

Collapse Of Western Civilisation?

PYRAMID CONTROL AND THE ANT STATE

From every quarter of the world come the unmistakable signs of crumbling institutions and discredited formulae. The greatest factor in the changes which have been taking place during the final years of the epoch just closing is undoubtedly the marshalling of effort in conformity with well-defined principles the enunciation of which has largely proceeded from Germany, although their source may very possibly be extra-national and they have been accepted and developed in varying degree by the governing classes of all countries.

THESE PRINCIPLES MAY BE SUMMARISED AS A CLAIM FOR THE COMPLETE SUBJECTION OF THE INDIVIDUAL TO AN OBJECTIVE WHICH IS EXTERNALLY IMPOSED ON HIM; WHICH IT IS NOT CONSIDERED NECESSARY, OR EVEN DESIR-ABLE, THAT HE SHOULD UNDERSTAND IN FULL; and the forging of a social, industrial and political organisation which will concentrate control of policy while making effective revolt completely impossible, and leaving its originators in possession of supreme power.

This demand to subordinate inexternal organisation, the exaltation of the State into an authority from which there is no appeal (as if the State had a concrete existence apart from those which operate its functions), the exploi-tation of "public opinion" manipulated by a press owned and controlled from the apex of power, are all features of a centralising policy commended to the individual by a claim that the interest of the community is thereby advanced.

Its results in Germany have been deplorable. The external characteristics of a nation have, it seems, been completely altered in two generations, so that from the home of idealism, typified by Schiller, Goethe and Heine, it (or, at any rate, its ruling group) has become notorious for bestiality and inhumanity, only offset by a slavish discipline. The external influence of Prussian ideals on the world has undoubtedly been to intensify the struggle for existence along lines, which quite inevitably culminated in the greatest war in history.

ATTEMPT TO IMPOSE ON

penetrated the consciousness of dividuality to the need of some the world's leaders, or, indeed, of very many of the world's suffering peoples. Neither have their author's teachings on the stupidities of debt-finance been sufficiently widely heeded as yet. Since 1919 every normal healthy human aspiration of the individual has been wantonly trampled upon by power politics and monetary scarcity. The worst depression of history has been inflicted on mankind, even in the face of glut. The (Continued on page 6.)

YOUTH PLEADS FOR LIFE! Will Death be the Only Answer?

By ERIC D. BUTLER.

Humanity has once again stood at the crossroads. The choice: Life or Death. Death has been chosen for it. Once again we will witness the terrible tragedy of the world's youth being crucified upon the altar of war. The last war solved nothing. It left the world an embittered shambles, out of which a new and more terrible war has been born. My generation is again to be asked to die in the mud. In times of peace we have been crucified by the rotten economic system. In times of war we are blown to hell to preserve that system. The time has come for us to pause and think

THE HORROR THAT IS WAR

ror of war has been brought before the people. But they seem to lack imagination. People do not fully realise the horrors of war because they do not see the horrors. Women will dissolve in an ecstasy of voluble compassion over a dog that has been run over by a car, but will receive with sublime indifference the announcement that millions of people are dying of starvation throughout the socalled civilised world. It is almost as if suffering were not conceded to be suffering-unless it occurs within the same territorial area as that which happens to be occupied by oneself or affects persons living under a form of government of which one's political opinions happen to approve.

BUSINESS JOURNAL ADVOCATES CREDIT EXPANSION BY COMMONWEALTH BANK

Materials, Men and Markets are Available. Money Must be Made Available.

The Editorial in the July issue of "Rydge's" reveals an encouraging partial emergence from orthodoxy. It read as follows:

volves the raising of £44 million. lion is in sight. It is considered

The Australian loan programme the limit will have been reached for the 1939-1940 fiscal year in- long before the budgeted £44 mil-

In the last war, some 10 mil-Time and time again the hor- lion boys were killed and some 20 million permanently maimed and mutilated. More terror and agony were experienced in the space of four years than in the hundred years that had preceded them. Men were burned and tortured; were impaled, blinded, they disemboweled, blown to fragments; they hung shrieking for days and nights on barbed wire entanglements, praying for a chance bullet to put an end to their agony; they continued to live . . . This was in the sacred name of "democracy." "The war to end wars." And now youth is being led to the shambles again. We have asked for life, and we are offered death.

A QUESTION FOR ALL MOTHERS

During the last war nothing was more tragic than the sight of thousands of mothers choking back their tears and screaming hysterically for God and Country, as a great host went to a useless death. Yes, useless. Even the most conservative are now forced to admit that the last war solved nothing. How could force, hatred and bitterness solve anything?

Women could play a big part in bringing home to people the folly of war if they thought realistically about the matter, if they thought imaginatively of women like themselves in other lands, whose sons, brothers and sweethearts are the "enemy" to be exterminated

ENGLISH PEOPLES

The comparative rapidity with which the processes matured was no doubt aided by an essential servility characteristic of the Teutonic people, and the attempt to embody these principles in Anglo-Saxon communities has not proceeded either so fast or so far; but every indication points to the imminence of a determined effort to transfer and adopt the policy of central. or. more correctly. pyramid, control from the nation it has most afflicted to others so far more fortunate.

A PROPHET WITHOUT HONOUR

The foregoing views found their first expression not in September 1939, but in 1919, shortly after the close of the First World War. Their fundamental import has not

Not since before the depression has such an ambitious programme been designed.

Last year the raising of £30 million was no easy task. The February £81/2 million Loan met with a poor response. The underwriters were left with 43 percent of their liability. Last month's £4¾ million Loan was under subscribed.

In spite of more attractive terms being offered, the market has not supported with any enthusiasm the more recent loan efforts of the Commonwealth or statutory State bodies.

What, then, are the prospects of raising an appreciably larger amount from loans during the current vear!

The extent of internal borrowings has its limitations, and it is no more than a truth to state that

that the Commonwealth Government can raise no more than £25 million on the open market dur-

ing the next twelve months. That leaves a gap of £19 million to be bridged.

A concomitant of the failure to raise that £19 million would be a business recession. All States would suffer.

The Commonwealth, whose share of the total borrowings in past years has been relatively small, is now committed to £10 million for defence, £2 million for works (the new and well-publicised General Post Office mainly), and £2 million for farmers relief. Defence, of course, is of prime importance, and the public insists that there be no cheese-paring in this department. But there are some who tell us that this is no (Continued on page 4.)

It takes 20 years to build the average boy to the stage where he can take his place in the community. The average mother makes every conceivable sacrifice. Perhaps there is an illness or two. Sleepless nights of agonised suspense. Then the joy of recovery. Many expenses. Courage, work and devotion. And so on, until that precious life is twenty. A youth full of possibilities . . . he is blown to hell in one second. It takes twenty years to make him . . . it takes one second to destroy him.

Mothers, just think it over.

WE ARE NOT WITHOUT BLAME

It has been very encouraging in the present crisis to hear some of the opinions being expressed. (Continued on page 7.)

JAPAN FROM MANY ANGLES

An Address Delivered by Dr. T. A. Wright, on July 14, to a meeting of the Kernot Engineering Society held in the Radio Theatre, Melbourne Technical College

(CONCLUDED FROM LAST ISSUE.)

With few exceptions, all Japanese lead a very similar mode of living; live in the same types of houses, even though the size and grandeur may occasionally differ; wear the same kind of clothes: eat the same kinds of food; and use the same kind of table instruments, the chopsticks. There is no social weeding out, as in England-due to the ability or otherwise to choose and use correctly the various knives, forks and spoons, and the correct glasses for the various wines. The structure of Japanese houses, with communicating rooms, sliding doors, no interior locks, the same universal floor coverings, "Tatami" straw mats; all of the same dimensions, 6ft. by 3ft.; the shedding of boots or footgear at the entrance porch; and their domestic habits generally, tend to a communal friendship and habit of non-interference with one another, the absence of prudery and snobbishness that have always been noticeable to the observant visitor. The absence of religious sectarianism is also an important factor.

When the purely feudal system was wiped out by Emperor Meiji in 1868, the Japanese people took to, and appreciated, the value of modern education, and the State did not hesitate to take up the responsibility of providing every citizen with every opportun-ity to get a good education. Children of all social classes go together to the same free primary schools. At the age of 6 years (Japanese reckoning), equals 5 years (Australian), each child, whether his father be Premier or ricksha man, gets a notice to attend a specified school near his home, and an education from primary school to university will be of exactly the same type for richest, greatest, or poorest.

