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Depression in the Winter?

Another Bank Crisis is Imminent

The ominous figures published by the Australian trading banks last week amply justify the warnings issued in these columns during the last few months. Just as the great collapse of 1929 was brought about by the banks' need to save themselves from another 1893 exposure, so a further tightening of the screw seems to be inevitable very shortly.

It is now revealed that during the past year the total debts of the public to the banks have grown by nearly £13 millions, while at the same time the capacity of the public to repay these debts, as reflected in their bank deposits, has actually gone down by over £2 millions. Hence the position of the community as debtors, in the event of the banks calling up overdrafts as they did in 1929, is £15 millions worse than it was at this time last year.

WHY ADVANCES WITHOUT CORRESPONDING DEPOSITS?

Before looking into the likelihood of a general calling up of overdrafts, it may be well to explain the apparent discrepancy in the above figures. Since every increase in the total of bank overdrafts creates a corresponding increase in bank deposits or in cash in the hands of the public, what happened in 1935 to upset this balance?

In the first place the banks unloaded their total holdings of securities to the extent of over £2 millions, thus effectively cancelling that amount of money. For, when a bank sells securities, these are paid, for by cheques drawn on somebody's account, and so correspondingly lessening bank deposits.

In the second place, when bankers debit overdrawn accounts with their half-yearly charges for interest, advances are shown as being increased by the amounts thus debited; but, unless an equivalent sum is circulated through bank dividends, purchases or administrative expenses, or through payments of interest to depositors, bank deposits do not increase in the same ratio.

And, thirdly, increases in bank advances in Australia may be reflected by increased deposits, not in Australia, but in London. If, for instance, a bank gives Smith in Australia an overdraft of £1000 to buy English goods, the total of Australian advances is increased by £1000. But Smith's £1000 is paid to, say, Robinson in London, as a result of which bank deposits in England increase by £1000. These deposits may be lodged with banks trading in Australia, in which case the London funds of these banks will be increased.

Or they may and probably will be lodged with other English banks—a position that can be rectified only by a reversal of the process. Which is merely saying that imports cannot be paid for except by exports.

BANKS WON'T DISCLOSE LONDON FUNDS.

In view of Australia last year being unable to sell (not to produce) enough goods to pay for her imports from abroad, plus her interest commitments, plus dividends to English shareholders in Australian enterprises, it is probably the last of the reasons just given which accounts mainly for the net increase in debt to the banks which is hastening on another period of wholesale bankruptcies. The position of the London funds of banks trading in Australia has not been disclosed by them for a considerable time, and it cannot be ascertained; the Federal Treasurer recently stated in Parliament that he was unable to give any information on the subject, as it was not available.

SHORT OF CASH

It may therefore reasonably be assumed that London funds of the Australian banks are low. It is certain that their holdings of bank cash (currency plus Commonwealth Bank deposits) in Australia are greatly depleted, having declined from £47 millions in December 1934, to £33 millions last December. Including Treasury bills, which the banks can cash as required at the Commonwealth Bank, their cash position was over £10 millions worse at the end of last month than it was a year earlier.

LESS CASH; MORE CLAIMS TO READY CASH

A further disquieting feature is the nature of bank deposits

just at present. Obviously fixed deposits, which defer depositors' claims for currency against banks, are not nearly so serious from the bankers' point of view as are current accounts, for which actual cash may be required without notice at any time. The banks as a rule endeavour to transfer two-thirds of their liabilities to their customers into fixed, or deferred-claim deposits. When this ratio is upset the public can look out for trouble. Thus we find that in June 1928, current accounts in the trading banks were £111 millions and fixed deposits £177 millions; in 1929, £110 millions and £192 millions. By 1930 the banks had restored their balance (at the expense of the community), and the figures were £91 millions to £193 millions, the ratio remaining pretty constant until about a year ago. Since then it has begun to grow serious for the bankers, until at the end of 1935 the figures were: Current accounts, £109 millions; fixed deposits, £179 millions—a position almost exactly similar to what it was on the eve of the bank-created depression.

Summing up, therefore, the position is as follows:—During 1935 the public's liabilities to the banks have grown by £13 millions while the public's ability to pay has decreased by £2 millions. At the same time the banks' capacity to pay depositors has diminished seriously, while the percentage of potential immediate claims on the banks is growing rapidly.

THE BACKERS' ESCAPE

In such a position the banks, left to themselves, have normally three ways of escape. One is to turn immediate claims into

deferred claims, that is, to persuade people to change their current accounts into fixed deposits; the second is to increase their own cash resources; and the third, and desperate way, is to destroy enough claims against themselves to restore their own stability.

FIXED DEPOSITS AND INTEREST RATES.

In order to attract more fixed deposits at this stage, the banks must either increase the rates of interest they are prepared to offer, or else make investment in ordinary business avenues so dangerous that people will prefer to leave their money in the banks. The latter course obviously means further depression. As for the former, an increase in interest rates paid by banks naturally means an increase in rates charged by them. This would mean, amongst other things, higher interest on fresh national and municipal loans, higher rates and taxes, more complaints even from those chairmen of companies who normally uphold the banks, more protests from taxpayers' associations and the like, and a still further step towards the extinction of business profits.

In this connection the following figures are significant:

Present interest payments on public debt (excluding suspended interest on war debt to Britain): £50 millions a year.

Total taxation, Commonwealth and States: 1916, £31 millions; 1919, £44 millions; 1920, £56 millions; 1935, £95 millions.

That is, interest on the public debt alone now amounts to more than our total taxation at the end of the war.

INCREASING BANK CASH
The principal way by which banks have increased their cash resources of recent years has been by adding to their holdings of Treasury bills, or short-term national I.O.U.'s, which they can always turn into ready cash at the Commonwealth Bank. (In 1930 these were carrying interest for the banks at 6 per cent, but the rate has gradually come down to 1½ per cent.) We have recently seen the agitation by the Bank of New South Wales, by Professor Copland, and by others for the increasing of the issue of Treasury bills to the banks. For reasons, which need not be gone into here, nothing considerable has yet been done in this direction. Suffice it to say that the whole incident was another impudent bankers' ramp; for if there is a shortage of cash in the community, as there is, the nation should issue this cash itself, instead of issuing interest-bearing dockets which bankers can turn into cash to suit their own convenience or safety rather than the public needs.

DESTRUCTION OF BANK DEPOSITS

The final and most sinister way, by which the banker can save himself from being exposed as the imposter he is, lies in the deliberate destroying of claims against himself. This can be done in two ways, either by calling up overdrafts at a faster rate than they are issued, or by large-scale selling of securities. The effect of both of these operations will be to destroy current account deposits, since it is only by the surrendering of such that overdrafts can be paid off or securities paid for. In view of the years following 1929 there is no need for us to dilate upon this, but it might be pointed out that between 1929 and 1931 the current account deposits in the cheque-paying banks of Australia fell from £127 millions to £91 millions (in the trading banks, from £110 to £82 millions; and in the Commonwealth Bank, from £17 to £8 millions). At the same time savings bank deposits fell from £225 millions to £193 millions.

WILL 1936 REPEAT 1929?

There is no need to recall what is so bitterly present to our minds as what happened in 1929, save to emphasise this also: The position of the banks today is almost exactly on a par with their position in 1929. They are again in imminent risk of being found out. And again their policy must unquestion-

WATCH REPAIRS.

Mark Chapman

Chronometer, Clock and Watchmaker.
7th FLOOR CAPITOL HOUSE
Swanston Street, Melbourne.
(Late of Hardy Bros., Collins St.)
Telephone: Central 7077

The Australian Woolgrower Council. Gentlemen,

Three days ago, true to your tradition of self-help, you passed a resolution in favour of a compulsory levy on growers for a world advertising campaign for wool. There should be no one who is not fully in sympathy with your aims, but don't you think, once you got to the point of discussing ways and means, that you might have given your brains a little more exercise? Fascinating as mannequin parades may be, admirably as beauty competitions may serve to swell the circulation of newspapers which have little else to recommend them, do you think these devices will, as suggested at your meeting, help you to sell wool? The success of such spectacles, as you should know if you were not such simple country gentlemen, is not so much in displaying the fleece as in revealing the animal off-shears.

You expressed concern over the substitutes for wool, which are beginning to appear in various countries. Did you ever think why substitutes come on the market? Houses are fairly well advertised in Australia, yet you will find large numbers of our people existing in tin shanties and in bag humpies; lately they are reported to have sought domiciles in drain pipes up Newcastle way. The merits of milk, again, are pretty widely recognised; yet doctors assure us that in our big Australian cities there are thousands of children who could hardly identify its taste with their eyes shut. And the list, including wool, might be continued until it grew to a litany. Is this all due to want of advertising?

When some of your members spoke of the need for reciprocal trade with countries where you aim to sell your wool they began to display sound common

sense. But even then they were not right at the kernel. For though international trade is in essence barter, the suggestions coming from wool men for barter agreements whereby wool may be exchanged directly for, say, German cars, are quite unnecessary.

Have you ever heard of a device called money, a very practical invention instituted to take the cumbersomeness out of direct barter? It works, or is supposed to work along lines like these. An Australian grazier wishes to sell wool. A German wants to buy it. The German can offer motorcars in exchange. But the grazier does not happen to want a shed full of motorcars; he wants quite a variety of things. So the German sells his motorcars to Australians who do want them, and who pay him with Australian money. He then uses this money to pay the Australian grazier for his wool. The woolgrower in turn spends the money as it pleases him.

All these transactions, you will notice, centre around the money, which of itself is only a token. The essential thing, however, is that the number of money tokens in Australia must have an equivalent face value to the amount of wool which the grazier wishes to sell. This holds good irrespective of whether the grazier is tapping the home market or the foreign market. No matter who his buyer is, the woolgrower wants payment in Australian money.

Think this over and see whether your solution does not lie in demanding that Australian money tokens are issued up to the amount of real wealth you produce.

THE NEW TIMES

P.S.—Of course, Federal Ministers like your scheme to improve wool sales by a new tax. They would!

ably be deflation rather than discovery.

There was no need for deflation in 1929; there is less need in 1936, for in spite of every sort of discouragement we have added still further to our real wealth and resources in the intervening seven years. But, if the banker is to retain the monopoly over money, his books, which are no true reflection of our real national position, must inexorably impose further deflation.

The process has already started. Wholesale prices are dropping in numbers of instances. The shops are sacrificing goods at far bigger discounts than the usual summer sales. The chain stores, purveyors largely of shoddy or of sweated goods, are booming, while the warehouses are having the leanest of times. An "Argus" heading of January 8 reads: "Chain Stores Earn 10.8 Per Cent. — Soft goods Warehouses Average Only One Per Cent."

The public have hardly yet begun to notice what is taking place. They see a paragraph here and there—railways to put off 400 men, or something of the sort—but they don't read financial columns, much less bank returns. The public didn't notice what was happening in 1929 until they were in the thick of it. And so they don't notice the under-current running through the press today, of which the note is: Depression in the winter.

