Perhaps it may prove in retrospect that the only contribution that John Howard has made towards the survival of traditional Australia is by demonstrating that genuine representative government is impossible in a multicultural society.

# THE MONOPOLISTIC IDEA

## Melbourne Town Hall Address on January 22nd, 1934

Amongst those thousands present to hear C.H. Douglas at the Melbourne Town Hall on January 22nd, 1934, was the founding Editor of *The New Times*, T.J. Moore, at that time Editor of the Melbourne *Catholic Tribune*. Moore's robust attacks on the credit monopolists through his paper resulted in protests by representatives of the monopolists to Archbishop Mannix, with Moore being requested to modify the tone of his criticism. Backed by a group of Melbourne business and professional men, Moore left his secure position at *The Tribune* to follow Douglas by launching *The New Times* early in May, 1935, which has been regularly published in Melbourne ever since.

Because of this background, it is felt appropriate that Douglas's Melbourne address should be republished. Relatively unknown compared with Douglas's many other addresses, a re-reading of it today provides a crystal-clear picture of social Credit as the policy of an anti-Monopoly philosophy. Subsequent events have not dated what Douglas said in Melbourne 62 years ago, but, unfortunately, have confirmed his predictions.

The title, which may be applied to this address of mine tonight, is "The Monopolistic Idea." First of all, I wish to point out to you that the idea of world monopoly is not a new one, far from it, although it has taken many forms. Practically all the world's historical empires, beginning with the Roman Empire, although there were others before that, were attempts at world power. That was the first type of an attempt at world monopoly, the military idea. We had an attempt in that direction so late as in 1914. It was the hardly concealed objective of the German Empire to form a military world state, which would be supreme.

We know that failed. Another attempt along administrative lines undoubtedly was launched immediately after that in the original idea of the League of Nations, which undoubtedly contemplated the formation of something of the nature of a superior state which should lay down the

law for everyone else. That never got very far, because I think its objective was early realised, and imperceptibly it merged into something else, which is undoubtedly a matter for our closest concern today, namely, the financial world state, the financial hegemony of the world by a selected group of central banks, crowned by the Bank of International Settlements. That is simply the translation of the same idea into different methods, one after the other. You can see that it is a constantly recurring idea, and it recurs in different forms. I think it is extremely important to recognise it, because you can then recognise what is the connected meaning of a lot of disconnected things, which are going on all over the world at the same time.

The form of the attempt at a comprehensive centralised monopoly in Great Britain and the British Empire is something, which is called rationalisation, and it is being

carried on under the direction — at any rate, the ostensible direction — of the Bank of England.

Rationalisation is claimed to be the supersession of small and so-called inefficient undertakings by large trusts, and this is being achieved by a number of methods and in a number of ways.

One interesting example of how the mechanism works came into my experience as an engineer and company director. It is a very interesting instance of how these things come about. We found that in competing for a certain class of work we were always amongst a few high tenderers, and those high tenderers with us we knew to be practically the only solvent firms in that particular business, at any rate in that particular district. But we found that firms, which were notoriously inefficient and notoriously insolvent, owing enormously large sums of money to banks, were quoting prices for particular types of work, which were sometimes half the prices we could quote.

Of course, no explanation was given, but there were only two possible explanations of this. One was that these inefficient firms, being completely in the hands of financial undertakings, with their shareholders having no hope of ever obtaining any money or anything else, instructed their estimating staffs and operating staffs to quote any price which would get the work, because they knew that would merely have the result of increasing their overdraft with the bank, and that the bank could not shut them down, because they had no value as a scrapped concern, whereas they had a value as a going concern. The result of that state of affairs was peculiar, and it was that all the work went to the most energetic firm, or a considerable amount of it did, and the result of that, in parts of England, has been to put all except a certain selected number of firms out of business. Those firms are amalgamated, and they form the nucleus of a class. What happens to the unfortunate people not in that class does not matter from the point of view to those in the class. That is one form that this centralised monopoly takes with rationalisation in a country.

