

## "EXEMEX"

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45 Brunswick St., Eastern Hill, N.I.

Phone: J 1873

# THE NEW TIMES

## "CATARRH"

Clears Up Catarrh.

A. Nasal.  
B. Pulmonary,  
C. Stomachic.

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Vol. 6. No. 21.

MELBOURNE, FRIDAY, MAY 24, 1940.

Every Friday.

## Business Men! Arouse Yourselves!

### WHY REMAIN IN THE CLUTCHES OF CONFIDENCE MEN?

(A Letter to the Editor from BRUCE H. BROWN.)

Sir, —Have the business men of Australia paused to consider the serious results that will inevitably come from these calls for economy, less spending, and higher taxation? And have they ever asked themselves the question: From whence do such calls come?

If we are living in a democracy, as so many of us have believed, then we are governing ourselves, and getting the things we want. But if we are getting things we don't want, and we certainly are, then the governing is not being done by ourselves and we are living under a dictatorship.

Ninety families in every hundred are already living on a hand-to-mouth basis, and if they "economise" it means that they will go further short of necessities, which are plentiful. Luxuries in the true sense are not enjoyed at all by the great majority of the fathers and mothers of the nation. After these economies have been practised for a while, there will then be another cry of "over production," even though it will be apparent that our fellow-citizens in great numbers are still hungry, still inadequately clothed, and still improperly housed. Actually, some sections are already being asked to produce less, and they are being asked by no less a person than "a Minister of the Crown." If the mice eat our stocks of wheat and the farmers sow less for next harvest (as Mr. Cameron advises them to do), what then?

If the people spend less, then goods will waste on the shelves of the shops and tradesmen will be deprived of their businesses. They will be sent insolvent by institutions which actually produce nothing, but which, strangely enough, get increasing control of the nation's wealth.

If we submit to higher taxation, then our purchasing power will be taken away, our general standards will be lowered, and we will be further regimented by financial coercion and confiscation.

Our businessmen, and everyone else as well, should think carefully over the fact that taxation must always be paid in *money*. It cannot be paid in anything, which the people can produce themselves! And is there not something strange in the fact that it is always *money* we are asked to save or to be thrifty with—i.e., the stuff produced by the financiers. We are never asked to save butter, eggs, vegetables, fruit, timber, bricks, metals or anything else of real value, which we could produce ourselves.

All these proposals for economy, tightening the belt, and higher taxation, are being advocated as necessary to continue our war effort, whereas the truth is they will hinder and restrict our efforts, and are being instigated by that small circle whose members benefit from the existing financial oppression. Such measures were not necessary

when the Commonwealth Bank was under the direction of Sir Denison Miller, but since his unfortunate death the nation's bank has been used to impose financial plans which have consistently reduced the power of the people and increased the power of the financier.

It is a fact that we can conduct the war to the limit of our men and materials without increasing our financial debts at all, without calling upon any of our people to go hungry in a land of plenty, without ruining the business men by depriving them of their customers, and without the imposition of any burdensome taxation. It can be done by the observance of the following principles:—

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### "UNION NOW" DENOUNCED

#### An American Viewpoint

The "Saturday Evening Post" is an American weekly magazine well known to many Australians. Its popularity and influence with American readers may be judged, in part, by the fact that the hard-boiled businessmen of America spent more dollars on advertising in its pages than those of any competitor for each of the years 1920-1939 inclusive—in this regard the "Post" led its runner-up by more than eleven million dollars in 1939. The article reprinted hereunder is the "Post's" editorial of February 10.

Speaking before the Chicago Council on Foreign Relations, the British Ambassador conveyed a message to the American people on the great meaning of the war, how again it is that the Allies are defending in the world the light of civilisation, and how dread the consequences may be, even to us, if they fail. That America could ever have been able to view this historic struggle from afar, the Ambassador said, was owing to the fact that the British Navy had always protected our Monroe Doctrine, "by controlling the entrance from Europe into the Atlantic." So long as that was true the aggressor could not pass to our continent. But the time had come when Great Britain alone could no longer play that role. The rights of new naval nations and the rise of air power made it impossible. The point of the mes-

sage, therefore, from the British people to the American people, was this:

"Sea power should be in the hands of the democracies, and not of one power. Even at this moment, if we face honestly the facts, our present safety today rests upon the fact that we control the Atlantic and you control the Pacific. Neither we nor you, nor the overseas Republics and Dominions, would be so secure if either of us was left to act alone. . . . And can any fair-minded person doubt that if Herr Hitler and his friends were to win the war and seize its sea power and sea bases from Britain that the world would get any equivalent prosperity or freedom? It might get peace, but it would be a peace with the light of liberty gone. . . . I have endeavoured to put in front of you frankly and honestly what we in Britain think. . . . My countrymen would like to have an equally frank and honest opinion from you. . . . It is now for you, and for you alone, to decide whether or how far you agree with my analysis, and what, if anything, you are going to do." To the British view this must have seemed a flawless performance. If Lord Lothian has not been complimented by his Government we are sorry. First and last he touched nearly every sentiment and idea that could possibly move us toward taking part in the war: fear of Hitler in the Atlantic, fear of Japan in the Pacific, our political hatreds and attachments, the crusading spirit in us that could if it would, make the world safe for democracy again. Yet we think we could tell the British Government something about how to conduct propaganda in this country. The Ambassador said this was not propaganda. Why did he say that? It was a fine example of the art, and there was no need to mar it with a self-conscious disclaimer. We should be proud of an American Ambassador who had done so well in a foreign country whose sympathy and assistance we were deeply in need of, and never imagine it could be misunderstood. But besides that one flaw there was a moment of stupidity. The Ambassador said: "The British Government is not trying to drag you into this war."

