

A WEEKLY COMMENTARY

- NEWS HIGHLIGHTS
- BACKGROUND INFORMATION
- COMMONWEALTH AFFAIRS



The Price of Freedom is Eternal Vigilance

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IN THIS ISSUE

| | |
|--|----|
| Letter to the Editor from Ken Grundy | 01 |
| Political Preaching Defeats the Purpose of Law Course By Chloe B | 02 |
| They Want Your Land By E.D. Butler | 03 |

Letter to the Editor: The following article shows how far the rot has travelled. We have heard 'quietly spoken' messages of how students have to comply with wokeness if they wish to 'pass' their Uni tests. The message attached puts the case beyond any doubt. We thought higher learning was an extension of schooling where students learn HOW to learn and study, NOT WHAT to learn. Of course, you do not have to wait until you reach Uni to suffer the brainwashing. At the earliest of opportunities, the indoctrination begins. Early Learning Centres and Kindy is where it begins and it is not always subtle. No wonder the 'educated' students feel their parents either don't know or live in a past age!

I cannot recall whether it was Marx or Lenin, but one suggested it would be much wiser to capture the minds of those in the teaching profession because they multiply the chance of influencing the next generation. Yes, Marx and Lenin were communists and some of you may think communism has ended except in China and Cuba. Well, let me say that like it or not, we are experiencing a full-blown result of a communist strategy, even if it does not come under the Hammer and Sickle badge denoting communism. Has it become bad enough that we will do something about it?

Because, if we do nothing - nothing will change! It will be quite a task but worthy of taking the first step. Parliament is where it needs correction and the MP's will not move unless sufficient pressure from you and your mates is applied.

May I suggest you send a copy of the attachment (and even my words if you like) to the candidates offering in the coming election. Keep it brief. Simply say that you are very concerned and will vote ONLY for a candidate willing to undertake remedial action in the whole education system. Stick to your word and do not vote for any non-committed candidates because you will ONLY get more of the same. Your vote is one of the most powerful things available to you at this time. Get your friends involved too. Be part of the action for the return of sound values.

Ken Grundy, Naracoorte

Political Preaching Defeats the Purpose of Law Course By Chloe B

Imagine attending university and being made to feel bad for the colour of your skin, what country you were born in and the job you have. It sounds like an environment representing everything society has worked so hard to eradicate over the past century. Unfortunately, the pendulum has swung way too far, and this is the experience of many law students at Macquarie University; I suspect it is like this for other students across the country.

I have chosen to write this article under an assumed name, which in itself should tell you everything you need to know about the atmosphere in Macquarie University's law faculty.

Students are genuinely fearful that if they express an opinion outside the scope of what is accepted they will not achieve the marks they deserve.

I enrolled in law several years ago with a strong sense of justice and a passion to learn about how our legal system operates. I learnt very quickly that this was not at all the primary focus of my course. So far in my degree, we have been taught that people with positions of power in society obtained these from "stepping on the shoulders of others".

We have been taught that if we are not Indigenous Australians we are "visitors" or "guests" in our own country.

We've been taught that childhood is a "social construct" and children should not be viewed as mini humans with mini human rights, but should be equal to adults. We have been taught families can be genderless, and we should not question this reality.

Much of our course content is dictated not by the law we will be using in practice one day, but by how we can further compensate for the wrongs committed against Aboriginal people that occurred at a time when most of our parents weren't even alive. Students are wondering why we should have to put countless hours into writing about past events that happened almost a century ago, when there are a plethora of relevant topics to choose from that we can apply in practice.

These ideas are so far removed from reality and so out of touch with the necessary skills we need to be successful lawyers. We should be building each other up, not belittling those that come from different backgrounds or have different opinions. If it wasn't such a serious topic, I would say it's almost comical that the whole purpose of this indoctrination is to create a more inclusive society.

Universities around Australia, such as Macquarie, need a wake-up call because this mentality is making people feel less included than ever.

There is an incredibly loud minority who make those that don't subscribe to these woke ideologies feel like they can't publicly express their opinion. More importantly, it's not just a matter of a fear of persecution and public ridicule, it's the fact that if we do not subscribe to these opinions, this will be reflected in the marks we are awarded.

This matters because it is shaping the future of our workforce.

The law should not be conflated with the political opinions of our teachers. We come to university to learn black letter law and how to be strong and impartial advocates of our legal system. Frankly, we are tired of this information being forced to us with a side of political commentary.

Our marks should be a reflection of our hard work. They should reflect our understanding of the law and our ability to solve real- world issues, not how well we can agree with the point of view of the lecturers.

Studying a law degree should involve respecting those laws that recognise our right to disagree with others. Unfortunately, at Macquarie, I feel pressured to express an opinion I don't truly believe in because I am afraid of the consequences of saying otherwise. This completely opposes the very foundation of what law students are meant to learn; critical thinking, open-mindedness and problem solving that doesn't involve a predetermined and politically charged conclusion.

I really hope that enough people will express their outrage over this.

Because for a long time now, it has felt like going to university is simply "ticking" a very expensive box to be allowed to one day practise; we are forced to sit and listen to the same political opinions of the unit conveners without being allowed to question or challenge their point of view.

