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

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GERMANY'S ROLE IN THE STRUGGLE FOR THE WORLD

by Eric D. Butler

During his recent visit to Australia, German Chancellor Kohl said Germany was increasing its presence in Australia as part of a strategy to move into Asia, particularly China. Like most Western leaders, Chancellor Kohl believes that Western economies can solve their growing domestic problems by greater exports. The much publicised booming Chinese economy and the world's biggest population appears to offer the prospects of an almost unlimited market for Western exports. Like President Clinton, Chancellor Kohl praised Australia for having created a successful multicultural society.

Chancellor Kohl is a strong "New World Order" man, an internationalist who has on a number of occasions expressed his strong determination to help establish a Federalist Western Europe, starting with a common currency. This has led to a growing fear amongst his neighbours that in the type of structure envisaged by Chancellor Kohl, an economically strong Germany would be able to dominate such a structure. In an attempt to influence the recent British elections, well-known anti-Common Marketeer, Rodney Atkinson, co-author of *Treason at Maastricht*, in his *Europe's Full Circle* has documented that the establishment of a United States of Europe was a major Nazi German objective. Atkinson could have pointed out that the creation of a United States of Europe was also advocated by Marxist leader Leon Trotsky.

Subtitled "Corporate Elites And the New Racism", Atkinson's book provides valuable information concerning the internationalist threat to British sovereignty. But while providing valuable information concerning the contribution of Germany to the two World Wars, which have shaken the foundations of Western Christian Civilisation, a much more adequate assessment of the role of Germany in furthering what is a World Revolution, will be found in the works of C.H. Douglas. Failing this assessment, the Atkinson approach may easily foster a crude anti-German feeling. The German question can only be adequately assessed in the context of the

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.

development of a global programme of World Revolution. Like the people of other Western nations, the German people have been used as pawns to advance a revolution any programme they do not understand.

THE DESTRUCTION OF TRADITIONAL GERMANY

The destruction of the Germany, which produced the great musical and other artists, was the Germany of separate States. Prussia was used to impose the centralised structure associated with Bismarck. As pointed out by Nesta Webster in her classic work, *World Revolution*, by the year 1848, when Karl Marx and his wealthy financial backer Engels, the man who made a fortune out of exploiting English working girls in the cotton mills, Socialism as it had been attempted in several countries was dead. Nesta Webster writes, "It is evident that at that date some pact was formed between German Imperialism and the Jews of Germany . . . Socialism was taken over by a Company. That Company was the German-Jewish band of Social Democrats." Speaking of these people thirty years later, Bismarck made his famous statement "*We march separately, but we fight together.*" Modern Germany was the creation of Bismarck and the Marxists. It became the prototype of the centralised bureaucratic State. Within a few generations the character of the German people was drastically changed. "Progressive education", and the introduction of the Welfare State, together with centralised planning, (allegedly more efficient) played a major role in conditioning the German people to accept the totalitarian State and centralised direction without question.

The Bismarckian State was warmly welcomed by the big German Jewish banking organisations like the Rothschilds, Warburgs and others. Germany became the home of the giant industrial monopoly trusts and the Central Reserve Banking, which was subsequently exported in person by the Warburgs to the USA. The age-old dream of some type of a World State was fostered. C.H. Douglas wrote in *The Big Idea* that "The Jews at the head of the Deutsche Bank, the Gresdner Bank and the Disconto Gesellolaf were in constant contact with the German Socialists, and regarded them simply as the bureaucratic organisation of European States otherwise insulated from German Jewish influence.... Marx worked for Bismarck, tried to paralyse the resistance of France to Prussia before 1873, just as the Socialist movement in Great Britain has worked for fifteen years from 1920 to 1935 to make a German victory certain, and was stated to have received £10,000 from Bismarck for his services and did not deny it."

TWO MAJOR DEVELOPMENTS

The dream of using Pangermanism as the base for World revolutions was, however, being eroded by two major developments, the organic growth of the British Empire as an association of sovereign States completely independent in terms of natural resources. Associated with this growth was the worldwide diffusion of a British culture, which was resistant to centralised bureaucratic planning. It was the major feature of this culture, which fostered a concept of tolerance and fair play, which has eventually made it vulnerable to the type of psycho-political warfare which exploits a feeling of a "fair go" for the underdog to create a whole nation of

underdogs, with the progressive destruction of the stable middle classes and a polarisation of society between a growing army of "underdogs" and a New Rich, noted primarily for their willingness to serve centralised power accompanied with blatant greed and a revolting vulgarity.