One wonders will the people put up with further needless destitution? Will they be satisfied to let the meaningless monetary inquiry meander along its useless way, hearing three witnesses, then adjourning indefinitely, or will they demand speedy action? Will they again allow themselves to be sacrificed to figures of scarcity, which bear no relation to the material facts of plenty? Will they demand a new set of books, or will they be driven like dumb cattle with the whips cracking over them?

THE INQUEST

Australia's Credit is Dead

"When is a door not a door?"

"When its ajar, of course."

That joke is stale. It amused the simple-minded folk of a past generation. We require something more puzzling.

Riddle: "Why is Australia's credit improving?"

Answer: "Because no one will lend her any money."

That is not logical, but why should it be? Mr. Lyons would be failing as a platform buffoon if he chanced to conform to the laws of logic. Clowns are paid to crack jokes, even if those dependent upon them are dying.

Mr. Bruce's flamboyant conversion loan was partly left on the hands of the underwriters. "By how much was it under-subscribed?" you ask. Mind your own business. Your job is to pay taxes and foot the bill. Your curiosity has caused enough damage. The growing Australian tendency to ask questions has already made us inferior to the coolies of Siam as a safe financial risk.

Australia's credit overseas is dead. Death occurred in 1928, but notification was postponed until 1930 because Mr. Bruce would not demean himself to act as undertaker. Mr. Bruce's successor was too candid. He called a corpse a corpse and arranged accordingly.

The obsequies were interrupted. A prophet arose. Mr. Lyons, self-styled and well advertised miracle worker, guaranteed to resurrect Australia's credit by using as an anti-toxin the poison which had caused death. The measures to be used were vague, Mr. Lyons stating that he knew "very little about finance." This statement suggests some knowledge. Politically it is a pardonable exaggeration. By lavish advertise-

ment, hocus pocus, and all the aids of faith healing, Australians were persuaded that the task was succeeding—until the test was applied. Simple-minded Colonials had been hoodwinked by Mr. Lyons. Could his guide, philosopher and friend repeat the confidence trick upon the denizens of Europe?

The High Commissioner saluted forth, like the Spanish champion, armed cap-a-pie -- with promises. He was repulsed. Mr. Bruce was transformed at one stroke from Bernado to Don Quixote. Mr. Lyons is wondering whether he is to be cast as Sancho Panza, or Don Quixote's ass, Rosinante.

PROSPERITY DEPENDENT ON OVERSEAS LOANS Australia's credit is still dead. If it could be revived problems of U.A.P. governments would be simplified. Conservatism tacitly accepts the theory that Australian prosperity is dependent upon overseas lending.

From an economic viewpoint further overseas borrowing is neither necessary nor desirable. Under our present financial control, however, and judged by standards of expediency, it is desirable—but impossible.

A revival of confidence in the minds of foreign investors is necessary before a revival of overseas lending. Such a revival has been prejudiced by our own false and shortsighted idea of patriotism.

EFFECT OF PARTISAN PRESS

During the crisis (1929-1931) a section of the press within Australia displayed bitter partisanship. The worst possible motives, intentions and moral standards were ascribed to a major political party. "The publicity extended of course outside Australia" (Prof. Copland). It was seized upon elsewhere as a means of discrediting a British government, which was unacceptable to certain interests. The propaganda was successful in both countries. Since that time various Australian representatives have been exceedingly tactless. They have taken every opportunity of assuring audiences abroad that Australia has rejected all manner of pernicious doctrines. An impression has been left that the alternative party favours inflation, repudiation and wholesale dishonesty.

Investors do not place their funds haphazardly. They ascertain the exact influence of these "dishonest elements" within a community, which wishes to borrow. They find that such influence has not diminished between 1932 and 1936.

WHAT ELECTIONS SHOWED

Taken as a plural vote at the Federal elections of 1934, "honest government" had only a slight majority and owed its preponderance to a favourable system of political subdivision.

In Victoria, the State least liable to voting fluctuation, the position is alarming. "Honest" Senate candidates were assured of return only by receipt of a large proportion of Communist preferences. The Communist and the British investor are not bedfellows.

The Senators-elect were able to challenge the leading candidate by receiving the preferences of Senator Elliot, a candid outcast and a rebel against their ideals. Supporters of that rebel have since formed a State Government, and in order to do so have accepted the support of "suspicious elements." The Country Party, which holds the balance of power in the Federal House, and whose leaders have formerly kept it identified with

"honest" government, is showing a tendency towards rank and file control.

In three States Governments have been formed which come within the category of those so trenchantly criticised by the British and Australian press.

Overseas investors must feel assured of income and repayment. They have been told by responsible Australians that the present Federal Ministry represents the only honest and capable administration in the Commonwealth. The word REPUDIATION, once whispered in reference to disreputable and struggling communities, now looms in capital letters. Russia, Germany, France and Italy have cancelled or scaled down their external debts. America has decided that BRITAIN'S token payments can only be signified by one word. REPUDIATION was the word used by Congress.

Australia's potentialities could have saved her from suspicion, but her reputation has been violated by our own ambassadors. Mr. Bruce has been betrayed by himself and his friends. They have hung our linen on the line and to the eyes of foreign investors the outstanding colour is red.

Australia's credit overseas is dead—undoubtedly. The coroner's verdict will be: "Killed by self-styled experts who were merely quacks and charlatans."

A British M.P. Sees It

From a speech in the House of Commons on December 10 by - Mr. P. C. Loftus:—

"In the early part of the Hon. Member's speech there kept coming back to my mind a remark made by the seconder of the amendment that under-consumption was really the cause of unemployment. I believe we all make a wrong approach to the problem of unemployment. That is the assumption that the object of human life and of the State is to find everybody work. I am sure if we would only approach the problem from a new angle and try to increase consumption, in the process of doing that we should largely solve unemployment. I seemed to detect also in the hon. gentleman's speech the idea that there is only a limited fund of wealth or money and that, therefore, you must abolish the profits in order that there should be more money or wealth available to the mass of the people. I am sure that that also is a wrong approach. The proper angle from which to look at the problem is that there is a vast, untapped reservoir of wealth in potential production which must immensely increase year by year, and that we must rid our mind of the conception of a limited amount of wealth which has to be shared out."

POINTS FOR STATESMEN

If you export goods for money your goods become gifts.

If you export goods for goods you do not increase employment.

If your people cannot afford to buy all their home production and you export the surplus for money, you give the surplus to the foreigner. Why not to your own people instead?

—From an issue of "The New Age," London, of July 18, 1929.

DOUGLAS CREDIT WOMEN'S MOVEMENT.

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WORSE THAN DEATH

The following gem is from the "Daily Herald":—

Employment is not keeping pace with production in the United States, despite reductions in the working week.

By September the number employed had reached the total for November 1931, but production was twenty per cent, above November 1931.

"In other words," says the "American Federationist," organ of the American Federation of Labour, "it took a level of production twenty per cent, higher in September, 1935, to keep the same number of men at work as in November, 1931."

With no more men at work earning income, who will buy the twenty per cent, increase in production?

Who indeed? Probably nobody will buy it, and it will be given to the fishes, moths and maggots, as they are not, presumably, susceptible of demoralisation if given "something for nothing."

Unless, of course, the people of the United States wake up and demand National Dividends. There are some starving people who think it would almost be better to be demoralised than dead. While there is life there is hope, they say; hope that the leisured may turn their leisure to some profitable account when they are tired of lounging about in armchairs, lying in bed, or going in for orgies of vice, which is understood to be the very usual occupation of all those who live upon dividends. On the other hand, once people are dead there is nothing to be done about it, except to bury them. There is something to be said for this point of view. — "Social Credit."

To New Readers of the "New Times"

At a moment when the world is gorged with unsaleable goods and human bodies are crying out for food; at a moment when most of the press is gorged with items of undigested news and human minds are crying out for information, the "New Times" is endeavouring to put before you, without regard to whom it may offend, the truth of what is happening.

At the same time the policy of this paper is not mere destructive criticism; that, in view of what is happening on all sides, requires no effort at all—the facts alone provide it. The policy of the "New Times" is one of hope in the midst of despair. It is one that would lay the foundations of a happier civilisation without disturbing anything that is good in what we have. It spells prosperity alike for the producer and the consumer without upsetting private enterprise and with a minimum of government interference or control.

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TWO GREAT KINGS

By Bruce H Brown

(By arrangement with the "Castlemaine Mail.")

Few of us imagined at Christmas, when we were listening to the voice of the King in the Empire Family broadcast, that within only four weeks of that time he was to die. Had there been even the faintest suspicion of such a thing we would have found ourselves in an atmosphere of foreboding and sadness instead of inspiration and pleasure.

None regrets the death of King George the Fifth with more sincere sorrow, or welcomes the accession of King Edward the Eighth with more genuine loyalty than we do. For King George we express our admiration of his attitude toward World events, and his exemplary public conduct, as well as our appreciation of what he accomplished despite the subtle disloyalty of many who surrounded him in high places. For King Edward we have the highest respect for the courage he has already displayed in speaking the truth about our economic chaos and expressing views not wholly welcome in financial quarters, as well as the greatest confidence in his ability to lead us as a family out of the bondage of finance into the promised land of economic security through the establishment of a sane system of distribution as advocated by his illustrious father.

THE CLAIMS OF LIVING HUMANITY.

The death of the King has reminded us rather forcibly of our common humanity and the universality of death. If a great and noble king cannot be exempt, then there is little hope of exemption for lesser persons, even though they may have access to everything to which money gives claim, whether they have "earned" it, as they insist for others, or not. We are also reminded that nothing can be taken with us when we die, and that everything remains here to be used. This, we suggest, emphasises the pre-eminent claims of living humanity, and we are happy to know that the late King not only recognised it, but actually pointed out what should be done to lift the burden of suffering from the shoulders of the poor. But the King was not greater than his Parliament, and could only progress as far and as fast as that body would permit him. This brings up the fact that the members of our National Parliament hold the power to terminate the existing unsatisfactory conditions immediately and forever, but despite the pleadings of their Sovereign they have continued to place their fellow citizens and the nation's assets more and more in pawn to the few who privately control finance.

THE "CLAIMS" OF THE BANKS

An instance of what we mean is given by D. J. Amos, F.A.I.S., who tells us that when the war broke out in 1914 the British Banking System collapsed with a crash. The banks closed their doors for four days, and a finance committee, consisting of the heads of the principal banks, besought the Government to utilise the national credit to save them from destruction. "How?" said the Government. "Issue notes against it," said the bankers "and write across their faces 'Legal Tender for any amount.'"

If any Government had attempted to do this to save its people from financial ruin the bankers would have said that such a measure was madness but to save the banks from bankruptcy it was sanity. When the banks reopened, they paid their obligations in notes (or in

credits based upon the notes) manufactured and guaranteed, not by the Bank of England, but by the British Nation. In addition to this, the Government also advanced these national notes against the bills of exchange held by the banks which had been drawn on enemy countries, and which, therefore, the banks could not collect. On the 22nd December 1915, Lloyd George admitted, in reply to a question in the House, that Government aid to financial institutions totalled £200,000,000. There could not possibly be stronger proof that banking credit is really national credit, because in every crisis it is the Government that is compelled to step in and provide notes and discount facilities to save the banks.