Students place their blind trust in these institutions to deliver impartial and factual information. It is so important they start living up to this basic standard. ***

**This article has been written under an assumed name because of fear of reprisal.*

They Want Your Land By E.D. Butler

The famous British historian-philosopher Lord Acton is best remembered for his famous statement that "**All power tends to corrupt, and absolute power corrupts absolutely.**" But he made another penetrating statement which unfortunately is not as well known: "**Few discoveries are more irritating than those which expose the pedigree of ideas.**" If primary producers wish to retain their independence, then they had better start to examine the pedigree and development of the ideas which now openly threaten their future.

Primary producers all over the world are facing a revolutionary movement which is progressively eliminating the smaller producer, or forcing him to continue on his property with a decreasing standard of living. Skilful propaganda is urging that the traditional concept of farming must give way to progressive centralisation and "scientific control". It is claimed that this development into bigger units is "inevitable"; that this will result in "greater efficiency". The talk about the necessity for "greater efficiency" is dramatically disputed by the fact that there are food gluts in many parts of the world.

If the present primary producers, many of whom are allegedly "uneconomic", are producing, or could easily produce, surpluses which are difficult to sell at profitable

prices, then how is this problem to be solved by eliminating the “uneconomic” producers and having a comparatively few big producing units creating even bigger surpluses through the greater efficiency which it is being claimed results only from business? The truth is that behind the programme for progressively centralising control of primary production, there is a long term policy which has as its objective the elimination of the independent primary producer. The drive to centralise primary production is not the result of “inevitable trends”, but of conscious effort to create the completely centrally planned society. Financial policy is the main instrument being used in the non-Communist world. Control of food is control of life.

Farmers Barrier To Totalitarianism

Genuine farmers the world over, and throughout history, have been noted for their sturdy independence. As a section of society, they have always manifest the highest principles of citizenship. When heavy taxation played its deadly role in helping to destroy the independence of the Roman peasantry, one of the great stabilising influences in the Roman Empire was eroded. Primary producers have always been stubborn obstacles to the plans of all totalitarians. The Soviet planners under Stalin were forced to liquidate millions of Kulaks who refused to co-operate with their totalitarian planning. As will be shown, the Soviet planners were eventually forced to capitulate to realities by permitting those working on the State collective farms to also have their own small holdings.

Most Australians, particularly primary producers, loudly proclaim that it is ridiculous to suggest that they would ever accept Communism. But no people in history has ever voluntarily accepted Communism; *it has been imposed upon them*. It will be said in answer to this that Australians are not threatened with violent revolution. That is correct. However, there is a much more insidious form of revolution threatening countries like Australia. It has been described as *Sovietism by stealth*. A revolutionary policy is being imposed upon Australians through Fabian Socialist financial policies. It is these policies which are producing results which are the basis of the campaign to destroy the independent primary producer.

But who are the Fabian Socialists? This question raises the importance of “the pedigree of ideas”. The importance of ideas cannot be stressed sufficiently. The ideas associated with Christianity fashioned the development of Western Civilisation. They are still a potent influence in human affairs. In 1848 a man called Karl Marx, and his colleague Engels, outlined in *The Communist Manifesto* ideas which have changed the course of history. In this basic Communist document, Karl Marx listed his famous ten steps for Communising a State. It was made clear that these steps were means to an end, not an end in themselves. *The Communist Manifesto* said that they will **“in the courses of the movement . . . necessitate further inroads upon the old social order . . .”** As a former Canadian Communist Party Member, trained in Moscow, put it 100 years later, **“ . . . one control tends to cause another, until, as a logical result, the State controls and finally owns everything.”**

The following are seven of Marx's ten points.

1. **Abolition of property in land and application of all rents of land to public purposes.**
2. **A heavy progressive or graduated income tax.**
3. **Abolition of all right of inheritance.**
5. **Centralisation of credit in the hands of the State, by means of a national bank with State capital and an exclusive monopoly.**
6. **Centralisation of the means of communication and transport in the hands of the State.**
7. **Extension of the number of State factories and instruments of production; the bringing into cultivation of waste lands, and the improvement of the soil generally in accordance with a common plan.**
8. **Equal obligation of all to work. Establishment of industrial armies, especially for agriculture.**

The Conspiratorial Role Of The Fabians

The Fabian Socialist Society was founded in Britain in the 19th century by a group of Marxists who realised that the English-speaking people would not accept violent revolution. It is significant that the Fabian Society took its name from Fabius Cunctator, the Roman dictator who defeated the great General Hannibal by a policy of gradualness. The policy of the Fabians was one of permeating and infiltration. One of the most famous Fabians, George Bernard Shaw, an open admirer of Soviet Russia, frankly outlined Fabian tactics: **“ . . . we urged our members to join the Liberal and Radical Associations in their district, or, if they preferred it, the Conservative Associations - we permeated the party organisations and pulled all the strings we could lay our hands on with the utmost adroitness and energy, and we succeeded so well that in 1888 we gained the solid advantage of a Progressive majority full of ideas that would never have come into their heads had not the Fabians put them there.”**

Note carefully the importance of ideas, and the fact that people can advocate ideas without knowing their pedigree.