Another binding factor in this or financing organisations to lend Japanese communal democracy is the high esteem and honour in which education and teachers are held, and in Japan every parent's first thought is to give - his children the best education they are capable of absorbing, the question of ways and means being his last consideration, and every sacrifice will be made by the whole family for a more gifted brother, and especially will sisters sacrifice their own interests for him, as a duck sheds down for her young. Education is given under a receipt from the Emperor, and is regarded as the greatest blessing that can flow from the State to its citizens. If parents can pay for primary school education, they pay 3/6 per annum; if unable to pay, the tuition is free.

COERCION

Some evidence of the newer obvious coercion of the totalitarian ordinances is given by the fact that in the drive for correct thought, they, as in Fascist and Nazi countries particularly, and in Australia quietly, attack the seats of learning and knowledge and new thought. About November 11, 1938, it was decided by the authorities to indict six university professors and one noted writer for advocating a Popular Front. Included were a professor and assistant professor (Tokyo Imperial University), two professors and a lecturer (Hosei University), a professor of the

money for this purpose, but for the specific purpose of providing special war-time finance a special Government financing organisation will be created." It is noted, "the Government does not intend to change the banking system."

FINANCE

Article II. (Finance) of this law is considered by the Army and the Cabinet's Planning Board to be an essential corollary to Article 6, which has to do with labour.

Ex "Yomi-wu" Shimbun (newspaper), supported by financiers, the Finance Minister, Seihin Ikeda, showed antagonism to the enforcement of Article II. Finding it difficult to oppose it absolutely, for political reasons, he effected a compromise. The Government will recognise all present dividend rates of corporations above 10%, but will not allow them to be increased; dividends below 10% may be increased up to 10%. Nevertheless, the newspapers have reported the dissolution of the Government, and the removal of Mr. Ikeda from the Finance Minister's office.

The new lines of thought re money do not seem to be favourably received by the financing houses and corporations,

AUSTRALIA NOT THREATENED

With regard to the opinion expressed in the Brisbane and other newspapers, that, after China, Australia is Japan's next objective. I do not believe that such is true at the present moment, although world policies seem to change from day to day. Japan really wants friendship with Australia, and a peaceful flow of raw materials from us and produced by us. Japan, in view of the past Japanese-British friendship, cannot (or did not till recently), understand the anti-Japanese or standoff attitude that has developed. Thus she was forced to the German alliance, and at present, Ger-man influence and activity at Tokyo are very strong. Continued insults by us to Japan would be the only thing that could stir her up to retaliate. Japan has two other vital necessities, more vital than Australia. One is the control of Vladivostock, a perpetual military menace to her national

AIRPLANES, UNLIMITED

Real Mass Production of 'Planes is Near Thanks to Plastics and an American Engineer

By FORREST DAVIS Condensed from "Scientific American."

The flying machine, in an age when automobiles roll off the assembly like shelled peas into a basket, is still handmade. In some stages of assembly it takes two men four hours to rivet a single foot of a metal 'plane's surface. For years our aviation experts have been praying for some method of producing 'planes as rapidly as automobiles.

Their prayers seem about to be answered. A new 'planemaking technique promises to make possible a practically unlimited supply of stout, cheap, fast aeroplanes. Using a laminated plastic, similar to the glossy table tops and decorative panels found in cafeterias and night clubs, the new process has been developed primarily by Col. V. E. Clark, veteran designer, who was chief aviation engineer of the U.S. Army during the World War, and by Dr. Leo Hendrik Baekeland, the father of modern plastics, with the co-operation of the Haskelite Corporation of Grand Rapids, Mich.

For a year and a half a mystery plane had been haunting eastern airports from Florida to Quebec, undergoing all sorts of endurance tests. Then, in the course of a Congressional investigation early last winter, Dr. Baekeland's son, George W. Baekeland, revealed the existence of a laminated plastics plane fuselage, which he said could be moulded and made ready for the assembly line in two hours. This was the "Clark 46." Headlines flared briefly, but Colonel Clark squelched the sensation. Only now, after months of grueling tests, does he feel that his plane's performance justifies a public report. This report I am authorised to make.

The January revelation was no news to insiders, either here or abroad. For several years they have known that Clark was working on the mass-production problem. Few doubted his success. The time was ripe for fundamental advances in the laggard art of aeroplane fabrication, and here was no "crank" inventor, but an able aeronautical engineer whose backers included some of the most prominent industrialists and financiers in the country. New, synthetic resins developed by the plastics laboratories had given aviation, as well as other crafts, novel materials and new tools with which to solve the problem.

The 20-foot fuselage of the

security, and the other is Borneo's oil, an economic necessity to her national security. Particularly as that immense source of oil is owned by a tiny country that, herself, cannot need it nearly so vitally.

Australia is well and capably represented at Tokyo, but if we really wish to be impressive there, amongst the galaxy of ambassadorial and consulate rankings, the

"Clark 46," which in time may relegate metal planes to the shelves of history, is sleek, glasssmooth, and rivetless. Its perfect flanks give no indication of the 1600 hours it has spent in the air, deliberately exposed to every possible flying strain, to every onslaught of rain, sleet and snow. Peer into the dark interior; notice the absence of the forest of structural supports found in the allmetal plane. All the space is free. There are no rivets; there is only a faint seam to show where the two 20-foot half-shells that form the fuselage were joined together.

Col. Clarke calls the new material from which this fuselage is made "Duramold." Manufactured by a secret process employing phenolic resins discovered by Dr. Baekeland, Duramold does not chip or corrode, resists water, oil and acids, and is stronger than metal. Says Col. Clark: "In the form of a simple thin-walled cylinder of given weight under compression, Duramold is, roughly, 10.4 times as strong as stainless steel." Its basic ingredients are cheap, and in part absurdly common

Duramold can be given any desired shape-and will keep that shape. This is all important. Experts in aerodynamics know that bumps or depressions, invisible to the naked eye, measurably interfere with the flight of a plane. In metal planes such flaws are hard to avoid; stones thrown up by the wheels leave noticeable dents. In planes of Duramold, true to a few ten-thousandths of an inch, there need be no such imperfections.

Only the fuselage of the "Clark 46" is Duramold, The wings are of improved plywood-used partly because a plastic fuselage was sufficient for experimental purposes, and partly because Col. Clark wanted to compare the behaviour of the two materials. Even lavmen who have examined the plane

Sugamo High School.

NEW ORDER

The essence of Japan's reply to the American note of June 10, 1938, is, "It is the firm conviction of the Japanese Government that, in the face of the new situation fast developing in East Asia, any attempt to apply to the conditions of today and tomorrow, inapplicable ideas and principles of the past, neither would contribute toward the establishment of a real peace in the East nor solve immediate issues. Japan is determined to establish a New Order in Asia. In furtherance of this determination invocation of the National General Mobilisation Law in its entirety is being studied by the Government in connection with the preparation for long-term construction on the continent. The Government will not force banks

status of the Australian representation should, if possible, be raised in that Eastern hive of international activity.

CONCLUSION

In conclusion, I should like to express one hope, and that is, that our schools and our University will earnestly foster the study by young Australians of the Japanese language, from the viewpoint of national protection, for I feel that language study is the best medium by which one may learn the other person's viewpoint on any problem. Language is the means of the expression of thought, and by language our views thoughts and ideas can be expressed, exchanged and understood, and our problems so appreciated that we may hope that, as far as the Pacific Ocean is concerned, it may really stay pacific.

nave remarked that Duramold has stood the tests of 20 months, the plywood shows signs of deterioration and repair.

Within a few months we shall see a plane in which wings as well as fuselage are made of Duramold. Even now, Duramold may be pressed into sections long enough to give a wingspread of 85 feet, ample for most military purposes. Under gunfire Duramold fuselages and wings will fare better than metal ones, because they will have no intricate network of supports to be shot away. Because of its seamless, rivetless skin, a high-speed all-Duramold plane will have a frictional drag no greater than glass, and will be theoretically seven per cent, faster than its all-metal counterpart. At 300 miles per hour, this would be a gain of 21 miles.

