

## A WEEKLY COMMENTARY

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The Price of Freedom is Eternal Vigilance

Vol. 61 No. 09

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07<sup>th</sup> March 2025

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#### **Thought For The Week** - *On Target* Vol 51 No 17 - 1st May, 2015

To imagine that the abstraction we call the State is qualified to render decisions on theoretical, abstract, historical, economic or philosophical-religious issues, which have challenged saints and seers for time immemorial, is utterly preposterous and would be purely laughable if such powers did not bring injustice and suffering to innocent citizens. What sane person would willingly deliver his or her fate to the judgements or edicts of the ignorant functionaries in government, who obviously have very limited academic or often, even ethical qualifications in such areas? Human "Rights" Commissions are simply politically-motivated Bolshevik-style "Peoples' Tribunals." They constitute a travesty of Justice and are designed as a revolutionary instrument to be just that. Enlightened and disinterested (i.e., unbiased and responsible) businesspeople should understand such elementary issues as a basic requirement of citizenship in an enlightened society. Unfortunately, consequent to limited and degraded education, they frequently do not properly understand them. We have made great strides in the physical sciences but lag woefully behind in the social.

Wally Klinck, Canada. *Correspondence* 25/04/2015.

*Few can be called a Social Crediter par excellence; sadly, we have lost one today and the loss is immeasurably great. I bring you some quotes reflecting the greatness of the man, who used to rebuke the scientist and the economist for their miscomprehension of the modern financial activity vis a vis Major C.H. Douglas Social Credit and explain it with great ease.*

*I hope you will enjoy.*

#### **A Devotion to Truth and the Discovery of It by Wallace Klinck**

*Ponder the words of Canada's Wallace Klinck to correspondents on the difference between Christianity and other religions and Social Credit concepts.*

*Moral, ethical behaviour cannot be conducted by a 'nation', a 'nation's leaders' a 'group', a 'collective' - only individuals can think and act in this way.*

**Wallace Klinck writes:** “My understanding that any religious "affiliations" that Douglas may have had would have been more with the Church of England. But I think that his approach to the subject went far deeper than advocacy for any specific religious denomination. Jesus taught us about relationships and the fundamental underlying principles or rules applying to relationships as timeless laws inherent in the very nature of existence. As I understand the matter, Douglas considered this to be of the Canon that governs the Universe. My understanding is that “the Kingdom is within” and that the “Church” or “Body of Christ” is made up of individuals wherever they may be found who are inspired by the Truth which alone can make us Free. I don't think that this body of “Believers” is bounded by any formal human organisations.

If what Jesus taught was Reality Incarnate then no artificial human designations would hold. If one who is so inspired may be found anywhere, then there is no reason to exclude any individual regardless of where he or she may have originated or find themselves situated in the world. Christianity is by definition universal. As Douglas stated, Christian principles are either a part of the very warp and woof of the Universe or they are just another interesting set of ideas. In which case we might well carry our search for truth elsewhere. Obviously, Douglas was convinced of the validity of the Christian position...

If any persons of other faiths are of truly Good Will (of the Spirit and motivated by the Law of Love) then they should instinctively be attracted to the Social Credit message assuming that its principles are indeed part of Reality. Of course, being often steeped in cultural traditions and blinded or restrained by such exposure can be an impediment - but should not be for any genuine and open seeker of Truth.

**“In Whose Service is Perfect Freedom.”**

Ultimately every individual must seek his own path. I am aware that the formal Churches have observed certain practices and events that no doubt pre-date the Christian era but what do these formalities have to do with the pure message of Love taught by Jesus? Did he not say that the Law would be fulfilled if we love God and each other? Personally, I have never felt comfortable about placing my allegiances with any formal religious organisation established by men and women in the world. I believe that Douglas's thought transcended such limitations or loyalties. I never had the impression that Jesus had any regard for formalities or rituals which might be called ‘vain oblations’. I am not aware that any claim is made that “Christianity” really began with the birth of Christ - rather that what He taught was inherent in the everlasting nature of existence going back to the foundations of the Universe.

Social Crediters, I believe, are not only willing but anxious to dialogue with any other living receptive soul but in doing so they cannot misrepresent, violate or desert the principles which they are convinced are good and true. Others are entirely free to respond as they choose. Social Crediters spread the “word” and let the chips fall as they may. Frankly, having had an exposure to essential Social Credit philosophy and policy, I cannot understand why any rational person of Good Will could find

offence with them inasmuch as they point toward a more Abundant Life for All. Those, however, who are convinced that mankind is irredeemably evil or can only be purified by imposed work - the more the better - will have difficulty with the Social Credit Idea. That is a problem with which they will have to grapple and involves some major battles of the Mind for which they are themselves responsible.