In 1894 the Fabians launched the famous London School of Economics, an institution which has had an enormous influence right throughout the English-speaking world. It is significant that the Rothschilds and other international financiers contributed substantial sums of money to establish the London School of Economics. Lord Haldane explained why he persuaded the international financier Sir Ernest Cassel to contribute a large sum: **“Our object is to make this institution a place to raise and train the bureaucracy of the future Socialist State.”** This close relationship between Big Finance and Socialist planning was demonstrated during the Great Depression of the thirties, when Sir Otto Niemeyer of the Bank of England visited Australia to impose a restrictive financial policy which ruined many Australian farmers and inflicted great hardships on others. Niemeyer was “advised”

by his travelling companion, Professor Theodor Emmanuel Guggenheimer Gregory of the London School of Economics.

The notorious Professor Harold Laski symbolised the world-wide influence of the Fabian Socialists through the London School of Economics. Laski visited Stalin in 1946 and said that while the British Socialist Government of that time and the Soviet were travelling on different roads, they had the same objective. In his *Appreciation of the Communist Manifesto for the Labour Party (1948)*, Laski wrote: “. . . **who, remembering that these (policies of high taxation and centralisation of credit) were the demands of the Manifesto, can doubt our common inspiration.**” Here again can be seen the importance of knowing the pedigree of ideas.

A Programme Of Monopoly

Early in the Great Depression the Fabians developed their conspiratorial tactics still further by the creation of an organisation known as Political and Economic Planning (P.E.P.). The severely restrictive credit policy of the time was eliminating large numbers of smaller and medium-sized primary and secondary producers. This was welcomed by P.E.P., which stated in one broadsheet that “The wastes involved in . . . retail shops . . . cannot be allowed . . .” This not only reflected the philosophy of the Socialists and Communists, but the philosophy of Mr. Israel Moses Sieff, a prominent figure in P.E.P., and also head of the Marks and Spencer, the big chain store combine in Britain. The major feature of Socialism is the will-to-power, but this will-to-power also manifests itself in the striving for centralised economic monopoly. The result is that the Communists have some strange bed fellows in the Western world, business monopolists who believe that they can do business with the Communists.

In a P.E.P. broadsheet issued on April 25, 1933, the following statement was made: “**Whether we like it or not - and many will dislike it intensely - the individualistic manufacturer and farmer will be forced by events to submit to far-reaching changes in outlook and methods. What is required . . . is the transfer of ownership of large blocks of land - not necessarily of all the land in the country, but certainly a large proportion of it - into the hands of the proposed Statutory corporations and public utility bodies and of land trusts.**” It was significant that chain-store monopolist Israel Moses Sieff said concerning P.E.P. that “**The only rival world political and economic system which puts forward a comparable claim is that of the Union of Soviet Republics.**”

It has been said that “ideas have wings”. And so 35 years after P.E.P. said that farmers would be “forced by events to submit to far reaching changes”, a prominent Australian made the following comment during a panel discussion by the Institute of Directors in N.S.W. on April 1, 1968: “**The wool industry is hurt by the economic policies that the governments have decided to follow. I have no desire to criticise nor support the present policies, except that, it is interesting to note that the Opposition doesn't really take much trouble to criticise basic economic policies.**”

So I think it is reasonable to assume that even if there is a change of government, the basic economic policies that are now being followed will be followed by another form of government and, therefore, these are facts we will have to learn to deal with . . . There is no alternative but to approach the problems of the wool industry in the same way in which the problems of the dairy industry are proposed to be approached. That, I think, is to reconstruct the industry, which involves the government putting up sufficient funds to buy out un-economic units from those who are willing to dispose of them, and then enable those who are prepared to stay in the industry to buy back those units and add to what they have got, so that we would end up increasing the size of the unit . . . If we can make units large enough so that they are economical, pliable units, then we will have less complaining wool growers.”

The above views were those of Sir William Gunn as chairman of the Australian Wool Board. Sir William says that it is Government policy that is hurting the wool-grower, that he does not propose to challenge this policy, and that the policy will continue irrespective of the label of the government. Therefore, as P.E.P. put it, the wool-grower, and other primary producers, will be “forced by events to submit to far-reaching changes” - towards collectivisation in all spheres of primary production. Sir William’s ideas are, therefore, not original, and it is fair to ask how many of them came to him through his long association with Dr. H. C. Coombs as a member of the Commonwealth Bank Board. For years Dr. Coombs played a major role in shaping the financial policies which Sir William Gunn says are not going to change. Before being made Chairman of the Commonwealth Bank Board, Dr. Coombs was well known as a top Socialist planner in the Federal bureaucracy. At the Melbourne University on June 11, 1944, Dr. Coombs said that **“People could not expect complete freedom after the war . . . It would be necessary for some individual to be given the right to say what was best for the community.”** Dr. Coombs was at this time supporting Dr. H. V. Evatt’s drive to use the war situation to tear up the Federal Constitution that Socialist planning could be advanced.

