



- NEWS HIGHLIGHTS
- BACKGROUND INFORMATION
- COMMONWEALTH AFFAIRS



The Price of Freedom is Eternal Vigilance -

Print Post Publication Number 100000815

Vol. 52 No. 25

24th June 2016

IN THIS ISSUE

Dorothy L. Sayers: The Inability of 'The Educated' to Read	1
A Short Course on 21 st Century Politics!	3
Action Targets for this Election	4
Hoping to Understand Economics? What is Say's Law?	5
Political Correctness by David Leyonhjelm	8

THOUGHT FOR THE WEEK: The Real Spirit of the British Peoples: Political and economic policies pursued in England this century have consciously been designed to destroy the stabilising role of Britain throughout the world. The welfare state, or collective socialism, which destroys the independence and initiative of the individual is a disease of the intellect, fostered and promoted by those who have captured the party political system, the mass media and the education institutions. It really has no relationship to the indefinable but real strength of a people. A strength, which is spiritual and comes from an innate appreciation of real, not false, values. A strength, which comes from placing life second to the preservation of such values, as witnessed by those in Britain who would go against their government's policies of treachery towards those values.

The revival of those values as a national force could be brought to life with perhaps only a small impetus from the right place at the right time. Such a possibility must haunt the dreams of those working to drive the British and all free people into the hell of the collective material state.

- *On Target*, 15 March, 1968

THE BIG LIES AND LONG-TERM GOALS

“All this was inspired by the principle—which is quite true within itself—that in the big lie there is always a certain force of credibility; **because the broad masses of a nation are always more easily corrupted in the deeper strata of their emotional nature than consciously or voluntarily**; and thus in the primitive simplicity of their minds they more readily fall victims to the big lie than the small lie, since they themselves often tell small lies in little matters but would be ashamed to resort to large-scale falsehoods. It would never come into their heads to fabricate colossal untruths, and they would not believe that others could have the impudence to distort the truth so infamously. Even though the facts which prove this to be so may be brought clearly to their minds, they will still doubt and waver and will continue to think that there may be some other explanation. For the grossly impudent lie always leaves traces behind it, even after it has been nailed down, a fact which is known to all expert liars in this world and to all who conspire together in the art of lying. (*emphasis added...ed*)

- *Adolf Hitler, Mein Kampf, vol. I, ch. X*

https://en.wikipedia.org/wiki/Big_lie:

Or in Josef Goebbels words:

“The essential English leadership secret does not depend on particular intelligence. Rather, it depends on a remarkably stupid thick-headedness. The English follow the principle that when one lies, one should lie big, and stick to it. They keep up their lies, even at the risk of looking ridiculous.”

Source: Comments Section – JoNova website: Original Steve, June 5, 2016

DOROTHY L. SAYERS: THE INABILITY OF 'THE EDUCATED' TO READ

It was in August 1984 that *The New Times* reviewed Dorothy L. Sayers' 1947 article “*The Lost Tools of Learning*” and the present generation could, with benefit, reflect on what she had to say back then. She was writing of the period which gave Britain its Gothic Cathedrals, its jury system, its Westminster system of government, its Magna Carta, and its Shakespeares and Francis Bacons.

Dorothy Leigh Sayers (1893–1957) was a renowned English crime writer, poet, playwright, essayist, translator, and Christian humanist. She was also a student of classical and modern languages.

She is best known for her mysteries, a series of novels and short stories set between the First and Second World Wars that feature English aristocrat and amateur sleuth Lord Peter Wimsey, which remain popular to this day. However, Sayers herself considered her translation of “Dante’s Divine Comedy” to be her best work. She is also known for her plays, literary reviews, and essays.

(continued on next page)

(continued from previous page)

The New Times August, 1984 reads: “Is it significant that Miss Sayers wrote in the same year that Dr. Theodore Brameld was devising his “social reconstruction” concepts through the American Education Fellowship?

Miss Sayers started with what is, surely, the basic question:

“Is not the great defect of our education today that although we often succeed in teaching our pupils “subjects”, we fail lamentably on the whole in teaching them how to think; they learn everything except the art of learning”...

