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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: ".....why not capitalise on many people's desire for an environment of character and charm, which is also more conducive to productive work because the surroundings make you feel better? This is very much the age of the computer and the word processor, but why on earth do we have to be surrounded by buildings that look like such machines?" – Prince Charles.

INFLATION GOES ON FOR EVER by Eric D. Butler: The poet Tennyson wrote of the brook which, while men come and go, went on forever. The same can be said about inflation. The politicians come and go, but inflation keeps on growing. Those who have taken the trouble to study how the present finance-economic system works, know that under present policies it does not matter which government is in office: growing debt, higher taxes and inflation are mathematically certain. There are periods when the **rate** of inflation is reduced, this taking place when depression conditions are imposed. The inflation rate was drastically reduced during the Great Depression years of the 'thirties. But there was a drastic price: mass unemployment, large-scale bankruptcies, massive social dislocation which helped to fuel the Marxist and similar revolutionary movements.

The current world-wide recession, the one which Prime Minister Keating said "we had to have", has once again demonstrated that a horrendous price must be paid to reduce inflation under orthodox financial rules. It is important to note that inflation has not been **abolished**, that its destructive influences continue. But as regular readers of this journal know, even the relatively lower rate of inflation cannot be continued indefinitely. And so it was not surprising to read the headlines in last weekend's media: "INFLATION ROCKS WALL STREET". A report from New York reads, *"Although the U.S. has had very favourable wholesale and retail inflation figures recently, the fear now is that inflation will be fueled by a general rise in commodity prices as the U.S. economy continues to grow and European countries show increasing signs of economic improvement."* Any improvement in the economy can only be the result of an increase in the rate of credit creation by the banking system. This means an increase in debt expansion. One result of this development is an increase in interest rates. Over recent weeks Australians have been conditioned to accept a rise in interest rates as "inevitable". Some of these rates, particularly for small businesses and for farmers, have remained relatively high during the current recession.

The reality of the present situation is that while present debt-financial policies are continued, there is no way out of a deepening crisis. Prime Minister Keating and his "advisers" may believe that they have mastered the classical "boom-bust cycle", that they can "control" inflation. But as demonstrated time and time again in the past, no permanent economic or social stability is possible under debt-finance. The only way to avoid still greater disasters than those of the past is the injection of some debt-free new financial credits directly into the hands of consumers. A start could be made by using such new debt-free credits to finance an adequate living allowance free of means-testing for all those mothers who would prefer to leave the work force and stay home full time and look after their homes and families. This could lead to a major step towards making constructive employment available for all those young Australians currently being destroyed by the unemployment system.

WE RECEIVE ASTONISHING LETTER: Following the publication of a book by a Jewish author on the heavy involvement of Jews in the anti-Vietnam War movement, the League of Rights obtained from the author, Mr. Phillip Mendes, a small supply of his work and offered it for sale. Mr. Mendes' book merely confirmed what we already knew. There was no secret about the leading role played by Jewish leaders in the U.S.A. concerning opposition to the Vietnam War. The embattled President Johnson at one stage called a special meeting with American Jewish leaders. Upon his return to Australia, the late Sir Reginald Sholl, who had served as Australian Consul in New York, gave an address to Australian doctors in which he commented on the leading role of American Jews opposing the Vietnam War. We offered the Mendes book primarily as a service to students of Australian politics.

But we were astonished to receive a letter from Mr. Mendes complaining about the League selling his book, suggesting that we had obtained supplies by subterfuge methods. Mr. Mendes received payment for the consignment to the Melbourne Heritage Bookshop on a League of Rights cheque which he banked. Mr. Mendes made the remarkable request that we stop selling his book, and that if we refused to do this, he would take some unspecified action against us. Clearly someone had applied the blowtorch methods to him. Mr. Eric Butler was given his letter for a response, in which he made it clear that the League was not going to be intimidated, suggesting that he meet with Mr. Mendes to discuss the matter. Mr. Butler said that the League was quite happy to tell the readers of League journals that there was no suggestion of any connection between Mr. Mendes' book and League, but suggested that upon reflection, Mr. Mendes might consider this rather silly. Mr. Mendes now says that he will leave the matter if we make this clear. We are astonished that anyone should think that because we sold Mr. Mendes' book he is in some way associated with the League. The League has in the past sold *The Communist Manifesto*, but we have no recollection of any Marxists protesting that some people might therefore think that there was some relationship between the League of Rights and Communism!