(Continued on page 8.)

UNDERCOVER MAN The System Whereby a Great Department Store Spies on its Employees and even tempts them to Steal

CONDENSED FROM "LIBERTY" (with revisions by the Author.)

By ALFRED V. GERRITY, as told to Webb Waldron.

Note: Webb Waldron has contributed to leading American magazines for nearly 20 years, and has a record for accurate reporting. He vouches for the following story, having taken pains to verify details by talking with several other members of the undercover squad. The various peepholes throughout this great department store were surreptitiously pointed out to him.

"Please, mister, give me another can see through it without being chance," the boy begged. "I don't know why I took it. I'll put it back.

"Come along," I said, soothing like. "We'll try to fix it up."

I am on the "undercover squad' in a New York department store, and our special job is to nab thieving employees. I had just caught this sales-clerk sneaking an electric razor. He kept pleading with me, but I got him into the office.

"Is this all you've ever stolen from this store?" I asked.

"It is, so help me God," he said. "Listen, mister! What's going to happen to me now?'

'You should have thought of that before," I said. "Now sign this confession.

"Do I HAVE to sign it?" he implored.

"You'll sign it if you know what's good for you," I said.

"What'll happen then?" he asked.

"You'll get the money that's coming to you and out you go."

He looked at me with a sick expression, then suddenly grabbed the pen. I'd knocked off another dishonest employee! I took the confession to the chief. He patted me on the back. "Good work, All" he said. "Go out and knock me off another. We need cases."

There are six of us undercover men. We deal chiefly with petty theft. But some isn't so petty. We caught one employee who confessed to thefts of over 5000 dollars' worth of merchandise. What the total amount of thievery is I don't know, but, as for myself, I knock off about a hundred cases a year.

We get tips on dishonest employees in various ways. "Information employees" in almost every department receive 2 dollars a week extra for reporting anything unusual they observe. Anonymous letters give us tips; or an inventory shortage may put suspicion on a certain sales-counter.

"PLANTS"

We do most of our work from "plants" or hiding places. I supne customers would he pose t

seen. There is scarcely a corner in the whole establishment that can't be covered from a plant.

OLD-TIMERS

The toughest catches are the oldtimers. For instance, the store was missing high-priced merchandise from a certain counter. Worming into a narrow ventilator under the balcony, I dug a peephole through the plaster right over the counter under suspicion. For nine days during the Christmas season I hunched in that plant 13 hours a day without seeing anything. Then, on the tenth day, just towards quitting time, I saw a saleswoman who had been working in the store over 12 years slide a jeweled compact into her handbag. She was so quick and wary that if I hadn't been watching like a cat I'd have missed it. I tailed her out of the store and made the grab. If you grab in the store "old hands" may try to toss the merchandise under the counter before you can stop them and claim they never had it; or they may claim they were taking it up to the office to get the price readjusted, or get it repaired. If you should make a mistake, the employee could sue the store.

GETTING THE CONFESSION

Getting the confession after the grab is ticklish. It enables the store to collect from the bonding company in case the employee has got away with merchandise that can't be recovered. If you pretend the thing is going to be fixed up easy you usually can get a confession if you are hard-boiled. If I can't, I turn the employee over to the chief. If he can't break the employee down he may turn him over to the police. But usually the store doesn't like to prosecute. Newspaper publicity would hurt the store.

EASY MEAT

Our easiest meat is the kids who work in rush reasons. One evening, laying on a shelf next the ceiling in the reserve-stockroom, I watched the boys loading trays of gloves, handkerchiefs, and socks. One of them dared another to sneak a pair of socks. I wanted to lean over and say, "Drop that, fellas!" But I lay there, watching. Finally the boy who was dared slid a pair of silk socks into his hip pocket. It was a sort of game. Another promptly pocketed a pair of gloves; and then another half a dozen handkerchiefs. Then I made the grab, and I got three written confessions.

at the office, one of them bumped into the man ahead and felt a bottle. He tipped off the chief, and that night two of us undercover men hid in the liquorreserve room. On his first round, the cop just stood and gazed at the bottles in a rack. The next time, he picked up a few and looked them over. The third time, he parked a bottle in his hip pocket. When we nabbed him, he said, "Well, Gerrity, I've got to hand it to you. But I wouldn't have your job for all the money in the world."

I got a two-dollar raise for that job, but soon afterward the news drifted around among the night patrolmen that I was spying on them. "Rat!" one of them said out of the corner of his mouth as I passed.

MAKING CRIMINALS

As I said, the chief is always yelling for grabs. So we sometimes go down on the floor and try to get a few shoplifters. One day when I was on the main floor in hat and overcoat. looking like a customer, I saw a kid in the crowd at the fountain pen counter who looked as if he was going to take. He picked up a pen, held it in his hand. I slowly edged him back from the counter, as if I wanted to get at the pens. Store detectives have learned that trick; if you spot a person with merchandise in his hand, edge him back into the crowd and see if he won't slip off with the stuff. So when this kid got shoved into the aisle and thought no one was watching, he wriggled toward the door. I went after him and grabbed him. I suppose you might say that was making a kid into a thief. But wouldn't he have fallen sooner or later anyhow? Still, I felt sort of lousy about it afterward.

TEMPTATION

Another way we relieve the pressure on us for cases is to plant merchandise to tempt employees to steal. Sometimes I feel lousy about this, too, but the store in self-defence has to weed out employees who are likely to turn crooked. If they're the kind who falls for the temptation we put in their way, the store can't afford to have them around.

One of our tricks is this: After the store has closed, we load a hand-truck with stuff and roll it out on the floor. Then we plant on top of a ventilator. A night porter comes along, sees nobody in sight, and the temptation is too much for him.

But one night, when I was planted above a baited truck, a couple of porters came along, fingered the stuff, and one of them said, "You know, Bill, if you was to cop anything, you'd have one of them rats on your neck in a minute!" Then the other said: "Them rats watch us, but I won-der who watches *them*?"

NEW SOVIET **CHIEF:**

Lozovsky, Revolution-**Through-War Apostle**

The Jew, Soloman Abramovitch Dridzo Lozovsky, a former Secretary-General of the Profintern, the Syndicalist International, and now a member of the Comintern's executive, has been appointed permanent head of the Moscow Foreign Office, and principal adviser to Molotov.

His chief aim in life, says the Catholic Times, as he himself wrote recently in La Vie Ouvriere, is the overthrow of the existing order in the Great Democracies, who are now humiliating themselves in courting his assistance.

Lozovsky is a leading apostle of the Revolution-Through-War doctrine. After Rakovski, he is the member of the ruling clique in Russia with the most intimate knowledge of affairs in France and England, He lived in France before the war, returning to Russia after the October Revolution, and was almost at once sent back to France to organise disorder there.

He was responsible for the split in the C.T.G. (General Confederation of Labour), which took place in 1923, and was the chief creator of the Moscow-directed C.G.T.U.

He is the author of a textbook on the subject, which has been published in France, under the title La Greve est un Combat,

He has also worked in Poland, where he is remembered as one active agent among the textile workers at Lodz.

Lozovsky's immediate chief in the Comintern, Manouilski, declared in March, at the Congress of the Russian Communist Party, that "Communists must support every war that brings nearer the victory of the world proletariat, of which the interests coincide with those of the country of Socialism . . .

"This war will be the most just, the most holy, that has ever been fought in the history of mankind: a war which will necessarily stir up a whole series of revolutionary outbreaks, within the enemy ranks, and which will break up and demoralise the ranks of imperialism."

The full text of this remarkable declaration can be read in Correspondence Internationale, the organ of the Comintern, April 24, 1939, pp. 455-460.

that there are eyes and ears spying on whatever he does ?