The second major development was the tremendous economic growth of the United States. The Warburgs and other German Jews reacted to the American development by the Warburgs and others moving to the USA to establish the system of centralised banking they had created in Germany. Masses of immigrants, large numbers of them Russian Jews, were encouraged to flood into the USA with far-reaching effects on American politics. By the time of Franklin Roosevelt, a small but influential Jewish community, dominated by the rising Zionist movement, was starting to dominate American politics. That influence has now reached the stage where the Clinton Administration is almost completely dominated by Jews who slavishly follow the Zionist programme. No realistic assessment of world politics is possible without facing this important fact.

The threat of the British Empire as a growing obstacle to any programme for establishing a World State, irrespective its description, was met by the precipitation of two major world wars, a highly centralise Germany being used as a major instrument of attack. No realistic assessment of how these two disasters were manipulated is possible without an understanding of the defects in a finance-economic system, which convinces modern industrialised States that they can only solve their internal economic problems by "fighting" for foreign markets. Acceptance of this viewpoint as some type of a dogma makes it inevitable that there will be conflict between nations competing to export. Built up by International Finance, Hitler's acceptance of the export dogma, and the alleged necessity for Germany to have greater "living space", left him vulnerable to pressures to risk Germany's future in a Second World War.

GERMANS VICTIMS OF HITLER'S FOLLY

The German people were perhaps the main victims of Hitler's folly, finishing the conflict in a state where they could be used to continue the very policy, which Hitler followed. They have been conditioned to the point where they have less freedom than they did under Hitler. Any Germans asking questions about the alleged gassing of millions of Jews will find themselves before the courts or in prison. Today's Germany has been reduced to virtually an instrument of Zionist Jewish international policy.

NEW TIMES ANNUAL DINNER

"*The New Times*" Annual Dinner, open only to League of Rights supporters, their families and close relatives, is the highlight of the year for all League supporters. Planning ahead is always essential. We therefore announce that this year's Dinner will be held at the Sheraton Hotel, Spring Street, Melbourne, on Friday October 3. The League of Rights national Seminar will be held on Saturday, October 4, also at the Sheraton, with the National Action Seminar on Sunday, October 5. Interstate and overseas supporters intending to attend, or to take holidays during this period, can be assisted with the lowest discounted airfares and hotel accommodation. But early bookings will be essential. Further details about the League National Weekend later.

And while the dogma of "export or perish" is accepted, they have no chance of refusing to serve those engaged in the Grand Design of attempting to create a World State. Thus Chancellor Kohl's enthusiasm for globalism and the allure of the Chinese market. Britain's new Prime Minister, the "New Labour" leader Blair, has claimed to establish a special relationship with Zionist tool Clinton and promises to help foster the establishment of a new World Order.

Clearly a decision was made at the highest levels early in the seventies that it was essential to bring Communist China into a New World Order in the same way that the former Soviet Union was being embraced. The instruments of International Finance were now available to attempt this achievement. Much to the amazement, and horror, of orthodox Anti Communist Americans, it was President Nixon, generally presented as a staunch anti-Communist leader, who took the first step concerning China, under the influence of Dr. Henry Kissinger, a German-Jewish immigrant of a mysterious background. The arguments used to justify the historic shift in American foreign policy were, of course, most sophisticated: The West could have influence on Communist China unless it was made welcome into the "international community". This meant that Communist China had to be brought into the United Nations at the expense of the Nationalist Chinese government based on Taiwan. But much more important, billions of dollars had to be made available to Communist China in order that it could "modernise" its economy.

The spectacular industrial developments taking place in China are primarily the result of International Finance making available billions of dollars to transfer Western

technology into China, where a large and passive labour force is available. German Chancellor Kohl is enthusiastic that the Germans should be used for what is planned. The Germans are, along with other Western nations, being used to regenerate Russia, also to be welcomed into the New World Order. What the world is now witnessing is a manifestation of a global madness, which can only create massive ecological, social and other disasters. Germany might be described as a nation, which for over 100 years has been exploited to serve programmes of major disasters. Australia is being urged to succumb to the general madness by joining in the feverish campaign to "embrace Asia". It is being urged to sell its very soul for a mess of pottage, which it would not find very sustaining.

THE REAL ASIAN THREAT

While the whole of the Western world is faced with a deep peril, the threat to those attempting to sustain a British culture in Australia and New Zealand is much greater than the threat to the peoples of the United Kingdom. The peoples of Western Europe do at least share a common Christian culture. The British people have a much greater prospect, grim though it may be, of preserving the foundations of their culture in a centralised Europe, than have Australians and New Zealanders in a centralised Asian structure in which the culture of the European must be swamped by an alien Asian culture. For this reason Australians and New Zealanders must make every endeavour to elect only those politicians who strongly oppose those policies which threaten to Asianise their countries. There is still time to avoid complete disaster.

