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Phone: J 1873.**THE****NEW TIMES****"CATARRHEX"**

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**RICHARD E.
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Vol. 5. No. 46.

MELBOURNE, FRIDAY, NOVEMBER 17, 1939.

Every Friday 3d

Money Monopoly Attacked**Striking Address by Senator
Darcey**

On Wednesday evening, November 1, Senator Richard Darcey addressed a gathering at the Old Playgoers' Theatre, Melbourne, and in a characteristic speech gave his listeners much food for thought.

Rev. E. Hankinson (chairman), introducing Senator Darcey, said of usury: "It is one of the crucial questions which affect our whole economic system, and is leading to the enslavement of the world. We who fight this thing want to bring security, ease, and comfort to the many who do not know the meaning of the words at the present time.

"When the Commission on Banking and Monetary Methods said that it was possible for the Commonwealth Bank to issue money free of interest, I feel sure that it did not foresee the result of its implications.

"In Church circles I find it is becoming realised that usury is a thing not in keeping with Christian teaching. Bishop Stephen has said: 'Certainly the Church must reconsider its attitude to usury.'

Rev. John Lawton, in moving a vote of thanks to the speaker, said: "The Senator is one who does know some of the things that ought to be done. Whether he can persuade his unenlightened, or prejudiced, colleagues to realise what is one of the chief factors that is wrong with the world today, I am not sure.

"You may be wondering whether there is any real purpose in human history. Is man to go on suffering in this power regime, exploiting the resources of the earth, not for material welfare, but for moral destruction?

"The natural resource and amazing intelligence of man has enabled him to solve the problem of production, but he cannot enjoy its fruits. We have the absurd position that some people may not eat, because there is too much food. It is perfectly obvious to the student of human history that the old order will have to change—whether peaceably and constructively, I do not know. But I am convinced that there is a purpose underlying human history, and I believe in a righteous God, Who has created intelligent people, and expects them to use their intelligence. The character of human history will depend on whether man works in harmony with God's laws, or in opposition to them. So far as production is concerned, he has worked with God. Science is only man's organised knowledge of the way God does things. If we refuse to work with Him, it will surely be through bitter experience that we shall learn His purpose.

"Money is a medium of exchange, and it is the function of the financial authority of the nation to see that it is made so. If not, it is not fulfilling its proper function. Instead, money is the stepping-stone to power, and the dominator of the destiny of others.

"It is an essential factor in a sovereign State that it shall exercise sovereignty over the money business. There are many other problems to be faced, which can then be approached with reasonable hope of success."

**WHAT SENATOR DARCEY
SAID**

In the course of his remarks, Senator Darcey said:

"Matters in the world are desperately bad. Australia's greatest asset in this crisis is the Commonwealth Bank—or what is left of it after the Bruce-Page Amendment Act of 1924. You must do all you can to preserve it. It is the only institution of its kind in the history of the world. This Bank was intended to function for the good of the whole of the people.

"It was not easily brought into being. When it was projected in 1911, King O'Malley had to fight even his own colleagues, and the 'Torpedo Brigade' which he formed had to use strange methods to achieve its aim.

"An extraordinary thing about

the Bank Bill was the clause which gave the Government power to issue debentures up to £1,000,000 to provide capital on which to commence operations. Let me quote an American incident: The son of Andrew Mellon, the fourth richest man in the United States, was taxed by the Government to the tune of 600,000 dollars, protested, and paid. Later he sued for a refund of 106,000 dollars, and, in the course of his examination, was asked: 'What is the paid-up capital of your bank?' His reply was: 'It has no capital—my father's good name is its capital.' Is it any wonder that they cling to their banks?

"Our Bank's pioneers sought the advice of a man well versed in banking technique, Denison Miller, the first manager, who said: 'Don't issue those £1,000,000 debentures. If you can find £10,000, you can start

(Continued on page 2.)

**"THE TRUTH ABOUT NEW
ZEALAND"****A. N. Field's Latest Book**

REVIEWED BY ERIC D. BUTLER

Those who have studied the writings of A. N. Field, the well-known New Zealand writer on finance and the part it plays in national and international affairs, will welcome his latest book, "The Truth About New Zealand," as a carefully compiled and detailed answer to the many questions which arise concerning the Labour Party administration of our sister dominion. Having studied Mr. Field's book in conjunction with other material forwarded by readers of the "New Times" in New Zealand, one feels sure that nothing of a worthwhile nature will be done until the electors get control of their individual M.P.'s and start to govern themselves.

Most of the comment on New Zealand in this country has, unfortunately, been of a very superficial nature, but Mr. Field and other usually reliable investigators on the spot have, expressed the fear that the establishment of a complete bureaucratic dictatorship is imminent unless present trends are reversed. In his preface Mr. Field writes: "The matter herein is the story of how New Zealand came to jump from the frying-pan of Capitalism into the fire of Socialism. Socialists affirm that Socialism is the inevitable outcome of Capitalism. This is true only in the sense that Slavery of some sort is a more or less inevitable outcome of Debt."

**HOW THE LABOUR PARTY
OBTAINED OFFICE**

The first half of Mr. Field's book is a detailed history of New Zealand and the manner in which the private banks had steadily assumed control. However, most people are more concerned with the present situation and the manner in which the Labour Party obtained office. It seems to be generally agreed now, that there were two factors, which contributed to the Labour success in 1935. First, the terrible condition of the country as a result of the policy foisted upon the Coalition Government by Sir Otto Niemeyer (representing the International Financiers), and second, the manner in which the majority of the monetary reformers were carried away by the slogans of the Labour Party on the question of monetary reform. Mr. Field gives his impressions as follows: "New Zealand voted for Labour in 1935, not because it believed in Socialism, but because it wanted prosperity . . . Had the Labour Party proclaimed a policy of Socialism it would have completely killed its chances of election. Its opportunity was to take advantage of the rebound of public opinion against the Coalition policies, by toning down all the Red in its make-up to the palest Pink. In this it duly succeeded. It was swept into office by a populace desiring to see the speediest end of the Coalition, and not in the least enamoured by Socialist theory."

BUREAUCRACY INTRODUCED

Subtle tactics are revealed in a close study of a piece of legislation which was rushed through Parliament at the end of the first session, and which was never even mentioned in the election programme. This measure was the Industrial Efficiency Act, which is modelled on the programme of the

influential Political and Economic Planning group (P.E.P.), which readers of this journal have seen exposed in these columns in the past. From recent moves, it appears that international finance is making a big move along these lines all over the world, with the result that the idea of an International Government is being carefully fostered. Centralisation is taking place everywhere, and the latest move towards this end in Australia has been made by the suggestion that we abolish State Parliaments. According to Mr. Field, they have laid the groundwork in New Zealand. In connection with the Industrial Efficiency Act, he writes: "Under the Act the Minister of Industries and Commerce has power to apply systems of licensing, control and price-fixation of every industry, under which term is included 'any trade, occupation, business, manufacture, works, or service of any kind whatever.' The Minister may withhold licenses from individuals, close down undertakings, order amalgamations, and do other things. In fact, the powers appear to be such that the Minister may control any business brought under the Act as fully as if he were its sole owner . . . The sole right of appeal by any person injuriously affected under the Act is to the Minister himself. A man may be refused a license, his business closed or interfered with to any conceivable extent, and all right of appeal to the courts is denied him." Comment is unnecessary.

THE SERVILE STATE

In his chapter, "The Servile State," Mr. Field has some rather withering comments to make on the socialistic legislation, which has been brought down by the Labour Party. To quote: "A1-

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MONEY MONOPOLY ATTACKED

(Continued from page 1.)

your Bank tomorrow. And the Commonwealth Bank was started on that capital. It lost a few pounds in the first year, picked it up in the second, and up to 1938 had earned for the nation a profit of £30 millions. Its profit for 1938 worked out at 25 per cent, on its trading capital of £6 millions.

"The Amendment of 1924 practically strangled the Bank; almost but not quite. I told Mr. Bruce that fact when I met him in Hobart only a little time ago. He came among us members to tell us of the things that had happened up to Munich, and told us much of the enemy outside our gates. I asked him: 'What of the enemy WITHIN the gates? What of a Government that is determined to borrow money at 4 per cent, when it can get it free from its own Commonwealth Bank?' He replied: 'now you are talking politics. I'm right out of politics now.' He did not care to be told that his Government had nearly strangled the people's Bank.

