



A WEEKLY COMMENTARY

ON TARGET

- NEWS HIGHLIGHTS
- BACKGROUND INFORMATION
- COMMONWEALTH AFFAIRS

The price of Freedom is eternal vigilance

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THOUGHT FOR THE WEEK: "Are you aware that CH Douglas' book "Social Credit" was translated into Japanese and published in 1929 (there is a copy in the Secretariat Collection housed in the National Library of Scotland)? This, with his Tokyo visit, supports Douglas' observation that an understanding of finance could be used to endorse a wide variety of policies. This he never tired of pointing out. Settle your policies first - which is a political issue. Only then do you settle on the appropriate financial mechanisms to carry out the policies".

— Frances Hutchinson's response to a Social Credit discussion group, 16th July 2011

WAS JAPAN PUSHED INTO WWII BECAUSE OF ITS BANKING SYSTEM? The question above was recently raised over the internet in relation to the present world financial upheaval. (<http://www.veteranstoday.com/2011/06/26/was-world-war-ii-fought-to-make-the-world-safe-for-usury/>)

In order to provide an answer to that question we have taken excerpts from Wallace Klinck's correspondence on the 'social credit' history behind the claim that Japan was pushed into WW II.

He writes: My understanding is that the Japanese used their national credit to effect a reversed application of the compensated price on goods for export, rather than to assist domestic consumption, in order to force their way into export markets. The article in question discusses the role to which the Japanese central bank was elevated in controlling credit for production in accord with State policy.

I do not have detailed information on this matter, but from appearances, the policy was centralised control of credit for State-designated economic policy. The fact that interest could be eliminated or minimised in the process did not mitigate this centralisation of power in the hands of the State.

The Japanese experience would seem to vindicate Douglas in criticizing the "usury-hunters" for obsessing about interest as the *bête noir* or "Black Beast" of economic injustice while overlooking the core defect in the existing price-system which relates to the inclusion of accumulating allocated capital charges in final retail prices, this being the primary cause of an increasing deficiency of purchasing-power and consequent dependence upon escalating financial debt. Elizabeth Gaskell's 1850's novel "North and South" provides some background here... [http://www.alor.org/NewTimes%20Survey/Anglicans%20Lose%20AU\\$100%20million%20in%20market%20slump.htm#1a](http://www.alor.org/NewTimes%20Survey/Anglicans%20Lose%20AU$100%20million%20in%20market%20slump.htm#1a)

IN THIS ISSUE • *Thought For The Week* • *Was Japan Pushed Into WWII Because Of Its Banking System?* • *Former Astronaut Reflects On Modern Japan* •

It was deemed to be "unfair" trading practice because it provided an advantage in securing exports that other nations did not have or utilize. Such policy is an almost certain path to war as other nations will array themselves in opposition culminating in both military aggression and retaliation. This relates to the mindless and repeated assertion that "we live by our exports."

I do not think that there is any doubt that the USA provoked the Japanese who apparently repeatedly sought some sort of negotiated arrangements to the economic problems involved. The story of the deliberate sacrifice of Pearl Harbour in order to enrage the American public into acceptance of entering the War has, I think, been well-documented by such I understand as Rear Admiral Theobald, etc.

(OT, Vol.38, No.19, <http://www.alor.org/Volume38/Vol38No19.htm> "Bush 'Seized the Moment' – So Did Howard". The reality is something else again. "The main dynamic of war is capitalism" wrote former international banking representative Lawrence Dennis in *The Dynamics of War and Revolution*. "Capitalism requires incessant industrial expansion to mop up the excess capital created by debt-fuelled economies. When the bankers create money out of thin air, and then lend it at interest, more money must be created to pay back the loan plus interest. War is just another means of perpetuating this usurious system".)

Klinck continues: When we learn how to live primarily by our internal production and consumption with external trade taking a place of secondary importance we will have reached a point of economic sanity. To do this, consumer income must be appropriately supplemented by non- cost-creating consumer credits introduced extraneously to the price system.