THE CAMPAIGN FOR HONEST MONEY (U.K.): In a newsletter first issued by the above organisation, over the signature of Mr. Eric de Maré (Autumn 1992), came the intelligence of the formation of the "C.H.M." and its purpose.

Eric de Maré writes in part: "The cure for world depression is known and is explained in the attached essay (the title of this essay is '*An Uninhibited Look At Money*').

"Its main message is that the global mess is a madness caused almost entirely by the abuse of money. Because money is not a commodity but a man-made convenience that has no value in itself and is only a token of wealth, what is physically possible must be financially possible. It's childish to say, for example, that we have no money for social betterment when we have the skill, plant and materials to accomplish that betterment.

"I therefore propose the formation of a CAMPAIGN FOR HONEST MONEY to press for the establishment of a NATIONAL CREDIT OFFICE under the Crown to regulate the country's money supply. Its first job will be to calculate the size of the existing GAP between incomes and prices caused by our fraudulent monetary system. Its second job will be to pay retailers state-created sums to enable them to sell their goods below cost by means of SCIENTIFIC PRICE ADJUSTMENTS – V.A.T. in reverse, as it were. The GAP will thereby be precisely filled without the need for debts and taxes, prices will fall, inflation will be eliminated for good, and people will have enough purchasing power to buy all that has been produced. (National Dividends can come later). Until these simple adjustments are made, nothing in our affairs will go right, whatever political party is in government."

Mr. de Maré asked all his contacts in the U.K. for moral and financial support to launch his campaign (we have no information, yet, about its success), and to send material to contractors, industrialists, businessmen, etc., etc.

League Bookshops have copies of *A Matter of Life and Debt* by Eric de Maré (\$10.00 posted).

We must conclude this item with the opening paragraph of Eric de Maré's essay, "*An Uninhibited Look At Money*":

"Individuals, industries and nations are deep in debt. We cannot all be in debt to one another. To whom then are these astronomical sums owed? And why should they exist? Since only the world's banks can create money, how can the debts ever be fully repaid – except by the creation of more debts? To liquidate them under the prevailing system is mathematically impossible....."

The address of the CAMPAIGN FOR HONEST MONEY (U.K.) is P.O. Box 47, Cirencester, Glos., GL7 6YA.

BRIEF COMMENTS:

The Kennett Government has hit the Victorian taxpayers again, this time with increased water rates for the majority of water uses. Under the guise of introducing a user-pays system, the **total** revenue of Melbourne Water will be substantially increased. Melbourne Water indicates that the extra \$20 million generated by the rise will be used to cut its debt, currently costing \$400 million a year to service. Over 60 cents in every dollar of revenue is used to service debt. There is little doubt that the way is being prepared for the privatisation of Melbourne Water. With the increased taxes, gas, water, electricity and the \$100 home tax, the average Victorian family is now at least \$1,500 a year worse off than previously. Needless to say, Premier Kennett blames the previous, Labor, Government for his savage assault on all Victorians. He is helped by the fact that the Labor Opposition offers no genuine alternatives.

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We have no objection to young Australians receiving a better education concerning the Federal Constitution, but we fear a most distorted presentation if Paul Keating has anything to do with it. Once again the Prime Minister has demonstrated that he is prepared to distort history to serve his own political ends. He has made the absurd statement that the Federal Constitution "was designed by the British Foreign Office". The truth is that the Federal Constitution was designed by Australians and adopted by Australians. One of the main purposes of the Constitution was to limit the powers of the Federal Government and to preserve State Governments. But Paul Keating does not like to admit this basic fact.

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The Downer-led Federal Opposition has agreed to support in principle the race vilification legislation proposed by the Keating Government under pressure from the Zionist-Jewish lobby. Opposition members keep insisting that the legislation must be balanced against the necessity to protect freedom of speech. There is no need for any such legislation and a genuine Opposition would bluntly say this and oppose the proposed legislation. But the Opposition, particularly the Liberals, do not want to upset the Zionist-Jewish lobby more than necessary.

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Liberal leader Downer's admission that the Opposition had lost the support of the Asian communities and that he was now taking steps to repair any electoral damage, highlights once again the impact of multiculturalism on Australian politics.