"Let me quote from this booklet, The Joseph Fisher Lecture of 1923, delivered at Adelaide:

"Until 1924, when the Bank was *under its original constitution*, it financed wheat, wool, meat and other primary products to the extent of £436 millions; found money for home building and public works, £9½ millions; lent sundry amounts for sundry undertakings, and paid to the Commonwealth £3,970,000 profits from the note issue."

"We built the Commonwealth East-West Railway out of profits from the Bank—about the only railway that has ever been paid for. Our Tasmanian railways cost us £7 millions. We have paid out £14 millions in interest, and still owe the original £7 millions!

"Denison Miller was an orthodox banker, or he might have done more than he did. He had the same power as the Bank Board has today; in fact, a great deal more. Unfortunately, he chose to borrow overseas £100 millions during the war, and we have to pay 25 per cent, premium on the interest of 4 per cent, in perpetuity.

"In his policy speech in 1934 the late Mr. Lyons promised a Royal Commission to enquire into the monetary and banking system. Eighteen months later his Government honoured that promise, but the finding of the Commission was the biggest knock the Lyons Ministry ever had. This Commission toured all over Australia for twelve months and cost £27,000. It need never have left its chairs in Melbourne, for all the evidence it required was available here. All the banks are members of the Bankers' Association; all the insurance offices and land finance companies are run on the same system, and everything the Commission elicited in its travels could have been ascertained in Melbourne.

"I asked the Prime Minister a long time ago if it was the intention of the Government to discuss the Commission's finding before Christmas, and received an affirmative answer. It has not been discussed, nor is it likely to be. Mr. Casey put a loan of £9 millions on the market. The total amount received was £4,850,000, and of that amount £3,750,000 was subscribed by the private banks, and was merely entries in their ledgers. Had the £4,850,000 been real money, subscribed by the public, the Commonwealth Bank could have extended £40 millions' worth of credit without departing from usual banking practice.

"When the recent Bill to provide the issue of debentures was mooted, I told Mr. Casey that, if the Bill went through as printed, we should lose the Bank! He strenuously denied this. But you will find that when the Bill is presented—if ever it is presented—many of the objectionable clauses have been removed.

"I told the Senate that, when a loan was floated successfully, no real money reached the Commonwealth Treasury. All it got was the right to draw cheques on the various banks, who got 5/- per cent, for 'raising' the money! I told them that 110 members of Parliament in Canberra believed that they were governing Australia, but that there is a power above Governments, and that the banks, with the assistance of the Menzies Government, were governing this country. That is a tragic fact. High finance governs everything. We live in a money age, and you

cannot express any action without bank credit. No Government can carry on without continual borrowing. We can never pay back the money we have borrowed—that is manifestly impossible. But the bankers do not want us to pay. No; they only want the interest, and the right to tax us to pay the interest. Curiously enough, bankers themselves know little about their own institutions. I have had it said to me by a man high in banking circles: All this talk about creation of credit is so much bunkum.' I had to quote the *Encyclopedia Britannica* to him—you know the passage: 'Banks are institutions for the creation of credit, which they create out of nothing.' He produced a balance sheet of the Bank of New South Wales, and proudly showed me, 'Deposits, £50 millions.' 'That,' he said, 'is the money we lend—depositors' own money.' But when I reminded him that there was in existence in this country but £57 millions of real money, and that it was manifestly impossible that the Bank of

N.S.W. should hold £50 millions of that, he was silent.

"I asked in the House at one time for the cost of converting the various loans here and in London, and received the reply: '£3 millions.' That sum, added to the already-colossal debt, simply for making a new entry on a different date! Is it not time this racket 'was stopped? The money raised to defeat Napoleon at Waterloo is still bearing interest to Rothschild.

"In 1914 the total of Great Britain's national debt was £600 millions. Australia today owes £1300 millions, and we have hardly started to borrow for war purposes. "In 1924, when Denison Miller died and the new Bank Board started, all big financial men were asked to act, 'in the interests of Australia'—men like Sir Robert Gibson, who told the Government that, unless it cut down salaries and reduced social services, he would not lend them any money. Parliament has complete control of finance, and yet a servant of the Government can tell it that it shall not have any money! All the Prime Minister, Mr. Scullin, had to do was to tell the Commonwealth Bank to issue all the credit required, but I do not think that he knew what power he had. The Banking Commission, in its report, states that if there be a difference of opinion between the Commonwealth Bank and the Government as to its policy, a free discussion shall take place, and, if the difference be still unsolved, the Government shall take full responsibility and decide how to act, and INSTRUCT the Bank accordingly. "After Denison Miller died the banks approached the Board to increase the note issue by £6 millions, and got it; then by £9 millions, by £3 millions, and, later, by £10 millions. Against this total of £30 millions they had the right to draw. If they used the money they paid 5 per cent, to 4 per cent, for it. But the only time they were likely to require this money would be in the event of a run on the banks. In the meantime, they can lend against it. It practically means that that amount of public credit was created for private purposes, and for the profit of the banks. No one on either side of the House has been able to controvert this.

"In 1922 the Government borrowed £6 million at 5½% to pay the soldiers' gratuity, and is still paying interest on it. The banks were able to lend that money, because the Commonwealth Bank had created £30 millions of new notes. The banks didn't draw on that—there was no need for them to use the money. They had that assured backing, and loaned against it. How can we owe these immense sums, if banks only loan MONEY?

"In the recent Tasmanian elections I heard a bank authority speak. He told how one client put his £1000 into the bank at one counter, and at another a second takes it out on loan—the same old story.

"Let me give you a personal experience. I owed a balance of £1500 on a property, and could not meet it. My bank advanced me the money, and I signed a document legally transferring the property to the bank. I wrote a cheque and handed it to the man to whom I owed the money, and paid £96 per annum interest for the right to draw that cheque! The man to whom I paid it could have got £1500 in notes if he had wished, but did he? No. He paid the cheque into his own account, and wrote one for £900 for tools. The recipient of that cheque wrote another for a lesser amount for raw materials. No money passed in (Continued on page 5.)

"THE TIME HAS ARRIVED TO FIGHT BACK"

Stirring Address at Assembly Hall, Melbourne

A large audience attended the Assembly Hall rally on Thursday, November 9, to hear Eric Butler outline the present international situation, and make an appeal for a World Peace Conference. Although there was not as large an attendance as was expected, there was no mistaking the very real enthusiasm as the young speaker carried the audience with him in one of his best addresses. An exposition of the International Money group and their machinations was particularly enlightening, while a considerable knowledge of the history of the past thirty years helped build a most convincing case for the demand that a Peace Conference be held before civilisation was completely smashed.

The chair was taken by Mr. E. L. Kiernan, M.L.C., who, in opening the meeting, said that he was right behind the move for a cessation of hostilities before humanity was almost completely wiped out. "War never had solved, and never could solve, anything," Mr. Kiernan said.

Frequent applause punctuated Eric Butler's address, which we are not publishing in detail as the lines taken are familiar to those who have read his articles on the international situation. However, his conclusion was particularly pertinent, and made a deep impression. "Tonight I am appealing for my own generation," he said. "They talk of our pledges to other countries. But I want to remind you of another pledge, made after the last war to end wars. The very heart and soul of the nations said 'Never again.' Every year we have been asked to think of the Unknown Soldier. We made a pledge to those millions of Unknown Soldiers. Is that pledge to be broken today? Are you going to send the sons of those Unknown Soldiers to the shambles, or are you going to honour your pledge by doing all in your power to force a Peace Conference? Did millions die in vain? I urge you to join the army and march—yes, the army of democrats marching towards the dawn of a better world. The time has arrived to fight back."

Mr. Norman Rolls spoke on behalf of the Peace Conference Campaign, and briefly outlined the work being done. The tone of the meeting could be judged from the financial response, which was

very gratifying. Literature was in demand after the meeting, while many demand forms were disposed of.

One of the highlights of the meeting was the passing of the following resolution, to be cabled to their Majesties, Queen Wilhelmina of Holland and King Leopold of Belgium:

"That this public meeting, representative of all sections of the citizens of Melbourne, records its heartfelt gratitude to their Majesties, Queen Wilhelmina of Holland and King Leopold of Belgium, for the noble and humane offer to mediate, before it is too late, in this war which may mean world wide destruction, and earnestly prays that their efforts will be blessed with success."