The tragedy of it is that under the present system the employee who might be kept honest, but yields to temptation for lack of warning, and steals only a necktie a handkerchief ma caught and branded as a confessed thief for life. If my story serves to persuade stores to warn employees that they can't get away with anything, I feel that I will have partly made up for the many lousy things I have had to do on this job.

astonished to know that we undercover men are constantly watching the sales-force from peepholes everywhere in the store. For example, we get into the ventilators that run along the ceiling, and then look out through the screened openings. Sometimes we have to use a pair of binoculars. We hide in the stock rooms, make little peepholes through the sheetrock partitions. At night, we turn the lights off in the elevators and run them from floor to floor, observing the actions of maintenance men, stock-clerks and porters through the little windows. We hide in empty cartons parked on the top shelves of stock rooms, fixed with holes so we can peep out. Sometimes a mirror set in the wall of a department is a two-way mirror-that is, an undercover man in a special hiding-place behind it

Another night I spotted half a dozen boys and girls slipping men's wallets, compacts, ladies' handbags under their clothes. In all, I grabbed off 30 of these kids last Christmas season.

"RAT!"

The special officers who police the store at night are checked on, too. One morning, when these men were turning in their guns

I have often wondered about that myself. If the store doesn't trust anybody, why should it trust us undercover men? Maybe there's an under-undercover squad checking up on us.

WHY?

Most of the employees in our store are honest. There are a few confirmed thieves, and a certain number who may steal if they think they are not being watched. Most of them haven't the slightest idea we're planting on them. I often wonder why department stores don't tell employees-especially new employees—that they're under observation every minute and can't get away with anything. The store gives each new employee a booklet telling him the facilities and fine tradition of the place. Why doesn't it warn him



September 15, 1939.

The New Times

A non-party, non-sectarian, non-sectional weekly newspaper, advocating political and economic democracy, and exposing the causes, the institutions and the individuals that keep us poor in the midst of plenty.

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THE NEXT OFFENSIVE

That the "New Times" is at war is not news to anyone who has followed it through its brief history. The "New Times" declared war on the first day of its existence-declared war on the present murderous financial system and its subtle ally, partypolitics: thus setting out to stop the continuance of poverty amidst abundance; of crippling taxation; of the needless financial nightmares of farmers, businessmen, breadwinners, and housewives; of encroachment on liberty; of the conditions which produce the unending economic warfare within and between nations which culminates, periodically, in military warfare.

The enemy has been vigorously and persistently harassed from every possible quarter, and, in more than one offensive, direct hits of importance have been scored (e.g., National Insurance). A general advance has continued and recruits and allies have been gained. But the life-blood of such a campaign-finance-has, rather naturally in this unnatural world, been a limiting factor and a source, of much intense worry.

However, we were able, earlier this year, to announce that the regular sale of a further 1000 copies weekly would have the ultimate effect of bringing income and current expenses into approximate balance; although, of course, the current budget would demand some subsidy until the extra circulation had been fully and definitely achieved and, further, until the benefit therefrom had become fully operative. Latest estimates show that this extra circulation has now, at last, been reached.

For this, thanks are due to a few hundred of our supporters who realised the importance of the matter sufficiently to make themselves responsible for the sale of at least one extra copy every week. Thanks are also due to those who have made the donations, which have so far provided most of the necessary subsidy referred to above.

This opportunity is taken to stress the imperative necessity of our supporters continuing to provide some subsidy. This arises, not so much from the temporary budgetary factor previously referred to, as from the now inescapable necessity of paying some £2-£3 weekly off liabilities incurred in more difficult days. The need is particularly great at the moment, because, while most of our present income comes in units of one-calendar-month and corresponds in volume to that earned in a preceding normal month, expenses for this month are 25 per cent, greater on account of there being-as occasionally happens-five Fridays (therefore, five issues to be printed, etc.) in the month. Of course, it goes without saying that this paper has not been able, to build up any small reserves to meet such contingencies or other fluctuations. Further, the "New Times" has very little advertising revenue (which is, in part, the price of its fearless, independent policy), although this item is the mainstay of most papers. Therefore, our finances are still somewhat precarious, unless our supporters continue to be, in fact, supporters.

This last is, however, only a matter of consolidating our position in the trenches gained; and, while it is vital that it be given the immediate and earnest consideration of every reader, many supporters have already suggested to us that we make another special drive, along the same lines, for still another thousand copies per week. It is, perhaps, superfluous to point out the value of this further objective: we content ourselves for the moment with pointing out that it would, among other things, more than remove the remaining disabilities referred to. This, then, is our next offensive -as an aid to other bigger and better offensives-in what we believe to be the only war worth seeking. Ladies and gentlemen, the battlefield is yours!

BUSINESS JOURNAL ADVOCATES CREDIT EXPANSION BY COMMONWEALTH BANK

(Continued from page 1.)

time for the States to indulge in an "orgy of spending." Premier Stevens, of New South Wales, was criticised trenchantly for the firm stand he took at last month's Loan Council's deliberations. By holding out for large loan allocations he was dubbed a "profligate Premier."

The critics of the Loan Council's programme are predicting financial embarrassments to arise from that body's seeming inability to obtain the money required through the ordinary channels.

It is admitted that the total cannot be obtained from internal borrowing and taxation. Heavier taxation is certain. But the power to tax is the power to destroy, and the exercise of the powers of the taxing authorities must be kept within bearable limits if this field of supply is to remain fertile.

The extent of internal borrowing also has rather clearly defined limits. By raising interest rates to levels savouring of desperate financial straits, the Loan Council could undoubtedly improve the productivity of this field. But dear money at this juncture is dangerous to our high level of internal business activity, and neither the Loan Council nor the Commonwealth Bank will favour such expediency.

Neither increased taxation nor borrowings from the Australian market, therefore, will suffice to carry out successfully the lengthy loan programme of this current year.

There remain two other avenues to be exploited. The first runs to London. In normal circumstances London borrowing would be eschewed. But, and in this we are supported by the chairman of the National Bank of Australasia, an increase in our London indebtedness to offset urgent defence requirements would not be unwise.

That the Commonwealth would not be an unwelcome caller on the London loan market at this stage is rather evident. England has offered to accommodate countries less favourably situated than Aus-

DON'T MISS THIS!

All Sections Reunion Night

Remember-on next Wednesday night, September 20, a grand social and dance will be held at McEwan House Cafe 2nd Floor, McEwan House. Little Collins Street. Melbourne.

All local sections of the United Australia ot

tralia, and the solidity of our financial structure in recent years gives the Commonwealth a high rating in the credit lists. London, therefore, should be approached.

The expansion of internal credit is the remaining source of supply to be tapped. An example of the Commonwealth Bank's action in this direction was given six months ago. To bring the large Conversion Loan of December to a successful issue, the bank supplied a special subscription of £6 million. Acting in its capacity as the Central Bank, it relieved other lenders of the obligation to supply the final £6 million, and so allowed the latter to expand their credit to a corresponding amount. The Central Bank's action on that occasion was calculated to, and did, stop any possible drift in economic activity. The expansion of credit in that instance was, in the words of the hank's chairman,

. . In the public interest and in accord with its policy as a Central Bank

In the meantime, public interest has become more urgent, and, critics notwithstanding, our internal credit policy must be fashioned to the needs of the moment.

New credit, whatever form it may take, must be created to maintain the stamina of existing industry and to nourish the large, new industries in the making. The new industrial vigour of the Commonwealth cannot be allowed to languish for the lack of monetary resources, which can be tap-ped at will. With controlled credit expansion in the hands of the non-political Commonwealth Bank Board, there is no danger of over-stepping the mark of financial prudence.

To undercapitalize this new era of industrial development would deserve the censure of all. Materials, men and markets are available. Money must be made available

And business is entitled to an announcement from the Commonwealth Government and the Central Bank jointly on the methods to be adopted to achieve this.

p.m. music being supplied by pro-fessionals. The ladies will provide supper. Advantage will be taken of the occasion to extend a welcome home to Eric Butler, and a brief halt will be called whilst Eric delivers a special message to those present. You are asked to send in for a number of tickets for sale to your friends at 1/6 each. Address enquiries to Hon. Sec. Social Committee, U.E.A., 5th Floor Mc-Ewan House, Little Collins street. Melhourne

But-first things first; do not forget that little job of "mopping up." Whatever you are able to do is of first-rate importance. The time is now!

gether to make this date an enjoyable and a memorable one. There is a distinct purpose behind the request that you come along with your friends, but come prepared to enjoy yourself. There will he a good programme of mixed dancing, games, novelties, etc., from 8 till 11.20

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DWELLERS IN THE SHADOWS-1914

What Were People Doing as the Last World War Storm Clouds Gathered?

