



A WEEKLY COMMENTARY

ON TARGET

- NEWS HIGHLIGHTS
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The price of Freedom is eternal vigilance -

Print Post Publication Number 381667 00258

Vol.45, No.26

July 10th 2009

THOUGHT FOR THE WEEK: "The mediaeval preachers used to insist that religion which stopped short of actual conversion was like unto filthy rags. They had the root of the matter. Every attempt to treat a symptom of the financial disease diverts attention from the disease itself. The Labour revenge-complex-all-power-to-the-State-Party, with its "planning" and bureaucracy, is a great deal further from a Christian economics than even the Liberal *laissez-faire*, with all its abuses.

Both are Whiggism – an assumption of moral superiority used as a cloak behind which to exercise authority in support of the hidden potentate Mammon.

There are many readers of this review who are in despair at the revolting exhibitions of human frailty which are, so far as they are able, assisting the bankers against the Social Credit Movement.

I do not share that view. The Devil does not waste time, and he is the Father of Lies. If the Devil were not active in it, there would be no virtue in the Social Credit Movement. But that is no reason why he should not be known for what he is. "They know not what they do" does not mean that nobody else shall know what they do.

Labels mean little. There is enough of the genuine spirit of Christianity in the world today in the followers of every creed, to form the basis of a genuine democracy, and a genuine democracy can rest only on that spirit."

– C.H. Douglas, "Those Who Are Not For Us", *The Fig Tree*, 1936

C.H. DOUGLAS' WARNING STILL RELEVANT by Terence Holmes: I was delighted to learn a few months ago, that there existed a BBC recording of C.H. Douglas. To hear his voice is a delight in itself – and the subject of his speech is still so relevant for today. In this address entitled "The Causes of War" he says:

"The technical definition of 'war' is any action taken to impose your will upon an adversary, or to prevent him from imposing his will upon you."

Douglas reminds us that International Trade, and specifically, the attempt to maintain a 'favourable balance of trade', is tantamount to an act of economic war.

****Every country, in this scenario, is trying to increase its own purchasing power - at the expense of the target market. Obviously, not every country can have a favourable balance of trade - someone loses out, and that country loses local opportunities for employment.**

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Under the current financial system, this means the loss of local purchasing power and the 'economic' retaliation is to attempt to capture more international markets to regain that purchasing power which has been lost.

Douglas also states that economic war almost invariably results in military war, and that once the principles of this coerced international trade have been established, we have set ourselves on the road to conflict.

What is different today? Australia produces many times more wheat than she consumes - not primarily because we want to help the hungry of the world, but just so that we can import money in an attempt to address the chronic shortage of purchasing power at home. We see the constant attempts of overseas corporations to invest heavily in our resource industries - China being the topical example (even the Chinese Government!).

Our tariff policies, our immigration laws, our incentives for overseas students all encourage it, and ASIC seems to be under constant pressure (from outside AND inside) to relax their policies on protectionism - all for the cause of human rights/globalism/ equality, etc.

I find it disturbing that 'protectionism' is now a dirty word - another success of globalist propaganda. What's next? I surmise 'suicide' will be promoted as a worthy, altruistic cause. A global free market with no national boundaries is promoted as the panacea for poverty, yet we see that Poverty amidst Plenty is still common everywhere.

Douglas insightfully said "You cannot solve a problem merely by increasing its boundaries" - and that "the seeds of war are in every village."

Douglas sums up the situation in saying that the causes of war, and poverty amidst plenty, are the same, and the answer to them both lies in a simple rectification of the money system. The audio recording of this speech can be heard at the following page -<http://douglassocialcredit.com/douglas.php>

BRAZIL SLUM - A BEACON FOR ECONOMIC INDEPENDENCE by Betty Luks: Of course there is more to it than the following article suggests, but here is another example of local people coming to grips with the basic question of a local currency (a local accounting system) thereby attempting to overcome the chronic lack of purchasing power, and, hopefully, ensuring their own survival and sustainability.

Source: *The Epoch Times*, 22 May-4 June 2009:- "At a time when big financial firms are reviled by many for leading the world into crisis, a ramshackle bank on a potholed street has lessons in economic independence that are catching on around the world.

With its own money, the palma, that is trusted and heavily used, many of the 32,000 residents of the Palmeiras slum in the north-eastern Brazil city of Fortaleza go days without seeing or using Brazil's national currency.

Backed by the community bank that hands out zero-interest loans in the currency, the 11-year-old palma is accepted by businesses throughout the area, whose residents credit it with transforming the local economy. It has spawned more than 30 linked community banks from the Amazon region to south-eastern Espirito Santo state, in 2005.

And lately, Palmeiras residents say, the palma has shielded them from the crisis fallout spreading through Latin America's biggest economy, where millions of poor struggled to get access to credit even before the financial turmoil struck.

"The palma has helped people get over this crisis, the loans have helped give people continuity," said Joan Perreira de Souza, the 46-year-old owner of a local supermarket that has expanded in recent years thanks to loans made in palmas. "It's not total protection, but it is very significant."

New wave of interest: Experiments in local currencies and trading schemes, whose backers say they work by keeping wealth within a community and strengthening local ties, have been around for decades.

But the crisis has sparked a new wave of interest in such models as communities, including in the United States and Europe, seek to insulate themselves from the credit crunch.

"I think it's like a backstop – if everything falls down, what would we be left with," said Mary Fees, secretary of Britain's LETS LINK U.K. network of local exchange trading systems. She said there had been a surge in interest from Britons in recent months, including from those who had lost their jobs and were seeking another way to sell their skills.