The sending of these cables was made possible by the generosity of an anonymous donor.

A similar resolution to that carried in Hobart and published in last week's issue was also sent to the twelve Victorian Members of the Federal Parliament.

The result of this meeting has already had widespread repercussions, and Eric Butler's services are in great demand for meetings and private addresses. He declares his willingness to co-operate with any move made to bring the facts before the public.

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Have YOU "Done Your Bit" Yet?**

WHEATGROWERS ON WARPATH

Representatives of the "New Times" paid a flying visit to several Victorian and N.S.W. centres during last weekend, arriving at Barellan in time to attend the mass meeting of wheatgrowers representing all the surrounding districts, held there on Sunday afternoon. The "New Times" party comprised Miss J. Robinson, Mr. J. Whiteacre (who kindly made his car available for the journey), and Messrs. Eric Butler and Norman Rolls.

Mr. W. Black occupied the chair and the scheduled speakers were Mr. J. Langtry and Mr. J. T. H. Gosling, convenors of the meeting. The resolution, which we print below, and which was carried unanimously, clearly indicates that the farmers of the Riverina will stand solidly with the farmers in this and other States in their demand for a satisfactory minimum price to be paid through the only source of finance which will not impose further debt and taxation upon any other section of the Australian people.

During the discussion, Mr. J. Whiteacre, who has been growing wheat in both States, spoke against the imposition of the Flour Tax; a resolution was then heartily carried that this iniquitous legislation be vigorously opposed and defeated.

The original motion moved by Mr. Gosling, was given greater weight by the adoption of an amendment moved by Mr. J. R. Woods, of Barellan. In moving the amendment, which became the motion adopted, Mr. Woods quoted at length from a copy of the now famous speech delivered in the South Australian Parliament by Mr. Macgillivray recently.

Miss Robinson, speaking in support of the resolution, delighted the audience — especially the women—with a clear interpretation of political democracy (control of Parliamentary representatives) and the campaign to achieve security for all, irrespective of party affiliations, by demanding results. "Only by this method, which has been tried and proved successful," declared Miss Robinson, "will you obtain the unity essential to secure a just price for your production and a satisfactory settlement of the primary producers' problem."

Mr. Eric Butler, who was then invited to address the meeting, gave an excellent outline of the farmers' position in relation to finance, and provided a fitting climax to what was regarded as the greatest meeting ever held at this important centre. Members of the audience testified to the great work bring done by the *New Times*, and all those associated with it, who are devoting their lives to the cause of truth and justice; the meeting expressed its appreciation by taking up another collection to help defray the expenses of the *New Times* party, who were most gratified by the generous response. Their entire stock of the booklet, *Money*, was bought on the spot, several further orders were taken, a number of new readers handed in their subscriptions to the *New Times*, and five dozen copies of the current issue were sold at the door. No better proof than this of the results that hard-working actionists can achieve could be shown. The party reached Melbourne late on Monday evening, after 715 miles of lightning campaigning, during

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which valuable "contacts" were made at a number of centres in both States, and hundreds of copies of the *New Times* were distributed along the route. Thanks are especially due to Mr. Ron Jones, for his generous contribution of a quantity of petrol.

The resolution carried at Barellan was as follows:—

"To Mr. H. K. Nock, M.H.R.,

"This meeting of wheatgrowers and others vitally interested in the wheat industry, wish to impress upon you the urgent need for a stabilised price for wheat at an adequate figure covering cost of production, with a minimum of 3/4 per bushel at country sidings, in order to save the wheat industry from collapse.

"It is the opinion of this meeting that the necessary credit for financing same, should be issued by the Commonwealth Bank, in accordance with Paragraph 504 of the Banking Commission's Report, and that the National Credit of Australia be used for defence purposes, the primary industries, and the general welfare of the people of Australia.

"We now require that you represent our wishes to the Government and support same in Parliament with your vote, when the occasion arises."

THE NATION'S CREDIT

Use for War and Primary Production Advocated

RESOLUTION BY WANGARATTA TRADERS' ASSOCIATION MEETING

In the Town Hall, Wangaratta (Vic.), on Thursday night of last week, a meeting of the Traders' Association carried the following resolution unanimously:

"That this meeting of Wangaratta traders calls upon the Commonwealth Government to utilise the credit of the nation, through the Commonwealth Bank, as referred to in section 504 of the report of the Royal Commission on Banking, for the purpose of financing the war and primary production."

Cr. T. W. Campbell, President of the Traders' Association, was chairman of the meeting. The resolution was submitted by the Mayor (Cr. T. J. Nolan), and seconded by Cr. A. H. Clark.

It was decided that a copy of the resolution be forwarded to the daily press, with a request that it be published, and to the Prime Minister and leaders of political parties.

It was also decided that the Traders' Association call a public meeting to discuss the question.

"The Truth About New Zealand"

(Continued from page 1.)

most every step in the programme either reduces or undermines the free status of the citizens affected. The farmer, for example, is in difficulty in consequence of low prices. Labour's remedy is not to use monetary means to stabilise the internal price level at an equitable point. This gives justice without impairing freedom. Labour prefers a State guaranteed price for particular commodities. Under this system the producer loses the right to dispose of his product himself. It is taken from him by compulsion by the State, and the reward of his labour is what the State decrees Dealing with the so-called Security Act, which we have heard so much about in this country, Mr. Field offers the following comment: "Labour leaves root causes alone, and sets to work with a so-called Security Act, collecting a shilling in the pound from all wage earners and levying other taxation as well, and then doling the money out again, less a considerable percentage swallowed up in doing the job. The aged, the invalids, and the rest thus line up at Socialism's pay-window in humble dependence upon the universal paymaster." In other words, in spite of all the talk from Labour apologists in this country, this scheme is very little different to the scheme which the Government tried to foist upon us here, and which the electors rejected by pressure politics.

THE SYSTEM OF DEBT

Mr. Field's reference to the financial policy of New Zealand will no doubt prove of the greatest interest to readers of this paper. Dealing with the Government's policy of borrowing, Mr. Field says: "So far it has refrained from external borrowing, though whether from choice or necessity is by no means clear. Internally, it has not hesitated to add to existing debt." Also, "In every direction Socialism seeks power over the lives of the people. This hatred of independence is very clearly shown in its taxing policy. When the New Zealand Labour Party took over in 1935, the Coalition had piled up taxation to a record level of £24 millions a year. For the year ending March 1938 Labour had shot taxation up fifty per cent, more, to £36 millions. This high-taxing, high-spending, policy is laid down in innumerable Socialist handbooks as an essential preliminary to imposing full Socialism. Private enterprise is to be so crushed with burdens of every sort that it is glad to throw in the sponge and quit. Everyone is to be reduced to a propertyless status, in total dependence on the State for the means of existence. The people are to be kept happy while the job is being done, by scattering the proceeds of the taxes freely among them."

Dealing with Mr. Nash's views on finance, the writer says: "In evidence before the Government Monetary Committee of 1934, Mr. Nash, now Labour's Minister of Finance, laid it down that the public's surplus cash should be taken over from it by 'a National Investment Board, charged with directing the savings of the people into channels most beneficial to the Dominion.' Mr. Nash was emphatic on this point . . . All the brains and wisdom of the community are concentrated under the hat of the Minister of Finance, acting through his Investment Board nominees holding office at his pleasure (the usual arrangement in Labour legislation). What you do with your savings will not

be what you see fit, but what Mr. Nash sees fit." Australians have now seen the same sort of thing introduced here as a wartime measure.

NEW ZEALAND TO BE SOVIETISED?

Mr. Field's chapter on the introduction of the idea of Planning in New Zealand is particularly damning. Finance is moving to get control of production as well as consumption. The same moves are being made here in Australia, and should be vigorously resisted by all democrats.

"Some grounds exist, therefore, for thinking that, provided they go about it discreetly and adroitly, the Socialists of the Labour Party may successfully push New Zealand far along the road to Socialism without encountering any very formidable resistance. Advanced individuals of the extreme 'Left' occasionally express expectation of seeing a second Soviet Russia established in New Zealand without violence or bloodshed. If so, New Zealanders will be the first section of the British people to abandon in indifference their own racial institutions and cultural inheritance and passively submit to the imposition of an alien social order, at total variance in its fundamental conception with all British tradition."