Mr. Amos goes on to say that, although the English banks eagerly made use of the national credit to save themselves from disaster, they would not permit the Government to use it to finance the war. The hour of the nation's peril was their opportunity for plunder, and for binding the people in chains of interest-bearing debt, which they would never be able to shake off. With the connivance (or, at least, the tacit acquiescence) of the British Government, they organised the great series of war loans bearing interest at 3½, 4½, 5 and 6 per cent. They invested in these loans the money that had been created for them by the nation in order to keep them out of the Bankruptcy Court, and so were permitted to place a tax of millions per annum upon the very people who had saved them. The full story of the trickery practised in connection with these war loans by the financial institutions of Great Britain reveals a succession of the most sordid and shameless robberies of a nation struggling for its existence that can be found in the historical records of any people. Nor did these robberies end with the war, as we have clearly shown in earlier articles.

THE MEN RESPONSIBLE IN AUSTRALIA

It is at the heels of this British Banking System that Australia is at the present moment being dragged, and although an "inquiry" (?) into the arrangements is now in progress it is necessary to state that the men directly responsible for the continued distress of our people are the members of the Federal Cabinet, as follows:—

Joseph Aloysius Lyons,
Robert Gordon Menzies,
Richard Gardiner Casey,
George Foster Pearce,
Robert Archdale Parkhill,
Thomas Walter White,
Alexander John McLachlan,
Frederick Harold Stewart,
Henry Somers Gullett,
Thomas Cornelius Brennan,
Earle Christmas Grafton Page,
Thomas Paterson,
Harold Victor Campbell Thorby,
James Aitchison Johnston Hunter.

It is within their power, with their assured majority in both Houses of the Federal Parliament, to remedy matters within the terms of the existing Constitution and along the lines advocated by Royalty, or to show us, through Parliamentary records, who or what is preventing them from doing so.

THE TEST OF LOYALTY

As we have already said, we have nothing but admiration for the life and work of the late King George the Fifth and subscribe wholeheartedly to everything said in appreciation of him. But, knowing something of his efforts to secure better conditions for his

people, and of the way in which those efforts were thwarted by his so-called "advisers" and the general press, we confess to a feeling of shame and serious misgiving when we read the fulsome obituaries from the very quarters in which his pleadings have been so disloyally spurned. After all, Loyalty comes from the heart—not from the wearing of a black tie, from sentimental speeches, or from what commercially controlled newspapers may say. High-sounding words now do not dispose of the fact that while the King was courageously telling the world that the problem could only be solved by the adoption of a more sensible system of distribution, his ministers and the press, as well as many ecclesiastics, all under the spell of financiers lurking in the shadowy background, either refused to discuss it, suppressed discussion of it, or helped to ridicule those who sought to bring the matter to the light of day. The King knew and the King pointed the way, but politicians and officials who had sworn loyalty to his throne and person relegated his appeal to second place in favour of the private individuals controlling the money monopoly.

Notwithstanding this, these same highlights are now all to be heard avowing loyalty and homage to the departed sovereign, whom they are describing as the revered head of the British Family, a man of wonderful vision, and a man who manifested great love for his people. And even while they speak thus, they get gooseflesh whenever the suggestion is made that the theft and arithmetical errors of the present financial system should be rectified, so making it possible for the nation to give effect to the greatest words ever uttered by an earthly monarch. Would that these people would turn lip service to brain service.

THE KING'S "IN MEMORIAM."

If we are seeking an "In Memoriam" it may be found in the speech of his late Majesty at the opening of the World Economic Conference. On that occasion the representatives of sixty-six nations were gathered to find a remedy for the "common ill" which had fallen like a pall over all countries. His Majesty, with rare skill and courage, told them that there was no problem in regard to production, but that the trouble was wholly centred in distribution. He went on to say: "I appeal to you to co-operate for the ultimate good of the whole world. It cannot be beyond the power of man so to use the vast resources of the world as to assure the material progress of civilisation. No diminution of these resources has taken place." You see, the King knew there was no such thing as a "depression" so far as true wealth was concerned. What could better serve as an "In Memoriam" than that splendid utterance? He knew that the direct bounty of God was sufficient for the needs of all and that the obligation on us was to distribute it to God's earthly family. He also knew that the agency through which distribution is effected is money, and that all we have to do to remedy the distributive weakness is to rectify the money inadequacies. This speech is probably the finest ever uttered by a king, and should be engraved on the hearts of all loyal subjects as indicating the King's objective.

"I AM DETERMINED TO FOLLOW MY FATHER'S FOOTSTEPS."

And what could better serve to indicate a suitable memorial than the first public utterance of King Edward the Eighth? He said: "...I am determined to follow my father's footsteps, and work as he did throughout his life for the happiness and

welfare of all classes of my subjects. I place my reliance upon the loyalty and affection of my peoples throughout the Empire and upon the wisdom of their Parliaments to support me in this heavy task." The very best memorial that could be conceived is the actual improvement of the living conditions of the people as expressly desired by King George himself, and, this needs only the loyal support of the politicians, a few words in an act of Parliament, the telling of the truth by the press, and instructions from the National Government to its financial experts to have poverty abolished at once. So far we have not been able to depend on the politicians, and Ezra Pound tells us that "For 15 years British Governments in succession have done nothing but betray their own people, and have resisted every effort to improve the conditions of their Distressed Areas. The Prince of Wales tried to say so and they reproved him." When the Prince returned from a visit to those areas he said the conditions he saw were heartbreaking.

THE KING'S TASK

There is only one task before the King and only one problem to be settled. Money is the practical link between all the benefits of mankind and all the people of the Empire. Money is a claim to things and confers ownership. Excepting, perhaps, the pence and shillings, neither the King, the Parliament, Industry, nor the people of Great Britain manufacture this thing called money, which confers ownership. It is manufactured by a private corporation known as the Bank of England, which regards it all as its own possession. This is the robbery that must be stopped, for it is not possible to link the material activities of the members of this great Family unless the Family makes its own links—the money. The task before the King is "to free Credit from the control of the private bankers and distribute it equitably amongst the people, to whom it rightly belongs." Credit is based not on Gold, nor Sterling, nor Cash, but on the Nation as a functioning unit—i.e., on the productive benefits of land power, manpower, knowledge, science, and the mutual association and co-operation of all of them together. The Credit, therefore, belongs to the people as a whole, and not to any group of individuals.

Did you notice how when the Prince was on his way to be proclaimed King he was stopped at the entrance to the city of London and could not enter without special permission? The city of London is the headquarters of finance. Where else in the British Empire would the King be subjected to that indignity? Does it not indicate to the King himself and to all of us that the dominance and arrogance, which stand in the way of the welfare of the people, are situated in the hives of the financiers in the city of London? We propose to say more about this on another occasion.

THE TRICKS OF FINANCE

We should be careful to see that our devotion to the King does not blind us to the worldwide intrigue of what is known as "High Finance," with its network situated just below the power of Royalty (and of Dictators as well). It is one of the tricks of this financial power to keep the eyes and hearts of the people turned towards the King so that they will fail to notice the actions of the financiers, which are strangling the great bulk of the members of the King's Empire Family. It should be remembered also that in the past this same High Finance has not been slow in dethroning kings. Fortunately for the British Empire, however, the controllers of

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finance are aware that the homage of the British people for their King and the ritual associated with Royalty form, right through the Empire Family, a sacred tie not easily broken. And much less easily to be broken now that the swindle of Finance is being exposed.

If our message could reach the Prince we would say to him that enlightenment regarding the Money Intrigue is spreading so rapidly that he can be assured of ever-strengthening support from his best subjects in any action he may take to secure the restoration to the community of control over its own financial credit; and that when he treads in his father's footsteps we hope he will tread so firmly that he will break right through the network of the murderous system which is keeping his subjects in a state of almost hopeless despair. We are of the opinion that there has never been such a universally-loved Prince and King as Edward the Eighth, and we believe that if he gave the word every true Britisher would unhesitatingly rush to his standard, and so enable him personally to wield such a mighty force that all the unholy powers of finance and its secret agencies would be broken at one stroke. No man has ever held such a personal appeal to so many millions of individuals as our Prince, the new King—and if he were to take the lead in demanding monetary reform there would be no need for us to look for another Cromwell.

THE QUEEN MOTHER

We cannot conclude this article without paying our tribute to the Queen Mother. At the Jubilee celebrations King George himself publicly acknowledged the help and encouragement he had received from his wife—the Queen; and in the formulation of the noble ideal enunciated by the King at the Economic Conference, and in the subsequent efforts of both the King and the Prince of Wales to advance that ideal, we believe we can detect the gracious and queenly influence of the Wife and Mother. The history of the Empire discloses no queen more regal, more noble, or more loved and respected than the wife of King George the Fifth and the mother of King Edward the Eighth. Her noble and kindly wisdom was an ever-present support for her husband, and we feel that the same invaluable aid will be the source of great strength for her son.

"It cannot be beyond the power of man so to use the vast resources of the world as to assure the material progress of civilisation."—A noble statement by the late King. "I am determined to follow my father's footsteps and work as he did throughout his life for the happiness and welfare of all classes of my subjects."—A noble response by the present King. "How is the Empire?"—A noble inquiry by the late King. "All is well with the Empire."—Only a half satisfactory reply by the King's secretary. Can the new King complete this reply by saying: "All is well with the Empire. Every citizen has economic security and there are no depressed areas"? May God give Edward the help and the vision to achieve it!



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A Memorial to the King

After a week of proving their devotion and respect to the throne by describing with ghoulish gusto every private gesture of grief exhibited by King Edward, the Queen Mother, and all the other members of the bereaved Royal family, our newspapers are now competing with one another in suggesting that monuments be raised to perpetuate King George's memory. As would be expected, the Melbourne *Argus* has been foremost in getting columns of cheap "copy" by canvassing the opinions of the knights, the Jews, and all the rest of our prominent citizens. And it has found them unanimous.

Far be it from us to discount the opinions of such people. Take Sir Robert Knox, for instance, the president of the Associated Chambers of Commerce in Australia. Sir Robert should be an authority on what is fitting and proper, for he is the essence of loyalty. Did not loyalty to the visible throne gain him the honour of knighthood? And did not loyalty to what some call the invisible throne bring him a bank directorship and the Australian agency for the greatest firm of international munitioneers in the world? Sir Robert said: "I will place myself behind" (our italics) "any movement which has for its object the erection of a memorial to indicate in some way our love and veneration for the late King, and our respect for the memory of a man who won the admiration of the world." Sir Robert then went on to suggest a national memorial in Canberra, and a monument in every State. One could see Sir Robert well behind all these monuments—the more particularly if they were executed in warm bronze rather than in cold marble, for business is business always to the knights of Collins House and the metal industry.