There was no point in saying it, and the word "drag," which  
(Continued on page 4.)

### The Truth About Sumner Welles

#### A BRITISH OPINION

**Although it may still be premature to draw final conclusions, the result of Sumner Welles's visit to Europe is beginning to become plainer. The very fact that he came to this country as an alleged representative of F. D. Roosevelt personally, and not as a representative of the U.S. Government, indicated that his mission was of such a shady character that in no circumstances could it be allowed to be represented as a U.S. Government responsibility. The whole of the theatrical background attaching to Sumner Welles's mission and progress through Europe also made it clear that whatever he was engaged on, would not stand the light of day.**

Up to the time of Sumner Welles arriving, there was, in many quarters, a distinct spirit of optimism as far as the outcome of this war was concerned. Spain, for instance, was definitely friendly to the Allies, and Italy was clearly preparing itself for a break with Berlin and an approach to the Allies. Judging by recent events, it would appear that Sumner Welles's mission was approximately as follows:

Unless he came to deliver some sort of threat, it is very unlikely that his visits to Paris and London were more than a smoke screen to hide the real objectives of his visit to Rome and Berlin. As far as Germany is concerned, it appears that Hitler has called back Dr. Schacht. As Hitler and the Nazi Government have very few illusions about the gold standard, the present financial system, or the reliability from their point of view of Dr. Schacht, the German Government would not have agreed to such a course without receiving a valuable *quid pro quo*. What this

was still remains to be seen. It may have been financial assistance to Germany, it may have been an offer to arrange for better communications through Russia, and the delivery of vital supplies from America via Russia, or it may simply have been an offer to buy Mussolini. Time will show. Whatever it was, it cannot have been anything to help the Allies or democracy.

As far as Italy is concerned, this country has suddenly shown renewed hostility to Britain and France. It would never do to

(Continued on page 7.)

## HOW THE POOR BANKERS LIVE

By "THE WALRUS."

After my various ignominious failures to carve for myself a niche in society I decided that it behoved me to learn something about the money business. My newspaper, of course, publishes a financial column, which hitherto I have mostly ignored after a feeble attempt or two to reconcile it with common sense, and the probability is that I might never have bothered about it again except that I have failed to reconcile any of the rest of the newspaper with common sense, apart from the "Lost and Found" column, which alone seems to run true to form—all being lost and nothing ever found. Add to this negative reason my urgent necessity of trying to understand what I am up against, and you will know what to blame for this new infliction upon your patience.

The financial lad in my newspaper informs me: "It has been taken for granted in the papers that the trading banks' rate will be lowered as from July 1." Not a very propitious start for me. In fact, this very first sentence would seem to confirm me in the opinion I had formed of the infinite capacity possessed by newspapers for getting the bull by the tail. "Why, oh why?" I ask myself, "should the newspapers imagine such a vain thing?" They have repeatedly told us that money has nothing whatever to do with the science of numbers: that it is a commodity ardently produced and subject to depletion by exaggerated demand; that, furthermore, it is subject, in common with other commodities, to scarcity value in times of stress.

### MR. ISAACHSEN SPEAKS

So why do the newspapers anticipate a lowering of the bank rate? Has some new factor arrived which causes money to become less valuable as the need for it is more urgent? Don't despair, folks, I read on. "The general manager of the Bank of Adelaide, Mr. Isaachsen," (and proud of it) "who is also chairman of the Associated Banks in South Australia, says that the anticipation of such a lowering is an assumption."

Just as I thought; and if I'd been Mr. Isaachsen I'd have ticked off the writer for dragging in an assumption on a subject, which is one that not even Mr. Montagu Norman thoroughly understands, if we are to take Mr. Norman seriously. Doesn't the poor mutt know that an assumption postulates a rational process, and that the moment you start being rational about money you are classed as a Bolshie and come within the scope of the late amendments to the Crimes Act?

### BANKS' HARD STRUGGLE

Anyway, our informant goes on to say "the banks are having a pretty hard struggle to maintain the present dividend rates, which do not give them more than 4 per cent, on the money of the shareholders." I'll bet you didn't know that! I'll bet you thought that, because the banks went on paying dividends right through the "depression," and pursued their normal policy of building palaces on corner sites regardless, and maybe even unconscious, of expense, that they were paying enormous dividends to the shareholders. Well, you're wrong. Banks never do pay enormous dividends to their shareholders. They've something better to do with divi-

dends than that. After all, the shareholders' money hardly comes into it: as witness the Commonwealth Bank, which came into existence on December 22, 1911, with nothing except the national credit, and has managed to snitch a title to upwards of 260 million pounds of assets.

### SHAREHOLDERS LUCKY

As it is, I think the shareholders are in luck, and it must be mystifying to certain bankers, not that the dividend is as low as 4 per cent., but that there is any dividend at all. For there are still bankers (*sic*) who effect to believe that the banking system does not create money in the form of credit. This being the case, the source of earnings would be the difference between deposit rate and overdraft rate, and between deposit rate and the average earnings of legitimate enterprise. At this rate, leaving out those corner sites and marble pillars, there might be enough after paying administration costs for the annual dinner of directors, but certainly nothing for the shareholders.

But Mr. Whatsisname goes on to say, "The dividends, as formerly said, are on the capital, and the profit on the capital and reserves." Banks not being forced like you and me, to disclose their reserves, no one knows what they are, and consequently no one knows how much the dividend really is. All we are permitted to know is the declared dividend, so that it is possible for the directorate to give everyone, including its shareholders, as good or as bad a time as it likes.

