



# ON TARGET

- NEWS HIGHLIGHTS
- BACKGROUND INFORMATION
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*The price of Freedom is eternal vigilance—*

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Thought for the Week: "Let us not make any mistake that inflation, now rampaging with ever-increasing speed, is the greatest threat to the free world. It makes the rich richer, and the poor poorer. The 'slovers' have thought of many ways to deal with it, of which the most popular are high taxation and high interest rates. They don't realise that high taxation and high interest rates are two major contributory factors toward inflation.

"Let me again repeat that inflation must come to be regarded as morally wrong and politically dangerous. There is no reason... why a sound medium of exchange should not be recreated."

— London banker, Walter Salomon, in his book. One Man's View.

MANUFACTURING WORLD CRISES: Eric D. Butler reports from Canada.

Every mature student of present-day politics knows how many crises are manufactured by the controllers of the media, and that while attention is focussed on a crisis, events of the greatest importance are taking place with the minimum of publicity. Talking to one of the best-informed journalists in Washington a few days ago, I learned that Jimmy Carter has decided to toughen his anti-Iranian stand, and that a report is circulating that the President has a declaration of war ready on his desk to use. But also revealed in Washington is the fact that the American hostages could have been freed with comparatively few risks if the Carter Administration had moved immediately the hostages were seized. With a deteriorating internal economic situation, Carter needs a continuing international crisis which he can use to help convince the American electors that he can provide the type of firm leadership challenger Ronald Reagan is suggesting. Washington observers fear that having encouraged Communist expansion for three years, with the International Bankers and associates of the Trilateral Commission endorsing this attitude, Carter may in desperation now over-react and produce a situation which could get completely out of hand.

Since the days when only the League of Rights and associated groups were making any concerted attempt to expose how the Soviet has been sustained by massive Western economic blood-transfusions, there is now a flood of documented material on the subject. Some commentators are suggesting that having built the Soviet up, the International banking groups behind the Trilateral Commission are now prepared to have the Soviet presented as a threat to divert attention from the building up of Communist China as leader of "The Third World" nations. Comparatively few, one of these being Solzhenitsyn, noted how in announcing his sudden conversion to an anti-Soviet stance following the Soviet built up in Afghanistan, Carter elevated Communist China to the status of a most favoured nation, this preparing the way for the open financing of massive American technology to the "good" Chinese Communists in order that they may provide a balance against the "bad" Soviet Communists. Solzhenitsyn described this policy as evidence of madness. It is mad in the sense that those responsible are attempting to control a power game which can only result in increasingly explosive situations. But there is no doubt that just as there was design behind the tumult of the French Revolution, as described by Lord Acton, so there is design behind the deepening world crisis. But it is essential to bear in mind always that the designers who exploit a crisis, are attempting to publicise those aspects of the crisis which they feel best serves to mask their intentions.

British Foreign Minister Lord Carrington's background and performances confirm the view that he is a "key" man amongst the Trilateralists. His incredible achievement in imposing a Marxist Government in Rhodesia was carried through while the Afghanistan affair dominated the headlines. Now Carrington proposes that the Afghanistan affair be settled by the "neutralisation" of Afghanistan, with Soviet troops withdrawing. If the West gives an assurance that a "neutral" Afghanistan Government - which means a disguised Soviet Government - will not be threatened by the Western aid given to neighbouring Moslem countries, this will enable the Soviet to secure another firm base from which to operate.

While respecting the views of some able commentators who suggest that the forces which built up the Soviet have now decided that the Soviet is strong enough, and the blood transfusions can be cut back, I see little hard evidence to support this view. In a recent interview with the Washington Conservative weekly, "Human Events", Mr. Lawrence Brady, former Deputy Director of the Office of Export Administration for the Department of Commerce, who was harassed to the point where he resigned his job because he exposed how American technology had been used for the manufacturing in the Kama River truck factory of the Soviet trucks used in Afghanistan, asserts that Carter's trade embargo against the Soviet is a "gimmick". Brady claims that

at least 96% of previous exports to the Soviet are continuing. He feels that the embargo on the other 4 per cent could only be temporary. Sakharov, the Soviet dissident, is on record as claiming that the Soviet and American economic systems were moving closer together. So while President Carter continues to verbally condemn the Soviet's build up in Afghanistan, the economic blood transfusions continue.