It would be unseemly if the

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proposal to erect a national monument to King George should be marred by the rivalry of different sponsors seeking to have their own pet schemes carried out, or to execute, by way of a monument, some plan of civic improvement long since designed. And already there are indications that this may happen. A true desire to honour the memory of the dead would rather be indicated by doing what the dead man in life most wished to see done. And fortunately, in the case of King George, we have a clear lead to follow—as our contributor, Mr. Bruce Brown, points out in this issue. King George's most earnest wish, frequently expressed in his last years, in particular, was the abolition of unnecessary poverty amongst all his subjects. Here is a scheme which is simple, straightforward and practicable; a plan whose good taste none can criticise; the worthiest monument to a Christian King. Here is a memorial towards which every citizen can contribute his quota, and a movement which loyalty to the throne demands that the King's Australian knights should lead. Such a plan, the King George the Fifth Abolition of Poverty Memorial, would perpetuate the King's name, give a noble lead to re-Christianising the world, and elevate the British Commonwealth of Nations to that honoured place to which King George ever aspired to raise it.

Shall we have this—or another equestrian statue?

Bank "Amalgamations"

Discussing the proposal of further bank amalgamations, arising out of a statement by the chairman of the Union Bank in London on Monday, the Melbourne *Argus* attempts to put up the smoke screen that genuine competition still exists amongst the banking coterie.

"Further large amalgamations of trading banks in Australia," it says, "would savour of rationalisation . . . Without enough banks to engage in active competition for customers, the tendency would not be for interest rates to be kept down to the lowest possible level."

Has the *Argus* forgotten the evidence a week or so ago of G. D. Healy, Victorian chairman of the Associated Banks? There is no agreement between the Associated Banks, said Mr. Healy, not to take customers from each other, but there is "a sort of understanding" not to do so. And again, in reply to the question: "Any variations in the rates of interest charged by the banks would be made simultaneously?", he confessed: "Yes, generally."

This was reported in the *Argus*, but apparently its editor has a short memory.

WHO WANTS SOCIALISM?

Just before his departure for England last month, Mr. W. Forgan Smith, that good Labor Premier of Queensland, who has managed two trips to London within a twelve-month, published quite a lengthy article against Social Credit in the "Daily Standard," Brisbane's Labor paper. There was nothing fresh in Mr. Smith's criticism, nothing (for what it is worth) that has not often been better said by far abler men than he. It might, however, be pointed out that in attacking the idea of a national dividend Mr. Smith was showing himself distinctly out of touch with the trend of recent Labor thought — as instanced by the present advocacy of what he chooses to call "social" dividends by Mr. G. D. H. Cole, formerly in the forefront of the Labor attack on Social Credit. Still, it is hardly surprising that this twice-a-year-to-London leader of Labor should show conservative leanings. We have

RAMIFICATIONS OF INSURANCE

It is common knowledge that the ramifications of British insurance companies are world wide, but it is not so generally realised that approximately 50 per cent. of the total premium income in their Fire and Miscellaneous (including Workmen's Compensation and Motor insurance) branches is obtained in the United States of America.

—The Economist, Dec. 21.

seen such changes in outlook before on the part of negotiators with overseas finance.

Nor is it surprising that Mr. Smith should impress upon his following: "I urge you not to be led away by hopes of national dividends which would come to you without effort . . . There is no substitute in the world for work." It might be suggested that Mr. Smith, like many another highly paid representative of the so-called working classes—including his predecessor in the Labor premiership of Queensland—has succeeded in finding quite a pleasant substitute for work as far as he himself is concerned.

But what is Mr. Smith's remedy? "Labor," he says, "offers the only complete solution, namely, the centralised control of the means of production and exchange."

Socialism And Nothing But! One may be excused for a somewhat derisive smile at the enunciation of this doctrine from a man who would have nothing to do with the redness of J. T. Lang. But, without trying to find out whereabouts in his cheek was Mr. Forgan Smith's tongue when he penned that sentence, what does it imply for the men he is leading?

"Centralised control of the means of production"—does this, or does it not offer greater freedom to the workers? Do they want Socialism? Would they be any better off under it? Let us examine a few instances.

In the first place it is probably true to say that the rank and file of those who vote Labor are quite as ready to criticise government run enterprises as are supporters of the other political parties. One has yet to note that good labor men refrain from complaining

about train services or postal arrangements, or that they show more respect for the police, or that they rush to send their goods by Government rail rather than by private motor lorry, and so on.

As for the conditions of those working directly for the Government, have they been treated any better than under private managements? Was there ever a railway strike in Brisbane? Was there ever any victimisation of Melbourne police strikers? Have the men in the Victorian State coalmine at Wonthaggi been any more contented than men in the private mines in other States? Or were the men who manned the Commonwealth steamers, when we had them?

As for conditions of work, would private employers generally ever ask their staffs to carry on with such hopeless equipment as is provided for teachers throughout the State schools of Australia? Compare the public school with the private factory. Would such shocking conditions be permitted as are now witnessed, say, in our Government mental hospitals? Would you ever have an attitude towards employees of more arrogant autocracy than that displayed by such politicians as Kent Hughes, a recent State Minister of Victoria?

As for rates of pay, is any class in the community more underpaid than the ordinary State employee? Did any class receive more severe cuts in the depression? Has any waited longer for restoration? Is there any calling where merit is less recognised? Or where dissatisfaction is so general?

Give any State employee a few pounds, and what is his first ambition? Is it not to get out of the service and strike out for himself? Can a man of ability hope to earn in the Government service a fraction of what he would privately? As an instance, Queenslanders might inquire what the Government architect got who designed Brisbane's splendid State Insurance Building.

Who, then, asks for the socialising of industry? Principally one class. That class is hardly the ordinary worker. What particular privileges does he now receive from his own railways as against private transport? Does he get brighter programmes or more liberty of discussion on the National Broadcasting stations than on the B class ones? What personal rights has he as part-owner of the police force, the air force or the navy? What extra benefits would accrue to him from State boot or clothing factories or State farms, any more than came to him from Queensland's State sugar mills or butchers' shops? State control over abuses and excesses, by all means—this power resides in the State now, if the people chose to exercise it—but actual State ownership of administration? Who would benefit? Not so much the ordinary worker as a certain type of professional Labor official—not by any means the ablest or the most honest type,

either. To such people socialised industry means an increase in their bureaucratic control, the exercise of greater power and influence, and often, one suspects, the vision of bigger opportunities for graft. Queensland has in the past ventured further along the paths of State Socialism than most other States and, it must also be confessed, there have been more unpleasant rumours of political graft in Queensland than in most other States—though we may hope that such rumours have been without foundation.

But, leaving aside the personal aspect altogether, look at the objective. Mr. Smith defines it as centralised control. What is the world suffering from today except an ever growing centralised control, the complete opposite of liberty? That control is at present exercised through the private banking system. To some extent it has been checked by the more independent private producers, and to a lesser extent by governments. Mr. Forgan Smith envisages a system wherein the whole of these will be consolidated into one vast super-monopoly, with the control vested in a few trusty gentlemen like himself.

Such a system, if it ever came into operation, would of course have for its first dictators "good" Labor men. Just consider how these good Labor men have progressed in the past; just think of names like William Morris Hughes, George Pearce, Joseph Cook, Joseph Aloysius Lyons, Edward Theodore, and dozens more. Would you like to see such men made absolute dictators of Australia under "centralised control of the means of production and exchange"? Do you think you would be better off than you are today? And do you think a back number like Mr. Smith, who says there is no substitute in the world for work, and who has not yet apparently heard of what sun power is doing, is likely to lead the Australian people to greater happiness and to greater freedom?

Against our enumeration of some of the disadvantages prevailing where the State is in control of administration, it may be objected that many of the drawbacks are due only to lack of money. Quite so. All the disadvantages, other than those of a bureaucracy from which there is no appeal, would disappear if there were sufficient money. Social Credit would make this money available. But Social Credit is no good to Mr. Smith, or to other party bosses like him, just because it would make the money available without putting the people at the beck and call of politicians.

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A HERO DIES FROM 'TECHNICAL DIFFICULTIES'

By J. K. LONG.

The Melbourne *Herald* of 27th inst. reports the finding in Wickham Park, Brisbane, of the "emaciated body" of one "Private Thomas Shea, Military Medallist . . . 17 years earlier, in this same Wickham Park, his name had been heard in a roll call of heroes . . . A modest hero, he sent his sister to receive the decoration won on the fields of Flanders."

Yes; no doubt a modest hero, but also, I should think, a disgusted one, for, as the report continues, "when he enlisted at Mount Morgan in 1915 Shea was a man of splendid physique, weighing 16 stone. When he was discharged from the A.I.F. he was battered by war and wrecked in health. His legacy from the struggle included a shrapnel wound over the left eye, a bullet wound in the left shoulder which affected the lung, gas injuries, the memory of six months in hospital with trench feet—and the Military Medal."

"Unable to work on his return to Australia, Shea's case was considered by the authorities, but unfortunately, through technical difficulties, was turned down."

"Through technical difficulties" his case was "turned down." It is self evident that he was not "turned down" when he offered to enlist in response to the cry, "Your Country needs you; go to the War, Boys, and your country will not forget you when you return. Your old jobs will be waiting for you."

No technical difficulties prevented him from being clothed, housed and fed while in training; no technical difficulties prevented his being transported to the other side of the world to fight in a trade war; no technical difficulties prevented his being twice wounded and gassed. Did he "consider" the case when he "dashed over the top to rescue two of his comrades who had been stricken down by poison fumes", a deed which earned him the Military Medal and permanently injured his health? Somehow I don't think so. His mates were out there and, well, he couldn't turn them down.

No technical difficulties prevented the financing of the war—although plenty of technical difficulties are found by sound finance to prevent the feeding, clothing and housing of the workers of Australia and the world, whether employed or unemployed, to a reasonable standard of living; but we must concede this point, that what shot and shell, sickness and poison gases could not do, technical difficulties have at last succeeded in doing by the slow and torturous process of starvation and exposure.

I wonder what these so-called technical difficulties were? Some technical point of "British justice" perhaps. Surely to God this man, who had his body shattered and his health ruined while fighting in defence of his country, was entitled to some consideration and at least to sufficient of the real wealth he had fought so valiantly to defend when, as a result of that fight, he had been thrown out of the front line of the battle to live which is being fought so fiercely against

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such a relentless and unscrupulous foe as the Money Monopolists.

In spite of all this, I don't think he would consider his life given in vain if his death under such tragic circumstances should make his fellow men see that the same financial monopolists, the same traders in the Bloody Traffic, are at this moment setting the stage in Europe for a conflict bloodier than any yet fought; a conflict which, if it is allowed to come about, will shake Western civilisation to its very foundations and threaten the supremacy of the White Race, so that it may never again recover its position.

Britain's Prosperity and the Housing Boom

The extent to which Britain's "recovery" during the last two or three years has been of a purely temporary nature is indicated by the following editorial note from the *Economist* of December 21:—

"In defending the grant of a Government guarantee to the railways borrowing plans, Mr. Chamberlain, in the House last week, used the interesting argument that the housing boom might be expected to fall off at about the time the railway works would be at their height.