DEATH OF SOCIAL CREDIT SECRETARIAT CHAIRMAN

Mr. Donald Neale, O.B.E., was chairman of the Social Credit Secretariat until his sudden death of April 4, 1997. The Social Credit Secretariat was established by the founder of Social Credit, C.H. Douglas, to transmit authoritative information concerning all aspects of Social Credit, and to pronounce on all matters pertaining to Social Credit.

The following tribute to Donald Neale by Managing Editor, Iain McGregor, appears in *The Social Crediter* of May-June, 1997. Australians and New Zealanders wishing to subscribe to *The Social Crediter*, or to undertake an in-depth course of Social Credit studies, may contact Mr. Vic Bridger, at 3 Beresford Drive, Draper, Queensland, Australia 4520.

Donald Neale OBE died aged 88 on April 4th 1997, pen poised, pad upon knee, composing his thoughts as chairman of the Social Credit Secretariat and editor of *The Social Crediter*. It was just as he would have chosen . . . indeed, a few days earlier he had promised me: "I will die in harness, I will not give up before I have to go."

That was a reassurance, worthy of Elijah to Elisha. For the whole of the 90s, Donald Neale and I have shared responsibility, praise and blame for the editorial content of *TSC*. He had made me privy to all his concerns as chairman of the Secretariat and these have been many and onerous. However, such confidence is not surprising - together we saved the Secretariat and *The Social Crediter* from untimely demise.

Donald Neale had retired from a lifetime in chiropody, being the most senior and most distinguished in his sphere - author of the classic textbook, *Neale's Common Foot Disorders*, without which no chiropodist dare practise anywhere in the world. He then offered his services to the Social Credit Secretariat for whom his early tutor, Tudor Jones, had been chairman. He was promptly appointed editor.

Donald Neale studied in Liverpool under Tudor Jones by day, then went on to Dr. Jones' evening classes which were printed later as his *Elements of Social Credit*.

After the war years in the Royal Artillery and the Royal Army Medical Corps (which he never mentioned), Donald Neale and his wife settled in Edinburgh where the rest of his working life was spent as Director of the Edinburgh Foot Clinic and School of Chiropody.

When his offer to the Secretariat was accepted he called upon me as a professional journalist to re-vamp *The Social Crediter*. A few days later, phoning to arrange submission of my suggestions, I was told it was too late. The aging remaining members of the Secretariat, faced with several deaths of associates, had decided to call it a day.

"They can't do that," I protested.

"Well, I can't carry on by myself," Donald said.

"I'll help you," I said.

"Well, jump in a taxi and come up here right away," he said.

And so in his upper villa in Liberton, the Secretariat

and TSC were saved. There was one further trouble - no money. Over the last five years, however, we have generated so much interest by the quality of our content and the validity of our case, that we have managed to break even in cost of producing TSC and caused supporters to remember us in their wills.

Donald Neale has gifted future generations our Social Credit legacy by ensuring that a 700-volume section devoted to our cause would be made publicly and generally available at the National Library of Scotland in Edinburgh. These books from the original Secretariat Library had been stored for years in a garden shed, awaiting a suitable home.

Donald Neale has enabled widespread serious study to take place on Social Credit, so much so that work on Social Credit and Guild Socialism, to be published by Routledge, written by Frances Hutchison, will now have an assured readership later in the year. She and her colleague at Bradford University, Brian Burkitt, have pursued the subject so thoroughly that Social Credit is now recorded in contemporary history. Though the Secretariat has been privileged to publish

their findings, they have scrupulously maintained their objectivity and it is a measure of Donald Neale's wisdom that he sought in no way to influence their research or conclusions. Their very independence has been a strong argument.

Of course, Donald Neale had exacting standards of his own and no issue appeared that did not carry the confidence of each of us down to the last comma. Despite recent challenges to our editorial integrity, we were never at odds, though sometimes the work of one or the other was rejected in its entirety. We simply meekly rewrote until the other was satisfied, or agreed to drop the article.

Donald Neale's internal influence will long remain but 'the world out there' can also rejoice that he was not just a man of vision but a man of practicality - after all, countless millions have been glad he made it possible for them to sing "*These feet were made for -walking!*".

For Social Credit, he carried the torch and brought the flame to glow once more . . . it is up to us to see it doesn't flicker ever again. We owe it to the memory not only of Donald Neale but C.H. Douglas.