And, perhaps significantly, the belated mounting Western and Japanese pressure on Iran is helping to ensure that Iran has only one major market for its oil - the Soviet Union! If President Carter does declare war on Iran, there is little doubt that the situation will be used to step up the "energy crisis" campaign and to impose widespread controls on the American people. Whatever emerges in the fast-moving convulsions everywhere, it is certain that behind the crises the designers will be moving feverishly to further a Grand Design now much easier to see than when C.H. Douglas, Douglas Reed and others wrote about it years ago. This is the encouraging aspect of the situation. It produces the opportunity for the informed minority of faith to show their fellows how to act constructively.

GROWING DEPRESSION: Major journals round the world are now reporting week by week on the growing world recession triggered by the slump in the United States. NEWSWEEK (May 5th, 1980) for instance, reported: "Jimmy Carter and Federal Reserve chairman Paul Volcker had both acknowledged the obvious; beset by double-digit inflation, sky-high interest rates and financial distortions of every kind, the U.S. economy had finally stumbled into recession... At the moment most economists agree the recession is only just beginning - and they contend that it is quickly assuming a dangerous life of its own. Industrial production is falling sharply and new orders for durable goods are slowing. Savings and loan associations, the principle sources of money for the depressed housing industry, are losing deposits to money market mutual funds - and with domestic auto sales plunging, Detroit is becoming a disaster area. The ripples from the automobile industry are beginning to spread: in little more than a month new steel orders have plummeted nearly 50 percent - and most analysts believe it is only a matter of time before the mills start closing and layoffs begin to mount... a poll by the University of Michigan's Survey Research Centre reveals that consumers are more dispirited than at any time since the regular surveys began in 1946.....

The Financial Review (April 30, 1980) reported: "The failure of governments round the world to control their domestic economies has led to a surge of protectionist sentiment which, say the prophets of doom, threatens an all-out trade war... The prestigious Wall Street Journal has seen fit to draw a broad parallel between the rampantly protectionist period of the 20s and 30s which served to deepen the Great Depression and the mood today, which could see the world sliding

down the slippery slope to the same highly dangerous protectionist excesses...."

With the mounting tide of depression, NEWSWEEK referred to "the world's top finance ministers and central bankers gathered in Germany for their scheduled International Monetary Fund meeting..." Subject? The plan to substitute the I.M.F.'s Special Drawing Rights ("paper gold") in place of the \$US as a reserve currency.

In a special article on this subject The Weekend Australian (April 26-27, 1980) said: "Some fresh ideas are blowing through the musty, report-lined rooms of the International Monetary Fund. They could help the US dollar retreat gracefully from its imperial role as the world's main reserve currency and breathe new life into the Special Drawing Rights - the funny money used by central bankers, but practically no-one else. These central bankers and a clutch of finance ministers will meet in Hamburg next week for the IMF's interim committee. If they are bold, they will start a revolution in that stolidly bourgeois city. Their subversive tract is a detailed plan for a dollar substitution account to be run by the IMF... Through the substitution account, central banks will swap some of their dollars for S.D.R.'s. These SDR's were created by the IMF in 1969 as a new form of international money.... A currency aspiring to follow gold, sterling and the dollar as the natural home for official and commercial loot really ought to be called something more catchy than a Special Drawing Right. How about a globe or (French sensitivities) a monde? Or a ducat, a dibs, a doit, a simeleon, a mazuma, an arc, a bancor, a larosiere, a brandt?..." (end of quote).

The article didn't mention that the name "bancor" was originally chosen by John Maynard Keynes, who also originated the idea of a world central bank and international control of commodities. (The full story of Keynes's role, and the drive to internationalise control of money and commodities is documented in the book "Upon That Mountain" by Jeremy Lee, \$1 posted from all League addresses).

It is only by a deliberately-created world financial crisis that nations can be panicked into handing their sovereignty into the clutches of a bunch of international money lenders. The stage is being set for such an event.

BASIC FUND: The Fund is inching forward. During the past week 10 supporters donated \$219, thus taking the progressive total to \$43,727. If most of those supporters who have been "thinking about" sending in their contribution now do so, we shall have the Basic Fund out of the way for this League financial year.

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