A WEEKLY COMMENTARY

ON TARGET

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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: We should remember that Social Credit seeks to establish the consumer, not the banks and not the government, in a position of sovereignty with regard to control of production policy.

Social Credit seeks to establish genuine widespread economic democracy, meaning the power of consumers armed with adequate purchasing-power to determine the pattern of production through exercise of their "money-vote". The producer must obtain his money from the consumer and must bend to the desires of consumers expressed through their buying patterns.

The nation's credit does not belong to the banks or the government but rather to the consuming public, i.e., to all citizens as consumers.

We do not want the state to appropriate the public credit in order to build monuments for its own glorification. Our policy is to assist consumption directly and not through money distributed for capital works. This latter policy is more representative of the economic policies of fascism and communism. Social Credit would make possible increasing leisure, i.e., self-chosen intellectual, spiritual and cultural activity which transcends mere commercialism.

The policy of creating "work" to maintain employment was (is) the cornerstone policy of both communism and fascism – as it must be for all forms of totalitarianism. It is also essentially the policy of finance-capitalism inasmuch the existing financial system issues money only for production and never for consumption. – Wallace Klinck, Canada, March, 2009

NEWS FLASH! TAIWAN'S 'NATIONAL DIVIDEND' from Wallace Klinck, Canada: We have received confirmation of the recent monetary experiment in Taiwan whereby direct consumer credits were issued to all citizens. It remains to be determined how this issue was financed: by taxation, by enlarged public debt – or by a creation of credit not registered as debt.

A message from a colleague reads: I can confirm that money (in the form of vouchers valid for use for purchasing consumer goods in shops) was recently (February 2009) made available for collection from the post office in Taiwan. The amount was NT3,600 (equivalent to about £75 (Canadian?) as calculated by currency exchange rate, but I am advised it is much more than this in purchasing power) for every man, woman and child (even babies).

My sister-in-law, who is a Taiwanese citizen and a U.K. citizen, and presently lives in the U.K., was on holiday in Taiwan at the time with my brother and niece, and so she was eligible to collect NT3,600 as well (which she happily spent at the shops!), and her brother's family (2 adults and 3 young children) collected NT18,000.

The distribution was done under the guise of Chinese New Year celebrations and the customary 'red envelopes' (and probably also as a 'goodwill gesture' by the recently-elected KMT party) as a way of hiding the real economic need for it. As far as I am advised, there were no complaints! Nobody asked "where did the money come from?"*

As far as I can determine, the vouchers, issued by the government, are redeemed by the shopkeepers by exchanging them for cash, or equivalent (bank balance increase), from the government. I will try to find out more details on this part of the process.

So, it seems we now have another example (of credits issued for consumption...*ed*).

*At present, the population of Taiwan is about 23 million, so that amounts to a distribution of NT82.8 billion (about £1.725 billion), if all the vouchers are claimed and used (which, my brother advises me, they will be!) – it would be interesting to find out if the Taiwan government debt had an abnormal increase of NT83 billion in February this year, ***if not, it could be that the 'money' was issued 'debt-free' and 'tax-free'.***

From the National Director D. J. Auchterlonie: Enclosed with this edition is a petition to Members of Parliament, State and Federal. I suggest that a covering letter be sent with the petition urging your representative to seriously consider the points raised in the petition, and point out that there is no one pointing to any policy but going further into debt to try to keep the economy operating.

<u>THE CLASH AND CRASH OF CIVILISATIONS</u> by James Reed: Samuel Huntington, U.S. scholar, published a ground shaking essay, "The Clash of Civilisations" in 1996. The argument was highly controversial for academics at the time to contemplate: traditional disputes such as capitalism versus communism will be replaced by civilisational conflicts: the West versus Islam, China, Russia, Latin America, India, Japan and Africa. He said that the West was losing the war against the rest and pointed his finger at Paul Keating's Asianisation policy as a defection from the West.

Huntington was on the right track, but decades before him, Eric Butler also recognised that conflicts would occur through pluralism and globalisation, and before him, Major Douglas. Nevertheless the "clash of civilisations" theme was present in a speech given by General Michael V. Hayden, Director of the U.S. CIA, at Kansas State University last year ("The Shift in World Power" – China's military build-up is aimed at achieving great-power status in the years ahead).

The rapidly growing populations of the Third World will expand by migration to the developed world and be a "significant challenge". China will continue to grow in military strength, but is "not an inevitable enemy of the U.S.". That is CIA talk for " we are s- scared of China.

Nuclear-armed Pakistan may become a failed State with terrorists ultimately getting their hands on 'the nukes'. Mexico is fast becoming a drug-State as Mexico's drug cartels have a combined army as large as the Mexican army. Something resembling a civil war is occurring along the Mexican border, where 7,000 people have died, far more than in Afghanistan.

The U.S. has its own little war right on its border, no doubt soon to migrate right through the U.S. of A. Indeed, the Texas Governor has already asked B. Hussein Obama to militarise the Texas/Mexico border with U.S. troops. Ten thousand people have been killed in the Mexico drug wars since 2007. Obama, in debt to Hispanics for votes, will do nothing.

Huntington was only partially right. He did not see that there are also internal tensions within civilisations, hurling them towards their doom. We, each day, are watching Western civilisation unravel. Survival measures are appropriate, and we writers here in the "Saving Western Civilisation" series attempt to articulate the major threats and challenges as we see them.

There is not a lot we can do to help save the Americans, but we need to be aware of their plight and learn the lessons that they seem unprepared to learn. Not only is there a "clash" of civilisations along ancient fault-lines, but there is also a "crash" within civilisations – internal forces which threaten to shatter them.