THE MELBOURNE "AGE" AND THE PAULINE HANSON AFFAIR

Without fully understanding what she has done, "rookie" Queensland Independent Federal Member, Pauline Hanson, has already had a dramatic effect on the Australian political scene. The reaction of the mass media has been most revealing; clearly highlighting the fact that it serves an agenda inimical to Australia's best interests. The following unpublished letter to the Melbourne "Age", often described as Australia's most prestigious morning newspaper, by Mr. John Bennett, President of The Australian Civil Liberties Union, speaks for itself:

I await receipt of your reply to my recent letter asking whether it is still the policy of *The Age* not to publish any articles supportive of Mrs. Hanson. Is it the policy also not to publish letters supportive of her?

I submitted an article to the "Opinions" editor, Graham Reilly early in December 1996. He stated that the article was acceptable and was on a short list being considered for publication. After giving me similar assurances for some time, I visited him when he said the article was not up to the "high standards" of *The Age* and might "upset" its readers. It was clear to me that *The Age* would not publish material critical of its campaign against Mrs. Hanson. I then sent several letters to you but you did not overrule him.

The level of bias in the four months following Mrs. Hanson's maiden speech in Parliament on 10/9/96, referred to in my article continues. In a fourteen-day period 2/5 to 16/5, *The Age* published in aggregate 13 feature articles, editorials and cartoons critical of Mrs. Hanson. The level of invective also continues. Mrs. Hanson's "thin querulous voice" (*Age*, 28/12) has now become a "strident resentful whine" and "mean spirited squabbling" (*Age*, 15/5). In another recent feature article (*Age*, 20/5) after a reference to "an hysterical tirade" and references to her clothes and hairstyle (which would never be directed at a male politician) Mrs. Hanson is said to be "playing the role of conscientious school girl". The venom of the attacks on Mrs. Hanson by some female commentators is startling.

This type of emotional bias against Mrs. Hanson was also reflected in the way Maxine McKew interviewed Mrs. Hanson in *Lateline* which was the subject of adverse comment

in *The Age* Green Guide (15/5) about Ms. McKew's 'scornful overbearing manner', an "overtly discourteous manner" and a "hectoring rude and patronising talking down of Mrs. Hanson". These criticisms of Ms. McKew could equally be directed against some of *The Age* feature writers criticising Mrs. Hanson. I have written to Ms. McKew stating that civil libertarians take the word "civil" quite seriously (see enclosure). One of the most interesting aspects of the campaign against Mrs. Hanson is the lack of civility and good manners on the part of commentators, many of whom doubtless see themselves as part of some sort of cultural and intellectual elite.

Although *The Age* states it supports freedom of speech it devoted only one sentence to the incidents in Hobart, which led to a meeting to be addressed by Mrs. Hanson to be

PEGGY FIELDER

Those many League actionists who have benefited from the years of dedicated work by M.E.A. Tape Services under the direction of Tom Fielder, will be sorry to learn, if they do not already know, that Tom Fielder recently lost his loyal and dedicated wife, Peggy. Peggy Fielder was the true "quiet achiever", and the League is deeply indebted to her years of service. On behalf of all our readers, we extend our deepest sympathy to Tom Fielder in his loss. Like a true soldier, even in his hour of grief, Tom Fielder continues to serve. M.E.A. tapes may be contacted at Box 184, The Basin, Victoria 3154.

abandoned, and then only by way of a caption to a photograph (*Age*, 10/5). *The Age* did not publish either a letter to the editor or a press release from the ACLU pointing out the threat to the democratic process by demonstrators who do not draw a distinction between restrained interjections and organised disruption of meetings. The forced abandonment of a meeting called by a new political party was the lead news item on most TV stations and was covered extensively in other newspapers. Imagine the reaction of *The Age* if a meeting opposed to changes in the powers of the Auditor General, a case heavily promoted by *The Age*, or a meeting of Mr. Brumby were abandoned in similar circumstances. The way *The Age* reacted to the abandonment of the Hobart meeting reflects its hostility to Mrs. Hanson and its ambivalent attitude to freedom of speech.

In view of the number of feature articles etc. that I have documented, critical of Mrs. Hanson, will *The Age* consider publication of my article with some updates? Is *The Age* prepared to publish a letter to the editor supportive of Mrs. Hanson and referring to *Age* bias? The elitism and snobbishness of such material in *The Age* about Mrs. Hanson is reflected in one of many letters attacking her (8/5) which referred to her as being an "uneducated ill-informed fish fryer". One recent feature article headed: "*So much talk, so little listening*", hoped that when people "listened" to Mrs. Hanson they would reject her. Unfortunately, perhaps for *The Age*, people who have been subjected to the type of arguments used in *The Age* and other parts of the media have not significantly changed their views in relation to immigration and multiculturalism in the last 30 years. People are "hearing" "the talk" of *The Age*, but are not "listening" partly because so much of the propaganda in most of the media is so much over the top that it is counterproductive.