The correct Social Credit policy is the optimal decentralisation of power ultimately to the individual. Some people have picked up on the Social Credit idea of making all things physically possible as being accomplished through State initiative rather than properly through expressed consumer demand - where production responds according to the approval of a democracy of consumers. The purpose of production is consumption and production must serve consumption.

Social Credit stands for the decentralisation of the exercise of credit power for both production and consumption in a manner to diminish dependence upon external trade and to provide economic security to individual citizens with increasing opportunity for self-chosen leisured activities. Japan of course did not have a Christian background philosophically and she was a nation possessing limited natural resources other than the creativity of her people. These factors would no doubt provide the basis of an interesting study. One does not have to use much imagination to understand the friction that price-compensated goods for export would cause in a world governed by the existing debt system of finance, wherein all nations are desperately struggling for export markets in order to compensate for increasing insufficiencies of consumer purchasing-power in their domestic or home markets.

Another participant in the discussion had this to say: The Japanese government DID take great interest in Douglas's ideas, stemming from his visit there to present a paper to the World Engineering Congress in 1929. And its Ministry of Finance officials interviewed him extensively while he was there. And Douglas himself was obviously highly impressed with what Japan, (at that time a pre-militarist-controlled Japan), had been able to accomplish. And with the Japanese people themselves.

But, as he stated later in the 1930's, the Japanese government had employed the "REVERSE" of his ideas on Social Credit. And for a purpose that was in REVERSE of the philosophy behind those ideas. Namely the advancement of the "Will to Freedom" for each of us as individuals, over the "Will to Power" of a dominant State.

The Japanese attempted to push their manufactures on a Depression-era Western world that saw such manufactures further exacerbate their own countries' economic problems. A somewhat similar

parallel could be drawn today with China. There is NO SOLUTION to the world's economic and financial problems to be found in any country going this route.

To use the REVERSE of the Douglas ideas will lead to a Fascistic world, (which no doubt is the hope of the author of the article), only whatever potential advantages Fascism holds for anyone, if any, will be lost as Nations inevitably plunge themselves into the abyss of war again. This can be the only outcome of any system set-up to embellish the "Will to Power" over that of the "Will to Freedom". Read for yourself what Douglas had to say to the 1929 World Engineering Congress: **"The Control and Distribution of Production"** C.H. Douglas' 1929, price \$7.00 plus postage.

FORMER ASTRONAUT REFLECTS ON MODERN JAPAN: Astronaut turned organic farmer reflects on modern Japan and evacuation from Fukushima – Asked what he thinks of the situation four months into his evacuation to a place that's approximately 200 kilometres from the power plant, Akiyama says, "Unless we rid ourselves of the myth – or rather, it's an ideology -- if we do not rid ourselves of the ideology that we cannot be happy without economic growth, I don't think we'll be able to take away any lessons from the tragedy." – The Mainichi Daily News <http://mdn.mainichi.jp/mdnnews/news/20110807p2a00m0na006000c.html>

"(Japanese) Astronaut turned organic farmer reflects on modern Japan and evacuation from Fukushima" - (Mainichi Japan) report August 7, 2011: The first Japanese astronaut to travel to space in 1990 on the then-Soviet spacecraft Soyuz, journalist Toyohiro Akiyama, had since moved to the Fukushima Prefecture city of Tamura to become an organic farmer. Since the accident at the Fukushima No. 1 Nuclear Power Plant, however, the 69-year-old Akiyama has been staying in the Gunma Prefectural city of Fujioka, where he greeted me at the bus station with a deep tan, wearing rubber boots. He seemed to be perfectly comfortable in the role of farmer, both inside and out.

I was led down the Kanna River that borders Gunma and Saitama prefectures to a 600-square-meter rice paddy that Akiyama had rented from an acquaintance of his who also engages in organic farming. Akiyama planted rice seedlings here in early July. "In Fukushima, I used to plant rice around May 20 or so, but it took a long time before water temperatures went up," Akiyama says. "I'm surprised by how quickly the rice grows here."