The excuse which is given for that policy is, "Oh, yes, it may seem that a good deal of hardship is being inflicted at the moment, but we cannot help that; ultimately industry will be much more efficient." Now, there are two comments, which may be made upon that. The first is that industry already is so efficient that it does not require to be worked at more than a small proportion of its possible output to supply all the goods, which people can absorb at the present time, so that, quite obviously, efficiency is not a pressing matter. The second comment which may be made is that it is by no means proved that large undertakings are very much more efficient than small ones. In many instances exactly the reverse is the case. This rationalisation into a series of trusts, all controlled at their apex by banking concerns, is the form, which the monopolistic idea is taking; I think we may say, in the British Empire.

One would think at first sight that nothing could be

more remote from that than Russia. During the past two or three years I have devoted a good deal of attention to Russia. Various attaches from the Russian Embassy in London have been to see me, and I have talked to the American consulting engineers who have done and directed most of the actual work and so forth in Russia. Therefore, I think I have reasonably clear and sound ideas as to what is happening in Russia. The position there is alleged to be a dictatorship of the proletariat. What is the case, without a shadow of doubt, is that Russia is an example of a dictatorship *over* the proletariat.

There is no doubt that Russia is a very highly centralised organisation, over which the individual Russian has no control of any kind whatever. He does what he is told; he works as long as he is told; and he eats what he is given. I think in fairness I ought to say that almost all people who have been to Russia unite in agreeing as to the extraordinary enthusiastic spirit, which is present in the average Russian worker. Whether he really sees something outside this particular place to which he is going, or whether he is hypnotised by an idea — and the Russian is a highly emotional, easily hypnotisable individual — I do not presume to say. All I can say is that there is undoubtedly great enthusiasm amongst the average Russian for the state of affairs, which is existing.

Now, one thing is very clear about Russia. I am not in business as a prophet, but I will venture on a prophecy

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## WORK AND PLAY

Still another significant feature of the inadequacy of the economic structure is the increase of voluntary unpaid effort and the large amount of energy devoted to games. There is absolutely no concrete difference between work and play unless it be in favour of the former—no one would contend that it is inherently more interesting or pleasurable to endeavour to place a small ball in an inadequate hole with inappropriate instruments, than to assist in the construction of a Quebec Bridge or the harnessing of Niagara. But for one object men will travel long distances at their own expense, while for the other they require payment and considerable incentive to remain at work.

The whole difference is, of course, psychological; in the one case there is absolute freedom of choice, not of conditions, but as to whether those conditions are acceptable; there is some voice in control, and there is an avoidance of monotony by the comparatively short period of the game, followed by occupation of an entirely different order. But the efficiency of the performance as compared with the efficiency of the average factory worker is simply incomparable—any factory, which could induce for six months the united and enthusiastic concentration of, say an amateur football team, would produce quite astonishing results.

—*Economic Democracy.*

about Russia. It is a country, which is being rapidly brought up, or an attempt is being made to rapidly bring it up to the industrial level of Western Europe. It was a great deal behind that, and an endeavour is being made to bring it up, by the method of gigantic centrally administered industries, on a scale which the world has never seen anywhere else.

A great many things have been achieved in Russia in the past ten years or so, but they have all been in the form which might be called building factories. The results have all been achieved by obtaining good engineers, chiefly from America, though to some extent from Britain and Germany, to put up enormous plants. Those plants are, in many ways, bigger than any which exist even in the United States of America, where the management of the very big concerns is beginning to be a very great problem, as we can all learn by reading our newspapers. There they have the advantage of a skilled population and probably the highest class of administrators that you could get anywhere; yet they do not find it a particularly easy task.