WATCHING THE CHINA BREAK by Brian Simpson: As something of a footnote to James Reed's piece on the clash and crash of civilisations, the tide seems to be definitely turning towards the "crash" of civilisations, the internal breakdown of civilisations. For example, apart from the coming chaos in Pakistan, China faces enormous social dislocation with its migrant population of 20-30 million people having already lost their jobs and homes.

These will become desperate people who could cause some headaches for the Communists who still rule China with an iron fist in a capitalist glove. The Chinese have been lifted from poverty – well, millions of them – because Western capitalists have made China a factory of the world. But this is an insecure, unsustainable existence as the present global financial "crisis" shows. When China breaks this time, we all will be cut by the shrapnel.

DON'T DO WHAT I DO – DO WHAT I SAY! by Betty Luks: Readers may remember the open letter to the Archbishop of York in response to his public criticism of the money markets' questionable 'ponzi schemes', etc. (*O.T.*, Vol.45 No.4 2009). It seems the Archbishop's public statements came back 'to bite him'. Last November Simon Barrow, co-director of the religion and society think tank "Ekklesia" (Source: Christian Council for Monetary Justice website) reported:

"Following huge losses during the financial crisis, the Church of England should return to the Christian principles of using material wealth for the common good. No-one is immune from the global economic crunch. That includes the Church of England, which has £5 billion tied up in assets, pensions and buildings.

When the archbishops of Canterbury and York started to sermonise on short-term greed and the failures of market, *they were embarrassed to discover that the Church had been playing the system in pretty much the same way as everyone else.*

Initially, things looked good. Due to its share holdings, England's Established Church gained hugely from rising oil, gold and copper prices, *driven at least in part by speculators*.

Hedging their bets: "In 2006-7 the Church Commissioners, accountable to parliament, set up a currency-hedging programme, in effect short-selling sterling to guard against rises in other currencies. The C of E invested £13 million in Man Group, the largest listed hedge fund manager. It also has a stock lending programme through JP Morgan Chase and has traded debts, in spite of the Archbishop of Canterbury's criticism of doing so exclusively for profit. The Church sold a £135 million mortgage portfolio last year.

Then things went pear-shaped. A week ago the Man Group was down 30 per cent in early trading after its profits slumped, potentially wiping £4 million off the value of the Church's holdings. The Commissioners have announced an average return on investments of almost 10 per cent a year over the last ten years. But most of these are in property and equities, which have taken a hammering as markets have fallen; so future prospects are not rosy. Exposure in banking (HSBC, TSB, RBS, and HSBOS, which has fallen a staggering 90 per cent) and mining (in defiance of ethical advice) is also costing the C of E dear..."

So. Are we miserable sinners going to find our way forward via the ethical directions of the established Church? I fear not. We must press on ourselves.

But first, you must get it quite clear in your mind there is nothing new about the secretive banking and finance cult (mammon). There is clear evidence banks were operating their fraudulent 'credit-debt' ponzi schemes 6000 years ago in Sumer and then later in Egypt. It wasn't on the scale of this globalised world order of course, and it was easier for the "Money Cult" to keep the details, the secrets of how it was then done more tightly controlled by 'the chosen few'.

Further reading: "The Four Gospels"; "The Babylonian Woe" by David Astle; "War Cycles - Peace Cycles" by Richard Kelly Hoskins, and especially "The Money Trick" from the Institute of Economic Democracy.

THE UGLY UNDIES OF GLOBALISATION : THE BANKS by James Reed: Pacific Brands – clothing, footwear and bedding giant – is sacking workers and closing factories. Cheap offshore brands have made it no longer financially viable to manufacture clothes in Australia. O.K., we understand. But wait... the smell of the banks can be detected. As an article on this in *The Australian* (26/2/09, p.17) says:

"The company has also extended its debt facilities by six months to August 2010. Merrill Lynch analyst David Errington said the lenders' decision not to grant a longer extension suggested the drive to save costs was the result of pressure from Pac-Brand's bankers."

"It looks like someone has panicked, namely the banks, and you now have to cut the business ribbons to appease them," Mr. Errington said.

Yes, and to appease the banks, we have to cut our culture, society and traditions to ribbons – and that's as good an argument for social credit as you could get.

THIS IS REAL ALICE-IN-WONDERLAND STUFF: While we know Kevin Rudd is doing the same sort of thing in this country, at this stage the U.S. presents a clearer picture. We are told the financial figures for the many U.S. bailouts have reached the absurd figures of $US 9.7 trillion. But it is the financial system itself and the huge corporations being bailed out – not the people, such as those who have lost their homes and are sleeping in the tent-city in California. And yet, there is enough new credit being created to hand over a cheque for $US 92,000 to every American household, or enough to pay 90 per cent of the home mortgages in the country! (*The Privateer*, http://www.the-privateer.com Number 625 March 2009).

Instead of which, the U.S. government is bailing out their banking/financial cronies, who not only created the credit-debt out of nothing to begin with, but now want to wipe off some of the top-heavy debt figures in their books – in the latest attempt to forestall the whole house of credit-cards crashing down around them!

How do they do this, you ask? Simple: First by turning off the 'credit-debt' tap. In other words, not issuing new credits and not 'rolling over' overdrafts and loans that have come up for renewal, etc. In their own special 'lingo', they are *deflating the credit bubble*. By causing mass bankruptcies they can then wipe out many of the noughts at the end of their credit-debt accounts system... and – hopefully – perpetuate the credit-debt system.

The Global THREE "D"s: *The Privateer* explains it thus: "The first one is DE-flation: This one is enormous. It has no precedent in history in either scale or dimension. And it is still going on. Worldwide, the combined losses on shares and real estate now come close to $US 100 TRILLION..."

Continued in The Bulletin

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