I am not sure how to interpret the comments by Tony Barta (*The Age*, 17/5) when he refers to Hitler's "One Nation" party and that "killing Hitler is a project that has to be kept up by each generation". Hitler's party was not called One Nation, and it is far fetched to say Mrs. Hanson's One Nation policies are similar to those of the Nazis. What is Mr. Barta advocating in relation to Mrs. Hanson?

John Bennett, Australian Civil Liberties, 122 Canning Street, Carlton, Vic. 3053. (03) 9347 8671.

MY UNPAID WORKER HARRY FERGUSON

I first heard about Harry Ferguson shortly after the Second World War. But it was not until 1951 that I first met up with him. I hired him to work on my 200-acre property outside Melbourne. He has been working for me ever since. Although the years are starting to tell on him, he is still capable of the same amount of work that he did 45 years ago. During his long years of service to my family, Harry Ferguson has never been paid a cent. He has never asked for any payment. Well might someone ask, "*What type of a man is Harry Ferguson that he should serve a family without financial reward for nearly half a century?*" The truth is that Harry Ferguson has been dead for many years. But long before he died he left me a tractor, small by today's standards, incorporating a number of features which

were unique when first applied. There was, for example, the three point hydraulic linkage system.

Like many other outstanding engineers, Harry Ferguson was a Scot. In designing his tractor, Harry Ferguson drew upon a cultural heritage developed by many engineers who had preceded him. This heritage consists of many truths discovered over generations. Harry Ferguson made his own distinctive contribution to this heritage, a contribution that has been inherited by others. When I first obtained a Ferguson tractor, it was generally adequate for working a medium sized property. But as properties became bigger as a result of orthodox economics, bigger tractors became essential. But most of them incorporated the principles of the tractor, which Harry Ferguson designed.

The growth of what is called "hobby farming" has resulted in a big demand for the original Ferguson tractor - generally described as the "Grey Fergie". It can be used for a multitude of activities from pulling a chisel plough to driving a circular saw for providing firewood. Its hydraulic system enables work to be done which would require the muscular effort of at least a dozen men. Every time I undertake a task, which would otherwise have required the contribution of many men, I almost invariably say to myself, "*Thank you, Harry Ferguson, for your help.*" My little "Grey Fergie" is the physical manifestation of a cultural heritage, which I appreciate.

The famous scientist Newton said that he was able to see just a little further because he was able to stand on the backs of those who had gone before him. The cultural heritage, in all its numerous manifestations, belongs by natural right to all individuals. Inheritance is the basic underlying reality, which has made the modern technological revolution possible. How that inheritance is used is basically a moral question, which can only be answered by asking the following questions: "*What is the true purpose of Man? What is the true purpose of his economic and other systems?*" The future of civilisation depends upon how these questions are answered.

"THE CHURCH OF MODERN MEDICINE"

Medical sanction and promotion of birth control at all costs and small families doesn't serve any proven medical purpose, but it sure serves the interests of the industry-government complex. Once again, women and children are on the wrong end of the process. Many women *want* an outside job merely to make ends meet in the household. That strikes me as a political-economic problem more than anything else, since the head of a household - man or woman - should be able to support the family without the other adult having to go to work. Facing *that* problem requires taking on some of the basic inequities of our society. So we call in the doctors to medicalise the situation. Since large families require a mother (or father) to stay around the house longer before going to seek employment, doctors declare small families better than large ones. Then, doctors supply the apparatus needed to keep families small and put less strain on the institutions that like to maintain economic and political control, institutions that would have to yield some power if it suddenly became an issue that one wage-earner per family was simply not enough any more.

Large families require more *time* and *money*, but they also provide a *support* for their members, which ultimately make them independent of the government and the industrial employer. If a man has brothers, sisters, aunts, uncles and parents close by he can count on their support if conditions on the job make working more unhealthy than not working. But when the family is small and isolated from relatives, there is no such cushion at home. The nuclear family best serves the interests of the employer, since the worker has enough

responsibility to require employment, but not enough to motivate to exceed the limits acceptable to industry. When the home is strong however, job, hospital and government have less chance of appropriating the will of the people. Doctors promise a woman "liberation" from her biology, but deliver her into the hands of far less considerate masters.

Robert S. Mendelsohn, in *Confessions of a Medical Heretic*.

FINE WORDS ARE NOT ENOUGH

A Response to "The Common Good"

by Anthony Cooney in "The Social Crediter", May-June.