In the Preface to her book “*The Mind of the Maker*” (9th edition 1947), she explains:

“It is common knowledge among school-teachers that a high percentage of examination failures results from “not reading the question”. The candidate presumably applies his eyes to the paper, but his answer shows that he is incapable of discovering by that process what the question is. This means that he is not only slovenly-minded but, in all except the most superficial sense, illiterate.

Teachers further complain that they have to spend a great deal of time and energy in teaching University students what questions to ask. This indicates that the young mind experiences great difficulty in disentangling the essence of a subject from its accidents; and it is disconcertingly evident, in discussions on the platform and in the press, that the majority of people never learn to overcome this difficulty.

LONG-TERM POLITICAL GOALS

Thirty years later *The New Times* article touched on the influence and long-term goals of the American educational institutions:

“The intention behind all this absurdity lies in the deliberate subjection of individuality to the group. Individual excellence and personal responsibility, both natural ingredients of integrity, are anathema. The flock becomes more important than the sheep; which might cause a few Christians to ponder on the ‘outmoding’ of Christ’s teachings on the importance of the “one, which was lost”. Peer group pressure is turned from being a normal adolescent pecking order into a contrived science ruthlessly manipulated for long-term political goals.

Below is a description of the object of the American Education Fellowship as promulgated in 1947, by Professor Bowers:

“Brameld made social consensus (his term was ‘group mind’) the basis of the ideal social order and the goal of education. Public education becomes, to use his own words, “a process of creating a kind of ‘group mind’,

A third distressing phenomenon is the extreme unwillingness of the average questioner to listen to the answer - a phenomenon exhibited in exaggerated form by professional interviewers on the staffs of popular journals.

It is a plain fact that ninety-nine “interviews” out of a hundred contain more or less subtle distortions of the answers given to questions, the questions being, moreover, in many cases, wrongly conceived for the purpose of eliciting the truth.

The distortions are not confined to distortions of opinion but are frequently also distortions of fact, and not merely stupid misunderstandings at that, but deliberate falsifications. The journalist is, indeed, not interested in the facts. For this he is to some extent excusable, seeing that, even if he published the facts, his public would inevitably distort them in the reading...

The education that we have so far succeeded in giving to the bulk of our citizens has produced a generation of mental slatterns. They are literate in the merely formal sense - that is, they are capable of putting the symbols C, A, T together to produce the word CAT. But they are not literate in the sense of deriving from those letters any clear mental concept of the animal. Literacy in the formal sense is dangerous, since it lays the mind open to receive any mischievous nonsense about cats that an irresponsible writer may choose to print - nonsense which could never have entered the heads of plain illiterates who were familiar with an actual cat, even if unable to spell its name...” ***

a means of thinking and feeling the group’s way towards achievement of unified ends that are desired by its individual members and that bind the curriculum into a unified whole. In this context social consensus becomes the key to the remodelled school-community in all its dimensions”.

To deny the individual any justification for refusing to yield to the demands of the group, Brameld made truth synonymous with social consensus.

Similarly, knowledge was no longer to be considered the pursuit of the individual. “It is,” Brameld says flatly, “equivalent to ‘group mind’.” That concept was subsequently taken up by UNESCO, and became the guiding principle of an avalanche of curriculum material which has spewed into teachers colleges and from there into schools - mainly, but by no means exclusively, state schools. From there it has flowed into sections of the Church...”

- *The New Times*, August 1984.

* Jean Wallis’s excellent “*Chaos In The Classroom*” is a good starting point for those interested. ***

A SHORT COURSE ON 21st CENTURY POLITICS!

The trailer that will help you view the 2016 Australian election campaign in a whole new light!

Watch: “WAG THE DOG” Trailer (1997): How to Win an Election <https://www.youtube.com/watch?v=CN00BicRM8k>
Trailer for Barry Levinson’s film starring Dustin Hoffman, Robert De Niro, Anne Heche, Denis Leary, Willie Nelson, ...
Thanks to Dr. David Pascoe on Facebook for reminding his readers of the film.