By SAMUEL T. WILLIAMSON. Condensed from "Current History."

On the bright Sunday forenoon of June 28, 1914, Nedjelko Chabin Sarajevo. In his pocket was an away, stood Gavrito Princip. In his pocket was a pistol.

The crowds that packed the sidewalks stirred as four automobiles was the Mayor, with the Chief of Police. In the second was a man with shoe-brush haircut, handlebar moustache and angry eyes. Beside him was his wife, in a white anniversarv.

Chabrinovitch knocked the cap of his bomb against a post, then cast it at the second car. The chauffeur saw the danger and speeded up, and the bomb wrecked the third car. The two leading cars streaked to the Town Hall where the Mayor, in an address of welcome, assured Archduke Ferdinand of the loyalty of the Bosnian people and of the joy with which they welcomed the heir to the Austro-Hungarian Empire. "Enough of that, Mr. Mayor!" Ferdinand interrupted, wrathfully. "I pay you a visit, and you receive me with bombs!"

The Mayor fumbled through the rest of his speech. When the Royal party left, their car turned into narrow Franz Josef Street, General Potiorek, Governor of Bosnia, called out, "That's the wrong way! Drive straight ahead."

But for that change in direction, 8,000,000 might not have died within the next 50 months. When the chauffeur put on his brakes and backed, Gavrilo Princip could not miss. Ferdinand and his morgana tic wife died at 11.30 that Sunday morning of June 28, 1914.

Far to the North, the afternoon sun shone on the sails of a Kiel regatta, in which Wilhelm II of Germany was racing his Americanbuilt schooner, Meteor. A navy launch shot alongside the yacht and Admiral Muller tossed a message aboard, folded in a cigarette case. Wilhelm turned pale when he read of the assassination.

In Paris that afternoon Alice Roosevelt Longworth, who had christened the Meteor twelve years before, watched the running of the Grand Prix at Longchamps. At Kiev, Russia, Igor Sikorsky arrived safely from St. Petersburg on the first successful flight of a transport 'plane.

'plane was built for Rodman Wanamaker for a trans-Atlantic rinovitch stood on Cunmria Bridge flight in the interest of disarmament. Orville Wright had recently oval metal object. At the corner said: "The airplane will end war. of Franz Josef Street, four blocks for when the men who make war find their lives in danger they will be less likely to decree war.'

Rockefeller Institute announced that day that Dr. Alexis Carrel slowly approached. In the first had kept the tissue of a baby chick alive in a test tube for 28 months. In Little Falls, Minn., the 12year-old son and namesake of Representative Charles A. Lindbergh was on vacation from gramdress. It was their 14th wedding mar school. Anne Morrow (7) was at the family summer home at North Haven, Me.

Joseph Chamberlain died that day in London. His son, Arthur Neville, was a Birmingham alderman and businessman.

> * *

July 6: "Austria must decide what to do about Serbia, Whatever she decides, Germany is her friend and ally." Thus the German Foreign Office gave Austria a blank cheque. "Now or never," noted the Kaiser-and left on a three-weeks' yachting trip through Norwegian fjords.

Off Cape Haiten this Monday, Ensign Richard E. Byrd, of the U.S.S. Washington, saved a seaman from drowning. The Treasury Department reported collections of 71,000,000 dollars under the new income tax law. This amounted to one-tenth of the Federal Government's receipts for the fiscal year, bringing satisfaction to Representative Cordell Hull (Tenn.), author of the law.

James A. Farley, of Grassy Point, N.Y., Supervisor of the Poor of Rockland County, was circularising voters, in the hope of breaking the local Republican organisation. In Decatur, Ill., an 11-year-old boy was studying ventriloquism in the Wizard's Manual. a mail-order house booklet. He was Mr. and Mrs. Berggren's son, Edgar.

July 14: Premier Tisza, of Hungary was persuaded by Foreign Minister Berchtold to agree to military measures against Serbia. Assistant Secretary of the Navy, Franklin D. Roosevelt announced on this day that 700 Marines would be transported to Guantanamo for possible duty in Haiti and Santo Domingo. His wife was in New Brunswick with her three children, James, Anna and Elliott.

John L. Lewis, 26-year-old orator, was trying to organise the steel industry for the A.F. of L. Joe Louis Barrow, who parents were cotton-field hands near Lafayette, Ala., was exactly two months old. Jack Johnson was heavyweight champion of the world. Anthony Eden was in the Fourth Form at Eton. The Prince of Wales, a special student at Magdalen College, Oxford, was playing college-boy pranks in London with a group of fellowstudents. Bessie Wallis Warfield of Baltimore, graduated in June from a girls' school in Maryland, was planning her December debut Baltimore Bachelors' at the Cotillion.

any attempt to humiliate Serbia. Expecting no crisis. Major-General Ferdinand Foch, commanding a French army corps at Nancy, left on a fortnight's leave of absence in Brittany.

In the U.S., Brigadier-General John J. Pershing was at Fort Bliss, Texas, in command of the Eighth Brigade. Since the American seizure in May of the Mexican port of Vera Cruz, army border patrols were extra watchful. Serving with the First Cavalry at Monterey was 2nd Lieutenant Hugh L. Johnson, who had just been ordered to study law at the University of California. Across the border, 19-year-old Lazaro Cardenas was captain in the Mexican revolutionary army.

The second baseman of St. Basil's College nine in Toronto was Charles Edward Coughlin. In Berlin Albert Einstein was manager of Kaiser Wilhelm Institute for Physical Research. The holder of a Catholic scholarship at the University of Bonn was a 17-year-old cripple named Paul Joseph Goebbels.

July 20: In the workingmen's quarter of St. Petersburg, Cossacks charged a crowd that was singing the "Marseillaise." Almost simultaneously President Poincare arrived for a visit of State, to strengthen the Franco-Russian alliance. "Serbia has friends in the Russian people," Poincare told the Austrian Ambassador, "and Russia has an ally, France.

At this time an obscure young man, named Chiang Kai-shek, was instigating a revolt in Manchuria. In London, Major Edward Swinton, of the Royal Engineers, had just been told by a mining engineer of an American machine that could cross rough fields and "climb like hell." This was the caterpillar farm tractor; and Sir Edward believed that it might be transformed into an armoured contraption, capable of charging enemy machine-gun positions.

July 23: Austria-Hungary sent an ultimatum to Serbia. Asserting that the Sarajevo assassination plot was hatched in Belgrade, it demanded public display of humiliation by Serbia and dismissal from Government service of all persons deemed hostile by Austria-Hungarv.

Near Tetuan, Spanish Morocco, the diminutive, 21-year-old Lieutenant Francisco Franco was in command of a detachment of Moors, fighting Riff tribesmen. At the Vatican, Mgr. Eugenio Pacclli was an under-secretary to Cardinal Gasparri, Papal Secretary of State.

That afternoon at Owosso, Mich. Thomas E. Dewey (12) delivered his regular copies of the Saturday Evening Post, as did the 15 boys working for him.

of his friends, Joseph Djugashvili, was in exile at Turukhansk, Siberia, close to the Arctic Circle. Litvinoff knew him by the name of Stalin.

Harry L. Hopkins was a supervisor of casework for the New York Association for Improving the Condition of the Poor, and was paid 26.25 dollars a week. The voungest bank president in the country was Joseph P. Kennedy (25), of the Columbia Trust Company, in Boston.

July 26: Austria termed Serbia's conciliatory help "unsatisfactory," and severed diplomatic relations. Serbia continued to seek to localise war between Austria and Serbia.

On this Sunday afternoon Commandant Eamon de Valera, of the Irish Volunteers, took part in the landing of munitions from a yacht just off Howth. After a brush with the constabulary, de Valera and his men escaped with all but a few smuggled rifles.

Events in Europe had made no more impression upon Arthur Vandenberg, editor of the Grand Rapids Herald, than they had upon most other American newspaper editors. Twelve-year-old Lucius Beebe, living on the family farm at Wakefield, Mass., had recently blown up neighbours outhouses with dynamite carelessly left unlocked by road builders.

Herbert Clark Hoover, an American mining engineer, had returned to London after having failed to persuade European Governments to exhibit at the San Francisco Panama Pacific Fair.