"The rate of house building at the present time (he said) is such that, if it were continued, it is quite certain that in a comparatively short period the country would be overbuilt. . . . When you have over 300,000 houses being built every year, a rate which is in advance of the ordinary demand for houses, and when we have caught up the arrears, we must expect that the rate is bound to diminish." "Mr. Chamberlain did not seem to distinguish very clearly between the purely private demand for houses that is likely to be encountered if no Government assistance is given, and the real social need that could be met by a truly vigorous slum clearance and anti-overcrowding programme. The unassisted lower middle-class demand of the last four years is probably nearing its end, according to the opinion of most experts. And a sharp rise in the rate of interest or the price of food might kill it outright. We also agree with Mr. Chamberlain that such a collapse, re-arming or no re-arming, would deal a fatal blow to the domestic recovery movement. But the real working-class need for better houses remains enormous, although the present level of incomes prevents it from being expressed in monetary terms. We estimated a year ago that if a decent standard of housing were to be attained in this country, and due allowance were to be made for obsolescence, something like 300,000 houses a year should be built in the next 20 years. This rate has now been attained; but Mr. Chamberlain seems to contemplate its falling off with something like equanimity. He said, it is true, that when the present boom wanes, to some extent its place will be taken by the extra house-building which will be required to carry out the new programmes of local authorities to deal with overcrowding. But this does not argue a determination to use the Slum Clearance and Overcrowding Act to keep the rate of building up to 300,000 houses a year. And after all if a visitor from Mars were to contemplate the East End of London, he probably would not leap to the conclusion that the railways should be electrified at once and the slums cleared, perhaps, afterwards. We do not say this in disparagement of the Government's railway development programme, which is an excellent example of combined private enterprise and public supervision. But here if anywhere a due sense of proportion should be preserved."

What a scare the Albatross will get, if it encounters this Capital bird.

Flight of Capital

"White wings, they never grow weary." And the myrmidons of High Finance never weary of the wings of Capital. In a special article in the Finance and Commerce columns of the *Argus* (Jan. 18) D. M. Pilcher, B.A., vaunts the old bird again. In his article, "Dangers of New Zealand Plans," are these words:

"Such momentous considerations as the flight of capital from New Zealand . . ."

Capital is the working plant of a nation—its soil, climate, railways, factories, homes, roads, harbours, bridges, etc., and also the abilities and activities of its people. Money (currency) stays put in its own country. Gold may move as do other commodities. But Capital! Never.

What a scare the Albatross will get, if it encounters this Capital bird.

The Petrol Tax

"Mr. Doran, president of the Motor Traders' Association, Sydney says that it is time that motorists and the trade pressed the Government for a reduction of the petrol tax, which amounts to 7½ a gallon . . . The Government is accustomed to hearing that taxpayers are grumbling . . . The feeling is that unless protests become more forceful nothing will be done."—*Argus*, Jan. 25. Mr. Doran expresses the prevailing dissatisfaction of the motoring public. But does he understand what "forceful protests" he should lead his organisation to make? Until Mr. Doran and the majority of the community instruct Government to carry out their wishes, Government will remain under the necessity of levying taxes. A remission of petrol tax will only result in the imposition of a like amount elsewhere. Only the restoration to the nation of the issue and control of money can give us any release from taxation.

Working Hours' Inquiry.

"The Federal Ministry has decided to convene a conference to discuss the question of working hours in industry . . . The conference will inquire into and report upon the question whether any or what general reduction of working hours in Australia is desirable or practicable . . . Mr. Lyons said that the Ministry believed that as much guidance as possible should be obtained by a full examination of the relevant social, economic and financial considerations."—*Argus*, Jan. 25.

The question has provided, for many months, much window-dressing for politicians. No doubt they have gained their desired kudos. The conference is likely to be as abortive as the Monetary Inquiry promises to be. In the same announcement Mr. Lyons explained that "the conference method would be followed, and the sittings normally would be held privately. Witnesses would be called only in special cases at the direction of the chairman."

You will note there are "financial" considerations, which some

being made available to the purchasing public to overcome the shortage of purchasing power that is otherwise chronic. But let the housing boom stop, as we saw here and elsewhere in 1929, and not only do other goods remain unsaleable, or saleable only at a ruinous loss but purchasers of houses on time-payment find themselves unable to keep their instalments up. In view of the large amount of labour and machinery available, there seems no good reason why England, Australia and most other nations should not be able to clear slums electrify railways and so all sorts of other jobs at one and the same time. Only bookkeeping credits—otherwise interest bearing debts to private banks—stand in the way.

AMONG THE NEWS

By K. C. DOW.

unkind persons interpret to mean that care must be exercised, so that awkward evidence, offensive to High Finance, does not reach the public.

* * *

International Committee to Increase Consumption

"An international committee has been appointed to report upon the proposal by the High Commissioner for Australia (Mr. Bruce) for increasing consumption of nutritious foods with a view to helping primary producers."—*Argus*, Jan. 25. Note the qualification: ". . . with a view to helping primary producers." So that they may be able to pay tribute (interest) to High Finance. The providing of wholesome food is only incidental to the object of "markets." Malnutrition and poverty could cheerfully carry on if there were any other solution to the dilemma.

* * *

Immigration.

"Current discussion of immigration . . . Those who are keen to put Australia in a better shape to defend itself admit that they are confronted by difficulties for which they do not see an immediate solution. A visitor from England inferred that to attract immigrants it is necessary to guarantee that they will receive a minimum of £4 a week. Nothing of the kind can be arranged. Many of our own people are on dole or doing relief work that does not provide them over a period with more than one-fourth of that sum."—*Argus*, Jan. 25.

Shades of Old Nick's dwelling! Doesn't such abject dereliction make any expletive inadequate? In this wonderful land, flowing with milk and honey, it is actually postulated that we are unable to provide ourselves with a decency of sustenance, and that we cannot guarantee newcomers with the necessities of life. Certainly there is no encouragement to immigrants in the sight of our milk flowing into creeks, or in the sting end of a bee.

* * *

Transport Policy.

"Riverina Hauliers. Refusal of Licences. The hauliers will be given six months' grace." Lower down in the same column appears the following: "George Mosley . . . Ballarat, was convicted . . . on a charge of having on Nov. 7 driven on a public highway a commercial vehicle that was not licensed . . . fined £50."

"Geoffrey Sanders . . . fined £5."

"Thelma Osborne . . . fined £5."—*Argus*, Jan. 25. Each State is enacting legislation to prohibit motor competition with the railways. Members of the community who have invested their savings in expensive plant and weathered time in building up a connection are being denied the right of their occupation, and the public the right of advanced convenience

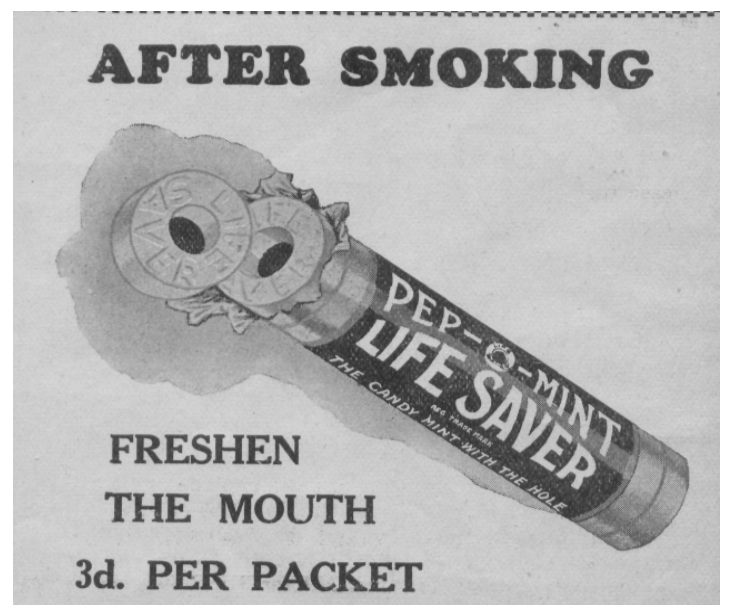
and efficiency—for the reason that the public must be compelled to continue paying tribute to High Finance. Justice has her eyes securely bandaged against the inequity of legislating for the purpose of perpetrating a swindle. Every brick, every junk of iron, every minute of toil was paid for, as the building of railways was being done. All wages, salaries and material received their monetary claim. They were built by the resources and energy of the nation. And yet they are not an asset of the nation. They are an asset of High Finance, to whom we have already paid in interest more than the original cost.

Recovery in the Argentine— as a Banker Sees It

Australians may remember the visit to this country a year or two ago of Mr. Beaumont Pease, multiple bank director, who gave us some "sound" financial advice when passing through. Amongst his other bank distinctions Mr. Pease is chairman of the Bank of London and South America, Ltd. Presiding at the annual meeting of that institution in London on December 17, Mr. Pease thus reviewed what he was pleased to term "the fruits of the Argentine Government's persistent efforts to consolidate and strengthen the country's finances":—

"Laws have been enacted which will accomplish far-reaching changes in the banking and monetary regimes of the country and should sustain the stability of both. Among the more important is the establishment of a central bank by a law, which follows broadly the suggestions made by Sir Otto Niemeyer in 1933. The new bank has taken over from the Conversion Office the gold reserve of the nation, which in coin and bullion represents a little under £50,000,000 gold. The equivalent of this reserve had until then figured in the nation's peso accounts at the rate of 11.45 dollars to the pound sterling, but when transferred it was brought into the books of the bank at its market value, or about 25 dollars to the sovereign. As a result of the re-valuation a sum of 701,000,000 pesos became available to the State, which has been applied to the reduction of its debt to the bank of the nation, payment of Treasury bills, provision of capital for the central bank, and of capital and a reserve fund for an allied department, the Frozen Assets Institute.

"Prospects for the coming harvests are not brilliant. A severe drought that persisted throughout the period of ploughing and sowing and at the time of germination in certain districts has greatly reduced the areas sown to wheat and linseed by about 25 per cent, in each case. Reduced exports of these cereals may, however, be partly compensated by higher world prices. Both financially and economically the country is today in far healthier circumstances."



CONCERNING SECRET SERVICE VOTES

From the "Manchester Guardian," fourth week of December:

No Secret Service

A Polish newspaper has managed to secure for its readers a full account of a training centre for "mysterious British agents," a kind of school for spies in Devon. It is, we learn, a castle where two dozen young men are taught to acquire three personalities, four driving licences, and a taste for burglary. Unless the correspondent of the "Neue Lodzer Zeitung" is describing Dartmoor Prison, we must give up any attempt to identify his "Black Castle," but the story raises once again a mysterious subject. Why is it that the world so firmly believes in the existence of a vast and ever-active organisation of British spies? No doubt the real efficiency of our Intelligence Service during the war has something to do with the legend, but can hardly explain it altogether. Is it the suspicion that no British Government can possibly be so stupid as it seems? Certainly the legend is well established.

* * *

From "Reynolds's Illustrated Weekly," fourth week of December:—

Secret Service Mystery

More Money for Hush-Hush Fund

While officialdom regards with pious horror the suggestion that Britain maintains spies abroad, still more money is to be allotted to the Secret Service. In next year's estimates, £250,000 will be earmarked for the mystery service. This is £50,000 more than at present, and, with the exception of the war period, the largest sum ever allotted.