THE *BIG IDEA* BECOMES CLEARER

On Target, 4 May 1973:

“The young dupes of Marxist subversion being turned out of the Universities shout about “power to the people” ignorant of the realities of power in the modern world. What is now openly unfolding on the world scene is the *Big Idea*, an idea as old as man, the idea that some men should have complete power over all other men, ultimately on a world scale.

The Marxist movement is a major feature of the *Big Idea*, but from the beginning was promoted and financed by those groups who had long mastered the technique of using power through the creation and control of credit. The *Big Idea* is to exploit each new convulsion shaking traditional society to drive mankind into bigger and more highly centralised structures in which the individual exercises progressively less control. Every new step towards centralisation of power naturally produces growing friction and resistance of that centralisation....”

“What else would Labor destroy to please its union mates?” asked Andrew Bolt on his Blog, 14 June, 2016 (10:35am)

Shame on Labor: A top lawyer who assisted the Black Saturday bushfires royal commission has slammed Premier Daniel Andrews for ramming through the Country Fire Authority workplace deal.

Jack Rush, QC, who assisted the commission, said he had carefully considered the controversial EBA and believed it threatened to strip away the independence of volunteer brigades. The plan should concern every Victorian as “the whole ethic of volunteering is under threat”, Mr Rush said.”

On Target, 9 June 1995. The Country Fire Authority:

“As one moves around Victoria one already sees the evidence of far-reaching changes as non-elected Commissioners provide a facade behind which a new managerial class is emerging. There is going to be decreasing scope for the application of the voluntary principle in society. It is not surprising that worship of the god of efficiency is being extended by the Kennett Government to that unique Victorian organisation, the Country Fire Authority.

A combination of factors have made Southern Victoria, in particular, the most bushfire prone area in the world. The development of the Victorian Country Fire Authority was the practical application of the principles of voluntary association, with individuals accepting the

necessity for an organised structure in which they were prepared to accept a military-type discipline. Such has been the success of this organisation the firefighting organisations from around the world have come to study how it operates. But now the centralist philosophy, which underpins the Kennett Government, threatens the C.F.A.

The centralist disease feeds upon itself with the Government proposing the expenditure of billions of dollars on a grandiose road transport system for Melbourne, an over-swollen city whose problems can only multiply as more resources are poured in, in a futile attempt to make the unworkable work.”

REALLY? SUCH MORALISING COMING FROM JEFF KENNETT!

Daniel Andrews’ most shabby and costly union deal
Andrew Bolt Blog, June 15 2016:

Former Premier Jeff Kennett on the most terrible of Victorian Premier Daniel Andrews three big mistakes - handing power over the Country Fire Authority volunteers to his militant union mates:

“Daniel Andrews is engaged in a blatant payback to United Firefighters Union leader Peter Marshall. The UFU openly supported the ALP at the last election.

Victoria without volunteers is a state without a heart. Whether those volunteers are tourism guides, delivering meals on wheels, court workers, firefighters, volunteers in charitable organisations, members of the CWA, so the list goes on, the truth is without volunteers our state would be considerably poorer.

We do not have the financial capacity to replace volunteers with paid workers and you can’t replicate the warmth and generosity volunteers bring to their tasks.

The CFA is an extraordinary organisation. It has some paid officers among its ranks, but in the main it is a volunteer workforce of up to 60,000 Victorians that we depend upon to fight fires, big and small, in the outer suburbs and into our rural communities.

These are men and women, young and old, many representing generations of family volunteering.

That the Premier wants to put that workforce of volunteers offside and cede control of CFA operations to Peter Marshall is an affront to all volunteers - worse, it’s another sign of Andrews’ contempt and disregard for the position he holds.” *(continued on next page)*

(continued from previous page)

THEY DEPEND ON SHORT TERM MEMORIES OF THE VOTERS

Betty of Adelaide of Happy Valley S.A. (Reply)
Andrew, after reading Jeff Kennett's comments I nearly fell off my seat in shock. Is this the same man who, when premier of Victoria, forced through Council amalgamations? And the Labor politicians of the time congratulated him as Council amalgamations was also their policy!