### TREASURY BILLS TOUGH

I quote the financial lad once again: "... for a long time the banks ... have received only 1¼ per cent, on Treasury Bills, now reduced to 1½ per cent." I'll try to explain how tough that is. You see, ordinarily—stop me if I've told you this before—the banks as a whole are permitted to think of a number and charge their own interest rate on it, and just because the Government helps them to think of a number and calls it "Treasury Bills," the interest rate has now to be fixed penuriously at 1½ per cent. Why, at that, the Government will soon be claiming Treasury Bills as the property of the people, instead of allowing it to be a clear addition to the cash of the private banks. These Governments have got to be kept in their place, and the banks are the boys to do it. This is a democracy, isn't it? Well, then!

### UNEXPECTED ADMISSION

But now the writer makes an unexpected admission. He says: "The banks are doing very well in helping the finance of the country." Of course, we'd know they were doing uncommonly well, really, but we didn't expect the financial expert to toss it to us like that, after all the talk" about hard times, and 4 per cent, and interest which has to be paid on interest, and what not. But he gets back into the old vein almost immediately. "There are some very wrong impressions in Australia as to the actual situations

of the banks and the shareholders, who are the owners."

### WRONG IMPRESSIONS

Well, you can see that for yourself. I don't really know why he mentioned it. After all, he isn't the only one who has been writing this stuff for years and years, and it would have been far more astonishing if there were no wrong impressions on the actual situations of the banks; and not merely astonishing, but very embarrassing for the banks, so I can't see what the writer is complaining about. The propaganda machine works perfectly. The bankers say, "It is the sovereign right of the people to create the people's money," The "hurrahs" are so deafening that no one hears the addendum, "The notes and coin we mean, of course." Then they tell us that we must beware of over-producing since the road to wealth lies through scarcity. This time there are just enough "hurrahs" to drown the protests of the people who imagine themselves destitute and hungry. But we don't bother about them, anyway, for we know they are quite mistaken. There are figures to prove it. Everybody—or nearly—has been conditioned into the frame of mind that in this world of flux and turmoil, only one thing stands steadfast and true, and that is the word of a banker, a Jew preferably, and even better still, one of no nationality at all. Have we not already absorbed the baffling notion that things don't matter in the least, and that symbols are true reality? And to whom are we indebted for this revolutionary discovery if not to the bankers? Where might we not have wandered with only our common sense to guide us?

### TRAGEDY AVERTED

We should have been so burdened with original sin, that we could not have been disciplined into doing a single thing our common sense disapproved of: we should have persisted in the pathetic belief that material well-being consisted in the enjoyment of things, and not of a row of noughts. We might even have decided what our quarrel was before going to war. In other words, we should have been the sort of savage to whom the Isaachsens,

the Guggenheims, the Baruchs, the Niemeyers, the Warburgs, the Finkelsteins and all other such cultured English or English-speaking gentlemen might have preached our plain and patriotic duty in vain.

Even as it is, I can only just take in the gist of my informant's wisdom, and when he declares that it is essential in these strenuous days that the trading banks should preserve "a more than usual liquidity," he leaves me standing. I can see the perfect connection between strenuousness and liquid, but the metaphor contains no further message for me except an unfortunate reminder that the cost of living has gone up a penny a bottle.

## Have You Read It?

The Story of the Commonwealth Bank. By D. J. Amos, F.A.I.S. Price 1/-.

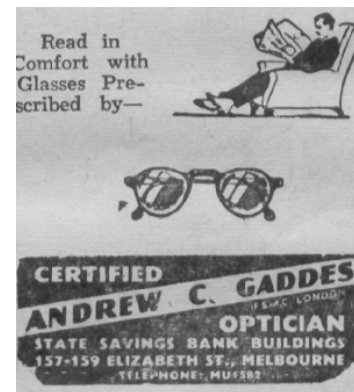
What I Think of the Churches Today. By W. Macmahon Ball, M.A. Price 1d.

Capital and Income. By Joseph T. Hollow, M.B., Ch.B. Price 6d.

Can Gift Money be Cancelled? By T. J. Moore. Price 3d. What Is Our Problem? By T. J. Moore. Price 1d.

The above prices do not include postage, which will be one penny on each booklet.

Obtainable from the "New Times," Box 1226, G.P.O., Melbourne.



## TO THE NEW READER

At a time like the present, when there is no shortage of the real things needed to ensure comfort and liberty for everyone in the community, we yet find ourselves surrounded with poverty, fear and debt, while every day fresh inroads are made on our liberties through taxation and vexatious regulations.

In consequence of this, we find a fertile breeding ground for Fascism, Communism, and other varieties of change—some of which may possibly add to our material well being, but all of which exact the price of still further surrender of our reasonable liberties.

Parliament is rapidly falling into disrepute. Why? Because Parliament has lost most of its real powers to add to your liberties. Parliament can do little more than take away your liberties. Parliament is ineffective. For proof of this, read what Ministers are daily telling deputations which wait upon them. All sorts of desirable plans are put before Cabinets—plans for hospitals, schools, roads, etc. We have the men who are willing and anxious to do the work: we have the skill and experience; we have all the materials. Only one thing is lacking. That thing is finance. Finance is a matter of bookkeeping entries, of proper accounting for things done. In other words, finance is, or should be, a reflection of facts. Instead of this, we have allowed it to control practically all our activities.