But in Russia there is a very much larger set of industries, with a population which is completely untrained, and with no class of traditional administrators, business managers, engineers, organisers, and so forth; so I believe we shall see in Russia a most colossal breakdown as a result of an attempt to run industries on a scale which is completely outside the capacity of the country. However, that may be, what has to be remembered about Russia is that her problem is one of production and not of consumption, and when you hear stories about there being no unemployment in Russia, and other suggestions that the problems with which we have to wrestle have been solved, you must remember that they are not within 25 years of the stage which we have already reached. In my opinion, they will have great difficulty, by the methods, which they are pursuing, in reaching our stage of production. Our problem, as my Chairman so lucidly said, is the problem of piles of production on one side, with consumers on the other, unable to get at the production which is waiting for them. Russia's problem is one of producing, and not of distributing.

There is another form of centralised monopoly, though it is very different from the rationalised form. The third form in the world at the present time is Fascism in Italy, where it has reached its highest point so far. Fascism is really a mixture of the old so-called capitalism with what was called Guild Socialism, and there is no doubt at all that it has restricted both the freedom of the manufacturer and the freedom of the worker. Very useful things have been achieved in Italy during the past 10 or 12 years. Those of us—and I am one of them—who do not like the form that society is taking in Italy—and, in fact, actually dislike it—I think must admit that a great deal of most admirable work has been done under the Fascist regime in Italy. What we can see quite plainly is that, having done such good work, it is in the position

of having to find more and more and more work; otherwise the system breaks down of its own weight. These systems always require some kind of a war—either an economic war or a war against disease, if you like—to keep them going, and Italy, having brought her affairs up to a fairly high standard of efficiency, is undoubtedly in a difficulty to find what she is going to do next.

It is very often thought that the issue in the world—or, at any rate, in the industrial and economic world, at the present time, is that between something called capitalism, and, let us say, socialism. The first thing about which to be clear in your minds is that there is an actual revolution from anything that could be recognised as the old form of capitalism going on under your notice. The sort of thing that would have been recognised as capitalism even 25 years ago is practically dead. It has been superseded by other things under different names but all, in my opinion, actuated by the desire to establish effective monopolies. The great monopoly, which gives the power to monopolise other things, is what we call the monopoly of credit. I want to give you a very short idea as to what is actually meant by that, as to how it came about, and as to what may be the outcome of the existing position in regard to it.

In the first place, what is it? Credit, of course, comes from the Latin word *credo* (I believe), and one of the best definitions which exists of "credit" is contained in the words of St. Paul: "Credit or faith is the substance of things hoped for, the evidence of things not seen." Money is a credit instrument. Just compare that with the definition I have given. There is a curious faculty in the human make-up—the make-up of the cosmos if you like—which enables it to project forward its ideas, and then to fill those ideas with solid fact.

When your great Sydney Bridge was built, first someone conceived an idea that there should be a bridge across the harbour. Then someone had an idea as to what sort of bridge it might be. They put the bridge on paper; they altered it a little; they calculated it, and so forth, and eventually the idea became a bridge. Behind that conception was the belief that it could be done. No one would have gone forward from that idea, but for the perception of the truth that this curious system of ours, which we call the financial system, is the embodiment, or, if you like to put it that way, the debasement, of that peculiar faith—the faith that things will be done.

For instance, when I come to you and offer you a £1 note you will have faith in that £1 note; you have faith that something will be given to you in exchange for it if you want that something. That is why you accept the £1 note, and that is why this question of money is wrapped up with something, which at first sight does not seem to have anything to do with it at all; and that something is this thing credit.

What is credit, and why is credit so important in the

modern world? Let me give you an illustration. Suppose I go to the railway station, and want to travel from here to Sydney; the first thing I have to do in order to make the journey is to get a ticket. When I get that ticket I do so in a state of faith that without a ticket I shall be unable to travel to Sydney. I take the ticket as a sort of definite concrete evidence that the means of travel to Sydney by rail exist; and it is quite obvious that if I begin to associate the idea of travel to Sydney by rail as being indissolubly or inseparably connected up with the idea of getting a ticket the ticket will very soon begin to appear to me to be the most important part of the railway. I do not have to know how the locomotive works; I do not have to know how the tracks are laid; I do not have to know how the signals are run, or anything of the sort. But I know that if I have a ticket I can travel on the railways to Sydney. So I have the idea of the ticket and nothing else.