Evidence? Read the following from *The New Times*, VOL. 58, No. 4. APRIL 1994

CORRUPTING THE STATE OF VICTORIA

by Eric D. Butler.

The ruthless attempt by the Victorian Liberal-National Party to sweep away the foundations of Municipal government with forced amalgamations raises questions more far-reaching than the amalgamation issue itself. What is happening poses the question of whether political corruption has in Victoria sunk to the level where members of the government no longer subscribe to the normal standards of moral behaviour in a civilised society.

Is there no longer such a thing as integrity? The Kennett government has struck a deadly blow at the very foundations of responsible government.

Victorian electors are being blatantly told that they can no longer believe those who should be their political servants. Surely there must be at least a few of the government's backbench Members who can grasp that Victoria is being morally poisoned?

It is not only that the Kennett government has taken over the policy of centralising power long advocated by the Labor Party, with Members of the Labor Party congratulating the Kennett government on its "reforms", it is the fact that only a few years ago Premier Jeff Kennett and his colleagues were denouncing this policy and promising that when elected they would oppose it. They have made no attempt even to explain how what was wrong yesterday is right today. Australian constitutional development has been rooted in the British experiences of over a thousand years. Decentralised power and local government were the basic foundations essential for a free society in which the individual's basic rights were assured. ***

ACTION TARGETS FOR THIS ELECTION

Many readers have by now used the Voters Kit to survey the candidates offering. The results have so far been few. Cathy McGowan from INDI replied to one of her constituents with a "NO" to all four questions. While her answers probably did not endear her to the voter; at least she answered her survey and now the voter knows quite clearly where Cathy McGowan stands on those issues. Her reply was more valuable than those who fail to respond. As an Independent, Ms McGowan could have found it easier than a party candidate to reply by saying, "I have responded with a "NO" to the questions because I feel that is what my electors, in general, would wish me to do. However if sufficient voters demonstrate a contrary view I would be obliged to pursue their wish".

One candidate in Tasmania simply used the "Return To Sender" facility. There were no answers at all. In general, candidates have a lot to learn. They need to appreciate that they are offering to represent their voters (their party affiliation is secondary). If they understand their correct role they should welcome questions and requests from the voters, so they can better do their job.

For those who did not receive answers to the survey; do not feel dejected. This is a long process to educate the public as to the correct relationship between voter and the representative. This election is looking very fluid and likely to produce some surprise wins and losses. Maybe some of the losers will wish they had co-operated with the survey. Keep sending results to the Melbourne office. Nat Dir

You are also able to see how your existing member has represented your interests **here:** <https://theyvoteforyou.org.au/>

Jeremy Lee has produced an excellent booklet *Conscience Voting*.

The booklet in PDF is available **here:** <http://alor.org/Library/Lee%20J%20-%20Conscience%20Voting.pdf>

OR by mail (\$3.00 posted in Australia) from

**Heritage Book Mailing Service,
PO Box 27, Happy Valley, 5159 SA.**

BASIC FUND

The fund has almost exceeded \$15k, with the latest balance showing \$14 988. The good work will continue with more generous help from supporters. The next milestone will be the \$20k mark. Thank you to those who have helped. - ND

ERIC BUTLER'S 100 CELEBRATORY DINNER

Friday July 8th 2016, Dinner: 6 for 6.30pm

Public Schools Club **207 East Tce, Adelaide, SA**

Acceptances to be in Doug's hand by Friday July 1st.

\$40 per head - Cheques payable to: "Heritage Books"
c/- Mr Doug Holmes 10/308 Hancock Rd, Surrey Downs