In a greenhouse, Akiyama grows vegetables such as asparagus, kabocha squash and peppers. Akiyama seems to be settled into his new home, now that he's finally "returned" to his life as a farmer.

On Dec. 2, 1990, Akiyama, then a reporter at Tokyo Broadcasting System Television (TBS), boarded the Soviet spacecraft Soyuz at the Kazakh launching facility Baikonur Cosmodrome. His first words from space were: "Are we live?" in response to a live call from a Tokyo television studio. He later went on to head the broadcaster's international news centre but quit the company in 1995, claiming that he couldn't tolerate being in a management position away from the action on the ground. Moving to the town of Takine – now merged with neighbouring towns to become the city of Tamura – in Fukushima Prefecture, he began organic farming with the aim of becoming self-sufficient. He continues to write, however, including a series in the monthly magazine Shizen to Ningen (Nature and human beings) about life in farming.

Akiyama bought a 10,000-square-metre plot of land at an elevation of 600 meters above sea level in the Abukuma Mountains. He began growing shiitake mushrooms, rice and vegetables. This year – what would've been his 16th year farming in Fukushima -- he had planned to keep bees and try his hand at becoming self-sufficient in honey. Then the Great East Japan Earthquake struck.

"Since it had been 40 years since operations began at the Fukushima No. 1 Nuclear Power Plant, I'd

guessed that its decommissioning process would begin right about this year," Akiyama says. "I now know what an ill-advised assumption that had been."

Akiyama's home is located 32 kilometres from the nuclear power plant. By March 12, the day following the temblor, tsunami and ensuing nuclear disaster, residents of the Fukushima Prefecture town of Okuma, where the stricken plant is located, began pouring in to a gymnasium near his home. There were television reports of cesium being detected in the air, and when Akiyama stepped outside with a radiation detection device that he'd owned from before, the alarm went off. Feeling that his life was in danger, Akiyama evacuated to a lodging facility in the prefectural city of Koriyama. Realizing that it would take a while before the crisis was brought under control, Akiyama decided to stay with an acquaintance in the town of Onishi in Fujioka, Gunma Prefecture.

Must rid ourselves of ideology 'we can't be happy without economic growth': Asked what he thinks of the situation four months into his evacuation to a place that's approximately 200 kilometres from the power plant, Akiyama says, "Unless we rid ourselves of the myth – or rather, it's an ideology -- if we do not rid ourselves of the ideology that we cannot be happy without economic growth, I don't think we'll be able to take away any lessons from the tragedy."

The one puzzle that Akiyama, who went through his college years in the wake of the 1960s student demonstrations, has tried to understand throughout his adult life is the modernization of Japan. The reason that he jumped into farming was because he wanted to experience the self-sufficient lifestyle that existed before the country modernized. Looking at the Earth from Space Station Mir, he says, reinforced the notion that in light of the environmental degradation that was taking place, it was time for him to take action.

From the rapid economic growth era to the bubble period, post-war Japan has constantly pushed forward in pursuit of economic growth. "By the 1980s, the only demand we could expect was in the form of replacement purchases. Once things have been distributed to the entire population, there's nothing left to do but stoke desire. As a result, we've been made to feel that we cannot go on without things that we actually don't need.

"The expansion of IT into all areas of life is a part of that. Convenience became a mantra, without questioning whose happiness it achieved. Electrification became the equivalent of convenience, and energy -- that is, nuclear energy -- is an extension of that.

Akiyama got rid of his computer when he was 60, and until he became a "nuclear crisis refugee" several months ago, he didn't own a cell phone. So how do we lead lives that don't depend on economic growth?

Financial accounting just doesn't make sense for the primary sector: "What the economy's primary sector, like farming and fishing, has at its core is day-to-day life. It isn't necessarily about seeking profit or expansion, and its basic goal is the maintenance of everyday life. I'd been able to live a decent life by growing shiitake, rice and vegetables. It's not about swinging wildly between elation and disappointment because of how much eggplants are selling for at a given time. It's about eating eggplant because I harvested it. There's a good harvest some years, and other years, not so much," he says.

Continued in The Bulletin