Now there is no difference whatever between that railway ticket and a £1 note, except that the railway ticket is what we call an effective demand for a railway journey, or a faith demand, and the £1 note is a faith demand for anything that can be bought for £1; and so hypnotised have we become by this system that we have begun to believe that the £1 note and the ticket are more important than the railway journey or the thing that we purchase.

Now let us see what an enormous power is involved in this power to issue or not issue a ticket. Imagine for a moment the extraordinary state of mind which takes place, and let us suppose that there is a legitimate reason for it, when large numbers of the population are told that they must starve or cannot have necessary things because unfortunately there are not enough tickets; or they are told, "It is an unfortunate thing that you cannot make this journey, because unfortunately there are not enough tickets." Now if you are on a railway journey, you know that it is part of the business or functions of the railway — of the traffic department of the railways — to deal with the tickets, to make provision for the issue of the tickets.

But let us consider the position in the world at large in regard to this more generalised thing that we call money. All of you probably have a hazy sort of idea that when you grow an acre of wheat you grow or create the money wherewith to buy that wheat. Of course, you are always being told that you are wealth-producers, but you do not find that the theory has worked out too well in practice after you have grown that acre of wheat. You may be wealth-producers, but you begin to realise that £1 notes do not really grow at the roots of the wheat in the field.

The fact must be realised that the wealth of the world is really produced by production; the tickets, which are the effective demand for that wealth, are produced by the financial system; and the two things are not necessarily connected at all. You can grow wheat until your barns are filled to bursting point, and you can manu-

facture motor cars until your roads are black with them; and yet you will not increase by one penny so far as those processes are concerned, the amount of purchasing power in the world.

I want to point out to you how it comes about that the ticket system has become separated from the production system or the transportation system. Just imagine what you would say, what you would think, if you were called upon to build a railway, if you had to provide all the work and all the material, and then somebody set out in the principal towns to establish a ticket office from which to issue the tickets for that railway as a monopoly. Yet that is the sort of thing that is happening in the world at the present time.

I want to show you what has taken place, how that state of affairs has come about, because I think it is explanatory of the present position. If we go back to the beginnings of the money system, the recorded beginnings that are well authenticated, we find that wealth was represented by cattle. The owner of the cattle, of course, very often bartered some of his cattle for grain in order to feed the rest of his cattle. The man who grew or sold the grain was an itinerant vendor who moved about, and he got into the habit of taking from the owner of the cattle a round disc of leather, and sometimes that disc bore the imprint of a rude image of a cow's head, and sometimes it did not. We have a reminder of that fact in the words that we use at the present time. We talk about a money transaction as being a pecuniary transaction, and the word "pecuniary" comes from the Latin "pecu," which means cattle.

Now when this state of affairs was in existence there was also one very extraordinary fact — the owner of the cattle, the owner of the wealth, and the owner of the money, the owner of the leather discs, comprised really one and the same person. So there you had the production system and the money system concentrated under the one control, in the one set of hands. Obviously a system like that could not be expected to work for very long. Some bright gentleman no doubt got the idea of punching out a few additional bits of leather, and that was really the first form of inflation.

Now I would like you to follow me in a jump over a long span of years to the middle ages. In the middle ages the goldsmiths were the world's bankers; the goldsmiths were primarily and originally artisans in precious metals, and because of that fact no doubt they had the best strongrooms in those days. As a result of that fact it came to be the habit of the Feudal nobles of the middle ages to leave their gold plate and other movable and portable valuables with the goldsmiths for safe keeping. The goldsmiths in turn gave the owner of the plate or valuables an ordinary receipt, which in those days was written on parchment, because parchment was fairly durable. The goldsmith would sign that receipt in the same way as anyone would sign a receipt at the

present time.