Until this state of affairs is righted we shall never regain our prosperity or our liberties; and it can be righted through Parliamentary action in such a way as to extend our liberties and without any interference with private property. Parliament is elected by the people. THIS MEANS YOU; and it is your duty to yourself, to your dependants, and to your fellow-citizens to give serious thought to those removable impediments which are preventing Parliament from doing its duty and which are stopping the further progress of our country.

The *New Times* has been established to assist you in getting at the truth of things. It is anxious to help you. You, in turn, can help it by becoming a regular reader and by getting your friends to read it.

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If you wish to subscribe direct, the rates, post free, are:—One year. 15/-: six months. 7/6: three months. 3/9.

### World - Government Plot Exposed!

The series of articles by Eric Butler, which recently appeared in the "New Times" under this heading, together with other matter, has now been printed in booklet form. The price will be sixpence per copy, seven pence if posted, from New Times Limited, Box 1226, G.P.O., Melbourne.

## THE GREAT DELUSION

### Appearances and Reality

By ERIC D BUTLER

"... part of the secret of being believed lies in the size of your lie, since the broad masses of the people, in the depths of their hearts, are probably corrupt rather than consciously and intentionally evil, and will, therefore, in the primitive simplicity of their minds, be more easily taken in by a big lie than a small one; for very likely they themselves sometimes lie in small things, but would feel too ashamed to indulge in a really big lie. . . . An untruth of this kind would never occur to them, they will never be able to believe in the possibility of such insolent, scandalous distortion, even when it has been proved untrue, yet for a long time they will have their doubts and hesitate, or at least take some part of it as true; therefore, however impertinent the lie, part of it will always stick—a fact which all who have been great artists in lying, all the lying conspirators of this world, know only too well, and therefore, in their meanness, exploit."

-Hitler, in "Mein Kampf."

When discussing the present world situation and the factors behind the scenes, the most common objection met is, "Yes, but it is too incredible to believe. You don't mean to tell me that men in responsible positions do not know these things?" If it were not for the fact that the banking swindle started hundreds of years before Hitler was born, one would be entitled to believe that those individuals working for the world Slave-State, and who no longer even bother to camouflage their aims, had carefully studied Hitler's dictum concerning human nature and the bigger lie. The international controllers of credit certainly surpass Hitler in their knowledge of human weaknesses. They have exploited human credulity to an extent, which will make future historians rub their eyes in amazement.

Many people, who have known the banking swindle for years have failed to warn others because they felt that they might lose their privileged positions. The immediate fear of their own position made them oblivious to the possible ultimate collapse of civilisation, as we understand it. "It is a psychological fact that excessive fear of one danger can make a man unable even to perceive the approach of a second and greater danger." This no doubt accounts for the fact that many people, who must have been aware of what was taking place several years ago, failed to act. Now that the ultimate crisis has arrived, and can no longer be ignored, many who have failed to speak in the past are realising that every effort must be made to lift the fog of lies and deception and allow the people as a whole to learn the facts. This is probably one of the most encouraging features in a situation, which is daily becoming more and more critical. Appearances are certainly against us at the moment, but underlying it all remains something, which can never be obliterated—reality.

It is in times of crisis that the Anglo-Saxon people are likely to do big things, and I for one believe that the financiers have underestimated the ability of the peoples of the British Commonwealth of Nations to face the menace of a world dictatorship. Speaking from personal experience, and I am continually meeting all sections of the community, I have no hesitation in saying that, if we had the organisation to reach all the people, we would set Australia alight within weeks. The facts are starting to permeate, and it is only a question of how much time we have to get sufficient of the people into action. On all sides, in trains, and other places where conversation can be overheard, how often do we now hear the statement, "It looks as if the American-Jews will win the war."

#### ACTION—AND UNITY

But this in itself is not enough. Unless the method of attacking

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the problem can be outlined, nothing but a mental cynicism results. I am continually meeting people who say, "Yes, I know, but what can we do. We might as well be under Hitler." To say that this attitude is widespread is no exaggeration. It is probably the greatest danger confronting the nation today. After all, the Government cannot smash the apple and pear growers impose crushing taxation on the people, ask the wheat growers to restrict production, while thousands still walk the streets out of work—and then expect a maximum national effort. I had the opportunity of noticing several groups of people react to Mr. Menzies, when he made a national appeal for unity last week. If Mr. Menzies and his Government could only hear some of the remarks being passed, they would realise that we have a far worse "Fifth Column" in this country than anything Hitler ever devised. That "Fifth Column" is a swindling financial system which is slowly undermining the morale of the people and making talk about national unity nothing but pious hypocrisy; and the sooner enough people have the initiative to take up their pens and tell their member of Parliament that they are sick of the present treasonable policy, the sooner we will start to get national unity of a nature which will need no appeals from Mr. Menzies or anyone else.

#### RESPONSIBLE PEOPLE KNOW

Referring to human nature again, it is a fact that even many of those who control—or help to control—the financial system have been completely ignorant of what was happening: Even they have been the victims of the "big lie." However, some of those who are more human than financiers (I can't bring myself to believe that some of the members of the international groups are anything more than power-crazed reptiles of the worst species) occasionally speak out. There have been outstanding examples of this since the last war. Two cases in point are the late Mr. Vickers, former Director of the Bank of England, and Mr. Louis T. McFadden, ex-president of the Pennsylvania Bankers' Association, U.S.A., and former Chairman of the House Banking and Currency Committee.