SA 5126 ph 8289 0049

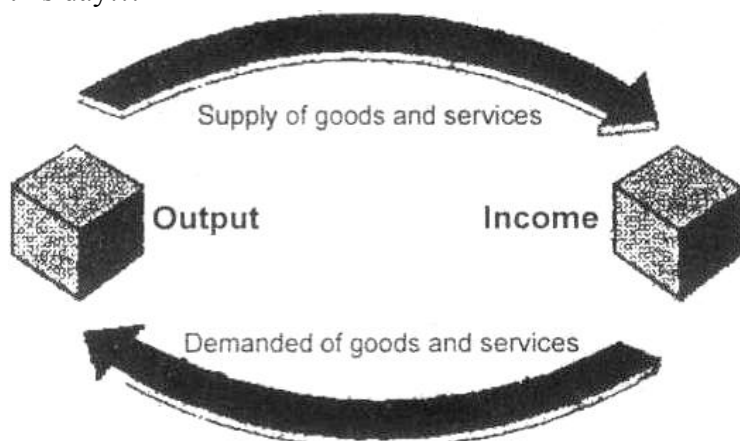
HOPING TO UNDERSTAND ‘ECONOMICS’? WHAT IS SAY’S LAW?

Whilst to a Ludwig von Mises Memorial Lecture held in 2010, it was the reference to C. H. Douglas that took my attention, along with the claim that “Understanding the nature and importance of Say’s Law is the single most important issue in economics today. If you don’t understand it, you cannot understand what is wrong with modern macroeconomic theory and policy...”

According to Catallaxy Files: Say’s Law – a short course <http://catallaxyfiles.com/2016/06/11/says-law-a-short-course/>

“The idea that we can safely neglect the aggregate demand function is fundamental to the Ricardian economics, which underlie what we have been taught for more than a century. Malthus, indeed, had vehemently opposed Ricardo’s doctrine that it was impossible for effective demand to be deficient; but vainly. For, since Malthus was unable to explain clearly (apart from an appeal to the facts of common observation) how and why effective demand could be deficient or excessive, he failed to furnish an alternative construction; and Ricardo conquered England as completely as the Holy Inquisition conquered Spain. Not only was his theory accepted by the city, by statesmen and by the academic world, but controversy ceased. The other point of view completely disappeared; it ceased to be discussed. The great puzzle of Effective Demand with which Malthus had wrestled vanished from economic literature. You will not find it mentioned even once in the whole works of Marshall, Edgeworth and Professor Pigou, from whose hands the classical theory has received its most mature embodiment. It could only live on furtively, below the surface, in the underworlds of Karl Marx, Silvio Gesell or Major Douglas.” (*Keynes 1936: 32*)

The article continues: That is exactly right. No classical economist ever used the notion of deficient effective demand because every one of them thought of it as utterly fallacious. This is John Stuart Mill in his *Principles of Political Economy* trying to explain – in 1848 – how inane Keynesian economics is. The Keynesian fallacy was a very old story by the time it became mainstream economic theory, which it remains to this day...”



Oliver M. Heydorn explains Say’s Law from a Social Credit perspective

“While the Social Credit ‘story’ is lengthy and multifaceted, this article will restrict itself to an examination of the Social Credit approach to the economic order.

In many ways, our economy can be compared to a computer. Like a computer, its operation is dependent on two distinct elements: hardware and software. In the case of a computer, the hardware refers to all of those devices and components that form a part of the computer’s physical structure and potential. In a similar way, the economy’s ‘hardware’ consists in all of those real-world factors that can enter into the production and distribution of goods and services: land (or, more broadly, natural resources), labour, and real capital (machinery and equipment). Software, by contrast, provides the instructions which allow the hardware to function, so that it can be activated in the service of some rational purpose. The economy’s software consists in its organizational structures (its institutions and legal or business conventions), chief amongst which is its financial (i.e., banking and cost accountancy) system. Just as a computer’s operating system manages all of the other programmes that have been loaded onto a computer, the economy’s financial system conditions all of the activities that occur within the formal, money economy.

Now, the most important thing to understand about the modern economy’s hardware is the real-world consequences of the industrial revolution. The introduction of power-driven machinery followed by the development of various information technologies has multiplied hundreds or thousands of times the quantity, and, in many cases also the quality, of what human beings would be producing without the help of such magnificent tools. It has also made many new forms of production possible. In other words, thanks to the wonders of applied science we can produce a much greater volume of worthwhile goods and services while simultaneously reducing the human labour that is required to run the productive system. This is a fact, a hard reality, and it holds the potential to revolutionize every aspect of social organization.[1]

What does this mean in everyday, concrete terms? It means that a first-world nation is easily capable of delivering all of the goods and services that people can reasonably use with profit to themselves, i.e., that full range of goods and services which actually contribute to human well-being, while only calling on a small and ever decreasing complement of human workers.