How will the money be spent? Officialdom, as always, is silent on this point. Why has the Secret Service allowance been so substantially increased? The answer is as secret as the Service itself.

Most of the Secret Service fund is expended by the Foreign Office. Yet, if the department is to be believed, there is no official secret service in existence, at home or abroad. Nevertheless, when efforts have been made to debate the Secret Service funds in the House of Commons, the Government has invariably evaded the issue—and it is safe to assume that it will take up a similar attitude in the future.

The Foreign Office is not the only department that has secret "agents." In recent years other Government Departments have spent large sums on "Secret Service" of which the outside world is never permitted to get an inkling. Among these are the Dominions Office, the three Defence Services, and even the Board of Trade. It is probable that the number of secret agents in the employment of the nation today runs into thousands and ranges over all classes.

* * *

A point, which seems to have been overlooked by both these newspapers is, why should secret service votes be needed at all? If the production of each country were made available to its own citizens, or if surpluses were available for genuine exchange, where would be the necessity for espionage, external or internal?

ENGLAND'S BANKRUPT SHOPKEEPERS

A survey of the retail trade (says "Social Credit" of December 27) indicates that there are now about a million shops in this country. This represents an enormous increase since the war, yet a high authority calculates that no less than "250,000 shopkeepers have gone out of business in the last ten years.

About four per cent, of the shops comprise some ninety big combines and just under 1200 co-operative societies, which do about thirty per cent, of all the retail trade. The remaining ninety-six per cent, of the shops employ on the average less than one assistant per shop, and their average turnover is only £1700 a year.

In many of the big industrial cities there are tens of thousands of tiny shops turning over only a pound or two a week. Most of these sell food. Instead of the well established, efficiently run family grocer or butcher, which our grandfathers knew, we have the ill-lit, inefficient parlour-shop, which is often the product of congested areas and slums.

So just as the financial-industrial system saps the life-blood out of the countryside and produces gigantic, overloaded towns, so it concentrates the bulk of the retail trade in a handful of great combines and co-operative societies, ruining independent shopkeepers by the ten thousand and leaving a vast number of poor, struggling, inefficient parlour-shops.

It is just one more example of the centralising tendency of "Sound Finance."

How Social Credit Started in Alberta

Book by English Actor Aroused Aberhart's Interest in Plan

"Forerunner" of Social Credit in Alberta, says a Calgary despatch of December 28, is the title that aptly describes Maurice Colbourne, the English actor, who has advocated the proposals of Major C. H. Douglas for many years. Indirectly he was responsible for the first Social Credit Government in the world.

Although William Irvine, former M.P. for Wetaskiwin, was the first man to speak on Social Credit in the Canadian House of Commons, Colbourne was the first to extol those economic principles on a public platform in Alberta and possibly in Canada.

While touring Canada with a Shavian company seven years ago, Colbourne outlined Social Credit principles to a Calgary audience. The actor-economist wrote the book, "Unemployment or War," now called "Economic Nationalism," which aroused the interest of William Aberhart, then a high school principal, now Premier of Alberta, and head of the world's first Social Credit Government.

The book was shown to Premier Aberhart by a colleague while they were attending a teachers' convention in Edmonton. Mr. Aberhart, a mathematics expert, believed the theories expounded in the book contained a cure for the world's economic ills. He read the book over and over again, studied the subject and became more convinced.

"It convinced me that Social Credit is the only solution I have ever heard of that will solve our present problem," Premier Aberhart said.

The high school principal and evangelist suggested to the United Farmers of Alberta government that Social Credit legislation be enacted. His suggestions were declined. In turn all provincial parties refused to consider such radical financial theories and Mr. Aberhart, leader of the well-organised Calgary Prophetic Bible Institute, with its many adherents throughout the province, formed Social Credit study groups. Soon these met in conferences and formed the Alberta Social Credit League, which decided to run candidates in the next election.

In the provincial election on August 22, the people of Alberta gave the party emphatic endorsement and swept the U.F.A. Government out of power. A seed sown by Mr. Colbourne's book had taken root, flourished and suffocated other plants in the political field.

The Two-faced God

The reason for the £300,000,000 re-armament scheme is beginning to be obvious enough (if it wasn't sufficiently obvious before) after Mr. Baldwin's hint that the manufacture of munitions is to be transferred to, the Distressed Areas.

Consider the situation. Distressed Areas, which show no signs of becoming any less distressed this side of Judgment Day, but rather the reverse. Millions, disinherited by the march of science, are starved of the nation's real credit. But there is a limit even to human long-suffering and blindness. One day the Disinherited will revolt.

What is to be done then? Give them a reasonable share of the patrimony? No, no, a thousand times no! Find some Labour of Hercules on which they can be set to work in return for the normal wages.

Yes, but what? Rebuilding

the slums? Constructing a water grid? No, no, these things have too long been represented as beyond the nation's means. It must be something carrying a high note of urgency, which can be put forward as a matter of life and death.

What about rearmament, then? The very thing! Especially as the system will force us into war yet. Attaboy! Let the banks and financial houses create a few hundreds of millions by writing drafts on themselves, thus enabling them to take up the greater part of a new war loan. Then set all these unemployed fellows on to making guns and bombs with the money, and tell these press chaps to give out that Prosperity has returned!

—"Social Credit."

Something to Think About Gleanings from the Overseas Press

The Soviet Union, in a thinly disguised warning to Germany and Japan, has announced that its submarine and destroyer fleets have been practically quadrupled during the last four years. A statement printed in the Government newspaper, "Izvestia," said in addition that the coastguard fleet had been increased 1100 per cent, but gave no figures bearing on the actual strength of any naval unit. The whole statement bristled with emphasis on Russia's undersea power in the Pacific and Baltic.

In Germany it is asserted that unemployment has gone up again to nearly four million persons.

Employment in Canada showed a drop between November 1 and December 1 of 28,566, according to the Dominion Bureau of Statistics.

During the last 12 months, 322 chests of opium, each weighing 140lb, were exported from India.

The number of pneumatic picks in use in British coal mines rose from 2252 in 1928 to 7174 in 1934.

According to an article in the "News-Chronicle," official estimates of unemployment in Britain, as prepared by Government experts in consultation with the Economic Advisory Committee, are:—

1936	1,970,000
1937	2,180,000
1938	2,330,000
1939	2,540,000
1940	2,830,000

Following are the ten best world newsbreaks and the five best Canadian stories, as chosen for a Canadian press survey by the men who handled them for the front page:—

World news: 1, Death of Will Rogers and Wiley Post; 2, Italy's invasion of Ethiopia; 3, Hauptmann's trial for the Lindbergh kidnap-murder; 4, assassination of Huey Long; 5, Queen Astrid of the Belgians' death; 6, the King's Jubilee; 7, application of sanctions against Italy; 8, British election; 9, Germany's rearmament; 10, scrapping of the NRA.

Canadian news: (1) Dominion election; (2) Social Credit victory in Alberta; (3) Regina riots; (4) Canadian U.S. trade pact; (5) the Ontario Government's dispute with Quebec power companies.

During the last fifteen years 74,284 people have been killed on the roads in Britain, and 1,832,864 have been injured. Of the killed 18,400 were children under the age of fifteen, and of the injured 500,000 were children.

In the seven months ended October, 1935, according to

British trade returns, Japan supplied India with 6½ million yards more of cotton piece goods than did the United Kingdom, whereas in the corresponding period a year earlier, the United Kingdom supplied 111 million yards more than Japan. The actual figures show that Japan's sales increased from 203 to 279 million yards, while Britain's declined from 314 to 273 million yards.

A decree law issued in Egypt on December 20 imposed a 40 per cent, surtax on various imports into Egypt from China, such as cotton fabrics, textiles, artificial silk, etc. This action is stated to be the result of a fear that Japan will send goods by China to avoid the present high anti-Japanese tariffs.

NEW ZEALAND LABOR'S ACKNOWLEDGMENT TO SOCIAL CREDIT

From "The Weekly Times" (New Zealand), January 1st:—

"We owe a large amount of our success to the men and women who in the last four or five years have preached monetary reform," said the Minister of Agriculture, the Hon. W. Lee Martin, in speaking at a complimentary dinner tendered to him by the Waikato sub-provincial executive of the Farmers' Union.

"One of the most pleasant features of the Labor caucus after the election was the message from Major Douglas," continued Mr. Martin. "Labor has long preached monetary reform, but we have never reached the people we wanted to. Over the last few years the Douglas Credit people have done that and made our job very much easier. The first thing the Government will do will be to tackle the currency problem." "It is grand to feel that we have the farming people with us and it will fortify us in the big fight ahead," said Mr. Lee Martin, at a complimentary smoke social later. "We placed a definite policy before the electors, and in the front of it was monetary reform. No power will stop the Government from doing what the people have given us a mandate to do."

In appealing to the farmers to co-operate with the Labor party (adds the "Weekly News"), Mr. Lee Martin said the Government could not do the job entirely by itself and must have the public behind it. The farmers' income would be assured in return for the work he did by means of the guaranteed price.

He asked them to keep their organisation intact, whether under the Labor party or the Douglas Social Credit Movement, for the keynote of the Government's policy was monetary reform, and it was the biggest job of the lot.

BOOKS ON MONETARY REFORM

- Why Poverty In the Midst of Plenty? By the Dean of Canterbury 8d.
- ABC of Social Credit. By C. Barclay Smith 7d.
- Dividends for All By C. Barclay Smith 7d.
- Tell Me the Story Simply. By Will T. Duggan 7d.
- Modern Problems and Mental Attitudes. By Rev. J. T. Lawton 1/1.
- Economic Democracy. By C. H. Douglas 5/10.
- Credit Power and Democracy. By C. H. Douglas 6/10.
- Social Credit. By C. H. Douglas 6/4.
- The Breakdown of the Employment System. By C. H. Douglas 4d.
- Monopoly of Credit. By C. H. Douglas 6/10.
- An Outline of Social Credit By H.M.M.
- Poverty Amidst Plenty By C. J. Galloway
- Democracy at the Cross Roads By L. H. Hollins
- The Douglas Manual

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THE SNAG IN SOCIAL CREDIT PROPAGANDA

Opposition To "Something For Nothing" From Those Who Have the "Work Complex"

We reprint below, from the files of the London *New Age* of 1929, an article by "an advertising man" on the difficulties then being experienced in England in propagating generally the idea of Social Credit. The years which have since passed have seen the end of the press boycott, for they have seen what was then the vision of a small group become a world-wide movement, numbering many millions of adherents. They have seen the movement turn more from argument and from propaganda into a mass demand for results. But the opposition that comes from people who are not hostile for reasons of personal self-interest, as well as from those who exploit these for their own ends, is still much as it was in 1929, and the writer's suggestions on what he calls the technique of Social credit showmanship are as sound now as they were seven years ago.

In my last article, on *Advertising Social Credit*, I said that, where something very like a press boycott existed, the only publicity channel open was *The Human Tongue*.