The following is part of a pamphlet that Mr. Vickers wrote shortly before his death: "All progress, trade, industry and the well-being of the people are dependent

upon certain essential supplies, without which they would collapse. In modern times there can exist no such thing as an economic system without a money supply system. . . . Over and beyond this we discover that in the progress of time (*and through our own past carelessness and ignorance*), we have permitted the money industry, by the virtue of its business, gradually to attain a political and economic influence so wide and so powerful that it has actually undermined the authority of the State and usurped the power of democratic government. There is nothing new in this downright assertion. It does not emanate from the distorted imagination of some troubled mind (not even mine), but expresses without exaggeration a firm belief held by many thousands of thinking individuals in this country and throughout the Empire, and for that matter throughout the world, *and is shared also by many of a score of intellectual businessmen in the City of London, the majority of whom however, would no more dare (and I do not blame them), to come out into the open and declare their views than they would tweak the noses of their bank-managers.*" Note the parts I have emphasised. These are the men who will now be forced to come into the open, with so much at stake.

#### "CORRUPT PRACTICES OF THE MONEYED VULTURES"

Mr. McFadden, to whom I have referred, said in the American Congress on January 13, 1932: "It was in 1924 or 1925, as chairman of the Committee on Banking and Currency, during hearings, that I first discovered what our bankers were doing in this country, and I began an intensive study from that time on up to the present time." By June 10 1932, he was referring in Congress to the Federal Reserve System as "one of the most corrupt institutions the world has ever known." This institution was able to break nations "through the defects of the law under which it operates, through the misadministration of that law by the Federal Reserve Board and through the corrupt practices of the moneyed vultures who control it." Time and time again Mr. McFadden startled the American Congress with facts, which could not be denied. He was constantly pointing out that the Russian Revolution was financed by Wall Street, and that the whole world would be ultimately bolshevized unless a halt was called. Mr. McFadden was finally "removed" from congress, and, if my information is correct, died of poisoning last year. It is remarkable what a long list could be compiled of prominent men who have died "mysterious" deaths after fighting the international money power.

#### LIES VERSUS TRUTH

No good purpose could be served by discussing the present holocaust that has burst in Europe from the military aspect. Other commentators are doing that, and, as usual, tell us nothing of underlying importance. No one asks whether a nation, with the tragic history of Britain since the last war can overcome that treachery by the financiers in a matter of months, and stand up to the greatest fighting machine the world has ever seen. I have just read a review of Wal Hannington's book, "The Problem of the Distressed Areas." It is an outstanding tribute to the Anglo-Saxon character that there is any morale left at all in Britain. No commentator would dare tell the people that the cream of Britain's youth is being shot with nickel supplied from Canadian mines, bought by Germany with credits supplied by Wall Street and the Bank of England. Neither would they dare tell the people that these boys' mothers, wives and

dependents will then pay the interest bill to the same bunch of financial gangsters who made the rearmament of Germany possible. But, the truth is coming out; and having heard the truth, there is going to be a stir, and some people in high places are going to face a barrage of aroused public opinion such as we have never seen. The London Times, of March 5, said: "Perhaps the most terrible feature of this war (the Finnish war), is the manner in which the human intellect is degraded and men are sent to death for lies." No truer words were ever printed, and they have an application to the European conflict as well as the Russo-Finnish conflict.

We are fighting lies everywhere. The only answer is to give the facts. Any person with red blood flowing in his veins, who knows the real objectives of the present conflict, and who still possesses a sense of real values, *cannot* stand aside now. If we are going to allow millions of our own people throughout the Empire to make the supreme sacrifice without making the greatest possible effort on the home front, then we are certainly doomed.

Let us now, while the torch of liberty and civilisation flickers in the darkening gloom, make a great resolve. Let every man and woman help to tear aside the veil of lies and hypocrisy and set this country on fire with a campaign which will roll across Australia like a bush-fire, a fire which will light the whole British Empire and clearly reveal those dark and sinister groups which are destroying civilisation.

Will you help to light that fire? We want financial, physical, and moral support—before it is too late.

## The President Makers

During a crossing from Le Havre to New York, a group of great corporation heads—one of the greatest oil men in America, two of the leading bankers, one of the most important industrialists—sitting daily at a table in the lounge, sought to disillusion a famous woman journalist about politics and to banish her naive ideas about our republican-democratic Olympiads. They explained to her exactly how the big businessmen of America finance and dominate the campaigns of both parties, including the "reform" party, whichever it may be, which promises the dear people it will end the iniquities of Wall Street, bust the trusts, drive the money-changers out of the temple, and what not.

"What about Franklin D. Roosevelt?" asked my informant. "A slight error there," replied the oil king. "Of course, we had our money upon him as well as the opposition, and we expected him to make the talks about the money-changers, but we did not expect much action. He has, however, betrayed his class, and he has fooled us. Well, we had about five million dollars in the Democratic Party in that election, and there is no doubt that Franklin Roosevelt has now got a large mass following. I do not think we can defeat him, but my friends here do. It will take more than five million, but they say they will do it. They'll do it if it takes twenty million. But make no mistake about it, Miss — we buy and control our Presidents. And by we I mean the five men seated right here at this table and a few of our friends back home. We make mistakes sometimes, but usually big business wins no matter which party wins."

—*You Can't Do That*, by George Seldes (Modern Age Books).

# 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 CONFIDENCE TRICK

When stories are told of how honest, unworldly innocents are separated from their money by the designs of confidence men, most of us feel amused and regard such occurrences as unusual.