Inflation Offsets Greater Economic Efficiency

Professor Harold Laski took a vital interest in Dr. Evatt’s campaign. Evatt said he had been greatly influenced and inspired by Laski. But Dr. Coombs, son of a radical father in Western Australia, had, according to Laski, been one of his most “brilliant” students at the London School of Economics. There is nothing “inevitable” about the financial policies which are destroying the basis of the genuine free-enterprise system all over the world, and forcing amalgamations both in secondary and primary industries. Constant propaganda about “un-economic units” obscures realities. Every primary producer knows that he has substantially increased his efficiency, whether measured in terms of production per acre or man hours worked. **Since 1953-54 Australian farmers have increased production by 44%. This has been achieved during a period of three severe droughts and a reduction in the number of**

workers on Australian farms.

The basic question which the primary producer must ask himself is: "If a farmer was economic ten years ago, and has substantially increased his production in this period, why is he now said to be uneconomic?" The answer is of course, not simply that in some cases prices for his production have fallen, but that his *financial* costs have increased. A progressive increase in financial costs have offset increased production and greater efficiency. Now if all financial costs are to continue increasing, and no less an authority than the present Federal Treasurer, Mr. W. McMahon, has said that he has no alternative to increasing inflation, then it is elementary that the elimination of farmers described as uneconomic today will solve nothing because in a few years the amalgamated units will then also be "uneconomic". And so present financial policies, of which inflation is a major feature, mean that progressive centralisation, ultimately leading to the elimination of traditional farming, must continue. Karl Marx and the Fabians are being proved correct.

The steps they recommended are, as predicted, necessitating **"further inroads upon the old social order."** The well-known Fabian Socialist John Strachey, one-time Communist Party member, said something similar in his *Programme for Progress*. He explained that inflationary credit expansion policies were "an indispensable step in the right direction" because **"the policy will lead on to further measures. The very fact that no stability, no permanently workable solution can be found within the limits of this policy will ensure that once a community has been driven to tackle its problems in this way, it cannot halt at the first stage, but must of necessity push on to more thorough going measures of re-organisation."**

A Campaign For Collectivism

As Minister for Primary Industry, Mr. D. Anthony has been active in conducting a campaign to convince Australian farmers that they have got to face up to some "thorough going measures of re-organisation". And like Sir William Gunn, Mr. Anthony promotes the Fabian argument that it is "inevitable events" which are making amalgamation necessary. At a meeting at Warragul, Victoria, in 1968, Mr. Anthony said that "It hurts me to have to say that farms should get bigger if our farmers are to make a decent living in today's situation." But in a statement issued on November 6, 1968, Mr. Anthony said that it was "inevitable" that **"the size of farms would tend to increase. Farming would become more mechanised, would require more capital, and demand a higher degree of skill in management. This may lead to an increase in the number of company-owned farms . . ."**

The South Australian *Farmer and Grazier* of September 20, 1968, reports an address given by Mr. Anthony to a group of prominent South Australian citizens at the 1968 official luncheon of the Royal Agricultural and Horticultural Society. He said that "he feared amalgamation of small farmers in Australia might be necessary to increase efficiency. Many of our properties are too small and they must be increased

in size to permit the use of larger, more modern machinery.”

Mr. Anthony then referred to collective farming in Soviet Russia. He hastened to say that this “is something I abhor”, but then went on to say, **“yet they are getting results from larger holdings, through being able to use bigger machines for all types of operation, and better use of farm advisers. They are tending to become more efficient.”**

The West Australian (Perth) of February 28, carried the headline, “Economic policy must aim at deliberately removing W.A. farms with fewer than 3,000 sheep, 200 beef breeders or 70 milking cows.” These are the views of Mr. G. D. Oliver, officer in charge of the Agricultural Department’s rural, economic and marketing section. *The Queensland Countryman* of November, 1968, quotes a Professor who put the matter more bluntly: **“This problem of clearing the country of clodhoppers and hay-seeds is a human problem. We’re caught in forces which are international and enormous - if we stand up and try to stop them, they will overwhelm us, we have to soften the blow in economic and human terms. The people who remain on the farms are also going to be syndicated, corporations, companies, etc. What has happened to the broiler industry is setting the pattern for other industries.”**

The above remarks are attributed to Professor Tribe when addressing the National Farmers’ Union in Hobart, Tasmania.

The collectivist philosophy underlying this type of comment is obvious. The Marxists of all types, including the Fabians, approve of it.

As countries like the U.S.A. and Canada are following the same type of financial policy being imposed in Australia, it is not surprising that the same problems are affecting the farmers in those countries. There is nothing original in Mr. D. Anthony’s proposals for Governments to finance the further centralisation of farming. This concept has also been advanced in Canada. And the Communists are taking advantage of the developing situation. In an article in the Autumn, 1968 issue of *Horizons*, the Marxist Quarterly published in Canada, reference is made to the growing “militancy” amongst farmers, that “Requirements for capital can no longer be met from within the Agricultural community itself . . . Relationships based on *petty-bourgeois ownership* are breaking up . . . The majority of farms have become unprofitable, not just the smallest ones. The entire group of medium-sized farms is in trouble.” Not surprisingly, it is stated that “The Communist Party has done some work in developing a farm programme.”