I want to revise that. There is another channel, and a most effective one if it can be exploited. I shall call it the art of showmanship. By the term "showmanship," I mean real showmanship; the kind of showmanship that Sanger of circus fame would have understood—that Cochran understands; that Garibaldi, Mme. Blavatsky, Trotsky, Gandhi, Sun Yat Sen, Mrs. Besant, and Mussolini have practised in this form or that, for this purpose or that.

You may say that it is easy enough (given the cash) to put on a show, a revue of some sort, such as "That's It, Is It?" or "Up Tails All!" because there is no propaganda to get home. The same with a few cages of doped lions, elephants, tired-out ponies, and a sawdust ring. Easy enough (again, given financial backing) to develop the right showmanship when you are taking advantage of some sort of "inferiority complex" which is to be fanned into open revolt and then canalised into a revolutionary dictatorship. One can see, more or less, how the showmanship takes place almost automatically. Or when you have some "occultism," some "mystic teaching," some "key to the hidden mysteries of the universe" to get across. Given the right type of showman, the show will just happen. Aimee MacPherson, for instance.

So evidently it matters very much what the show is all about? There will be some things that cannot be put into any form of showmanship? So you may think, at the first think or two.

General Booth, the founder of the Salvation Army, linked the Down-and-Outs with Jesus. That was not difficult, and the money for that kind of showmanship was fairly certain. But Darwin's Theory of Evolution needed quite a different kind of showmanship. The point here is, that it needed showmanship, and called it forth. Professor Huxley was most certainly the "Lord" George Sanger of Darwin's Circus. "Walk up! Walk up, Ladies and Gentlemen! and see the Monkey evolving into Man! This way for the Missing Link, the most amazing proof of Darwin's remarkable theory!"

Einstein's theory? That required no showmanship? Wrong again. To reach the mass of people—even the mass of mathematicians—it needed, and it found, its own form of showmanship. Professor Eddington was the showman for the fairly well-educated; and papers like the *Sphere* had exciting diagrams of what it was all about; as exciting as a picture of Wells's story of *The First Men in the Moon*. The daily newspapers coined the right slogan for the

masses: "Light Caught Bending!" Between them they got the idea across (not the mathematics of it, but the general notion); the idea that things are only what they seem because of something else that seems to be different. Everything is relative.

The fact is, there is nothing that the mind of man can think that cannot be made generally understandable by the right showman and his showmanship.

Certainly Social Credit is just about the most difficult idea that any showman could be asked to show. But it is not something that cannot be shown. Eventually, and perhaps before very long, it will find its right form—its own "Shown To The Children Series." The children, of course, are all of us who are not fully competent new economic technicians. I don't claim to be that, anyhow. I'm just one of the children. That being so, I want to see the show begin. If you tell me, "There ain't goin' to be no show," I must, if I am truthful (and I am that, you may depend upon it), admit that I am just a little bit disappointed. I might even drift off to see some show that is going on. Why not? I might drift along and watch Freud's Shadow Show. Look at the advertisements! "This way to see the Naked OEdipus Complex! Wriggles like a worm! Come and see the Woman Who Fell in Love with a Fountain Pen when she was a Little Girl of Five, and Dare Not Stroke Velvet in the Dark!" Perhaps it does not matter whether I stay on in the hope of seeing, and taking some part in, the Social Credit Show or not? That's for you to decide. From my point of view, as a child, the show's the thing. If only it were a show, I could see, and hear, and touch, and perhaps I could shout, or beat time with one foot, or wave a flag, or join in a chorus, or throw a rotten egg . . . something, anyhow.

If it does not matter about me, it is no use my writing any more of this article; because my policy is, "I'm for ME!"

So I shall take it for granted that I do matter—simply because I want to, and because I have something more to say.

If I matter, everyone matters. I am one of the non-technicians. We assume that it would help a good deal if the mass of people who are "me" had a general notion (not the mathematics) of the Social Credit idea. The Human Tongue can reach us, and there actually does seem to be a bit more talk about "credits" and "banks" and "gold standards," and such-like. What exactly it is all about I don't quite know, but one does hear it now and then; here and there the subject of finance and economics crops up. More than it did before, anyhow.

But I must say I should stop and wonder, and listen, and he either angry or pleased, if I saw and heard the Show. I should run to the window to see. I might even call out, "Here they come, Auntie! Look—the Social Credit Show! Be quick or you'll miss it!" I might even put down my glass of ginger beer, or the half-pint of bitter, as the case might be, to see and hear for a moment

the flutter of colour, the gay uniforms, the tramp of feet, the beat of the drum, the lilt of the song (or whatever form the Show happened to take), and, being what I am, turn to the barmaid and say, "Piffle! . . . lot of piffing rot!" And she might agree, heartily. Or, she might say, "What is it?" And then I should explain what I thought it was—"A lot of Credit Reform Cranks with A+B in their bonnets, who imagine that no one need do a stroke of Work, and that everyone can be a Millionaire by printing lots and lots of New Money. Bah! Makes me sick!" Thereupon, Flossie, the barmaid, would naturally agree with me, but just as I was about to give forth some more of my sound common sense, she might say, "Listen! They're playing 'Tuck me in my little bed, Mammy' . . . oh, I do love that," and then, to my annoyance, she might join in, humming the tune.

"They look fine, don't they?" she might say, when the show had passed along. "Lot of piffing idiots," I hear myself mumble.

"Oh, I know. But I love to see them, don't you?"

And the worst of it is, I do. I'm like Flossie—like everyone else; the swing, the flutter, the tramp, the noise, "gets me down." What Kipling has called "the spell of ordered action," hits something—well, I don't know quite how to put it—something below the surface. I answer Flossie with a grumpy "No! I hate the sight of such driveling fools." But actually I am like the Peace Crank whose heart does a goose-step of pure joy when a regiment comes marching down the street with its colours flying and its band playing.

The War Office does not hold meetings to convince me that "Killing People is Necessary! We Must Have War!" Oh dear no! It puts up a good show. It stages a Wembley Tattoo—with superb showmanship. It plays "We don't want to lose you," and "Pack up your troubles," and "It's a long way to Tipperary"; and all sorts of intimate, sad, joyous and exciting memories come flooding back. My logical mind says, "Bunk! That's all just War Office propaganda to put a coating of sugar over the bitter pill." But something deep down inside says, wordlessly, "Gosh . . . ! That brings it all back. After all, we had a jolly fine time, in spite of the beastliness. Remember when Lance-Corporal Snooks upset the Major's shaving water? Lord, that was funny.

And when the old Union Jack flutters—oh, I know it's all rot, and perhaps some of you are not so easily moved—I don't know . . . somehow—I like it. It's just the same when the King drives by in State. I know he's only a man, like the rest of us, but . . . well, you can't describe it. There's a "sob" in it somewhere that I keep telling myself is nothing but the very cheapest brand of popular "sob-stuff." But there you are . . . that's "me." And I'm such an awful lot of other people. We're all so alike. And, what's more, I don't want to be different.

I'd like more money, of course. And, if things really "got a move on," I'd join in the shout for more money.

It would be something like the old days of the Women's Suffrage Movement, I imagine? There was first-rate showmanship for you! I forget what the W.S.P.U. colours were, exactly—white, green, purple? I can't remember, but I know they "made a good show." I saw them. And the banners fluttered—"Votes for Women!" I was dead against the movement. But I did enjoy the Show.

If they had just talked about how they ought to have a vote, and how perhaps, if the People at the Top would only listen, they might—if things happened just right—be given a vote, they would have made very little headway. But you could not "argue the toss" with a Hyde Park full of rampant women determined to be seen and heard. They just swamped everything.

You knew that they were dead set on getting that vote. And when the Press put up the very best boycott it could, the women knew how to break it. They became what Fleet Street calls "live news." They put treacle in letterboxes. They smashed a window or so. They mobbed the Prime Minister. They burned a church or two. That broke the "Send-them-to-Coventry" stunt of the newspapers.

And, in the end, they got their silly vote. No use to man, woman, or child, but they accomplished their objective. Showmanship did it! Mrs. Pankhurst was a first-class showman.

As a professional advertising and publicity expert, I say that I do not believe the Social Credit movement has the ghost of a chance of seeing a Social Credit System put into force (and I take it that is the objective) without developing its own special form of showmanship.

Let me say, however, that the Social Credit idea contains certain other ideas within it that you will never be able to put across, either by argument or by showmanship.

These ideas will not be "swallowed" until they are actually translated into fact. In order that the right form of showmanship may begin to develop, let me set down two lists. List 1 is the *Taboo* List, of ideas that cannot be accepted, do what you will. List 2 is the list of ideas that can be accepted, and should therefore form the "guts" of the Show.

LIST I. (*Taboo*). (a) That you can have Money for Nothing—without Working for it. This is the Work Complex, and you will never get rid of it by argument of any kind. It is the biggest "snag" in Social Credit propaganda—the "something-for-nothing" snag. As propaganda it defeats your objective. (It is as though the Votes for Women movement has said: "And, when we do get the Vote, we're going to kill all the male children at birth.")

I find that there is only one category in List 1, and that all the items I could tabulate under this head are really covered by (a) the Work Complex. Try it yourself. I

think you'll find they are all connected with this, directly or indirectly?

LIST II. (*For Public Use*.)

(a) That we could all do with a bit more Money.

(b) That Trade and Industry are bad because Money is "tight," "dear," "scarce."

(c) That better Automatic Machinery and automatic processes in Industry would do a great deal to speed-up Production, and do away with much of the toilsome machine-minding.

(d) That the root-cause of War is economic: the international scramble for Raw Materials and Export Markets.

(e) That Social Credit would develop the Home Market. "Ourselves First, eh?" Something like the Sinn Feiners' "Ourselves Alone!" slogan.

(f) That Industry ought to pay good Wages and Salaries, but cannot owing to high cost of production.

(g) That Industry, and, indeed, the whole British People, is in the hands of the International Moneylenders. They "rig" the markets, and ruin our trade.

(h) That the U.S.A., especially, has "got us down."

(i) That it looks as though Banking is just about the best moneymaking stunt, going. "What about that corner-site in the High Street—seen the new What-you-call-it Bank going up? like a palace—must have cost God knows what!"

(j) That, if Social Credit were in working order, all the Unemployed would be absorbed by the great spurt given to Production for the Home Consumer Market.

(k) That, in time, with the introduction of automatic production, less and less human labour would have to mind machines. Then you could get on with all sorts of jobs that you have always wanted to do. Yes, there would be a National Industrial Dividend for everyone without distinction, based on what we (Continued on page 8, col. 5.)

AUSTRALIAN WOMEN ARE GOOD COOKS SAY MANY VISITORS FROM OVERSEAS

—and some are better than others, of course. You will find that most of the best cooks give credit for their success to the ingredients they use. If you could take a peep into thousands of kitchens whilst cakes were being made or dinners being prepared, you would find PINK PACKETS on the majority of tables—the sign of good cooks.

In those PINK PACKETS is Australia's choicest Maize product—KREAM BRAND CORNFLOUR. That is the open secret of success in making many soups, stews, sauces, cakes, puddings and blanc-manges so delicious.

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KREAM BRAND CORNFLOUR

In the Pink Packet

Maize has arranged a Book of 93 Tested Recipes, covering a wonderful variety of dishes. Send 2d. in stamps and we will gladly post it to you. . . . Listen to the Leo Murray Players, 3A.W. Sunday, 7.30 p.m.