Those who have seriously considered the true nature and purpose of confiscatory taxation are aware of a curious and colossal confidence trick, which is being operated continuously against our unsuspecting citizens. Most of the victims, busy in their transactions with their fellows, seem to regard the loss of their hard-earned money in payments of taxes as a justifiable and necessary expense.

To the informed onlooker, it is amazing to see amongst them business and professional men who, in their respective callings, display extreme care and caution, yet never at any time pause to consider the possibility of removing the bugbear which, they freely complain, is the cause of constant irritation.

It would be to the general benefit if our readers would bring under the notice of these estimable citizens a copy of the "New Times" to encourage them to read and reflect upon the different sources of money being used to pay for the war.

It is, of course, a fact that the private banks are creating enormous sums of money to finance the war by making book entries against the credit of the nation, and thereby acquire a big proportion of the Government's interest-bearing bonds. The money is created at practically no cost by the banks (private institutions). No one else is allowed to make the book entries. Bank credit is **counterfeit money**.

Of course people who are able to save some money also get interest-bearing bonds when it is lent to the Government, but only a fraction of the money needed for the war is found from the people's savings. We can understand this when we know that most businesses are carried on by the aid of a bank overdraft. This means that business people borrow some of the community's financial credit, which, unfortunately, is wholly and solely issued and controlled by the private banks, and is made available by making the necessary book entries.

Therefore it is easy to see who is getting most of the benefit from interest-bearing Government bonds, and who owns the greater part of our National Debt. Huge loan charges must be met with our hard-earned money paid in taxes, but the taxpayers get nothing in return. The banks and insurance companies get interest-bearing bonds. The money we pay in taxes has been accurately described as "**confiscated money**."

We have often been told that finance is a matter of "confidence." Are we really so simple that the tales put over us by a press hanging on the favours of the confidence men will deter us from giving our governmental representatives emphatic instructions to end the injustices of a system of legalised robbery?

## THERE IS ANOTHER SIDE TO EVERY PICTURE

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**Introduce them to the paper that shows the other side.**

**We all wish to see behind the scenes—but how?**

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## "UNION NOW" DENOUNCED

(Continued from page 1.)

may have been carefully chosen, does not entirely dispel the sound of insincerity. Certainly the British Government is not trying to drag us in. We cannot be dragged. Yet we doubt if the Ambassador would deny that the British Government wants us in, and would do any honourable thing it could think of to get us in.

Let us not be mistaken here. As we say, the British Ambassador's speech, being forthright, was unobjectionable as propaganda, so we say that the British Government, by any power of eloquence, persuasion or appeal to our interest, has a perfect right to get us into the war if it can. The rest of it is our business. We say further that any among us, provided only they are citizens, who sweat with the conviction that this country ought to take part in the war, have a right to propagate that idea in word and print freely. The only propaganda we denounce is that which purports to be what it is not, or is hired with foreign money, or misrepresents the source whence it comes.

That there is an organised propaganda for getting this country into the war is a fact, which, we think, no literate intelligence would dispute. To say it is organised is not to say it is sinister. It may be perfectly innocent in part or entire. As that may be, the only way to deal with it finally is upon the merits of its case. There are those, for example, who suspect it was more than a curious coincidence that the British Ambassador's message was parallel to an idea that had been actively developed here beforehand as an American theme, uniting the thought of all who are for taking this country into the war. The Ambassador suggested a federation of democracies. Sea power should no longer be in the hands of one nation; it should be in the hands of the democracies. The united sea power of the united democracies would, of course, give them control of the world.

Now, firstly, that happens to be the central idea of a book entitled *Union Now*, written by Clarence K. Streit, who is an American journalist; secondly, this book has had a sudden career. There is an organised campaign behind it, with committees, bureaus, speakers, funds, and, in Europe, a distinguished British sponsorship. A militant cult appears to have formed about it in a spontaneous manner, treating it as the political Koran of a new world.

A little wonder is permitted. If there is here any foreign design or subsidy, we should be interested to know; and we should know what to say about it. But, as our point was, that would leave the idea still to be dealt with.

We have read the book. What we imagine is that the book itself did not produce the stream of thought that seems to proceed from it; more likely, the stream was there and the book fell into it. The writer is one who is for crossing the Atlantic to do battle with the aggressor — now! In leaving Europe to the Europeans, he thinks, we leave our peace and freedom to them too. If we will fight for our freedom, is it not wiser to begin fighting for it on its European frontier? Is it not better to fight away from home?

We leave that where it belongs. Crossing the Atlantic to meet an aggressor who has not yet aggressed upon us, and may not intend to do it, makes only romantic sense. It has no rational political or military meaning. How-

ever, that is not the theme of the book.

What *Union Now* proposes is a federation of fifteen democracies — namely, the United States, Great Britain, Canada, Australia, New Zealand, Union of South Africa, Ireland, France, Belgium, Holland, Switzerland, Denmark, Norway, Sweden and Finland—in the form of a supreme world government, with a constitution, an executive, a legislature, a judiciary, and a common citizenship; with the ultimate power to make war and peace, to make treaties, to issue money and to regulate trade. The military strength of this federation would be such that it could be reduced one half and still stand as two to one against the rest of the world. Its economic strength would be even more formidable, since to begin with, it would own half the earth, control two-thirds of all trade and possess a practical monopoly of raw materials. What could survive against it? Other nations would be permitted to join only provided the people in them overthrew their dictators and embraced democracy.

We wish those who try to move us with the word "democracy," not excluding the British Ambassador, who did it so well, could be obliged to say what it is they are thinking. It is owing only to a defeat of British diplomacy that Russia is not a "democracy" fighting on the side of "right." In the verbal confusion now surrounding the word it can be made to mean anything you want it to mean or to sanctify any end whatever, even conquest.