As these signed receipts came more and more into use they really became the lineal ancestors of our modern bank notes, because people began to use those receipts for paying for other things without bothering to draw out the plate and valuables to which the receipts referred. So that if a man bought a piece of land in those days he would very often pay for that land by means of one of these goldsmith's receipts, and the seller of that land would not bother to draw out the gold plate to which the receipt referred, but in turn would exchange the receipt with someone else for something that he required. So it will be seen that these receipts really constituted the first bank notes.

There is something else to be emphasised here, and that is that at this point a very important thing took place. When this money or when these receipts began to pass from hand to hand they were issued, and their validity was accepted, not so much on the basis of the name of the man who had actually deposited the gold plate with the goldsmith, but on the basis of the signature of the goldsmith who actually issued the receipt. It was the fact that the goldsmith was known to be a reputable person, which really made these notes or receipts acceptable. So that at that stage you get a very significant change, which took place, a transfer from the **producer** of the wealth to the **custodian** of the wealth, of this power of issuing something, which would be accepted.

Then there was a third and final transfer, which was consummated at the time of the outbreak of the Great War in 1914. It was the conventional belief before that time that there was one piece of gold in a bank to represent every pound deposited, drawable either by cheque or in some other way; it was a conventional belief that if you had £100 in the bank you could go to the bank and demand 100 sovereigns. And, of course, you could do so as long as everybody did not go along and make the same sort of claim at the same time.

But the position arose in August, 1914, in Great Britain that everybody conceived the wild idea of doing that at once, and practically everybody attempted to do it, with the result that within a very short time every bank in Great Britain, including the Bank of England, was bankrupt. The banks were completely unable to meet their liabilities on the terms under which they had contracted to do so — in gold. There were, I think, nine hundred millions of deposits in the Joint Stock Banks in 1914, at the beginning of August 1914. Practically all the gold was drawn out of the Joint Stock Banks, and I am informed that the gold at the Bank of England was reduced to something like ten millions — a very small amount for the Bank of England. There were six hundred millions of deposits still undrawn, or being drawn at a very rapid rate, when that gold was exhausted.

As you will probably remember, a moratorium was declared — that is to say, all debts were held up for

three or four days, all the banks were closed, and so forth. Then the banks reopened with a nice stock of clean white little notes, which said, "I promise to pay the bearer £1 on demand." If you had taken one of those little notes to the Bank of England they would have taken it and given you another little note exactly like it, saying, "Here is your £1." That worked perfectly, and everyone was happy. People took the notes, and business was carried on in exactly the same way.

I want you to notice what these £1 notes represented. They were issued by the Treasury, although, unfortunately, they were issued through the banks, which gave the banks control over them. But those £1 notes received their value not because of anything deposited in the banks, because all the deposits in the banks had been drawn out; they received their value because they rested on the general credit of the country. That was the first stage.

What do we mean by the general credit of the country in this connection, and what is its important factor? The general credit, the real credit of the country, I think is correctly defined as being the ability to produce and deliver goods and service as, when and where required. It is quite obvious that these little bits of paper on which we place so much store, are of no importance whatever if no one will deliver something in exchange for them. It is the fact that they are accepted as what we call effective demand for goods, which makes them important.

This credit and this power of issuing money have become, through the process I have explained to you, a monopoly, and that monopoly remains. It is quite obvious that such monopoly achieves enormous power by restricting its output, as you might say. If everybody has enough money, money becomes less important in proportion to the amount of money you have. If you do not know from where your next meal is coming, and you cannot get your next meal without money, money looms before you as the one essential of your life: but if you have a reasonable income it does not loom quite so large; you are not quite as much worried as to whether something costs you 6d or 7d.