(continued on next page)

(continued from previous page)

In other words, given the enormous productive capacity (both actual and potential) of the modern, industrialized economy, there is no physical reason for poverty, let alone destitution, for servility in its various forms (including the inane policy of full employment), or for the social, psychological, environmental, and international fallout of the chronic economic dysfunction which oppresses us. In sum, our economic hardware is of the highest quality.

What then can explain this enormous discrepancy between what the economy of a modern, industrialized state can and should deliver, and the grossly unsatisfactory results that it actually does deliver? What is the great limiting and distorting factor?

The Social Credit analysis reveals that the core problem with the existing economic order has nothing to do with physical scarcity or natural barriers to production, nor with defects in human nature, nor with the free market and private ownership of productive property as such, but rather with the economy's operating system, i.e., with its financial system. It is not merely that financiers and their corporate accomplices make self-centred decisions or often engage in white-collar crime; the fundamental problem with finance is structural or systemic in nature.

Douglas' basic diagnostic claim was that if the true or correct purpose of the economy is to deliver, with the least amount of labour and resource consumption, the goods and services that people need to survive and flourish, then the reigning financial system is not properly designed to yield this result.[2]

To continue with the computer analogy, the overriding problem with the economy is with its software. More specifically, the standard financial operating system that is found in virtually every country does not permit us to make the best possible use of our economic hardware. Instead, it limits and distorts the operation of that hardware and we all suffer in various and entirely unnecessary ways as a direct result.

To be sure, the standard financial system has a number of problematic aspects, but the core difficulty has to do with how it undermines or subverts the economy's circular flow. Like many natural processes, the economy incorporates a pair of complementary cycles, the one physical and the other financial in nature:

Households have what businesses demand, and businesses supply what households demand. People go to 'work', supplying the firms with labour (or land or capital if that is what they own) so that goods can be produced. In return for their labour (or land or capital) they receive money which they spend on the market to buy the goods and services that they have produced.[3]

According to orthodox economic theory, this circular flow is characterized by an automatic and endogenous* financial equilibrium.

**Endogenous: having an internal cause or origin.*

On the outstroke of the financial cycle, businesses are spending money as goods are being produced and this money is then transformed into income for workers and for the owners of land or capital. On the instroke of the financial cycle, that same consumer income is being spent on goods and services and is returned to businesses in the form of business revenue, thus enabling a new cycle of production to be initiated.

The fundamental assumption of the orthodox conception is that the production of goods and services automatically distributes sufficient money in the form of incomes to meet the costs and hence prices of goods and services. This state of affairs is sometimes referred to as **Say's Law** (after the 18th century French economist Jean-Baptiste Say): supply creates its own demand, or, in financial terms, the flow of prices is automatically balanced by the flow of effective demand in the form of incomes. On this view, if, in a given economic period, a certain volume of production is going unsold, it is because people are saving their incomes instead of spending them.

This relatively straightforward explanation of the orthodox understanding of how the economy works should make it fairly simple to understand both the Social Credit diagnosis and its corresponding remedial proposals.

Douglas' great contribution to economics was his discovery that under modern industrialized conditions the basic assumption of economic orthodoxy is false. **Say's Law** does not hold; i.e., the circular flow is NOT characterized by an automatic and endogenous equilibrium. Instead, the flow of consumer prices is greater than the flow of incomes that are distributed in the course of the corresponding production. There is, in other words, a chronic and inherent deficiency of consumer buying power.

Under the existing financial system, it's as if the economy is producing every year a total output of 100 *pastéis de nata* (which, let us assume, are priced at one euro each in order to cover all costs), but, in the course of their production, is only distributing in the form of wages, salaries, and dividends, an insufficient sum, say 50 euros, with which the 100 tarts can be bought.

In order to understand the whys and wherefores of the financial imbalance, one must first grasp some basic facts concerning the operation of the banking system.