THE FUTURE

In conclusion, Mr. Field writes: "How much New Zealand can do in the way of freeing itself from the clutches of international finance, we shall never know until we try. One thing is certain, and that is that the interconnections between international finance and Socialism and Communism are such as to make Socialistic Government a most dangerous Government under present conditions. The readiness of the present Ministry to farm out monopolistic rights to do business in New Zealand to outside concerns backed by giant finance speaks for itself. Nor is the National Party in better case, composed as it is of political elements with a record of perpetual submission to predatory financial interests. What New Zealand requires above all things is a truly patriotic Government, which will resist all further destruction of the free status of the people, and which can be depended upon to work unceasingly to lift the community out of its present condition of debt enslavement."

Mr. Field's book should be in the hands of every person who wants to study what has been done by the Labour regime in New Zealand. While bringing about a small prosperity, the Government has regimented the people more and more. Debt and taxation have continued to increase in spite of all the talk about using the Reserve Bank.

Most monetary reformers in New Zealand have realised for some time that they made a great mistake in placing their faith in any political party. They are now starting to get the electors to take action along Electoral Campaign lines—the only procedure that, in the long run, can be relied upon to break down the stranglehold of the Money Power and retain freedom. Let us hope that we do not make the same error in this country, and get carried away with the catch-cries of the Labour Party. As individuals, many of its members know what is really wrong; but, as a Party, nothing effective can be expected from it. New Zealand has given us evidence of that.

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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"LEADERSHIP"

Whither, and By Whom?

The last decade or so has been a time of mental strain for the average individual. Youth has faced a wall of mist, obscuring the sun-kissed heights, which beckon to the great adventure. Older folk have lived in an atmosphere of fear—fear that the morrow might bring loss of income, with near-destitution to themselves and those they hold dear. The economic situation has, on the whole, progressively worsened. There has been criticism of Governments—one "party" Government changed for another without affecting material improvement. "A big, strong man should arise—a man of courage—a Leader," was murmured by some in the community. Then came war. War, which, whatever its other effects, temporarily checked the rising tide of discontent in the "democracies."

Because the economic conditions in Italy and Germany had become, intolerable, the murmur for the "big, strong man" became articulate, and in each case a "Leader" arose. Precisely what these "Leaders" have accomplished for their countries provides the subject matter of conflicting reports, but we are led to understand that the individual's liberty of speech and action is largely taken away, and, surely, Australia does not want that sort of "Leadership." We do know that these "Leaders" have demanded access to the resources of the world, and have reached beyond their borders and taken by force what they could not obtain by negotiation. That sort of "Leadership" affronts the power, which erstwhile controlled practically all the resources of the world; it does not want "Leaders" of that description to arise in the democracies—which may explain much behind the initiation of the present war.

International Finance, by controlling the medium of exchange and distribution, controlled the resources of the world and could say "yea" or "nay" to any Government in the world, and, virtually, to any individual. The unjust and unscrupulous application of the power of finance led the people of Italy and Germany to accept a Mussolini and a Hitler. The unjust and unscrupulous application of the power of finance in the "democracies," including Australia, caused the murmur for a big, strong man—for a "Leader."

What a calamity! Democracy crying out for a "Leader" after centuries of struggle to get out of the clutches of "Leaders"!

Leadership is the prerogative of **the people** in a democracy. Parliament must be made to obey the WILL of the people, and to bring into effect that which the people want. The people's representatives are paid for the service of re-presenting to Parliament that which the people want Parliament to bring into effect. It is the individual elector's right, and duty, to tell his or her Parliamentary representative what he is required to re-present to Parliament.

Leadership must rest with the people. Only those results, which are for their common good would be demanded by the people.

The people must speak so that democracy can bring peace and prosperity to all.

ENGLISH CHRISTIANS TAKE ACTION

PEACE CONFERENCE WANTED

Resistance to Industrial Constriction

As previously referred to by the *New Times*, substantial evidence is filtering through the columns of the orthodox press to indicate that in England, also, there is a big body of public opinion which cannot accept the prosecution of another world war as inevitable, providing an honest approach to the problem is made by Government leaders.

The following is taken from the Melbourne *Sun* of Monday, November 6:

"LONDON, Sunday.—A meeting of the laity of all Christian churches in Central Hall, Westminster, passed a resolution calling on the Government to state its peace terms, and declaring that the war should be ended in the speediest possible way compatible with honour.

The resolution urged also the statement of Britain's contribution, after consultation with France, towards a new national order, ensuring international justice and security, and that this declaration should be sent to *all Governments*.

The meeting decided to send a message to German Christian leaders, urging them to press for a conference with Germany.

The resolution is being despatched to members of Cabinet, heads of churches, President Roosevelt and King Leopold of the Belgians.

Eight hundred delegates to a conference on civil liberties in wartime passed a resolution, viewing with apprehension the Government's wide and drastic powers under the Emergency Powers Act, and pledging themselves to resist the introduction of industrial constriction."

(Our emphasis.)

RISE, SIR MARGE!

The "Ennobling Influence" of War

By "THE WALRUS."

The other day a daily paper published a report, headed "Margarine Being Sold at 6d per Pound," which read as follows:

"LONDON, October 27. —All margarine of standard quality and vitaminised, thus equalling butter in food value, is being sold at 6d per lb. Butters are not being mixed. Supplies are short, but district allocation is being expedited."

Well, this is a surprise! Who would have expected the ennobling influence of war to extend to things inert: and so soon, too? During all these years of armed truce, margarine has never been able to rise above the level of oleaginous malevolence, and now, at the beat of a drum as it were, it becomes the equal of butter. Of course, so far, the equality is only the same sort as "equality, fraternity, and all the rest of it"—a vitamin's a vitamin for a' that, if you get the allusion—but the day will surely come when it will crash the gate abreast of butter as a social equal; and, who knows, should the war last long enough, the day may dawn when butter will be referred to as "that stearine bilge."

"The influence of War: Is it ennobling?" has admittedly been a topic of controversy for many ages, and in adopting the affirmative, I speak less from conviction than from respect for the distinguished protagonists of the theory. No one will blame me for that, of course, because everybody defers to other opinion. If we want to know what to think of anybody or anything we don't dream of relying on our own judgment. We ask somebody else, provided he is distinguished enough. His distinction need not be relevant to the subject matter of the inquiry. Any front-page man will do: scientist, film star, jockeys or cat burglar; it's all the same. The distinction's the thing.

CURIOUS CONSENSUS OF OPINION

And it happens that there is a curious consensus of opinion among distinguished people on the subject of the ennobling influence of war. Here is a point of sympathetic contact between John Ruskin and Herr Hitler, the Archbishop of Canterbury and General Franco. It seems impossible to doubt that war makes heroes. Which shows how careful you have to be, and how useless your own experience is.

Now, if I hadn't known what these and other distinguished gentlemen thought on the subject, I might have permitted myself to be entirely misled by my own experience. I should have said at once that war produced cripples, neurasthenics, half-wits and criminals, where it didn't eliminate its victims altogether, and I should naturally have assumed that procreation from an impaired generation would be worse from the point of view of eugenics, than procreation from a generation which was unimpaired. You can see how simple I am.

It isn't as though I can plead lack of opportunity for observation, or that I didn't think about the subject. It seems just that I was fated to misread the signs in every casualty clearing station I ever passed through. My mind steadily refused to see the father of a hero in a man who nearly fainted if anyone dropped a boot near him; or the father of a sage in him who insisted on visiting the enemy trenches at night without any clothes on. It seemed to me, from what I knew of war, that heroes must be bred in peace. Whence I deduced, no peace: no heroes.

ENDLESS POSSIBILITIES

If anything were indeed needed to persuade me that once again I had got the bull by the tail, I should certainly have it in the extraordinary effect which war ap-

pears to have on margarine. And if on margarine, why not on other things? The possibilities seem to be endless. Here is something tangible in the way of victory. When the artless prattler of 1949 asks breathlessly, "What happened next after the 40 million people died?" we won't need to say, as on previous occasions, "Aw, nothin'." We shall be able proudly to say that there are now more vitamins in a pound of margarine than in a similar quantity of butter, more durable qualities in sand shoes than in boots, more truth in a newspaper than in the New Testament, more beauty in a sand bag than in the Bayeux Tapestry, more music in a mouth organ than in a symphony orchestra.