As Mr. Anthony is insistent that it is “inevitable” that the size of farms must get bigger, it is not surprising that after his visit to the Soviet Union in 1968, he returned to Australia and said that collectivised farming had some merits. Presumably Mr. Anthony was not shown the most significant feature of Soviet farming, the vital contribution by the small private land plots to Soviet food production. The failures of the large-scale collectivised farming in spite of the mechanisation made possible by the State, forced the Marxist planners to allow the peasants to have small private

plots. This has been a bitter blow to the planners, who have described them as the “breeding beds of capitalism”. Official Soviet figures reveal that 3 per cent. of the total land cultivated in the Soviet Union consists of peasants’ private plots, but that the State and collectivised farms produce only 10 per cent more than the peasants! The private sector of the economy actually produces 79 per cent of total egg production. The position is similar in Estonia and Lithuania where privately operated small plots produce more than 50 per cent of the total food supply.

It is true that large-scale farming can, like many other large-scale activities, look most impressive because of man’s great technological advances. Modern engineering skills certainly make it possible to create marvellous transport systems in an endeavour to overcome the traffic problems of the big cities. But the use of large-scale equipment to make it possible to operate bigger cities, or bigger farms, does not prove that centralisation is more efficient. Genuine efficiency must also be measured **in terms of human satisfaction**. No doubt it can be proved that it would be much more economic to house the whole community in barracks with communal systems rather than the “wasteful” system of living in individual homes!

Aldous Huxley in *Science, Liberty and Peace* (1947) pointed out that “there is nothing in the results of disinterested scientific research which makes it inevitable that they should be applied for the benefit of centralised finance, industry and government. If inventors and technicians so chose, they could just as well apply the results of pure science for the purpose of increasing economic self-sufficiency and consequently the political independence of small owners . . . The sabbath “was made for man, not man for the sabbath; and the same is true of applied science.”

The programme of increasing centralisation is not in the natural order of things, but is being imposed through an anti-social financial policy. The very character of the Australian nation is under attack as the result of excessive centralisation. Peter Drucker observed in his book, *The Future of Industrial Man*, that “**Any society which cannot prevent the development of masses is irrevocably ruined.**”

The great Thomas Jefferson said that “Corruption of morals in the mass of cultivators is a phenomenon of which no age or nation has provided an example . . . Generally speaking the proportion which the aggregate of the other classes of citizens in any State to that of its husbandmen, is the proportion of its unsound to its healthy parts, and it is a good enough barometer whereby to measure its degree of corruption.”

Wilhelm Ropke reveals in *International Economic Disintegration* how under Hitler’s National Socialism there was economic liquidation of the small, independent German farmer, a new phenomenon in Germany. Between 1933 and 1938 there was a net loss of no less than 650,000 farmers and their families, from the rural communities. Ropke comments that “It goes without saying that all this is a very natural development in a totalitarian country where the ultimate aim is to turn the entire population into an amorphous mass of proletarians”.

The programme for centralising still further the rural industries of Australia can only intensify the overall disastrous national movement towards centralisation throughout Australia. Population figures show how bigger percentages of the total population are being concentrated in capital cities. The chairman of the N.S.W. State planning authority, Mr. N. Ashton, told a conference of the regional development committees of Richmond-Tweed, Clarence and New England on February 13, 1969, that "Over the past 12 years 100,000 people from the country areas of N.S.W. had drifted to Sydney . . ." Mr. Ashton said that this development was "a paramount problem which had to be surmounted." But the problem is going to be aggravated by the programme of amalgamation now advocated as the solution to the problems of the rural industries.

Many years ago the American expert on centralisation, Lewis Mumford, showed in his work, *The Culture of Cities*, that once cities grow beyond a population of 500,000 they become increasingly inefficient as a social organisation. The bigger cities require proportionately bigger police forces to deal with greater crime. The accident rate is much higher than in smaller centres. From all over the world come reports of the growing problems of the growing cities. And figures show the enormous disparity between the cost of servicing every individual who goes to a big city as compared with the cost in smaller rural cities and towns. Technological advancements make it possible to provide most impressive transport, water and other schemes in an endeavour to make the ever-growing cities work. But the cost is astronomical. All the Australian capital cities are preparing various plans, including those for underground railways.

BRITISH AND EUROPEAN FARMERS UNDER PRESSURE

Queensland Country Life of February 13 reports the dropping of a bombshell on a conference of top British farmers by a "leading agricultural economist", who stated that economically there were "too many people farming, too much capital involved and too much land in Britain devoted to farming." The report states that he "put up a very good argument for accelerating the drift from the land and the continued release of farm land for social and other amenities." Angry farmers asked whether it was not true if they increased British food production by £100 million, would this not mean lessening the necessity to export that amount to buy from abroad.

Farmers in the Common Market countries also have problems. In spite of a reduction in the number of farmers, the main problem is huge surpluses. Common Market agricultural regulations require that food shall be destroyed to keep prices stable. The Common Market has a special fund for this purpose. The latest figures show that the fund stands at £24 million sterling. Mountains of food have to be destroyed. Consumers are not allowed to buy this surplus cheap. In fact they are paying around £25 million (sterling) a year for produce that ends up on the rubbish tip. The logical question is: "If huge subsidies can be paid for destruction, why cannot they be paid for price reduction, thus stimulating demand?" But to use financial

policy for such a common sense purpose is not part of The Big Idea.

The “expert planners” use the situation to keep advocating still further a reduction in the number of farmers.