Social Credit - The power of human beings in association to produce the result intended, measured in terms of human satisfaction.

The Common Good, a statement drawn up by a working party for the Catholic Bishops' Conference of England and Wales, has been adopted and endorsed. The document is now presented for discussion and responses. This response trusts the Bishops will address themselves to the absence in The Common Good of any consideration of the key role of the monetary system in our present discontents.

C.H. Douglas defined Social Credit as "The Policy of a Philosophy" and amplified this by saying that the Philosophy was Christianity, and Social Credit "Applied Christianity". In this regard the section Morality and the Market Place (paras. 76-80) presents fairly the theory of *laissez-faire*: namely, that where a demand exists, someone will work to supply it, so that if these two forces are allowed free interplay and competition, then all demands will be satisfied at the lowest possible (and therefore economically efficient) price.

The Common Good acknowledges, as Douglas pointed out, that no central plan can even know, let alone take account of, all the myriad day-to-day interactions of supply and demand, and the attempt to do so in socialist countries has been catastrophic in its results. Nevertheless a valid criticism of *laissez-faire* does exist, and the document puts its finger squarely upon it: namely that to regard the theory as "a God-given natural law, is a view which can amount to idolatry or a form of economic superstition."

A problem facing the critic of *laissez-faire* is that its theory is presented as "scientific" and disallows any refutation not couched in its own terms - "Do not," it commands at the outset of the debate, "bring into this matter questions of morality, religion or sentiment, for they have no more part in it than questions of beauty or ugliness." Ruskin demolished the "scientific pretensions of 'Your common Political Economist'."⁽¹⁾

The Common Good makes a fair fist of its criticism by insisting, like Ruskin, that, on the contrary, the question of morality is primary and the "technical economic method" is not only secondary, but must be measured against the "world view" of Christianity. As Douglas put it, "Society is primarily metaphysical."

The next section, Option Against the Poor (paras. 81-98) gives no consideration to the monetary system. Is it not just possible, one must ask the authors, that the key to the operations of a monetary economy might be its monetary system?

Paragraph 84 for example argues, "The search for profit must not be allowed to override all other moral considerations. For instance the creation and stimulation of markets by advertising . . ." Is it not possible that both are a necessity of a monetary system, which makes 'growth' mandatory? Paragraph 85 argues, "The idea that the individual is primarily to be considered as a consumer" is contrary to the Gospel; further (a pragmatic touch here) "It gravely disadvantages those who do not have wealth to spend." *Ah, but they do!* They have the common inheritance of wealth to spend. What they do not have is MONEY to spend. Whilst we agree that the individual is not merely a "consumer", that is not to say that the individual, in his function as consumer, should not be sovereign. Douglas once illustrated this point with a play on the word 'sovereign'. I paraphrase, since the passage is uncollected - "When a man went into a shop and proffered a sovereign to justify his demand for an article on the shelf, he issued a chain of orders. For him ships sailed, farmers farmed, carriers carried, machinists machined, all to replace the article on the shelf."

There is no need to assume, as the authors of The Common Good sometimes seem to assume, that this work is done miserably and grudgingly, simply because it is paid for by some fraction of the 'sovereign' which set in motion the chain of commands. Might not some at least of those who worked to fill the demand have taken moral pleasure in doing so because they were "governed by moral considerations, not least the demands of justice"? To deny this possibility seems to me to concede absolutely the *laissez-faire* case. Douglas ends his illustration however with this observation - "The defect of *laissez-faire* was that not enough people had a 'sovereign' to make their demand for goods and services effective."

It is clearly not beyond the remit of The Common Good to consider the possibility that the monetary system is working unjustly nor to ask if it might have some bearing upon the working of the production/consumption cycle. Is it claimed that whereas the Free Market System is not "God-given natural law" the monetary system is, and must not be questioned nor examined by impious minds?

Let us suppose that Douglas was right when he stated that production generates prices at a *faster rate* than it distributes income to meet those prices.⁽²⁾ It will follow that some people, (e.g. the unemployable) will have insufficient money to buy their needs and that, *although surrounded not merely by sufficiency, but by an abundance of goods*, they will sink into that "underclass" The Common Good rightly warns against and deplors. It will also follow that manufacturers will

not recover their costs, unless they maintain 'growth' paid for by bank debt *and by unceasing effort to create an artificial demand for that growth*. It will also follow that that 'growth' will necessitate the stripping of our land (and many other lands) of grass and grain and covering it with steel and concrete. Finally it will follow that total indebtedness will always increase, not only in the home market, but in the Third World to which the debt is transferred by means of export "drives".