Therefore, it is in the very nature of monopolies of all kinds — and I say this after great consideration and as being a very important thing to consider - - that they shall restrict their output, so that you shall desire it, to make it have a scarcity value. I do not believe it is conceivable, or in the nature of monopolies, for a monopoly to supply the world to the extent either that the world is capable of producing a commodity, or is really desiring it. That is one of the strongest objections to monopolies. You will notice in the world at the present time that restrictions of all kinds are increasing—restrictions on the growth of wheat, possibly restrictions on the shipment of wool, I do not know, but there are restrictions of this, that and the other kind, restrictions

on entering this country or that country, restrictions on taking this thing into one country or taking something out of another country. All of these restrictions are part and parcel of this policy of growing monopolies of various kinds.

Now what does this credit really rest upon? This is a very important matter, because it has to do with who is the real owner of the money, which represents the effect demand tickets. I pointed out to you in the beginning of this explanation that originally money started with the owners of wealth. Of course, it is the orthodox Labour argument that labour produces all wealth. If that were true it would be perfectly right and proper in my opinion to say that all money belonged to labour, but I am afraid it is not true. That is not the case. The case is much better than that, even from the point of view of labour.

The great factor in production under our modern system is the labour supplied by the sun. By that I mean waterpower, oil-power, coal-power, power through the agency of electricity, and so forth. Production today is almost entirely a question of power. When labour supplied the whole of the power by muscular effort and so forth, I think it would have been a fair and equitable thing to say that labour produced all wealth either by hand or brain.

But we of the Western world are the inheritors of a magnificent culture which we ourselves did not produce, but which largely was handed down to us from previous inventors, engineers, organisers and so on. We are merely the administrators of that cultural inheritance, and to that extent that cultural inheritance is the property of all of us, without exception.

You must remember that your best engineers, organisers and administrators definitely have been trained to put the world into a state of unemployment for the past 150 years. That is what they have been trying to do. When you have achieved that thing you do not know what to do with it. But what you have to do is the simplest thing in the world. You have to represent this real credit, this capacity to produce enormous quantities of wealth, by financial credit in the form of money-tickets. It is a technical matter into which I am not going tonight, but you have to recognise that the ownership of that part of the ticket which represents the cultural inheritance is one in which we are all joint owners.

I believe that not only from the commonsense point of view of making the machine work, but from the ethical point of view and from every other point of view you can conceive, the time is ripe, is overripe, for the issue of a national dividend in some form or other.

You are going to be faced, if you allow your best brains free play, if you like to put it that way with a rapidly increasing problem of so-called unemployment and that problem of so-called unemployment is simply

the stopping of the work of those people who are not required. Are we, as a world of presumably sane people, going to say that because we no longer require the work of these people, and yet can make all the goods that they require, we are going to prevent them from having the goods? The thing is insane. But the situation has an even more tragic aspect — that is, that this determination to recruit the employment of the whole population as being a permanent and inevitable accompaniment of any economic system which will be tolerated, means that as soon as you possibly can use in any modern country all that the whole population with modern machines can produce, you must strive for export markets. That is a perfectly straightforward proposition for two or three countries in a world of 40 or 50 countries, to strive for export markets, but when the whole 50 countries are striving for export markets, then, short of exporting to Mars, there is no solution of that particular problem. The result of that struggle to capture export markets and to maintain the technique of the present obsolete system is inevitably war.

That is the danger with which you are faced -- possibly the imminent danger — so that if I have made my point clear there is no subject in the world at the present time of such vital concern to every man, and particularly to every woman who has children, or hopes to have children, than this problem of credit. I repeat that the problem of credits must be solved, and that increased purchasing power in the form of a national dividend should be given every person. A national dividend is justified economically, by the increased power of production, and morally by the fact that this increased production is not due to any section of the community - neither the labourer, scientist or capitalist, but to all.