AS EVERYBODY KNOWS

Maybe it's only a question of a state of mind after all, reminding us once again that there is no such thing as reality. Truly enough, we of all people should have very little difficulty in the assimilation of the idea of this novel readjustment. Anybody who can believe what we think we already believe about many things, which concern us closely, should have very little trouble in the strange new synthetic world, which seems so imminent. It will be merely a matter of being told often enough. Everybody knows how we make ourselves poor by producing riches; everybody knows that we cannot create a new asset without owing for it for ever; everybody knows that the creation of, and ultimate ownership of money must be vested in an international monopoly, and should in no case ever be allowed to come anywhere near control by the mere producers of material things; and everybody knows we came on earth to slog away at indifferent tasks because someone else says so. And everybody knows these things in the only way such things can be known; simply by having them bawled at one.

I don't believe we could ever have thought of all these things without considerable help, and we should be very thankful. Without help we should certainly have missed some of the really big surprises of life. We should, in fact, have remained the sort of mutts to whom margarine is always margarine.

C. FORD

The Caterer

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MONEY MONOPOLY ATTACKED

(Continued from page 2.)

any of these transactions. Money goes back all the time—ask any workingman how much he has of his last week's wages? He has paid his tradesmen and been to the pictures, and his money has passed into the current accounts of the various recipients, which do not bear interest.

"Gladstone, when he took over the Chancellorship, said that he found himself up against the Bank of England and the City: he had no power at all in finance. He had to fight City and Bank all the time.

"Mr. Reddaway, of the Melbourne University, gave an address in Hobart, and spilled quite a lot of interesting facts about the placement of loans in London. Every employee of the Bank of England has to sign a bond that he will not disclose what transpires within the building. Only its transactions with the Government, which are discussed in Parliament, are made public. However, Mr. Reddaway told us something of the procedure. There is a body of men on the Stock Exchange known as Stags. The difficulty in these things is not so much to raise the money, as to obtain the right to put money into the loans! The negotiating firm offers favoured Banks certain proportions of the loan, after reserving what they desire to take for themselves. The public is hardly taken into consideration at all. One man wrote that there were so many applications for 'accommodation' in the loan from one building that he felt impelled to complain to the Health authorities about overcrowding! This was due to the fact that the 'Stags' had applied for bonds in perhaps a dozen different names, with the hope of getting into the loan.

"The only loan in real money that the Bank of England ever made was when it was founded. The Goldsmiths Company in London wanted their Charter, for which payment had to be made in gold, and this advance was made: £1,200,000 at 8%, with the right to issue notes to the same amount, which was loaned at 10%. The Bank's first dividend was 18%. The only things we know of the Bank of England are that it was founded by a Scotchman in the reign of a Dutchman, and its history written by a Frenchman! "The whole policy of that Bank from the day of its foundation has been the enslavement of the British people. The English national debt has risen to £10,000 millions—of bank created credit. "If this financial system goes on as at present, you will know something about taxation. Already there have been increases in income tax and sales tax. Bills amounting to £30 million were passed last session in Canberra.

"The Prime Minister, criticising my ideas, said: 'There is an idea known as social credit—all you have to do is to turn a tap, and everything in the garden is lovely.' The tap he turns on costs us 4% in perpetuity! Because he will not use the National Credit for National Defence, he prefers to pay his friends, the Private Banks, up to 4% for our own credit.

"Jefferson said: 'Should this money system be allowed to continue, the people of America will find themselves starving on the land their fathers won.'

"Some of you have heard the great American scientist, Millikan, who attacked social credit. He is the greatest authority on Cosmic Rays in the world, but he

knows nothing of finance. He has told of the tremendous advance science has given to the world, but he failed to tell us who got the greatest benefit of it. There are 15 million people out of work in America, and 40% of the people suffer from malnutrition. Nor did he tell us that people in England had been fined for producing. "Banks can say, and say at any time, how much money shall be in circulation, and the amount of money in circulation determines the price level. After Denison Miller died, and those interested in finance got control of the Commonwealth Bank, farmers were being pressed in Western Australia for repayment of their loans. They were refused finance until it suited those in power. Farmers could not even get the money to finance their crops.

"Banks control all credit, and there is only one way in which a depression can start. Giblin, orthodox economist, lecturing in Hobart, said that it was the disastrous drop in prices in 1929, which ruined the primary producers of Australia. When I asked him what brought about this destructive drop in prices, he replied that it would take all night to answer the question. I then asked the chairman's permission (for which I did not wait), to answer the question myself, and told him it was the concerted action on the part of the banks, dictated by high finance, by the calling up of overdrafts, that ruined the primary producer. This was the expressed opinion of Gustave Cassell one of the foremost economists in Europe. If Giblin had answered my question correctly he would have had to admit that.

Cassell was asked how long the depression would last, and said, 'The banks could lift it whenever they liked.' If you can create a depression by calling up overdrafts, can you not lift it by putting the money out again?

"When the first English war loan was floated, a hotel-keeper was asked by his banker if he were not going to invest some money in it. He replied that he had just paid for his hotel, and had no money. 'Well,' said the banker, 'we will lend you the money at 4%, and you will get your 5% from the loan.' Would you not wonder that the banker did not lend his money to the Government direct? But that is how 'public' money is invested in loans.

"If I borrow money from a building society, I have it at a fixed rate and for a fixed term. Overdrafts are very different, and can be called up whenever they are wanted. Also, the interest rate can be raised at the will of the banker.

"The French Revolution was brought about by the banking system. Louis XIV had brought his country to ruin by continual borrowing from the banks.

"If this war lasts a few years longer, millions of people will be killed, cities blown sky-high—and the fundamental cause of it all will still exist. What CAN we do to counter it? Governments do not govern. The power, which controls them, is in the hands of a few people.

"In 1912 such a state of things existed in America that President Wilson ordered a Commission to enquire into the banking system, and this Commission found that there was a complete combine to control it. The Sherman Anti-Trust Act followed, but the trusts laid down an ultimatum to the

Government, and beat it. They refused to pay out, and closed their banks. That same power is there today. The Government had to come to the assistance of 4000 banks when the bank-credit depression started. Roosevelt borrowed money under his New Deal from the Banks, who created the depression, and is now 'in the soup.' Interest is a damnable thing.

"Mr. Davidson was asked by the Monetary Commission—'Will you tell us how much money your bank placed to secret reserves since you lowered the dividend rate?' and replied, 'I cannot answer that without the permission of my directors.' 'We are instructed that that question is outside the scope of this Commission.' You cannot tell from a bank's balance sheet how much profit it has made. Banks can manipulate the share market.

"There was an attempted depression in 1920, but by buying securities and making advances, Denison Miller put £23 million into circulation, otherwise we should have had a depression then. They tell you that a bank builds up reserves to meet emergencies—during the depression the banks' reserves grew higher than ever! 'The banks stood like a rock,' they said—and the business people crashed to pieces on that rock! Members of Parliament were pulled up sharply—those who had overdrafts—because they dared to speak their minds in the House. Long enough ago, I said in the Senate, that the banking system had brought the world to poverty and chaos, and was rapidly bringing it into war. 'It is too dreadful to contemplate what may happen in the next few months, and yet it could have been avoided if the Governments of the world really governed.

"It is impossible to get the truth to the people through the press.

"When the *Argus* was floated into a company, they put down their liabilities - - £224,000 overdraft. They had to assign to the bank practically half a million pounds of assets. Who controls the policy of the *Argus*?

"*Smith's Weekly* tackled the insurance offices and banks—then suddenly stopped. Tom Moore, late lamented Editor of the *New Times*, found that the policy of that paper (*Smith's*) was controlled by the banks and the advertisements.

"I urge you to support the little *New Times*."

Who Is Your M.P.?

Below is a list of Federal electorates in Victoria and the corresponding M.H.Rs.

Parliament House, Canberra, is sufficient address.

BALACLAVA . . . White, T. W.
BALLARAT . . . Pollard, R. T.
BATMAN Brennan, F.
BENDIGO Rankin, G. J.
BOURKE Blackburn, M. M.
CORANGAMITE . . . Street, G.
CORIO Casey, R. G.
DEAKIN Hutchinson, W. J.
FAWKNER Holt, H. E.
FLINDERS Fairbairn, J. V.
GIPPSLAND Paterson, T.
HENTY Gullett, Sir H.
INDI McEwen, T. S.
KOOYONG Menzies, R. G.
MARIBYRNONG Drakeford, A. S.