It is not merely that the questions of money and credit, their origin and ownership, cannot be avoided but that they are equally and pressingly relevant to the problems of Third World destitution and environmental destruction. Yet The Common Good discusses The Global Common Good (paras. 102-105) with only one reference to the debt burden, and The Environmental Common Good (paras. 106-108) without any reference to it at all!

No one can reasonably deny that the conditions described above are now extant, yet the section The World of Work (paras 90-98) is weakened by the absence of any consideration of how a JUST WAGE may be paid if the monetary system does not in fact reflect the TRUE COST of production, namely all consumption during the same period. For example paragraphs 90-93 examine the nature of human work in terms, which call to mind Ruskin's observation that the reward of work is not in being paid, but in being chosen. Nevertheless all work of a kind must be paid at the same rate - the just rate - for only under that condition will the good worker be chosen - "*Friend, I do thee no wrong. Didst thou not agree with me for a penny? Take that thine is, and go thy way, I will give unto this last even as unto thee.*"

In *Economic Democracy* Douglas draws a comparison between the enthusiasm and energy, which may be put into a game and that which is put into "work". The reason for the dichotomy is that men are most usually obliged by economic necessity to do work they dislike. How then can men be set free to do the right work and paid a just wage? Paragraph 98 rightly says that State welfare is not a desirable substitute for the just wage. However such an objection does not apply to a *Dividend*. Douglas has argued that a percentage of production is attributable to "The Cultural Heritage" - the legacy of knowledge from the past, and that this is common property. However no monetary equivalent of this wealth exists anywhere. If this percentage were "monetised" by the state, all individuals, as heirs, would be entitled to a share of it. In short, the work a man does entitles him to a wage; the work his forefathers have done entitles him also to a *Social* dividend, irrespective of whether he is industrious or idle, a good worker or a poor one. It needs something of a leap of faith to accept the idea of all families having a private income. Social Crediters have made that leap. Can the authors of *The Common Good*?

With the final sections Ownership and Property (paras. 109-112) and Crisis in the Social Dimension (paras. 113-120) no Social Creditor would disagree. Ownership and Property welcomes the spread of ownership in capital assets rather than in land, workshops and homes, but again shows no sign of recognising that if the monetary system is flawed then ownership of capital assets is particularly precarious. Further, well-distributed property cannot long be maintained in a system of monetary creation *as debt*, which is responsible for the concentration of ownership in the first place. These weaknesses in this section arise directly from the failure to critically

examine the monetary system in the first place. However, much in these sections reads like Douglas. For example, compare "The economy exists for the human person, not the other way round" with Douglas: "Society exists for the individual, not the individual for society." Or contrast "The British have always had a feeling for 'the common good' even if they have not expressed it in those terms. They are no longer sure that that principle can be relied upon.... the loss of confidence in the concept of the common good is one of the primary factors behind the national mood of pessimism." With Douglas: "The root problem of civilisation - not the only problem, but that which has to be disposed of before any other - is the problem of the provision of bed, board and clothes, and this affects the ordinary man in terms of effort. If he has to work hard and long hours to obtain a precarious existence, then for him civilisation fails." (*C.H. Douglas, "The Control and Distribution of Production"*)

Both passages are concerned with the loss of confidence (Credit) in Society - the negation of the Social Credit. The authors supply, as an appendix, some extracts from Papal encyclicals. For reasons not apparent (surely not fear) they quote only a truncated version of one of the most powerful condemnations of the monetary system, made by a Pope. The full quotation is:

"In the first place, then, it is patent that in our days not wealth alone is accumulated, but immense power and despotic economic domination are concentrated in the hands of a few, who for the most part are not the owners, but only trustees and directors of invested funds, which they administer at their own good pleasure.

"This domination is most powerfully exercised by those who, because they hold and control money, also govern credit and determine its allotment, for that reason supplying, so to speak, the life-blood, and grasping in their hands, as it were, the very soul of production, so that no one can breathe against their will." (*Quadragesimo Anno*, paras. 105/106 C.T.S. London 1960).

Finally, a word on paragraphs 62-65, grouped under the heading SPECIFIC ISSUES IN A GENERAL ELECTION. The content is largely the conventional wisdom of the party system. The authors indeed seem to accept the party system, unlike *laissez-faire*, is part of a God-given natural order. It is this section to which most objection has been made, not least among Catholics active in the political field.

Two faults among a tangle of many: A party 'platform' is determined by a small caucus and consists of policies acting as a package to be accepted in full, however unacceptable individual items therein might be to the individual. Thus good policies 'carry' bad, the latter often taking over in the end. Douglas is relevant here - "Freedom is the ability to choose or refuse one thing at a time."