The task of Social Crediters is to break through the wall of misrepresentation and slander propagated in opposition to the ideas of Douglas and Social Credit by those adversaries who hold such puritanical and essentially supremacist views and have traditionally shaped Establishment institutions and false values through their control of the sources of information. Social Credit must involve itself in breaking the Seals which have bound up the Truth (as we perceive it to be). \*\*\*

**To another Wallace wrote:**

“I assumed the discussion at this point to be within the parameters of the Christian milieu. You will note that... I did not use the word “affiliation” but rather “denomination” and this was used in the context of Christian thought not in the context of a pantheon of all historical religions.

By this I meant that Douglas's concepts of the Christian message transcended advocacy for only formal Catholicism in its variants and Protestantism in its many sects and/or schisms and their various common or conflicting interpretations of the essence of Life. I was making no specific or general endorsements of these or of the various non-Christian “religions”, past or present.

Reality stands above the capacity of mere mortals to fully comprehend it. As I understand the matter Jesus brought a message of Love and the manner or quality of relationships which must inevitably follow from the practice of such Love - which latter by definition and spirit must embrace a devotion to Truth and the discovery of it. Life is an abundant unfolding adventure. This has to do with the heart, mind, soul and spirit of the individual and has nothing to do with institutionalised dogma which must always, because of limited scope and rigidity (one might say variable blindness) fall short in this respect. This is why the individual must be free and why Social Credit places such importance on immanent sovereignty and the discovery of the principles of association.

Jesus' message was not applicable to a collectivity but rather it was individualist. A collectivity is a mere abstraction whereas the individual is actual or real as a conscious physical entity. A collectivity of itself can possess no heart, soul, mind or spirit. Individuals having these attributes can act in co-operative unity, for good or bad, within a “collectivity” but only as discrete uniquely-conscious individuals - which is an entirely different matter.

While the Doctrine of the Incarnation and/or that of Trinitarianism are intrinsic to Christian thought I am not sure whether or not there may have been any historical precedents in this regard. In any event what matters is their validity. The Trinitarian aspect instructs regarding the separation, balancing and dispersion of power and the Incarnation relates to the realisation of the Christian message in our actual lives or

organic affairs. Hence Social Credit has been described as “Practical Christianity.” I suspect that in actuality we have no significant differences with regard to these issues. Whether because of the cultural milieu of his time and/or by specific intent there is no denial in my mind that Douglas formed his ideas within the embrace of Christian thought and belief. \*\*\*

### **Is Income Inequality the Central Economic Problem? by Wallace Klinck; 1st Jan. 2022**

...“Social Credit” would alter this trend toward wealth concentration without in anyway suggesting that incomes should be equal. As technology replaces human effort as a factor of production the “wages of the machine” would be paid equally to all citizens. This would provide a sustainable consumer demand and provide a stable outlook for competent businesses.

‘Quantitative easing’ cannot provide a remedy because the deficiency is on the consumption side. Naturally, if business outlook is not good, banks will be reluctant to release credit for more production.

The economy is, as has been, said, ‘costive’. It is overloaded and plugged up with un-liquidated financial costs, which cannot be liquidated because the rate of flow of financial incomes increasingly falls short of the rate of flow of financial costs and prices. It matters not that adequate incomes may have been paid out in the past. Money that has been prematurely recovered in respect of allocated capital charges is canceled as effective purchasing-power. It does not matter how much money has been distributed. All of it, of course, being accounted as a financial cost. If it has been canceled or placed (in-ed)to reserve it is not available as consumer purchasing-power—and it’s use to produce additional goods further increases costs and prices. There is no solution other than an exogenous supply of consumer money which does not create additional financial costs but is capable of liquidating previous ones.

It is not a testimony to human intelligence, that we seem incapable of realizing that the economy exists to serve consumption and that in order to allow it to function smoothly, we must provide for the consumption that supports production. Human labour is a shrinking factor in production, but we have demonstrated, nevertheless, our ability to produce a surfeit of goods. But we cannot have them without drowning in debt and incurring wanton waste and war. What then? Shall we commit suicide?