MELBOURNE Maloney, Dr. W. R.
MELB. PORTS, Holloway, E. J.
WANNON Scholfield, T. H.
WIMMERA Wilson, A. T.
YARRA Scullin, J. H.

PEACE CONFERENCE DISCUSSION

Convened by the International Peace Campaign, a public discussion on the question, "Could an immediate World Peace Conference lead to a just peace?" was held in the Assembly Hall, Melbourne, last Monday night. The hall was packed to capacity. Rev. Wm. Bottomley was chairman.

Bishop Baker said that a conference now would be taken as a sign of weakness, and taken advantage of by Germany, and that it would leave open the grave possibility of further war in the next few years. A conference was premature.

Mr. Ralph Gibson said that, should the war be prosecuted to the full, the slaughter would be unparalleled; there would be loss of human liberty; it would be the most expensive war in history; a tremendous burden on the poor; it would cause revolt—civil war; a victorious war would mean the imposition of the terms in favour of the victors, providing the seeds of future wars; but a peace conference held now would at least provide the conditions for an ultimate just peace.

Mr. Norman Rolls, representing the Peace Conference Campaign, said he was concerned with Australian Democracy, working through parliamentary representatives, in pressing for a representative World Peace Conference. "We are taking a census of public opinion throughout the Commonwealth on the desirability of a World Peace Conference before the full fury of another world war breaks upon us," he said. "The question which faces you people, the rest of Australians, and the people of all other nations at the present time, is 'Conference or chaos.' I am confident that public opinion—the greatest weapon known to civilisation—can, and must, be utilised to secure a just and peaceful settlement of this or any other problem with which the common people are faced. If we are a democracy, we will act now through our parliamentary representatives, using every precious minute left to us in urging a fully represented World Peace Conference at the earliest possible opportunity."

Rev. Palmer Phillips said that an immediate Peace Conference would best serve the interests of humanity. The method now proposed had never been tried; no previous conference had made justice its chief aim. He recognised the difficulty, but even the forlorn hope should be attempted. The question was: A negotiated peace or a dictated peace, and were we likely to obtain a just peace AFTER a long war?

The following resolution was carried:—

"That this meeting of Melbourne citizens is of the opinion that a World Peace Conference, representative of all nations, would greatly assist the cause of world peace. It therefore requests the Federal Government to press the British Government to state its peace aims, and to press for a World Peace Conference at the earliest possible date."

Over one thousand demand-letter forms (to be signed by electors and posted to their parliamentary representatives) were supplied by the Peace Conference Campaign workers in the vestibule at the close of the meeting.

New Times SHOPPING GUIDE and Business Directory

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your paper. Say you saw it in the
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HAIRDRESSER and Tobacconist. L. Larsen, Station St., opp. Gilpin's.

ICE and FUEL. J. Underwood. 40 & 770 Station Street. WX2547.

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M. L. COLECHIN. Champion House, 4th Floor, 57 Swanston St. F55R6.

OPTICIAN. H. Buckham, J.P., Nat. Bk. Ch., 271 Collins St. C 831. **P. A. MORRIS & CO., OPTICIANS** 298 Lt Collins St., and 80 Marshall Street, Ivanhoe.

PRINTING, E. E. GUNN. Off 600 Lit. Bourke St. Cent. 6021.

WATCHMAKER and Jeweller. M. Chapman, comprehensive experience. M.L.C. Chambers, Cr. Collins and Elizabeth Streets.

(Continued on page 7.)

NATIONAL INSURANCE

A Costly False Step

Questions asked in the House of Representatives recently were as follow:

1. What was the total cost of the National Insurance scheme, including inquiries, administration, salaries, etc.?

2. What compensation, if any, has been paid to any approved societies or persons connected with the scheme?

The answers of the Minister were:

1. Cost, excluding payments to approved societies £114,919

2. Cost of payments to approved societies and persons connected therewith 97,267

Total expenditure to August 31, 1939.. £212,186

So much for the Government's inglorious and unsuccessful attempt to foist what is called National Insurance on the people.

'WITH GOD ALL THINGS ARE POSSIBLE'

The following is a copy of a letter sent to all church leaders by a lady who is a well-known social worker in Melbourne:

To (Church Leaders), —
(Address.) October 29, 1939.

Dear Sir, —

At the beginning of last week, after careful consideration, I wrote to the Prime Minister, urging him to give a lead in pressing for a World Peace Conference. I also sent the letter, with a covering letter, to all Federal members for their consideration.

After I had taken this action, I was encouraged to find there was already in existence an organisation, called the Peace Conference Campaign, the hon. secretary of which is Mr. Norman F. Rolls, Peace Conference Campaign, McEwan House, Little Collins Street, C.I. (Tel. MU 2834.)

This organisation is recommending people to send letters to their own Federal members (copy of letter enclosed). These should be useful for those who support the idea, but are unable to express themselves clearly or for those who are pressed for time.

I am also enclosing copies of my letter to the Prime Minister, and M's.H.R. of all States, for your consideration.

I hope that you, on behalf of your denomination, or individually, will be able to take some similar action if you consider it wise, I know some organisations have already written to the Prime Minister on this subject. If yours is amongst the number, kindly excuse me troubling you. In any case, may we count on your support in prayer for God's guidance in these efforts in the cause of World Peace? Though the forces of destruction are so rampant in the world today, "with God all things are possible."—Yours faithfully,

(Signed.)

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, Box 1226, G.P.O., Melbourne.

ALCOHOL FOR AUTOMOBILES

By WILLIAM F. HALE, Ph.L, LL.D.
Condensed from "Farmward March."

Everyone who follows the news today knows of the astonishing advance which chemistry has made in discovering new uses for farm products in industry. This is the field of chemurgy. Dr. Hale is the organiser of the Organic Chemical Research Division of the Dow Chemical Company and has assisted in establishing processes that have made this company famous throughout the world.

Of all caustic criticism in recent years heaped upon those who would perform a service to their country, nothing has elicited greater indignation than the pronouncements of pettish petroleum corporations and those in their pay, condemning the use of ethyl alcohol in gasoline as a preferred motor fuel.

Among the arguments advanced by petrolic sympathisers against the use of alcohol-gasoline blends as superior motor fuel for the internal combustion motor, we need refute only the glaringly ridiculous.

No one can question that the combustion of ethyl alcohol produces fewer heat units than does that of gasoline. But on the other hand, no more than three-fourths of the heat units in gasoline are rendered available in the automobile motor, whereas the full quota of heat units in alcohol is immediately deliverable. This puts the two fuels thermo-dynamically on a par.

Let me try to explain the matter simply. Hydrocarbon molecules that make up gasoline range generally from branch chains of five to nine carbon atoms. They may be likened to trees of a forest. When combustion starts, as in a forest fire, the rapid sweep of flame readily consumes the branches and leaves—just as it does in the case of carbon and hydrogen atoms—but passes over much of the carbon stems destined to remain as charred trunks. In the alcohol molecule we have only two carbon atoms in the chain. It may, therefore, be likened to small trees, shrubs or undergrowth. Everyone knows that the flames of combustion make short shrift of such inflammable material.

At all times a frightful waste of carbon is in evidence. Because of incomplete combustion, one-fourth of the gasoline passes through the motor unburnt. American automobilists are forced to suffer the loss of 5,000,000,000 gallons of gasoline annually which, at 15 to 16 cents per gallon, amounts to an annual wastage of unrenovable resources approaching a value of 800,000,000 dollars; and all this to satisfy backward corporations.