The world will have plenty of problems to solve after this problem has been solved, as it can be, but I assure you there will be very few people left in this world to solve any problem, if you do not solve this particular problem very soon.

### ***WHERE IS THE LEAGUE OF RIGHTS?***

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## DOUGLAS AND THE PARTY SYSTEM

In an address to British Social Crediters on March 7, 1936, *The Approach To Reality*, Douglas spelt out clearly his opposition to trying to advance Social Credit through parties calling themselves Social Credit. He said: "There is at present time an idea that we should have a Social Credit party in this country. I can quite understand and sympathise with that idea, but it is a profound misconception. It assumes that the Government of the country should be a government of experts. Let me show you that it does assume that. If you elect a Social Credit party, supposing you could. I may say that I regard the election of a Social Credit party as one of the greatest catastrophes that could happen. By such an election you proceed to elect, by the nature of it a number of people who are supposed to know enough about finance to say what should be done about it. Now it is an axiom of experience that no layman can possibly direct the expert in details, and in normal things no layman is fool enough to try to do it.

"If you had a Social Credit government, it would proceed to direct a set of very competent experts — the existing financial authorities, for example — how to do their job. The essential thing about that situation would be the responsibility for what was done. Now no set of 500 or 600 men whom you elect in this country could possibly know as much about finance as the people they would presume to direct. You know, in all that I have said about financiers, I have never at any time said that they were incompetent, nor are they, within the limits of their own philosophy. But to elect a Social Credit Party in this country would be to elect a set of amateurs to direct a set of very competent professionals. The professionals, I may tell you, would see that the amateurs got the blame for everything that was done."

Commenting further on this matter in answer to a question following his address, Douglas said, "It seems very difficult to make this, to me, rather simple point. The essence of it is whether or not you regard the Member of Parliament as an expert. If you assume that he is an expert then you are electing a second-rate expert to control a first-rate expert. If you agree that the Member of Parliament should not be an expert, then why tie a label on him? The proper attitude of the people is, 'We don't care what your alleged name is — the essential thing is that you should do as you are told'."

Douglas concluded, "You must not send candidates to Parliament to be technicians. You must send candidates to Parliament to impose your will upon the technicians who already exist. That is the very essence of the problem." Douglas then went on to indicate how electors might unite on specific issues to ensure that Members of Parliament reflect their will.

## 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.

## ANOTHER CHAPTER FROM ERIC BUTLER'S MEMOIRS

The latest issue of the quarterly, *Heritage*, contains another fascinating chapter from Eric Butler's as yet unpublished Memoirs. This chapter deals with Eric Butler's relationship with the most amazing spy who ever worked for the Australian Security Organisation, Mrs. Anne Neill of Adelaide - a white haired widow who, in the words of Eric Butler, looked like "Everyone's Favourite Grandmother". The same woman not only penetrated deep into the Australian Communist Party, but undertook the dangerous assignment of going to the Soviet Union and China. When Anne Neill ceased working for ASIO, and her work on behalf of Australian Security was publicised, it created a nation-wide sensation. When she discovered that her own Church, the Methodist Church, was openly hostile, primarily because she exposed what dupes some of their clergy had been, and that even the Liberal Party sought to keep her at arms' length, she turned to Eric Butler. A long and close friendship developed.

There are other outstanding features in the latest issue of *Heritage*, which may be obtained from all League addresses. \$6.00 a single copy.

## "ON TARGET" FOR THE ACTIONIST

It is claimed that the League of Rights' weekly newsletter, *On Target*, is the most widely read publication in the Canberra Parliament's Library. *On Target* provides a weekly comment on unfolding events. There are reports on action programmes, the latest publications and much else. Order from The Australian League of Rights, Box 1052J, G.P.O., Melbourne, 3001. \$30.00 per annum posted. From one subscriber: "For only a few cents per week I have an up-to-the-minute summary of the most important national and international developments."