Do you think of democracy as a principle of human freedom? Most people would say they do. Yet among those who would say they do are these now proposing to impose democracy upon the whole world by force. Is the democracy they think of as a principle of human freedom the same as the democracy they would make universal by supreme power of armament and economic monopoly? Any nation that had not the good fortune to be one of the fifteen founding democracies would still be free. But free to do what? Free to embrace democracy, as the new world government should define it or perish in the margins of the earth. It might be good for them, whether they knew it or not; it might make them happier though they believed it not. But is this the voice of democracy?

If it is, then we can imagine even a stranger thing than a tyranny of freedom. We can imagine that democracy might conquer the world and lose itself. That makes nonsense. So does *Union Now* make nonsense except as a variation of the theme that once before involved us in Europe's warfare. Let us this time attend to the saving of our own democracy.

### Don't Fail to Read "MONEY"

By S. F. ALLEN, F.C.A.

(Aust.)

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## THEY CALL IT PROGRESS

By JAMES GUTHRIE, B.Sc.

(A Broadcast Talk from 7HO, Hobart, on May 12.)

**One hundred years ago, Rowland Hill invented the penny post. Today, with the help of a hundred years of invention, organisation, and education, a letter costs two pence to post—that, dear friends, is called progress, and spelt with a capital P.**

**Twenty-five years ago, the National Debt of Australia was hardly worth talking about; now it is 1,300 millions and growing at about one million pounds a week. That is called progress.**

**Twenty-five years ago, in Hobart, a man could rent a gentleman's villa for 15/- per week; now it would be difficult to find a miserable hovel for that rental.**

In England today the whole of the electrical power industry has been rebuilt and brought under central control. Hundreds of power stations have been destroyed and replaced by a few super power stations. Electricity now costs more than before. There have been more breakdowns than there had been for over 25 years, and the power supply of the entire country can be rendered useless by a few well-placed bombs. It is obvious that in planning this large scheme neither the interests of the people nor the safety of the country have been considered. The scheme was not sought by engineers but by financiers, the results aimed at are financial results. The financial profits obtained are obtained by making others carry the losses, and the losses are tremendous.

That is called progress, listeners, and the new word for progress is called "planning" - centralised planning. The planning of lives of other men, by men who are not capable of planning their own lives, and who have no intention of living under the plans they make for others.

### UNREWARDED EFFORT

You must have noticed when at the picture theatre how the children cheered the hero when he triumphed over the villain of the piece and how pleased they were when the hero was quickly rewarded for his good deeds. The children consider these things just and reasonable, and it gives them great satisfaction to witness such scenes.

In fact, it gives us all satisfaction to live in a reasonable world where justice is obtainable and honest effort receives an honest reward, but, unfortunately, most of us have got to go to the pictures to find such a world.

And it is just here we are able to place our fingers on the cause of so much dissatisfaction and bitterness. Men and women do not consider the world they live in a reasonable world: they are not getting satisfaction out of it. The results, which reward endless labour, sacrifice and inventiveness, are scandalous.

The ordinary man and woman expects very little, but they *have* expectations. You cannot tell young boys and girls about the wonders of science and invention without making them wonder where *they* come into the picture. You cannot teach children to be disciplined and orderly without making them rebel against the lack of discipline and orderliness in the economic institutions of their country.

### PRODUCTION AND DISTRIBUTION

Nowhere is the revolt against the economic chaos of today more pronounced than among producers and retailers. These are the men who come face to face with the ghastly absurdities of our present system of distribution.

Every time the farmer and the manufacturer produce sufficient to supply all the people with their needs the prices collapse and the producer is forced to sell at a loss, and so to prevent himself from going bankrupt he is forced to restrict production and destroy much of what is already produced,

even although large numbers of people are quite unable to obtain the very things that the producers are casting away.

We see, therefore, that the producers, if they are to remain in business, must collectively commit a grave social offence against their own people. They must do it knowing that they are doing wrong. Nobody would suggest that they want to do it; we all know they hate doing it, but the point is that they are forced to do it by the system under which they are forced to distribute their goods. In other words, we in Australia have not sufficient tickets called money to buy the bread, butter and fruit we grow and make with our own hands; and down in the Huon district today you will see scores of thousands of cases of apples thrown into the river and given to the pigs, by order of the Government of this country, while I dare say half the people in Australia never see an apple; and the orchardists themselves are under a heavy penalty if they give away their apples; and the wheatgrowers have been warned by the Government against growing more wheat. These things are not reasonable; they outrage our sense of moral values, and when we are asked to make sacrifices, we wonder what sort of game is being played against us, and we are suspicious, for it is not reasonable to work and work and see nothing for our efforts but growing debt and insecurity. No one but a fool would be satisfied with that for long. We are not all fools.

### DISRUPTIVE AND DANGEROUS

Many grave warnings have been issued about this disruptive and dangerous state of affairs, and all over the world men have told us that the refusal to allow people sufficient money to buy the goods for sale must intensify competition for markets, and competing nations will, in desperation, fight for markets with armies and navies.

Up to now the people of every country have been quite incapable of bringing about any real alteration to a system of distribution, which took account of everything except the needs of the people. Nevertheless, the reaction to the situation has been unmistakable.

Unable to get security for a family of five or six persons, men and women have restricted their families to one or two, or to none at all and neither Hitler nor Mussolini nor Mr. Hughes or any of the would-be prophets will alter this decision to commit national suicide until the conditions under which men live, work, and build their homes are very severely altered.