In the matter of quick starting, anyone at all familiar with combustion gases is certainly aware of the fact that alcohol-air mixtures present a much wider explosive range than do gasoline-air mixtures. Improved combustion results in a number of important advantages. That carbon deposits in the cylinders are completely eliminated when an alcohol-gasoline blend is employed is a well-known fact. Not merely this, but an automobile employing such a mixture will register an increase of 8 to 15 per cent, in its mileage per gallon. Experiments carried on by Drs. Brown and Christensen fully demonstrate that by the use of a 10 per cent, alcohol-gasoline blend, carbon monoxide content in the exhaust fumes is cut down one half and sometimes more—from the standpoint of comfort and safety, a very serious consideration. The most popular anti-knock

agent in use today is lead tetra-ethyl. No one denies that it is a good anti-knock agent. But it has the disadvantage that the lead compounds, which it produces, can effect the piston skirt and cylinder sleeve. Ethyl alcohol, used in mixture with gasoline, provides the same advantages as lead tetraethyl, and at the same time it is free from its negative characteristics. Through its use, in the place of customary ethyl fluid, a much higher compression ratio is known to be attainable. We make bold to state that ethyl alcohol points the way to installation of diminutive motors at the rear of the car.

The cracking of the petroleum gives rise to unsaturated hydrocarbons, which invariably polymerise into gummy material. Hence highly cracked gasoline rich in unsaturated hydrocarbons must, needs be treated with gum solvents or gum inhibitors in order to be made into a satisfactory fuel. Among those solvents none has proved more efficient than ethyl alcohol. Through the use of an alcohol-gasoline mixture it will further be possible to provide the pistons with a fuel that contains a continuous supply of lubricant. Crude castor oil itself will probably top the list as a valued lubricant, soluble in alcohol blends, but not in straight gasoline.

As far as price is concerned, a fuel with a 10 per cent, alcohol content could be produced to sell at less than 15 cents today. The octane number of such a fuel is 72-72; ordinary ethylated gasoline, with a similar octane rating, commands a price that is slightly higher. The fact that the most suitable type of motor is not yet on the market does not seriously affect our considerations. It has been proven that one-fourth volume of ethyl alcohol, with an equal volume of water, in a motor adjusted to operate at the prevailing low efficiency, is capable of delivering the same power as a full volume of gasoline. This means, that with alcohol at 30 cents per gallon at filling stations, we need take but 7½ cents worth of it to secure motor performance equivalent to that of a gallon of gasoline.

The time is opportune for petroleum corporations to wake up rub the cobwebs from their eyes, and listen to reason. Alarm signals are already at the gates of refineries, and they keep on ringing: "Remember the Railways." Either these interests will instantly inaugurate all steps that prepare the way for chemical advance, or citizens of this chemical age will force the advance through Government mandate. An intelligent citizenry henceforth cannot be denied the blessings proffered by science and invention.

**DON'T SPEND A
PENNY—
without consulting the
"New Times" Shopping
Guide.**

LETTERS TO THE EDITOR

JOHN HOGAN AGAIN "SADISTIC FINANCE"

Sir, —Realising that I must have placed you in the dilemma of having to choose between "taking it lying down" and, on the other hand (by replying), fostering the purely destructive conflict of opinions which my letter of last week may have aroused within the Movement, I feel, and several good friends have advised, that it is up to me to qualify some of the unnecessarily strong comments contained in that letter.

It was not my real intention to condemn the Peace Conference Campaign, and if I overstepped the mark by descending to unwarranted criticism, this I regret. My letter was written out of concern for the apparent fact that an equally vigorous campaign, directed specifically at the monetary issue, was not being waged in Victoria at this most important juncture. The matter of Australia's monetary policy can, and should be, more directly tackled, in the light of recent developments, official resolutions, and public expressions.

The Peace campaign is certainly throwing the spotlight on the financial background of War. I came to Melbourne and heard Eric Butler's fine address at the Assembly Hall on Thursday night of last week, and while the main support is from those who understand the money issue, the active and enthusiastic help of an important new public is being enlisted.

Neither did I intend to suggest any callous indifference to Conscription and War. But I do feel that my limited efforts are fully required in fighting for the deliverance of the whole community from economic slavery and murder; that knowing the position as I do, I have no time to spare in preventing a few from actively participating in the present conflict. More especially since their urge is very often economic.

I am sorry if I expressed myself ambiguously. The whole thing is so vital. —Yours, etc.,

JOHN HOGAN.

[In view of this second letter from Mr. Hogan, the Editor refrains from commenting on the first letter beyond stating the obvious fact, that the *New Times* is, as always, endeavouring to use every opportunity to draw attention to the monetary issue.]

Dear Sir, —There is a trite saying, "*The King* reigns, but does not govern; *Parliament* governs but does not rule; *Finance* rules." And in England, that sadistic private corporation, the Bank of England, rules, and *Parliament* governs by its rules. Now there's no reason anywhere why *peace* should be delayed, for the rulers of each component of the scrap have *already won*:

Stalin gets part of Poland and the Baltic;

Hitler gets part of Poland; and the *Bank of England* gets a further *debt* grip on the English people by means of the costless £500 million it told Chamberlain it was "releasing." It has not told whence this money was released.

Now, the *Chancellor of the Exchequer*, in charge of this banker's debt, is putting into effect the sadism of International Finance by a totally unnecessary procedure of taxing the people unmercifully. *Taxing* is merely forcibly depriving people of bits of paper, their licenses to live, in fact. *The Government* has no actual need of them, but it will put a mental and economic burden on to the people and families, who are at the same time carrying the production burden, and whose husbands and sons are carrying the *Death* burden, fighting the battles for this High Finance. And the brainless Labor Member, Pethwick Lawrence, applauds Mr. John Simon in this sadistic infamy. It's another expression of the revenge complex of Labor. Mr. George Schuster, the director of the Bank of England, and M.P., also concurs. *Think it out*. Fancy forcing a drastic curtailment of private activities, imposing mental strain and a low standard of living, just to please the Bank of England, by taxing back bits of paper with figures on them.

It's plain insanity. The greatest danger for the *people* of our Empire is not Hitler or Stalin, but the International Financial cancer (the Bank of England) with its satellite private banks and its knighted beneficiaries in our midst. —Yours, etc., "OBSERVER."

Melbourne.

A SUGGESTION

Sir. —I would like to suggest that the next pressure-politics campaign take the form of a demand that the

private banks be stopped from creating money (or, as they say in banking parlance, credit). We should demand that the Federal Government, through the Commonwealth Bank, should be the only authority allowed to create money, and that sufficient credit should be made available as production expands, so that the price level remains fairly stable.

The demand form could quote the *Encyclopedia Britannica*, that "the banks create the means of payment out of nothing." Also, the Hon. Reginald McKenna's well-known statement which has often appeared in the *New Times*, that "the ordinary citizen would not like to be told that banks can, and do, create money. Every bank loan creates a deposit and every payment of a bank loan cancels a deposit."

The average Australian owns very little or no land or property at all, but is asked to lay down his life for "his" country.

Most of Australia is owned by the private bank, and it seems a farce to fight for the wealth which is owned by these gangs of counterfeiters.—Yours, etc.,

"TRUE DEMOCRAT."

Murrumbena, Vic.

MORE "HITLERISM" IN TASMANIA

Last week we published a resolution carried unanimously at the Hobart Town Hall meeting, which was addressed by Eric Butler. Although a copy of this resolution was sent to the Hobart *Mercury*, it was not published.

Last Sunday night in his radio talk, on behalf of the Electoral Campaign, Mr. J. Guthrie had this same resolution deleted from his address.

We have been told that we are fighting "Hitlerism." Well, it seems that it is about time that we made a start right here in Australia.

M.H.R. Expects Peace Move

Mr. Holloway, M.H.R., said at a meeting of Williamstown Vigilance Association last night that he would not be surprised if a peace conference was held within the next three months, before any great extension of the war took place.

—Melbourne Sun, Nov. 14.

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MELBOURNE (Cont.)

(Continued from page 6.)

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PEACE CONFERENCE CAMPAIGN

The following is the latest report from the Hon. Secretary, Peace Conference Campaign, Room 9, 5th Floor, McEwan House, Little Collins Street, Melbourne.

"Since our report of last week, the tempo of the campaign has been accelerated to a degree which must be regarded as both astonishing and gratifying. We are now supplying the demand for demand-letter forms coming from all parts of Australia at the rate of 1500 per day, and large numbers, duly filled in and signed, are being returned to this office for classification; these are being handled as rapidly as possible by our small voluntary staff, and the first batches will be posted to Members of the House of Representatives at Canberra early this week.