Eliminating American Farmers

The Land Newspaper of August 15, 1968 carried the heading, COST PRICE SQUEEZE FORCES OUT SMALL FARMER IN U.S. The article underneath said: “The United States is going through a painful transition . . . Farmers are reeling from the dual impact of inflation and high interest rates . . . Unlike businessmen who have a product for sale, farmers have not been able to pass on higher costs to buyers . . . At the same time inflation has been driving up the cost of virtually everything the farmer has to buy - from work gloves to diesel tractors. The result is a cost-squeeze that is clamping down on farmers like a steel vice. Farm debt is rising faster than at any time since the period during and just after World War I. Adding to the burden are the highest interest rates in a generation or more . . . ‘Either get big or get out’ - that’s the way you hear it explained on one farm after another.

Somewhere in America this year or next, when a farmer calls in an auctioneer and sells out, the total number of U.S. farms will fall below three million. In 1960 there were four million. Predictions are heard that the family farm is disappearing to be replaced by corporation-operated farms. The farm families fight to hold on. In a surprising number you find wives working in the fields to help cut expenses. There is a rising tide of bitterness among farmers . . . The outlook for mid-western farmers was summed up this way by Mr. Sayre of the Continental Minor’s Bank of Chicago: “The fellow who is thinly capitalised is in real trouble. Every year the marginal operators are chopped off the bottom until the fellow who was in the middle of things eight years ago may be pretty near the bottom now.”

The Debt Burden

If Australian farmers are to save themselves from financial liquidation, and set an example to the rest of a community also suffering under increasing centralisation, they have got to face the fact that the present policy of credit creation and issue, high taxation and progressive inflation, is the basic cause of their problem of mounting financial costs.

The increasing indebtedness of Australian farmers tells its own story. **In the seven years from 1960 to June 1967, the net indebtedness of farmers increased by 820% from \$76 million to \$629 million.** The major factor responsible for this growing indebtedness is increased financial costs stemming from a financial policy which is imposing increasingly greater debt and taxation burdens, reflected in increasing price rises, upon the whole community. Even if farmers could pass on their higher financial costs in higher prices, this is no more a solution to the basic problem than is the progressive increase in wages. Higher food prices would merely stimulate inflation, leading to an intensification of a vicious circle which there are no real

benefits. What is required is a challenge to the basic financial policy afflicting all.

Debt Burden Crushing State and Local Government

The increasing pressure of the debt structure on the State Governments is shown by the following figures: At the end of June, 1950, the Commonwealth debt was \$3,730 million. Total State debts were \$2,367 million. By the end of June, 1956, the Commonwealth debt had made a small increase to \$4,030 million, but the State debts had nearly doubled to \$4,211 million. Eleven years later, at the end of June, 1967, the Commonwealth debt had been reduced to \$3,275 million, while the State debts now stood at the staggering figure of \$7,934 million.

Speaking in the New South Wales State Assembly on November 10, 1968, Country Party Member Mr. L. Punch predicted that the entire State Budget in New South Wales may shortly be needed to meet loan repayments and interest charges. "Startling as this may sound, it is clearly borne out by the figures," he said. All the States are in a serious financial situation, primarily as a result of the Federal Government's financial policies, and its monopoly of taxing power. The Federal Government has become rapacious in its financial relations with the States. *The Sun*, Melbourne, of January 29, 1969, quotes the Victorian Minister for Education, Mr. Lindsay Thompson, "saying that if the present Commonwealth-States financial set-up continued, it will "kill" Victoria and other States." Mr. Thompson provided an example of what happens when the Commonwealth **loans** back to a State, at interest, some of the taxes which have, of course, been originally collected from the people of that State.

If the Commonwealth in the Australian Capital Territory uses \$1 million of tax revenue to build a high school, the final cost is \$1 million. But if the Commonwealth loans the States \$1 million to build the same high school, by the time the States have repaid the loan and the interest charges, the school costs \$2.5 million! This is but one example of the inflationary policies being imposed by the Commonwealth.

The pressure of the total debt structure on the States must inevitably destroy them as sovereign governments. The Fabian Socialists make no secret of the fact that they want to have the States abolished as self-governing entities and to turn them into mere administrative instruments for one Centralized Government. Every step in this direction inevitably increases the already swollen bureaucracy. Like the smaller-sized primary producers, the States are being told that they are no longer economic units, and large numbers who describe themselves as anti-Socialists bleat like sheep that "It is unfortunate but it is inevitable. It is the trend." In their desperate efforts to survive their growing financial burdens, the States are resorting to various types of new taxes. But these ultimately feed the inflation fire, which takes increasing toll of the rural industries. State Governments plead that as much as they would like to take direct taxes off the primary producer, the best they can do in some cases is to alleviate the burden.

The plight of Municipal Government is like that of the States, perhaps even worse. There has been an astronomical increase in total Municipal debt over the past 20

years, with a corresponding increase in rates to meet interest bills and repayment charges. Mr. K. P. Baxter, Research Officer for the Graziers' Association in N.S.W., has estimated that Shire rates, those which affect primary producers, have increased 732% in N.S.W. since 1955. Victorian rates outside the City Municipalities increased by 1900% between 1947 and 1966. Similar figures could be quoted from every State. Increased rates are a direct financial cost to the primary producer. Needless to say, the "solution" to the financial problems of the Municipalities is - to start amalgamating them! They, are also "uneconomic"; although it can easily be shown that measured realistically, both Municipal Government and State Government provides the individual with far greater efficiency than does the Central Government. Apart from this, the closer government is to the people, the easier it is to control. But the centralizers push ruthlessly ahead to further their programme of centralizing power, economic, financial and political.