Secondly, in a General Election few seats may change hands. Even if representatives change, most MP's are NOT democratically elected by voters forced to select the choice of a caucus or pressure group. In such circumstances, only a candidate binding him/her self to find and pursue the policy of the constituency at large can be justified. Currently, this would be "a single issue" candidate - one eminently necessary if the electorate rather than a party hierarchy is to win the election. As it stands, a few minds mould the mass and party loyalty is placed above conscience and constituency concerns. Seeking

this single issue The Common Good would thus have been more correctly named. We still await sighting of the Kingdom of God within.
Anthony Cooney.

Notes:

1. cf, UNTO THIS LAST: The Roots of Honour
2. Douglas' major books are all relevant but attention is drawn to *RECONSTRUCTION*.

TAXES, BUDGETS AND THE ABILITY TO PAY

"The art of taxation consists in so plucking the goose as to obtain the largest possible amount of feathers with the smallest amount of hissing."

Jean Baptiste Colbert (1619 - 1683)

Prime Minister Howard has announced, as one of three 'mantras' required to solve Australia's unemployment, a policy of 'tax-reform'.

Agreed. But wait a minute. He didn't say 'tax-reduction'. Nor did he say anything about 'limits to taxation'.

Sir Robert Menzies, campaigning for the Liberal Party in 1949, stated:

"Our principle, plainly stated in 1949, is that taxation and production are vitally related. This relationship takes two forms:

The first is that as production increases, and the national income grows, rates of taxation can be reduced without reducing the total tax yield. I want to emphasise this vital point. In other words, as the volume and value of production go up, the burden of tax on each pound of income can and should be reduced.

The second is that in certain cases a reduction of tax may act as an incentive to increased production or greater business activity.

We shall act upon both of these principles to the limit of our capacity!

(Senate Campaign 1953, Menzies' Opening Speech)

Applying this principle, Peter Costello's 1997 Budget should have introduced a tax-reduction commensurate with the growth over the previous twelve months.

Instead, the Commonwealth total of direct and indirect taxation is to be increased from \$125 billion to \$133 billion - an \$8 billion, or 6.4% increase. This is higher than the claimed inflation level.

Taking Australia's population to be a round figure of 18 million, Canberra's direct and indirect taxation will average in this Budget \$7,350 per head of population. For a mother, father and two children this figure equals \$29,400 per annum.

To this must be added State taxes, which average approximately \$1,650 per head, or \$6,600 for a family of four. Local Council rates are a lowly \$70 per head, or \$280 per family of four.

Altogether, Commonwealth, State and Local taxes between them average \$9,070 for each living person in Australia, or an average \$36,280 per family of four. Work it out with pencil and paper - this amounts to just on \$700 per week per family on average.

Obviously, more taxes are paid by the wealthy; but taxes can only be recovered in prices - of production, consumables and services.

Surely, before any discussion as to HOW the goose is to be plucked, there must be some statement and agreement on what proportion of feathers is to be extracted. Both John Maynard Keynes and Karl Marx agreed that, once a State was taxing more than 20% of the total income of the citizens it was well on the way to totalitarianism. Australia is well beyond this figure.

Add to this the fact that a lot of income earned by foreign corporations is un-taxed, and the penalty for being an Australian citizen, as far as the "pluckers" are concerned, is high indeed.

ILL FARES THE LAND

At the end of World War II Australia had over a quarter-of-a-million farmers. A further 40,000 moved onto the land in soldier-settlement schemes, lifting the total to almost 300,000.

For the last 36 years the average loss of farmers has been 13 per day. The first rural reconstruction schemes promised that the removal of 10% of 'uneconomic farmers' would ensure a stable base for the remainder. Former National Party spokesman Doug Anthony said those to be reconstructed should be enabled to "leave the land with dignity."

Current Primary Industry Minister John Anderson has recently used the same words about the continuing exodus.

We are now down below 100,000, from the 300,000 peak. Of those remaining the Toowoomba *Chronicle* recently reported:

"At the Rural Summit in July 1996, an ex-banker, Chris Shearer, produced a paper sponsored by the Australian Bankers' Association, and based on information supplied by the Australian Bureau of Agricultural Resource Economics (ABARE) and undoubtedly the best informed set of figures available.

He showed that 88% of beef producers were at risk; 76% of sheep producers were at risk; 54% of general farmers and 54% of cotton farmers were at risk.

"At risk" means their interest payments were greater than their incomes; and the list proceeded through all primary industry activities. The average of all pursuits was approximately 75% at risk...."

Some dignity!