Contrary to a belief that is still quite commonly held, banks do not lend their depositor's money.**

(continued on next page)

(continued from previous page)

Instead, every bank loan or bank purchase of securities creates a deposit, i.e., brand new money in the form of bank credit, while every repayment of a bank loan or the selling of a bank-held security destroys money.

Indeed, the intangible numbers that banks create and issue, usually in the form of an interest-bearing debt or debt equivalent, constitute 95% or more of the money supply in the typical industrialized country. Bills and coins, which are typically created by the government, only represent the economy's 'small change'.

**** Bank of England Working Paper No. 529**

“Banks are not intermediaries of loanable funds — and why this matters”

Zoltan Jakab and Michael Kumhof May 2015

However, and in contradistinction to the views of a large number of monetary reformers, the main fault in the financial system does not lie in the mere fact that the private banks create most of our money out of nothing and then proceed to charge interest on their loans, even if one were to admit that, under the existing system, these interest charges are quite often onerous, and/or excessive, and/or exploitative.

The real problem lies much deeper than that.

The bank creation and destruction of our money supply means that money does not circulate indefinitely in the economy from producers to consumers and back again. Instead, money is cycling in and out of existence. Money is issued to producers by banks when the former borrow on revolving lines of credit or contract long-term loans, is spent on various production costs, and is eventually returned to producers when, upon selling their goods and services to the public, they re-collect the money that had been issued to consumers in the form of wages, salaries, and dividends.

The money that producers receive is then used to repay their bank loans (and is subsequently destroyed) or it is used to restore their stock of working capital (from whence it can only be re-issued against an accompanying volume of new production costs).

The cycling of money would be no problem at all provided that the producer credit which is issued to finance each cycle of production were completely transformed into consumer income and this income were then used *in toto* to liquidate or cancel an equivalent flow of prices representing all production costs. If the

cycle of money creation and destruction were completely in sync with the cycle of cost/price creation and price liquidation, then the flow of consumer prices and the flow of consumer incomes would be in equilibrium as the classical **Say's Law** says they are. The system would be in balance.

What Douglas discovered - and this is of epic importance - was that as producer credit flows outward from the banks and through the productive system it generates a greater volume in costs and hence prices than it liberates in the form of consumer incomes. The chief cause for this discrepancy has to do with the accountancy conventions that govern the costing of real capital (i.e., machines and other equipment). The standard charges that are levied by companies in the name of real capital to cover the costs of capital loan repayments, depreciation, maintenance, and obsolescence, etc., exceed the incomes that are simultaneously being distributed by those companies.

This means that the same phenomenon which, on the physical plane, is rendering people permanently unemployed (i.e., the intensifying tendency of human labour to be replaced by machines) is the same phenomenon which, on the financial plane, is chiefly responsible for the ever-increasing gap between the rate at which the prices of goods and services are generated and the rate at which income is being distributed by any modern productive process.

The lack of consumer buying power can be aggravated by a number of other factors (such as profit-making, savings, the re-investment of savings, periodic deflationary banking policies, and taxation).

This gap between consumer prices and incomes is the problem par excellence with the existing financial and economic orders and any monetary reform proposal which does not adequately compensate for it in line with the economy's true purpose will merely be beating around the bush, or else exacerbating the perennial economic dysfunction....”

Before any reader takes exception to the Social Credit concepts one hopes that reader has done his/her homework and asked some manufacturers to explain the importance of their cost/prices accounting... at least. And of course have studied the way banks create 'credit' money out of thin air. (emphasis added...ed)

Continue reading here... <http://www.alor.org/Library/Heydorn%20MO%20-%20An%20Introduction%20to%20Social%20Credit.html>

Also read: <http://www.michaeljournal.org/myth.htm>

"ON TARGET" is printed and published by The Australian League of Rights,

Level 9, Suite 8, 118-120 Queen Street, Melbourne, 3000

Postal Address: GPO Box 1052, Melbourne, 3001. Telephone: (03) 9600 0677

Subscription \$45.00 p.a. can be paid at <http://veritasbooks.com.au/subscriptions>

All electoral comment authorised by Ken Grundy, Level 9, Suite 8, 118-120 Queen Street, Melbourne, 3000

POLITICAL CORRECTNESS by David Leyonhjelm

When I released a *video containing my National Apology to Taxpayers this week, the indignation it caused in some quarters was entirely predictable. It always amuses me when people claim something I have said or done is 'inappropriate' or politically incorrect. Elected members of parliament should be no different from the people they represent. And I simply do not believe people are so easily offended.