Our Bank of Canada is telling us that consumers are precipitously in debt and that we should curtail this trend. What else is either new or possible? So, we curtail credit buying, deny ourselves the use of what demonstrably, has been and can be produced, and collapse the economy so that the strong (including especially the banks as primary issuers of financial credit) can foreclose on the weak and appropriate our past efforts. What an evil system! It can’t be brainless—no one could be that stupid. But I am afraid the masses are so pathetically brainwashed and misinformed. It is tragic.

It is the Social Credit mission to change this sad state of affairs. \*\*\*

## Default Is Not Inevitable By Wallace Klinck, Canada

*The following is a response from Wallace Klinck to a social credit discussion group:*

What is not realised is that, when a nation is contracting accumulating debt, it is not paying its way financially. That is a technical state of, or progression toward, default, because financial prices are not being liquidated at their rate of creation, and is only "averted" by increased borrowing in a futile effort to stave off the final day of reckoning which would of course be foreclosure on the assets of the nation as a whole.

Inasmuch as all nations are increasingly under the burden of increasing debt, private and public, this raises the fascinating, and hopefully instructive, question of who ultimately would be the one foreclosing creditor agent?

*Nations live financially and physically in the present by drawing on the future through the instrumentality of debt which is the means by which financial costs in a given cost-accountancy period are carried forward as an inflationary charge against future production.*

### **The Nature of Industrial-Cost-Accountancy**

My impression is that you (within the discussion group) have not the faintest idea of the nature of industrial cost-accountancy as it interacts with the credit system in a modern capital-intensive economy. You compulsively adhere to blindly accepted inadequate or deceptive definitions and concepts which have been inculcated in your mind through your exposure to orthodox economic ideas. Social Credit is heterodox (*not conforming with accepted or orthodox standards or beliefs*) and holds different concepts about the nature of economic reality and necessarily uses quite different definitions and terminology. If you have, as you claim, studied the "dismal science" of economics "as she is taught" I am quite satisfied that you have been thoroughly brainwashed. I went through the same academic mill. Social Credit, you proclaim, is "crazy and discredited by almost everybody"? This is a ridiculous statement because most people (including most academics) know next to nothing about the subject--a fact that is glaringly obvious in light of various ill-informed and utterly irrelevant criticisms...

### **Champions of Freedom**

Anyone can champion "freedom" and most people would probably agree with this general sentiment. However, one has to have means to incarnate the principle in our organic affairs which, whether we like it or not, involves association at various levels ranging from the individual through the family, circle of associates, community and nation. We derive great benefits from successful associations and in all of them, in order to "play the game", we have to observe certain rules and make certain concessions for such associations to flourish.

The important thing is that associations of all sorts, must genuinely serve the interests of individual members and that individuals hold the power of invalidating and/or atrophying an association or function by means of the right of “contracting out” where that association or function is deemed by the individual as not to be serving his or her interests.

I don't doubt that you are “educated” but my impression is that this has resulted in a heady abstractionism substantially separated or detached from the real world in which ultimately most humans must live. Unfortunately, abstractionism can and inevitably does result in an inability to realize the very real freedoms to which we aspire.

### **Politics cannot be divorced from philosophy or religion**

I would point out also that politics cannot be divorced from philosophy and or “religion”. The present financial system is firmly established on the basis of a “*do ut des*” (this for that) philosophy in that money is strictly issued only for production, or in the case of consumer loans through and recoverable from future production. This is strictly in accord with the doctrine of “Salvation through Works” and is diametrically opposed to the Christian doctrine of “Salvation through Grace”.

### **Society is metaphysically (or philosophically) based**

Policy derives from philosophy and mechanisms are constructed to give effect through policy to the particular metaphysics of a society. Anyone who imagines that the present world financial system, i.e., the “Monopoly of Credit” is not based upon a specific system of “religious” tenets is entirely deluded.

Social Credit was not specifically designed to be compatible with Christian principles but it was through experience and observation discovered to be so.

When it is suggested that following a withdrawal from military adventures in Iraq and Afghanistan, etc., “there will be plenty in the kitty” one misconstrues the actual situation. Great military expenditure releases a vast amount of consumer incomes, which are paid out in financing such adventures. These incomes are spent by consumers and tend to buoy and sustain the economy. Indeed, cessation or reduction of such military activity typically brings about a major credit (i.e., monetary) contraction with consequent trade depression and all the adverse social and economic conditions which inevitably ensue.

Under the present ***grossly defective financial system***, the United States of America is economically driven by war without which the nation could not function and would falter and fail due to lack of effective consumer demand.