July 28: Britain told Germany that she would remain neutral if Russia and Austria fought, but she "would be forced to rapid decisions" if Germany and France went to war. Kaiser Wilhelm returned from his Norwegian cruise boiling with rage because he had not been kept informed. He was relieved to read Serbia's conciliatory reply to Austria, and he wrote, "No more cause for war exists. One hour later Austria declared war upon Serbia by telegram.

Manuel Quezon, resident Commissioner from the Philippines, was expected in New York on his way to Washington to work for immediate Philippine independence. Edna St. Vincent Millay, a Vassar sophomore, was writing verse. The name of the violinist in the fourpiece orchestra at Elithch's Garden, Denver, was Paul Whiteman.

Extract from a confidential file in Milan Police Headquarters: "Benito Mussolini, revolutionary Socialist editor, has received a large amount of money to intensify revolutionary propaganda."

July 30: Belgrade bombarded by Austrian. Russia mobilised. Germany asked France whether she would be neutral, and informed Britain that in the event of war with France, she "might be forced" to march through Belgium. "The stupidity and clumsiness of our ally (Austria) has been made a hangman's noose for us:" wrote the Kaiser. Professor Eduard Benes, of the University of Prague, was vacationing in the country. He had never engaged in politics, but he believed that war would break up the Empire of the aged Franz Josef, and pondered what steps to take to help free his fellow-Czechs. "F. H. LaGuardia, Attorney-at-Law," read a sign on the door of a Greenwich Village office. Walter Lippman, one of the young editors of the New Republic, bought a railway ticket from Brussels to Switzerland.

In New York, Mrs. Margaret Sanger was under indictment for disseminating birth control information. In Baltimore, a little black man, named George Baker, took part in a ceiling-shaking meeting of Jehovah's Disciples. Soon he would be known as Father Divine.

*

July 2: Count Berchtold, Austro-Hungarian Foreign Minister, believed that now was the time to settle accounts with troublesome Serbia, provided Germany would stand by. He told Berlin that Serbian plotters contemplated Wilhelm's death, should he attend Ferdinand's funeral. "I see a dark future," mourned 84-year-old Emperor Franz Josef.

At Hammondsport, N.Y., on this Thursday, Glenn Curtiss flew the America at 60 miles an hour, July 18: Russia warned Austria that carrying a 2000-pound load. The she "would not be indifferent" to

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*

July 24: Austria-Hungary notified other Powers of her Serbian ultimatum. Poincare was out at sea; so was the Kaiser. Sir Edward Grey, British Foreign Secretary, pronounced the ultimatum the most formidable document addressed by one State to another that is independent." The Czar termed it "very disturbing." Grey tried to bring Austria and Russia together, and complained, "My usual weekend was curtailed."

William Christian Bullitt, of Philadelphia, a recent Harvard Law School student, stood with his mother this Friday in a Moscow hotel and watched Russian crowds demonstrating for war with Austria. In London was an exiled Russian travelling salesman, who went under a variety of names, of which the most common were Maximovitch and Litvinoff. One

(Continued on page 7.

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Collapse of Western Civilisation?

(Continued from page 1.)

glut was first sabotaged by open destruction - crops were ploughed back, calves slain, etc. The people began to murmur, and the capitalisation of waste on which the continued operation of our rotten financial system depends has more recently been achieved through a huge expansion of armaments and debt. War, the great consumer, has now broken out. We are at the threshold of the Second World War, and the most wicked waste of human lives and God's gifts yet witnessed.

THE GREATEST TRAGEDY

There is one tragedy even greater than world war-namely, that the cause of war should continue in unchecked operation.

If their opponents should succeed in defeating the Germans in the present struggle, and at the same time we leave control of money in the hands of the private debt monopoly, the victory and the peace achieved will again be sabotaged.

Nations will be more than ever at each other's throats in the struggle for employment and markets. Payment of interest on the national debt will absorb practically the whole of the community income. In the meantime we will have had imposed on us that very thing which we are alleged to be fighting against-a centralised and pyramid form of control.

THE ENEMY WITHIN

But there is an even more urgent and pressing problem facing Britain than a consideration of her fate after peace has again broken out. IT IS IMPOSSIBLE TO FIGHT A WAR THOROUGH-LY UNDER THE ORTHODOX DEBT FINANCE SYSTEM. The dead hand of finance on this score alone sent hundreds of thousands of British youths to their death in the last war. Munitions and equipment were inadequate. WHILE JOHN BULL FIGHTS UNDER MONTAGU NOR-MAN'S BRAND OF FINANCE, HE FIGHTS WITH HIS PANTS DOWN.

At the close of the First World War Britain was possessed of the finest fighting and industrial machine in the world, achieved solely by her eventual forcing of finance to follow production instead of allowing production to wait upon finance, as in peacetime. But she took no steps to cure the creeping error of the financial system, and found that she had gone over £7000 millions into debt to the banks in the short period of four years. The bankers had held John Bull's coat while he fought, and gone through the pockets. In five short years after 1919, Wall Street's envoy, Montagu Norman, had deflated Britain's industrial and war machine into impotence. Wall Street interests were responsible also for the Russian defection and revolution in the last war, and the subsequent success of the Hitler revolution and dictatorship Germany. in Revolutions and dictators do not succeed without the aid of credit from High Finance, and, indeed, could never even be fomented or accepted amongst a prosperous and secure people.

required by the supply services of the, armies) were produced by socalled private undertakings and paid for by the Government, Governments are normally supposed to obtain money for their purchases by taxation.

A balanced budget means that the proceeds from taxation at least cover the expenditure on public services.

In actual fact, between 1914-1918, the British Government only succeeded in recovering one-sixth of the amount spent on public services. The remainder was met by an expansion of the National Debt from £660 millions to £7700 millions. On the whole, this rise represented the expenditure over that period which it was deemed impracticable to recover in current taxation.

The gap between incomes and prices in four short years of fullcapacity production exceeded six thousand million pounds sterling.

The origin of the gap lies in premature cancellation of bank credit, and in the turning back of savings into further production without using them for their very vital purpose of buying the goods produced on the occasion of their first journey through industry to people's pockets.

was effected by the banks, and ownership of almost the whole of The biggest confidence swindle in history was worked.

The nation, which allows a private banking system to control its money system on principles, which are mathematically wrong, is asking in peacetime for slow starvation and degradation. In wartime it invites annihilation from any enemy sufficiently thoughtful of its own interests to throw the debt-mongers out neck and crop.

WILL NOT STAND INCREASE

Great Britain's debt structure will not stand another tenfold, or even a twofold, increase without leading to inflation and repudiation. Neither will Australia's debt of £1400 millions (Australian currency) stand such an increase, a possible explanation of the lack of military uniforms for our militia. The rearmament campaign itself in Britain has not proved to be self-liquidating financially. Less than two-thirds of this cost was officially expected to be recovered in taxation and actual receipts have been considerably less.

WITHOUT HONOUR, WITH-OUT PATRIOTISM

Bankers, the Big International kind (as differentiated from the small potatoes resident in this country, who just do what Montagu Norman's fortnightly advice tells them to), have no objective other than world domination. It matters not to them which side wins the war, as they confidently expect to dominate the victor. They will desert the losers like rats leaving a sinking ship. If Russia and Germany combined should win the present conflict, we may expect that International France will desert its older established centres and put up in Moscow or Berlin. The Anglo-Saxon, who, so far, has refused to put his head to the purpose intended by the Almighty, will have to keep that part of his head bloodier than ever before, and perhaps not so unbowed. WHY HAS THE LID BLOWN OFF SO SOON?

the common people. Why has it been allowed to happen so soon? Has Hitler ceased to play the good old international rules, and declined to accept his handicap from Basle without question? Has a private fight broken out between world financial leaders, something in the nature of the fight that went on in America during the last war between the J. P. Morgan and the Warburg-Kuhn-Loeb interests? Or is it just that the bankers were not game to call off the armaments campaign and restore the world to a huge unemployment problem? Is it, perhaps, a bid for world domination through the two dictatorships, which have proved themselves the most callous and brutal, and the least respectful of individuality, or simply an attempt to exhaust the world and bring in the rule of an armed Bank of International Settlements over a disarmed world?