But many people are intimidated by the culture of political correctness, imposed by those who view themselves as our superiors.

John Stuart Mill famously spoke of two types of constraints on freedom. The first is the obvious one, when the state censors by implementing laws against speech. The second is less obvious, but Mill believed it to be just as dangerous.

“There needs protection also against the tyranny of the prevailing opinion and feeling,” Mill argued, “against the tendency of society to impose, by other means than civil penalties, its own ideas and practices as rules of conduct on those who dissent.”

Section 18C of the Racial Discrimination Act is an example of Mill's first kind of constraint. It makes it unlawful to “offend, insult, humiliate or intimidate” someone because of “race, colour or national or ethnic origin”. Whether anyone is indeed offended, insulted or humiliated is up to the receiver of the message, not its source.

Given an inability to know in advance how the recipient may feel, the only option is to avoid saying anything much at all.

I suspect S18C means an Australian Charlie Hebdo would be litigated to death.

Despite 18C only referring to race, colour, or national or ethnic origin, Tony Abbott's justification for backing down on repeal was to preserve 'national unity' with Australia's Muslim community. This conflates religion with race in the crudest possible way. Such conflation is what leads to the coining of nonsensical terms like 'Islamophobia'.

Islam is an idea, neither racial nor national in origin. As such, like Christianity, it is something that should be debated freely, without one side of the debate being labelled with a 'phobia'.

What goes by the anodyne name 'political correctness' is an example of Mill's second sort of constraint on speech, and it has significant consequences for the way we speak.

Filmmakers, cartoonists, artists, authors and journalists are reluctant to tackle certain subjects – such as the life of Mohammed – because individuals or groups claim to be offended.

ON TARGET

There is now a long list of people who have been harassed and sacked for their views. They haven't broken any law; they have simply been howled down and hounded.

It is absurd that we can tell a joke about an Irishman, Englishman and Scotsman in a bar but cause a ruckus (and potentially risk prosecution) if the same joke is told about an Aborigine, Asian and a Muslim.

We can risk telling jokes about blondes, but we're reprehensible sexists if we tell the same joke about women in general. If our employer is 'politically correct', it might even cost us our job. This is not consistent with a free society.

It is also deeply unpopular with many Australians, and apparently with many Americans too. Donald Trump makes a point of showing the extent to which he does not care about political correctness, with a significant chunk of his support coming from that characteristic alone.

What is wrong about the whole idea of regulating feelings is that different things upset different people. It's subjective. Although feelings can be influenced by external factors, ultimately they are a matter of personal choice.

No matter how ill-informed or obnoxious the words, our reaction to someone else's words is always up to us. Unless words are coercive – threatening, misleading, or forcing us to do something against our will – we are solely responsible for how they are received. Obliging other people to share in our chosen feelings of offence is petty and trivial.

Politicians and other public figures ought to be judged robustly on their policies and honesty in public life.

Arguments should be assessed on merit, not on who makes them or whether the words prompt someone to take offence. Nobody – prince, politician or pauper – should be judged for engaging in peaceful (even if vigorous) political debate.

We need **more** “inappropriate” speech in public life, **not less.** *(emphasis-ed) ****

Ref: <http://www.onlineopinion.com.au/view.asp?article=18297>

***Ref:** <https://www.facebook.com/DavidLeyonhjelmLiberalDemocrats/>

THE LEAGUE'S SERVICES: — alor.org/

Subscriptions for 'On Target' and 'New Times Survey'

Please make Cheques/Money Orders payable to:

'ALOR Journals'

Credit Card Transactions can be performed on the website - URL: veritasbooks.com.au/subscriptions

For donations to the League please make

Cheques/Money Orders payable to--

'Australian League of Rights' or 'ALOR'