The Money Creators

The mounting debt burden, manifesting itself in so many destructive ways, is the direct result of the present method of creating and issuing money. How many primary producers stop to think how the money equivalent of their production is created? The following authorities clearly outline how the modern money supply, mostly financial credit, is created:

As far back as 1882, Professor H. D. McLeod, lecturer on political economy at the University of Cambridge, and the most outstanding authority on banking in Britain at that time, gave his famous lectures on Credit and Banking to the Institute of Bankers of Scotland. The following extracts from the lectures outline the process of credit creation with great clarity:

"The way a Banker trades is this: He sees that £1,000 in cash is sufficient to support £10,000 of liabilities in Credit; consequently he argues that £10,000 in cash will bear liabilities to several times that amount in credit . . . Thus we see that the essential and distinctive feature of a Bank and a Banker is to create and issue Credit payable upon demand; and this Credit is intended to be put into circulation and serve all the purposes of money. **A bank, therefore, is not an office for borrowing and lending money, but it is a manufactory of credit.**" (Emphasis added.)

In his book *Elements of Banking* Professor McLeod wrote: "When it is said that a great London Joint Stock bank has perhaps £25,000,000 of deposits, it is almost universally believed that it had £25,000,000 of actual money to 'lend out' as it is erroneously called . . . It is a complete and entire delusion. These 'deposits' are not deposits in cash at all . . . They are nothing but an enormous superstructure of credit." The Rt. Hon. Reginald McKenna, one-time British Chancellor of the Exchequer, and Chairman of the Midland Bank, addressed a meeting of shareholders of the Bank on January 25, 1924, and said, as recorded in his book *Post-War Banking*: "**I am afraid the ordinary citizen will not like to be told that the banks can, and do, create and destroy money. The amount of finance in existence varies only with the action**

of the banks in increasing or decreasing deposits and bank purchases. We know how this is effected. Every loan, overdraft or bank purchase creates a deposit, and every repayment of a loan, overdraft or bank sale destroys a deposit.”

In 1939 the Canadian Government’s Committee on Banking and Commerce exhaustively questioned Mr. Graham F. Towers, at that time Governor of the Central Bank of Canada, on banking practices. The following are extracts from the Minutes of Proceedings and Evidence Respecting the Bank of Canada:

Question: But there is no question about it that banks create the medium of exchange?

Towers: That is right. That is what they are for . . . that is the Banking business, just in the same way that a steel plant makes steel.”

The following are further statements by Governor Towers:

“Each and every time a bank makes a loan (or purchases securities), new bank credit is created - new deposits - brand new money.”

“Broadly speaking, all new money comes out of a Bank in the form of loans.”

Mr. Towers then made the following important point:

“A government can find money in three ways: by taxation, or they might find it by borrowing the savings of the people, or they might find it by action which is allied with an expansive monetary policy, that is borrowing which creates additional money in the process.”

Reversing The Inflation Policy

All present methods of expanding financial credit result in increased financial costs which are charged into higher prices. It is false, typical Socialist and Communist propaganda to claim that industry as a whole can pay increased wages out of profits when ordered to do so by the Arbitration Court. Representing Australian employers at the 1967 National Wages Case, Mr. J. Robinson suggested to the Court that it was time that it “dropped its notion that a wage booster by the Commission will assist the economy. As I said to you Mr. Commissioner Winter, you tried it twice within six months and that increase represented \$435 million per annum.” Mr. Robinson went on to say that this big wage increase had been of no benefit to anyone. It has merely increased prices.

Every new wage increase forces employers to borrow from the banking system, which creates the new credit in the manner already explained and loans it as an interest bearing debt. Employers must attempt to recover the loan for the increased wages, plus interest, through increased prices. The overall result therefore of every wage increase is an expansion of new financial credit which further inflates prices, thus making still further wage increases necessary.

Mr. Robinson made a suggestion in the 1967 wages case which points the direction in which the Federal Government should move. He said: **“We say to the Commission, and it is our very serious submission to this tribunal; why don’t you leave the problem of stimulating consumer demand to the Commonwealth**

Government who have the means of stimulating without a balancing cost impact?” It is elementary that if hundreds of millions of pounds of new credits can be created in a manner which merely increases prices, then the new credits could be applied in such a way that they were a genuine benefit to the economy by using them to **reduce** prices. Reduced prices are a permanent benefit. How might such a policy be applied?

The answer was provided during the Second World War in Great Britain, Australia, New Zealand, Canada and the U.S.A., when the possibility of inflation resulting from the enormous expansion of new credit for the war was averted by a price-subsidisation technique which, by subsidising food, clothing and other items, held wage costs stable. The Commonwealth Year Book of 1946-47, page 461, in the chapter “Control of Prices” explains under heading 9, *Treatment of Costs and Subsidies*, how this was done: “When increased costs could not be absorbed within the process by production or distribution they were met generally at the source by payment of subsidies and thus prevented from disturbing the whole price structure.” Senator Keane, Minister for Trade and Customs, explained the need for subsidies as follows in 1943:

“We must not look upon subsidies under the new plan as payments to which an industry is not entitled. They are not payments because the industry is inefficient in comparison with other industries, and they do not resemble doles. They are payments because the Government considers it more economical to meet increased costs through subsidies rather than through rising prices . . .”