It is impossible at this stage to say with absolute certainty. Whatever the outcome, the bankers will no doubt have a plan if we are foolish enough to let them get away with it. They are at least jackals of parts.

But, if we must have wars thrust upon us, at least let us demand that those of our number who take part be allowed to fight unhampered by the stranglehold of orthodox finance and its millstone of debt. Let us take con-This huge expansion of credit trol of our money system, finance our total war and domestic production with new credits, and rethe debt became vested in them. tire those credits only as goods pass into destruction or consumption. This method of war finance will allow no debt to arise, which is not represented by money in the pockets of our people. It will allow us to honour the promises we are about to make to our soldiers, that their widows and children will be looked after, and that if they should fortunately return from the mass slaughter, they will find economic security, the chance of a lasting peace, and a land fit for heroes awaiting them.

Without "sound finance" this age of plenty would never have achieved any of the following:

- 1. The First World War.
- 2. The World Depression.
- 3. The Hitler Dictatorship.

THE HIGHER PATRIOTISM

There are many patriotic gentlemen in Australia, willing to let other Australians, including their own sons, fight in the present war. Some of them, indeed, fought in the last war, though most of them were even then too old. They grace the boards of our most prominent financial and industrial concerns.

Conscious sedition is impossible to them, and they do not look like traitors. Nevertheless, they own, and have owned, an allegiance to their "King and Country" which is one degree less than their allegiance to the present system of Finance. These are the gentle men in whose hands the fate of Australia at present lies, and that fate is not going to be a happy one until they are shifted. It is not enough that they are pleasant old gentlemen, well spoken and kind to their grandchildren.

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(Continued on page 7.)

HOW THE LAST WAR WAS FINANCED

Immediately production is expanded at anything like its possible rate, the idea that the financial costs of that expansion can be recovered in prices is seen in its full absurdity. During the First World War, by far the major part of the muniments of war (including not only weapons and munitions, but the million articles

This war is going to have many effects quite detrimental alike to Big Bankers, small potatoes, and

The fact is that they don't know what to do, any of them.

Their continued operation of a financial system, which is wrong in arithmetic, is the basest of treachery in what we are informed is the nation's hour of need.

If we can fling them out of their usurped throne, then, and then only, will there be a chance that out of the threatened chaos might the Dawn break; a Dawn which at the best must show the ravages of the storm, but which holds clear for all to see the promise of a better day.

DWELLERS IN THE SHADOWS

(Continued from page 5.)

August 1: At 3.45 p.m. France ordered mobilisation. Germany's mobilisation order was one quarter of an hour later, and at 5 o'clock she declared war on Russia.

William Randolph Hearst had recently put out his first newsreel. He had bought a movie camera, and at San Simeon that summer wrote and directed a series of film stories. In New York Marion Douras, daughter of a Brooklyn lawyer, hoped to get into Florenz Ziegfeld's Follies, and take the stage name of Marion Davies.

In Switzerland, Ignace Paderewski mourned the failure of his party of the night before. Only a handful of his friends had come. The absent guests had been called to frontier. "This," the said Paderewski, "is the end of my artistic life."

August 2: Germany gave Belgium twelve hours to allow troops to pass through her territory to the French boundary.

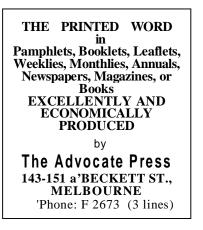
Among those mobilised this Sunday: In Paris, Edouard Daladier, Professor of History at Lycee Condorcet; in Mulhausen, near the French border, Lieutenant Hermann Goering, of the Mulhausen Regiment of Infantry-a thin, handsome 21-year-old youngster.

In Westbrook, Maine, 12-yearold Hubert Valle spent a busy afternoon behind the soda fountain of his father's drug store.

August 3: At 7 a.m. Belgium rejected Germany's ultimatum.

Mary Pickford was earning 100 dollars a week in her second year in Hollywood. Also in his second year in Hollywood was Charles Spencer Chaplin, making 150 dollars a week on the receiving end of custard pies for Keystone Comedies

Noel Coward was 14. Sir



James Barrie's Peter Pan, in which Coward played a small part, had closed after a long London season and he was visiting in Cornwall and watching British cruisers steam by. Beatrice Lillie was rehearsing for her debut at the Alhambra in London.

Harold Ickes, a Chicago lawyer, was concerned about how to keep alive the Progressive Party, of which he was State chairman. In Black Hills, Wyoming, Dr. Francis E. Townsend was practising medicine, with no thought of old age or of 200 dollars a month.

August 4: At 2 p.m. went Britain's ultimatum to Germany. Berlin had until midnight to make satisfactory reply to the demand that German troops keep out of Belgium.

The Duke of York, second son of King George and Queen Mary, was a midshipman on the middle watch of H.M.S. Collingwood, with the British Fleet, at Scapa Flow. Lady Elizabeth Bowes-Lyons, youngest daughter of the Earl of Strathmore and Kinghorne, celebrated her fourteenth birthday at a theatre party in London.

Mohandas Gandhi, a wealthy Hindu lawyer, arrived in Southampton, England, after his ship was delayed passing through mine fields. Leon Bronstein, a Russian political exile, also known as Trotsky, arrived in Switzerland from Vienna.

Permission to enlist in a Bavarian infantry regiment was granted to Adolf Hitler, a pale young postcard painter from Austria.

August 4, 11.59 p.m.: "That evening," wrote Sir Edward Grey "some of us sat with the Prime Minister at 10 Downing Street. 1 was there in touch with the Foreign Office to certify that no satisfactory reply came from Berlin. Churchill also was among those present ready to send out at the appointee. hour the war order that the Fleet was expecting. Midnight came. We were at war"

PROCRASTINATION **IS THE THIEF** OF TIME

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YOUTH PLEADS FOR LIFE!

(Continued from page 1.)

These comments indicate that the work, which papers like the New Times have been doing, has made many people realise that war is born out of the present economic system. More and more people are beginning to grasp the facts about the money swindle, and the manner in which, nationally speaking, it breeds internal criminals, and, in the international sphere, external criminals.

Recently, we have seen an unprecedented juvenile crime wave in this country. It is not that the youth of the nation are inherently any worse than their parents. But the system is becoming more intolerable. They are forced to take what they are denied.

And so in the international sphere. Few persons can be found who will excuse Hitler's latest rape of another country. But Hitler is not the German people. The British Government has very properly declared that their fight is not with the German people; it is with the Nazi regime. Granting the worst, which has been said about this regime, I would point out that the majority of those in the Party, are young men. These young men were born and suckled on the poison of hatred and starvation, which the German people were subjected to after the last war. Whatever emerges from the present mess, it is to be sincerely hoped that we will not resort to that sort of folly again, and, by so doing, pave the way for worse tyrannies in the future. Hitlerism and all other tyrannies would leave the world a better place if removed. It is all a question of how you are going to remove them.

WHAT WE CAN DO

Now that the holocaust has started it is quite futile to talk about what might have been. We had our chance. We failed to make the best of it. But there is no need for despair. As one of the young generation, I have constantly pleaded for something better than the needless misery to which most of us have been subjected. My generation has asked for life, and we have been offered death. But I for one intend to still demand life. I sincerely hope that every reader of this paper will remain loyal to the principles of democratic government and personal liberty. Never before in the history of our cause has there been such a demand for a clear recognition of our responsibilities.

Keep your paper alive. Tolerantly bring the facts before your friends. Point out the criminal stupidity of a system, which can only make money available in times of war. Show how Australia can best organise herself for real defence measures by still striving to remove the causes of war. There is much to be done. Let everyone do his best. If we can do this, humanity will yet reach the goal towards which it has been striving for centuries. Possibly the present crisis will serve as a testing point for our faith. To my own generation I say this: "In spite of the fact that you are being offered death, increase your demands for life." If the youth of the country can do this they can keep alight the torch of truth and justice, which now fitfully flickers in the darkening doom. And remember, it sometimes happens that the darkest hour is before the dawn. Fight on!



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SOUTH AUSTRALIAN NOTES

The annual convention of the United Democrats was held at 17 Waymouth Street, Adelaide, on Saturday, 2nd instant. About 50 members were present. Mr. Amos occupied the chair.