Crisis-hit communities across the United States are creating or reviving their own currencies – from the "plenty" in Pittsboro, North Carolina, to the "cheers" that is accepted by some businesses in depressed Detroit – in a throwback to currencies known as "scrip" used during the Great Depression.

His advice for Wall Street? Go local. The benefits of local currencies could be more psychological than economic, some sceptical economists say. Tim Harford, author of "The Undercover Economist" book that explains the economics behind everyday life, said any extra money spent on local goods instead of "imports" would likely be cancelled out by the fall in spending on community goods by outsiders.

*(** What did Douglas have to say? "Every country, in this scenario, is trying to increase its own purchasing power – at the expense of the target market. Obviously, not every country can have a favourable balance of trade – someone loses out, and that country loses local opportunities for employment."...ed)*

"If it makes people feel good, makes them think about local products, that's great," he said. "I just wonder if the energy it takes to set up could be used for other local projects."

Excluded from credit (purchasing power...ed): Yet the Palmeiras slum, which was formed by residents of an uprooted fishing community in the 1970s, appears to be a model of success. It was impossible to find sceptics on a recent day as customers lined up at the bank's three cashier stands to take out palma loans and make deposits. As in most other, such systems the palma has a value at parity with the national currency but can only be used within a certain area. Local retailers offer a 5 per cent discount for purchases in palmas and say that about 30 per cent of their sales are now made in the currency.

"We found the reason we are poor is not because we don't have money, but that we were losing money. For everything we wanted to buy, money was going outside of the neighbourhood," said Joaquin de Mello the bank's general manager. "The crisis has shown that big, all-powerful banks without social control don't work because they exclude a lot of people who don't have access to banks."

A decade ago, residents had to leave Palmeiras just to get a haircut because of a lack of local businesses. But the combination of a local currency and available credit has helped hundreds of small businesses get started, they said. "People outside don't have the same luck we do," said Moeme Alves de Souza, a 53-year-old who runs a corner bar with her sick husband, after counting out her latest 100 palmas loan.

She uses palmas loans to finish her local shopping, while a loan from the bank in the national currency has helped her son expand his tire-fixing business next to the bar.

Stores throughout the community sell locally made products such as detergents with the Banco Palmas brand. Local production keeps youths out of trouble and helps her business by improving security, said supermarket owner Ms. de Souza.

The enthusiastic Mr. de Mello has an ambitious target of 1000 community banks in Brazil by the end of 2010. "There is enormous demand," he said.

His advice for Wall Street? Go local. "The crisis is producing an error because banks are joining together," he said. "The lesson of crisis is that you have to decentralise and get closer to the people. The more you merge the more you discriminate and reject."

THE REAL ENVIRONMENTAL CRISIS by Brian Simpson: While environmentalists are championing the existence of a climate change crisis, the real environmental crisis is the destruction of soil and the depletion of water. In Central Asia the construction of huge hydro power stations in Tajikistan and Kirghizia will impact upon downstream countries such as Kazakhstan, Uzbekistan and Turkmenia, resulting in water shortages and damaging ecologies. This type of situation is repeated across the world for various reasons.

It is not merely water which may be in short supply in the future due to expanding human populations and development, but soil as well. As detailed by Professor David Montgomery in his book "Dirt: The Erosions of Civilisations", modern techno-mechanised agriculture is depleting topsoil. Civilisations in the past that collapsed were, among other things, abusing their soils.

The Roman Empire left the soils in the Mediterranean depleted and these soils have not yet recovered. Soil erosion is thus a much more important problem than climate change because we can see soil erosion and we know that it is happening right across the world. But, unlike big money-spinning topics like climate change, there is not the political will to do something before it is too late and our soils are gone like the soils of the Roman Empire. Less soil and more mouths to feed is a recipe for disaster.

NEEDS BUT A SHEET OF GALVANISED IRON FOR HOME by John Steele: These are the words of a fellow army man who responded to a fellow grunt's complaint about our tents when we were on patrol: "All a man needs for a home is a sheet of galvanised iron". This tough-guy quote has stayed in my mind long after my army days. I was reminded of it when seeing the big coloured picture (*The Weekend Australian*, 30-31/5/09, p.17) accompanying the story "Our Fourth World". The story deals with the plight of outback Aborigines, especially with regard to drink and drug problems, and argues that the situation is so bad that it will take a generation to deal with. In my opinion, considering the billions that are spent in this area, largely to line the pockets of urban elites, it is doubtful that these problems will be met, even in a generation.

Perhaps the answer lies in a return to traditional lifestyles, of abandoning modern living rather than living on the fringes of White man's world. The coloured picture that I mentioned with the story has a young Aboriginal man returning to his humpy home at Papunya in the south of the Northern Territory. No doubt the White city elites are shocked by this banged-up home of tarps and galvanised iron. But the lad has done a good job! The home is cheap – dirt cheap. And what is more sensible – working your whole life essentially to pay off a home – which is nowadays usually taken from working men after divorce – or living like a free man?

Our culture has become so drenched with materialism and consumerism that those who want to live rough and tough are treated as freaks. So much for our decadent world.

"ON TARGET" is printed and published by The Australian League of Rights, 145 Russell St., Melbourne.
Postal Address: GPO Box 1052, Melbourne, 3001. Telephone: (03) 9650 9749, Fax: (03) 9650 9368.
Subscription \$45.00 p.a.