(vide *The Sydney Morning Herald*, April 14, 1943).

Crude and unscientific as they were, the price subsidy system during and immediately after the Second World War were a success in stabilising prices in every country where they were applied.

As soon as possible after the war, the Fabian Socialist economic “advisers” started working for the dismantling of the consumer subsidy system. Before the 1949 Federal Election in Australia, when the then Mr. Robert Menzies promised “to put the shillings back into the pound”, Country Party leader Arthur Fadden, Federal Treasurer in the Menzies Government, advocated the restoration of the price-subsidy mechanism. But this was never done, and eventually the Menzies Government resigned itself to “controlled inflation”. The permanent planners had proved too strong for the politicians. When the eminent Australian constitutional expert, Professor F. A. Bland was a Liberal Member of the Commonwealth Parliament, and Chairman of the Public Accounts Committee, he said that the permanent bureaucracy was all-powerful and that it did not really matter whether Harold Holt (the late Prime Minister was Treasurer at the time) was Federal Treasurer or Tom Mix; real policy making resided with the permanent officials of the Treasury Department.

As it is common sense that a credit policy could easily be implemented which

would progressively reduce financial costs in accordance with the tremendous increase in real efficiency in industry, both primary and secondary, the conclusion is inescapable that those imposing the present policy are conscious of what they are about. They are the “guilty men” who make it appear “inevitable” that farmers must be financially liquidated and centralisation accepted as a natural phenomenon. Only an enlightened and aroused electorate, demanding that political representatives insist that present Fabian Socialist financial policies be reversed, will force the “guilty men” to produce alternative policies or lose their jobs! Australian primary producers can demonstrate their traditional resourcefulness and love of independence by giving a forthright lead.

A start could be made by making use of machinery already in existence for the purpose of implementing Sales Tax. At present when the consumer asks for certain items at the retail counter, the retailer is compelled by the Government to immediately increase the price of the items by the amount of the Sales Tax, which is a most inflationary tax. The retailer keeps a record of the Sales Tax he collects, periodically sends it to a Government Department and receives a receipt in exchange. The Government should abolish all Sales Tax, and replace it with a discount system to be financed by the Government through a draft on the nation’s credit in the manner explained by the banking authorities already quoted. The result would be that when the consumer indicated at the retail counter that he wanted certain items, food, or woollen articles, the price would be automatically reduced by the discount fixed by the Government. The retailer would keep a record of the discounts in the same way that he now keeps a record of Sales Tax, and instead of sending money to a Government Department, would now present claims for payment for the discounts. Consumer control of free enterprise would operate, discounts, or subsidies, call them what we will, only be paid on production freely indicated at the retail counter. A reduction in retail prices for primary production would stimulate demand, be a permanent increase in the community’s purchasing power, and bring an end to the present wage increases financed through inflationary credit expansion.

A Government policy of reducing financial costs would immediately reverse present centralist policies. All primary producers would benefit, with the smaller economic units able to continue making their contribution to the national economy in the form of real wealth. If Australia is to be saved from some form of totalitarianism, the present financial policy fostering centralisation has got to be replaced with one actively fostering decentralisation in every sphere. But such a reversal of the present disastrous policies will be strenuously resisted by those centralisers who wish to attempt to plan production by drastically reducing the number of producers, who can then be more effectively controlled. The battle for Australia’s future will be fought primarily in Australia’s rural areas. The centralisers not only want the primary producers land, they seek to deprive Australia of the backbone of the nation - its decentred, independently-minded rural community.

League Objectives

- (a) To promote loyalty to the Christian concept of God, to the Crown, and to the Country.
- (b) To advocate genuine competitive individual enterprise and personal initiative.
- (c) To defend private ownership and advocate its extension in order that individual freedom with security shall be available to all.
- (d) To attack and expose government-by regulation and bureaucratic interference with economic and social activities.
- (e) To take steps designed to secure to the individual very definite rights which no government can take away, and especially steps which defend the written constitution.
- (f) To defend the Rule of law which makes all equal before the Law.
- (g) To stress the value of our system of Common Law, originally built up in Great Britain, to protect the rights of the individual; and to that end, to expose corruption and partiality in all their forms.
- (h) To expose the manner in which the safe guards of individual rights and liberties are being destroyed.
- (I) To emphasise the value of the Senate and of Legislative Councils.
- (j) To expose and oppose all anti-British propaganda and actions, irrespective of their origin.
- (h) To take such other actions as may be deemed desirable to promote the policy of the League.

God is a trinity, a relational structure. Every work of the devil is to divide us into warring camps - Trump vs Harris, Ukraine vs Russia, Israel vs Palestine, Sport team A vs Sport team B, Liberal vs Labor, Democrat vs Republican, Husband vs Wife, Young vs Old. Resolution is to be found in upholding this relational structure, of community, of discussion, love if you like.

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