"After only three weeks of initial effort, we are now able to report that the ideals and objectives of this campaign are spreading throughout the Commonwealth. The volume of correspondence has been so great that it has been found impossible to reply personally, excepting in cases where particular information is required. We therefore trust that those of your readers who have responded to our appeal to assist in obtaining signatures, and have not received individual replies to their letters, will understand the difficulty in this respect, and accept our sincere appreciation of their co-operation.

"The Rev. C. D. Brock, of Adelaide, has undertaken the directing of the campaign in South Australia, and has adopted a letter-form similar to that which we are now using. Rev. Brock's address is, 38 Queen-street, Norwood, S.A.

"The campaign is well under way in North and South Tasmania, in several Northern and Southern Queensland centres, in many parts of New South Wales, S.A., and W.A., as well as throughout Victoria.

"We are confident that by the signing of this simple statement,

it will have been proven within a reasonably short time:

- "1. That the majority of Australian electors approve of peaceful negotiation in preference to an attempt at settlement by force of arms.
"2. That the principles of real democracy, once realised, are acceptable to the majority, and that they are prepared to demand true representation in Parliament irrespective of party affiliations.
"3. That the said majority desire their elected Representatives to work for a fully representative World Peace Conference without delay.

"It is encouraging to note that a report recently received from New York states: 'A ballot of public opinion taken, by the United States Institute of Public Affairs, showed that 90 per cent, of the people are in favour of ending the war at once. More than 50 per cent, of those voting also favoured the participation of the United States in a World Peace Conference, if such is arranged.'

"We have reasons for believing that an even greater majority would be recorded in Australia, and we intend to work to that end.

"Groups and organisations not already participating in the drive for signatures, are urged to send for a special quote for large quantities of letter-forms, or, alternatively, to draw up a similar letter for their own use.

"Individuals may obtain supplies of 50 for 9d or 100 for 1/6, posted to any address in Australia. Special circulars describing the working of the campaign are also available at 2 for 1d, plus 1d postage, or 6d per doz., plus 2d postage. Address all inquiries to the Hon. Sec., at above address.

FASCISM, "THE LEFT" AND DEMOCRACY

English Socialist's Viewpoint

"Fascism" has become a political swearword. It is so charged with emotional associations that it can hardly be used in argument any longer. The accusation, "Fascist," has -- from the opposite angle--all the irrational hatred of the Jew-baiter's "Dirty Jew."

You do not, from the point of view of the Left, discuss Fascism at all, except to discover ways of killing it. You are not even clear about its motives, except that they are evil--something vaguely yet indissolubly connected with sadistic hooliganism and torture on the parts of depraved thugs hired by wicked capitalists.

"Fascism is the organised expression of the determination of the capitalists to stick at nothing in order to stay in power." This, ex cathedra, has become the Left view. To question it, in Left circles, is to be dismissed as certainly a fool, and probably a knave. "How can we even reason with men," cries Mr. John Strachey, "who do not grasp this most basic of all facts of the world situation today?"

It was not always so. As we watched the growth of it, read the protestations of the Fascists that their aim was to destroy capitalism more quickly and efficiently than could be effected by parliamentary Socialism; as we noticed that young men and women were being won to Fascism by the very arguments which we ourselves used in trying to convert them to Socialism, the matter seemed too involved for sweeping simplification. Four years ago, a prominent Socialist said to me with a sigh: "I'm getting so tired of this rubbish about Fascism being capitalism's Last Ditch, aren't you?" I was. And I still am.

But since then, things have changed. I have become more and more in the minority. The "basic fact" of Mr. Strachey has been accepted as a primary article of faith. Every argument on other aspects of policy presupposes an acceptance of it. Every work issued by the Left Book Club assumes that its readers at least agree on that point. To me, it still seems a disastrous error, which is vitiating Socialist thought and action.

And it rests, finally, on nothing more than a belief in the infallibility of Karl Marx. Marx predicted a final struggle of disintegrating capitalism: what, in fact, happened was the appearance of Fascism. Therefore Fascism

must be the final struggle of disintegrating capitalism. That is the argument. There is no other. And the alternative deduction was not even considered, since it would mean that, as Marx did not foresee Fascism, Marx might have made a mistake.

To my mind, the logic of the argument leaves something to be desired. But the consequences of accepting it are even more disturbing; for, to justify the theory in practice, not only must certain facts be ignored, but everything that Fascism says about itself must be dismissed out of hand as a palpable falsehood.

For instance: "Every boom of the present system grows shorter and lesser; every depression grows deeper and longer. The crazy machine of the present economy rocks ever more violently towards a final disaster."

This is not, as might be thought, a preamble to a Socialist exposition and attack on capitalism; it is the opening of Mosley's official formulation of the Fascist attack on capitalism . . .

What, then, are the distinguishing marks of Fascism, as a political system? Merely that it substitutes government by corporations for government by Parliament, and insists on the nation as a self-sufficient unit. The reason that politically I am a Socialist and not a Fascist is that the one seems to me undesirable and the other impossible.

We may agree--as, indeed, it is my purpose in this book to suggest--that Parliamentary Democracy, as it functions today, is nothing but a convenient mask for plutocratic tyranny. But there is no need for it to be this. Parliamentary Democracy could become a really representative and even revolutionary form of government, at any moment, by no more bloodthirsty or disturbing means than the ballot box. In these circumstances, it is surely criminally foolish to run the risk of a civil war in order to overthrow a system, which has not yet been given a proper chance of working in order to establish a new system, which might not work at all. (Precisely the same objection, of course, applies to Communism.)

--Hugh Ross Williamson (cousin of the Chancellor of the British Exchequer, and the rising hope of the British Labour Party) in Who Is For Liberty? (Published by Michael Joseph, London).

WEST AUSTRALIAN NOTES

Many electors in West Australia have written to their State M.P. and made clear their wishes in the words of the specimen letter hereunder. They are urging their fellow-electors to do likewise, and suggest that other States follow suit.

Mr.
Member for.....
Parliament House,
Perth.

Dear Sir, --
As my representative in Parliament, I request that you take action on the lines laid down in the speech delivered by Mr. Macgillivray, M.L.A., in the South Australian Parliament.

I am informed that you have had a copy sent to you.

You will, of course, have realised that if the present system of debt finance continues for war services it will lead to the disintegration of Parliamentary Government, and particularly to State Governments, which we must retain at all costs.

Already one sovereign State within the British Commonwealth of Nations has lost its Parliamentary privileges and has been relegated to the status of a Crown Colony, controlled by nominees of the British Government, on the advice of the Bank of England, which, as you know, is a private company.

I refer to Newfoundland, where

conditions of abject poverty exist over the whole colony.

If this process is allowed to continue it will result in the disintegration of the British Empire.

Upon myself devolves the responsibility of safeguarding our democratic rights, and upon you, as my representative, devolves the responsibility for carrying out such a policy as will safeguard the sovereignty of THE PEOPLE and the continued existence of our State Parliament.

I therefore, request you to take such action as will ensure the full use of the People's Bank (the Commonwealth Bank), and the implementation of the Royal Banking Commission's Report, as contained in Section 504, page 196.

I strongly object to flotation of war loans and any further taxation for that purpose, and wish you to oppose any legislation, which will negate my objections and POLICY.

NAME...
Address... ..

SOUTH AUSTRALIAN NOTES

From Electoral Campaign Headquarters, 17 Waymouth Street, Adelaide.

"DEFENCE WITHOUT DEBT OR TAXATION"

The flow of signed Demand Forms into Head Office shows no signs of slackening. On the contrary, they continue to arrive from all over the State. In addition to the continued efforts of people whose work has previously been acknowledged, the results obtained by Mr. Wilson, of Islington; Mr. White, of Evandale; Mr. Watkins, of Magill; Mr. Collett, of Kent Town; Mr. Hooper, of West Croydon; Mr. Slade, of Blackwood, and Mr. Bennett, of Kilkenny, call for honourable mention. A new recruit to the "Tenth Legion," Mrs. Manuel, has proved a valuable acquisition

to the movement; while Mrs. Brock has been the only member, so far, to make a success of the "Envelope" method of collecting signatures.

"SAVE THE COMMON-WEALTH BANK"

Completed Demand Forms in respect of this campaign are still arriving at Headquarters, and being forwarded on to Canberra.

S.O.S.

The ladies conducting the restaurant at Headquarters hereby send out an "S.O.S." to the members of the Women's Division for volunteers to help them. Failing which, the restaurant will have to be closed down.