The chairman opened the proceedings with a brief address upon the constitution, as, he said, the constitution contained within it the principles of the New Democracy, and, in his opinion, it was important that members should have a good grip upon those principles. He outlined both the powers and duties of the chairman, the directors and the council, and stressed the obligation upon the annual convention to see that these duties were carried out and the powers delegated were not exceeded.

He thought that he was quite safe in saying that the amount and importance of the work accomplished during the past twelve months would bear comparison with that carried out during any similar period in the lifetime of the association.

The movement had, among its other activities-

- 1. Taken a very great part in bringing about the repeal of the National Insurance and Pensions Act:
- 2. Established an organisation for propagating its ideas, through the aid of the churches:
- 3. Organised such a storm of protest against the Commonwealth Bank Act Amendment Bill that it was very improbable that the Bill, at least, in its present form, would aver get upon the Statute Book:
- 4. Conducted a six-months course in the technique of the new economics and finance generally.

In all its activities the association had leaned heavily upon its three institutions-Mr. Hergstrom, Mr. Brock, and the ladies of the Women's Division-to whom, and to the previous chairman, Mr. Finn, he had pleasure in acknowledging his indebtedness for hard work performed in a manner that was an example to all.

The position of affairs within the Movement in South Australia was very good. The association was a solid and united body of workers, who possessed the first requisite of Being success—self-discipline. ordinary men and women, they had their little disputes, and their likes and dislikes, but they recognised that these things must not be allowed to interfere with the welfare of the Movement, which was the embodiment of their ideals, and to which, in the last analysis, they simply "had the honour to belong." That feeling, it seemed to him, and

the mutual toleration that flowed with it, was the cause of the strength of the Movement in South Australia, and he trusted that it would continue to unite them in the future.

In regard to future activities, these would, of course, depend very largely upon circumstances whether peace or war prevailedbut, in either case, the Movement would have its part to play and would endeavour to play it worthily. In the meantime, he would ask them to pass the following resolution, which would be sent to both the Commonwealth and State Governments:

"That this meeting of United Democrats, of representative British subjects, re-affirms its belief in the democratic form of Government and deprecates any form of military aggression. As well as pledging its loyalty to his Majesty the King, and the British people throughout the world, it signifies its willingness to support at all times the will of the Australian people in any measures taken to defend and advance Australia's interests.'

The resolution was carried unanimously.

Mr. Bruce Brown, who was present by invitation, then delivered an address on the aims and activities of the Christian Social Order, of which he is president. A vote of thanks to him was carried by acclamation.

The following executive was elected for 1939-40:

Mr. Amos, chairman; Mr. Hergstrom, secretary; Mr. Burgess treasurer; Messrs. Harvey, Allen Men's Division; Mesdames Brock and Grey, directors from Women's Division. It was decided that a special table should be allotted to the executive in the luncheonroom, and that, until further instructions were given by the chairman, they should hold an informal meeting daily during the luncheon hour. It was also resolved that for the ensuing twelve months quarterly general meetings should be called. Messrs. Taylor and Dodd were elected auditors.

An excellent tea was provided by the ladies of the Women's Division, after which members broke up into card parties. Proceedings terminated with the singing of "Auld Lang Syne.'

GET THE FACTS!

From Senator to private citizen, thousands are reading MONEY," by S. F. Allen, F.C.A. (Aust.). Price, 1/1, posted, from "Save the People's Bank" Campaign, Ġ.P.O., Box 1226, Melbourne.

LETTER TO THE EDITOR

"New Democracy in Canada"

Sir, -Latest reports from Alberta, Canada, indicate that the New Democracy Government is forging ahead with its legislation, and readers will be gratified to know that the Albertan Government is, at long last, able to, and is, carrying out its election promise of a greater income and a lower cost to live for all within the Province. pleted plane. In regular produc-After having its progressive legislation vetoed by the Federal Government at Ottawa, with regard to the Duramold wings and fuselages issue of its own money, it being a may not eventually enable us to prerogative of the Federal authori- realise the long-standing dream of ties, Alberta now makes progress aeroplanes as cheap as automoby using its own Government's biles. Clark may become the Ford negotiable bonds. Professor Walker of the skyways. defines money as anything that has attained such a degree of acceptabilof, and why people want it, no one will refuse it in exchange for his service.

The negotiable bonds are money. The few unemployed there are and dividend in bonds, which can be exchanged for currency at the Treasury branches if desired. Shopkeepers readily accept them because the Government cashes them at a discount, enabling the trader to give a just-price discount to the consumer; rivets. thus an increased turnover for those traders who trade with bonds. Government works, such as new concrete roads and the mining of oil, though not hitherto exploited, are now (Alberta possesses the richest oilfields in the world), and are being paid for by the Government with its own bond-money without increasing debt or taxation; in some cases workers refuse to accept any other form of money in payment for their services.

The Government is paying the farmer a just price for his wheat, which is being exported, along with mineral oil, and the Treasury is being reimbursed with real Canadian currency by the sale of these exports, enabling the Government to carry out the common banking practice of issuing its own money up to ten times its actual holding in cash, and the people are living at a standard many times higher than prior to the election of the Aberhart Government. Prosperity abounds in Alberta to such a degree that hundreds of manufacturing concerns from all over Canada are establishing factories in the Province of Alberta: and thus, by the export of their goods, the Government is able to carry on greater public works and reduce taxation and rates. Alberta today is the most prosperous State in the whole British Empire, so much so that every electorate in Canada will, under the leadership of Major Herridge, stand a New Democracy candidate at the forthcoming Federal elections. Further branches of Alberta's State clearing-house and agencies are being set up throughout Canada to enable those who Gold into the Golden Rule, and wiptrade or travel to exchange their ing out economic warfare, the rootbonds for currency with the minimum of inconvenience. How long will it be before the people of Australia wake up to the fact that they should be living at a standard as high as is physically possible, and not the standard set by the private financiers, what they say is financially possible? Borrowing is a thing of the past in Alberta, and the debts incurred under previous "Sane Finance" Governments are being paid off, thus liberating the people from economic bondage. Imports are being paid for with exports, thus changing the Rule of

UNLIMITED

AEROPLANES

(Continued from page 3.)

But the revolutionary feature of this new process is the speed of manufacture. At the Haskelite plant in Grand Rapids, nine men moulded a half section of the "Clarke 46" fuselage in one hour. Two hours for the whole fuselage. Shipped to the Fairchild factory, only five hours and 20 minutes were required to assemble the entire fuselage and fit it, without filing or drilling, to the comtion, the time should be cut even further. There is no reason why

Nazi Germany terrified the world by turning out 10,000 metal ity that, no matter what it is made planes in one year. The democracies-including ourselves-knew that it would take months, perhaps years, to overcome this preponderance. The great Douglas plant, under forced draught, needs 18 months to turn out 500 ships the incapacitated are receiving their for the British. We can tumble aeroplane motors, instruments, propellers, fittings, off the assembly line. But production bogs down in the bottleneck of structural parts, with their thousands of man-hours and millions of

> Duramold planes will break the bottleneck. The German warplane programme calls for 160,000 skilled workers in the aeroplane plants alone, plus 240,000 more to make parts. With ten sets of dies, 200 men in a factory covering one city block could build enough Duramold fuselage, wing and tail shells for 300 planes a month. With 100 dies, 2000 workmen, only semi-skilled at that, could in one year mould and assemble 36,000 Duramold planes.

> These things are just round the bend of the future. Col. Clark, though long a pioneer, has rivals. Glenn Martin has been conducting research at the Mellon Institute under Dr. William L. Rast, with the hope of evolving his own plastics type of ship. Another group of researchers, under Eugene Vidal, former director of Air Commerce in the Department of Commerce, has already moulded seaplane pontoons which are now being tested by the navy. In Europe the race for solution of the problem of mass-production planes is furious. Plastics propellers, lighter, stronger and cheaper than metal, are being produced in England, as in the United States. Already the German Heinkel works is supposedly making three planes a day of plastics plywood panelswhich is primitive compared with Col. Clark's achievements. Another German firm is said to be installing 12,000-ton plastics



moulding presses, possibly large enough to form structural aeroplane parts.

cause of bloody warfare. Australians wake up! -Yours for Social Justice.

A. J AMESS. Ascot Vale, Vic.

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