SHOT AND SHELL

(With acknowledgments to "Social Credit.")

Middlesex County Council adds £81,000 to relief budget, the two reasons given being that an anticipated increase in employment had not materialised, and the rapid increase in population. —"Daily Express," November 29, 1935.

One person in four is living below the poverty line in the United Kingdom. — "Government Blue Book, Miscellaneous Publications No. 2."

Blind cripple robbed of 3/1. Very serious, as family income is only 4/ a week. —"Evening News," December 5, 1935.

Dr. Schacht, President of the Reichsbank, and Minister of Economics, said at Leipzig, "Hitler will never allow inflation of the German currency. I guarantee to you that I will never take part in such trickery, if it should be in any way recommended." — "Daily Mail," December 5, 1935.

Ex-captain cabman's plight. Home sold up to buy food. Captain C. P. Fox at the end of his tether. —"Daily Mail," December 6, 1935.

The most interesting thing about the rubber film was that part which showed the effect of the neglect of weeding. The jungle was obviously growing up rapidly around the rubber trees. Neglect of weeding had saved money for a time, but I believe it costs £6 or £7 per acre to uproot weeds brought on through enforced economy. . . . Those weeds have been good for Imperial Chemical Industries. There is nothing like weeds for taking the nutrient out of the soil. And Imperial Chemicals has been putting it back with fertilisers. I imagine they have done big business with the rubber plantations. — S. W. Alexander, "Daily Express," November 29, 1935.

Mr. Hay is the most successful figure in the rubber industry today. He has a bigger influence on the rubber restriction position than any other individual. —S. W. Alexander, "Daily Express," November 29, 1935.

Jersey potato ban sought. It is hoped to prevent Jersey potatoes from coming on the English market after June 30 next year. After June Jersey seldom sends more than 4000 tons, but they arrive just as our crop are ready.

They are large and inferior, and sell cheaply, so depressing our prices. —"Daily Express," November 29, 1935.

Spindles Board to be established with power to acquire and eliminate redundant plant, and authority to borrow £2,000,000 for this purpose. Bill introduced by Dr. Burgin, Parliamentary Secretary to the Board of Trade. —"Evening News," December 12, 1935.

A mechanical cotton-picker, which may cost 2,000,000 Negroes their jobs, has been tested successfully in Arizona. — "Evening News," December 9, 1935.

INVISIBLE EGGSPORTS!

According to the press a German poultry farmer has been sent to prison for failure to pay duty on some millions of eggs. The farm is on the border between Germany and Holland, and the farmer, finding feed cheaper in Holland, and eggs dearer in Germany, tried to make the best of both countries' economic systems by feeding his birds in Holland, and driving them back to lay in Germany. He will now have time to reflect on the absurdity of a system which penalises him for bringing wealth into Germany—not, be it noted, for taking it out of Holland.

This is a typical result, though a minor one, of a system which by failing to distribute sufficient purchasing power in the home market, makes it necessary for each country to export all that it can and refuse imports in exchange. A major result of this system is war, to which the bitter fight for export markets inevitably leads.

The old saying that "you cannot make an omelette without breaking eggs" could be rewritten, "You cannot get export markets with breaking heads." The Abyssinians could testify to this.

—"Social Credit."

Few people are aware of the fact that for some weeks after the outbreak of the Great War Krupps were sending munition materials to England. We were told this by a director of a firm that imported them. Add to this another fact, namely, that at a certain juncture in the War the bankers of the Allied and Central Powers assembled at Zurich to decide when to call it off as a growing menace to the stability of the Money Monopoly.

—"The New Age," Dec. 12.

Heads I Win, Tails You Lose

We rarely go in for prophecy (says "Social Credit"), but we are able to forecast that the victor of the war in Abyssinia will be "Sound Finance." Whatever the outcome of military engagements, the financial engagements of the adversaries to the financial houses must, quite inevitably, be increased.

The policy of Finance at first seems to have been to use Britain to smash Italy through the League. This failed. Next, to end the conflict at the expense of Abyssinia. This also has failed, for the most to be hoped of the Laval-Hoare plan is a speedy burial. The next move remains to be seen, but it may be taken for granted that, if possible, Italy will be saved from being defeated by Abyssinia. Such a defeat would be bad for the prestige of the white races, whose mission it is, under the direction of finance, to exploit the coloured races. Trade follows the flag. Loans are the progenitors of trade, and their creators the makers of governments.

THE ABOLITION OF POVERTY CAMPAIGN IN QUEENSLAND

Mr. A. B. Smith, campaign director for Queensland, reports: —We have been extremely busy during the past week with plans for a successful campaign in Queensland. Although considerably handicapped through lack of finance (and who isn't?) we have decided to go ahead with the preliminary printing pledges, etc., the wording of the British pledge having been amended to suit Queensland.

THE QUEENSLAND PLEDGE

1. I know that there are goods in plenty and therefore that poverty is quite unnecessary.
2. I want, before anything else, poverty abolished.
3. I want national dividends distributed to me and every Australian citizen so that we can buy all we require.
4. These dividends must not increase prices or taxes, or deprive owners of their property or decrease its relative value.
5. I demand that the destruction of goods and unnecessary restriction of production shall cease.
6. Parliament exists to make my will prevail and I demand therefore that Parliament do this job before anything else.
7. So I pledge myself to vote for any candidate who will undertake to support the abolition of poverty and the issue of national dividends, and to vote consistently against any Party trying to put any other law-making before this.

The following officers have been appointed: — Publicity Officer and Map Supervisor, Mr. Byron Adams; Treasurer, Mr. A. R. McDonald; Revenue Officer and District Supervisor for Wynnum, Mrs. Helbach, M.A.; District Supervisor for Brisbane, Mr. G. W. Morris.

The above-mentioned officers will be glad to hear of anyone willing to act in any capacity; either in their own district or for office work in the evenings.

If 50 workers, at least, can be procured within the next two weeks to undertake a house-to-house canvass of the Brisbane Electorate, Mr. G. W. Morris will proceed with the campaign right away before the Brisbane by-election takes place. No mention of any candidate will be made in this work, but candidates will be approached by us before polling day. This is a great opportunity for

individual work in the greatest of all Campaigns and we will welcome your name. You possess the power to abolish poverty. Have you the will?

This Campaign is only in its infancy but it will grow to immense proportions throughout Australia. There are, doubtless, many that are not in a position to assist by physical effort but who can do so by sending in a donation to assist the expenses incurred for printing, postages, etc. Do not delay; act now. Send in your name as a supporter (minimum fee 1/-) to Campaign Director, Abolition of Poverty Campaign, Room 14, 2nd Floor, 142 Adelaide Street, Brisbane.

DEPRESSION IS FANTASTIC EXTRAVAGANCE, SAYS AMERICAN REPORT

Only a Change in Conventions Required for Prosperity

Roosevelt may still be dilly-dallying with the bankers, but he is not without lieutenants who know what to do. The following extracts are from the report of an official "National Survey of Potential Product Capacity":—

"Although society is still enduring scarcity, there is no physical reason why it should continue to do so.

"It is fortunate that the 'block,' or obstacle, is merely one of monetary income. Buying power is subject solely to man-made laws and is alterable by a change in conventions.

"American farm produce, plus imports, more than satisfy the requirements of the American market, but do not satisfy the actual needs of the population. If physical factors were the only limitation on production this condition could be rapidly remedied.

"Many labour-saving devices are ready to be installed when industrial conditions warrant.

"If the production of our existing plant were limited solely by physical factors and current technologic methods, the quality of goods could be increased even as conspicuously as their quantity.

"The altered economy requisite to release our product capacity would result in a more realistic attitude towards trade. Imports enrich, exports impoverish—the usual phrase 'favourable balance of trade' to the contrary notwithstanding.

"Keeping in mind that wealth is made up of real things in the physical world and is not a mere bookkeeping transaction, it becomes apparent that the period from 1923 to 1929, instead of being a time of extravagance, represented in fact an orgy of saving (increase in capital goods). Beginning in 1930 a period of fantastic extravagance set in—coal mines were allowed to flood, machinery to rust, mills to stand motionless and, most profligate of all, a great and highly skilled army of workers, technicians and farmers were forced not only to eat their hearts out in unnatural idleness, but to endure a destitution worse than that of previous ages when the vagaries of nature did occasionally curtail supplies.

"This procedure" (the present financial system) "can only be likened to that of the ancient Greek innkeeper, Procrustes, who cut off the legs of his guests when they were too long for his beds!"

"It Can't Be Done"

Henry Ford says, "It is not easy to get away from tradition. That is why all our new operations are always directed by men who have had no previous knowledge of the subject and, therefore, have not had a chance to get on really familiar terms with the 'impossible.' We call in technical experts to aid whenever their aid seems necessary, but no operation is ever directed by a technician, for he always knows too many things that can't be done. Our invariable reply to 'It can't be done' is, 'Go do it.'"

The technical experts of our financial system are all shouting, "It can't be done" because we point out the defects of their old-fashioned economic and financial machine, and suggest how to adapt it to present-day requirements. We know that poverty can be abolished immediately, for the world is glutted with goods, and every industrial and agricultural nation can produce the necessities of life in far greater quantities than is required. Like Mr. Henry Ford, we realise that the experts know too many things that can't be done. We call in people who are not hidebound by economic and financial tradition and tell them to get to work and abolish poverty. We do not care how it is done, we demand results.

—"Prosperity."

Finishing the Job

Following is a copy of a will, written by a small but prosperous equipment man during the depression: "My overdraft in the bank goes to my wife, she can explain it. My equity in my cars goes to my son; he will have to work to keep up the payments. Give my good will to the supply houses; they took awful chances and are entitled to something. My equipment you can give to the junk man; he has had his eye on it for some time. I want six of my creditors for pallbearers; they have carried me so long, they might as well finish the job."

—Alberta "Social Credit Chronicle."

THE SNAG IN SOCIAL CREDIT PROPAGANDA

(Continued from page 7.)

could produce as a community. Why not?

(1) That if goods and services were sold at a price which we could all pay—the Exact Price—our Trade and Industry would pick up right away. It's the Bank loans included in Price that stop that, at present.

(m) No, no, no—all Party Politics is piffle, and Voting is a kid's game of naughts-and-crosses that gets us nowhere. Parliament, as it is now, is just a very useful place for letting the people's elected representatives "blow off steam." It's a froth-blowers' club. Quite silly.

No doubt there are many other points to be added to List 2. My contention is this: whether you use The Human Tongue, or Showmanship, or both, List 1, and all the points you can set out under (a), are *taboo*. You may know that it is logically true, but the Work Complex is far deeper than one might think.

If you want your propaganda to spread, just leave out the bit about having "Money without Working." We cannot swallow that. And, because we cannot swallow that, we brush your schemes and ideas aside as being hot air—fantastic nonsense.

When you have established a Social Credit Regime, then we shall find out in action that we need not work as we do now. We shall not only accept it as true—we shall live it. We shall have some leisure without "going on the dole."

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