***All nations are given no option of a stable, advancing economy but rather one of expansion with inflationary exponential growth of unsustainable debt or, alternatively, contraction with widespread foreclosure upon real assets and financial ruin for the people who create the nation's real wealth and who give meaning to that production. \*\*\****

# The Banking System Has Appropriated the Communal Capital

## By Wallace Klink

Any economic activity that is created with the purpose of “creating Jobs” (i.e. human work) is irrational, wasteful, regressive, immoral and tyrannical. Increases in production efficiency should provide our needs and wants while releasing us from toil. Distribution is an entirely different issue, to be affected increasingly by specific and appropriate means other than by earned income as technology displaces labour as a factor of production.

Banks do not invest depositor’s money in industrial projects. They create credit by issuing loans against “worthy” assets or real credit of the community for productive purposes, i.e. the loan precedes the deposit.

Banks are not borrowers and lenders. They do not act as intermediaries between savers and investors. They are creators and destroyers of credit, which in the modern economy serves the function of “money”.

They create nearly all of the community’s “money” as credit in the form of financial debt. When the purchasing-power created by a bank loan is spent, for production or consumption purposes, it immediately begins its path back to cancellation when used to repay the producers bank loan.

We only have bank deposits because of outstanding unpaid bank loans which increasingly are absorbed into the public debt as a permanent and expanding financial claim of the banking system against the real assets of the nation.

The banking system by means of fraudulent legerdemain has appropriated the communal capital, by financial-accountancy manipulation—less obviously but no less effectively than it was expropriated by Lenin and Trotsky and the point of a machine gun.

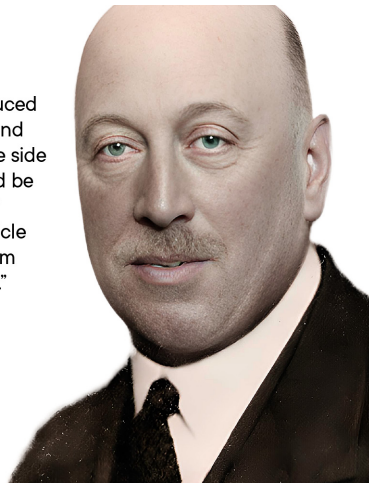
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“

Every article which is produced has a price attached to it, and somewhere on the opposite side of the account there should be a sum of money capable of moving each and every article out of the production system into the consuming system.”

**C.H. Douglas**

*Warning Democracy (1931)*



[thepeoplescredit.com.au](http://thepeoplescredit.com.au) | [socred.org](http://socred.org) | C.H. DOUGLAS (1879 – 1952) | SCE-10

## Social Credit and Foreign Trade by Wallace Klinck

...Obviously, if nations cannot absorb their own consumer production because of a lack of effective demand (i.e., unencumbered purchasing-power) and are forced to compensate by obtaining excess export earnings and seeking foreign investment it will be impossible to maintain cultural integrity as the financial pressures exert their inevitable and inexorable influence.

While it makes sense for nations to trade in order to obtain otherwise unavailable and required resources and/or to reap the efficiency benefits of comparative advantage, it makes no sense and is destructive of national sovereignty to be forced into international trade merely to join in a multi-national (and futile) scramble to capture scarce credits necessary to facilitate the sale of domestic production.

As technology rapidly eliminates labour as a relative factor of production, all the developed nations face an increasing lack of effective consumer income but all nations cannot export more than they import to compensate this inherent or innate deficiency and so avoid the burgeoning debt currently required to maintain demand. Attempts to do so lead to distortions in production and investment patterns and encroachments upon cultures which generate social unrest, and ultimately war, as all nations attempt to compete by aggressively seeking to obtain and secure cheap resources from third world countries.

It is a particular psychological curiosity and perverse circumstance that in the modern world we do not compete for goods, of which there exists an abundance—but rather for money, of which there is a scarcity, by which to purchase them.

We are driven to war not by real scarcity but by a shortage of money required to transfer and access this abundance.

We value and covet an abstraction over reality. The term “psychotic delusion” comes to mind.

The realistic solution to our major problems is in providing adequate internal consumer incomes without resorting to financial debt, foreign trade surpluses—or excess, wasteful and enslaving works projects.

***“We need Freedom, Abundance and Leisure”.* \*\*\***

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On Target is printed and authorised by Arnis J. Luks

13 Carsten Court, Happy Valley, SA.