What perplexes most people is why, with the increase in the power to manufacture and produce so easily the necessities of life, have we to struggle so hard to get them; why is it necessary to restrict production, and why are our producers so poor. Our debt grows, and *who* owns all this debt of £13 hundred million pounds that our Governments owe?

### NIGGER IN THE WOODPILE

These things can only be under-

## Business Men! Arouse Yourselves!

(Continued from page 1.)

- (a) Only 10% of the sum required for war purposes to be taken from individuals through taxation, the balance of the requirements to be met by the use of the National credit. (In the last war practically the whole of the finance used was in the form of bank credit.)
- (b) Loans, which are made available for war purposes to be free of interest.
- (c) For the money taken from individuals through taxation the Government to issue National bonds bearing interest at 2½% during the war and 3% afterwards. This would convert the confiscatory taxation into compulsory savings.
- (d) National bonds not to be issued to, or to be held by, any banking, insurance or discount company.
- (e) Finance to be created and issued against definite delivery or service orders.
- (f) If it be found necessary to reduce the consumption of any article *during the war*, it should be done by rationing the article, not by raising its price or confiscating the community's purchasing power.

These principles are well known to the controllers of our money supply, but are not receiving publicity because they are designed to benefit the people and to reduce the power of the banker—the very opposite results to those being worked for by the financial "advisers." These "advisers" have been selected and appointed to serve the interests of the financial institutions, and are really the same gentlemen who supported the depression of 1930 and 1931 without regard to its effect on the lives and happiness of the people at large.

stood if we realise that there is only about £30 million pounds of cash in the Australian banks, most of it paper notes. This year £70 million pounds are wanted for the war. The money for the war doesn't exist, either in the pockets of the people or in the banks. As the war goes on, money will be mostly *created* by the private banks for this purpose. The private banks issue credit in the form of loans to the Government. As 90 per cent, of the business transactions in this country is carried out by means of bank cheques, the credit extended by the banks to the Government means permission to use cheques which cost the bank not even the cost of ink and paper, because they write cheques for them.

But although the banks create this credit out of nothing, they demand hard-earned money back in return. The banks, by means of this counterfeit money, can buy loans and buildings, and shares in the Colonial Sugar Company; they can also buy your labour and your house. Our Governments pay £50 millions a year on loans, most of which are held by private banks and their dummies. This amounts to half of our taxation and ten times more than the entire profits of the great industrial monopolies of Australia, in which the banks are also interested. This means that our Governments are at the mercy of the private banks, and are really tax collectors for the banks, and when you realise that recently our farmers were in debt to the banks to the tune of £500 million, which means an interest bill of £25 million a year, or 25 times the entire profit of Broken Hill Pty. Ltd., you can see straight away that the problem that is of supreme importance is not a question of growing more food, but a question of controlling the money supply, or controlling those who control the money supply.

A small packet of cigarettes costs 6d; 3½d of this is taxation a gallon of petrol, 9d of it is taxation: the question of rising prices is a question of taxes. No matter where the taxes are placed, you, poor mug, have to pay them all; neither hard work, sacrifices, nor inventiveness will save you from the disastrous consequences of allowing private companies the monopoly of creating counterfeit money. This money business has got to be settled one way or the other, and those who are responsible for maintaining this gigantic swindle will have to be exposed as enemies of their country. Money must be made available to fight this war, and the question of how it is to be made available is going to be of great importance to you.

We should remember the words of Abraham Lincoln: "I have two enemies—the Southern Army in front of me and the financial institutions behind me. The enemy behind me is the most formidable." The position is precisely the same today. We have two enemies. Germany in the front of us and the financial institutions behind us. The enemy in the rear will still be our enemy after the military conflict is over unless we take steps now to disarm him.

Paragraph 530 of the Report of the Monetary and Banking Commission states definitely that "The Federal Parliament is ultimately responsible for monetary policy and the Government of the day is the executive of Parliament." Therefore all that is necessary is for the Parliament of the Commonwealth to give suitable instructions through the Government to the members of the Bank Board. Note particularly that Parliament is the responsible body, not the Government. And we can speak in that Parliament through our respective representatives.

Parliaments exist in this country to give effect to the will of the people. They have no other real purpose. Consequently, members of Parliament should be instructed as to what the people do want, and that is the job of the people themselves. Slavery was abolished because the people demanded it, and now poverty and misery will be ended if the people demand it.

All of us, and particularly the businessmen should write to our own member and tell him now that we are against unnecessary economies, poverty, and confiscatory taxation; that we require measures adopted that will ensure the maximum war effort without further debt or excessive taxation; and that if the Government's present "advisers" do not know how to do it, they should be asked for their resignations, and more qualified men appointed in their places. — Yours faithfully,

BRUCE H BROWN

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## LETTERS TO THE EDITOR

### Born To Time Payment

Sir,—"The worker is born on the time payment system—the nurse has to get her money in dribs and drabs. The worker gets married on the same principle. He lives all his life on time payment and the undertaker digs him into the ground at 6d per week."

It is reported that when the Prime Minister (Mr. Menzies) heard this statement from one of the miners' leaders in the north he said:

"That is one of the most original things I have heard."

It is certainly more tragic than original to think that such a state of affairs exists in this country, and it should go to stir the conscience of all men in Mr. Menzies' position to get down to the causes of not only the condition of the worker, but also of the economic chaos that is rampant in our midst.

There has developed a widespread discontent not only among the low-paid workers, but also among most all sections of the community, and they are demanding to know: Why this poverty, this increasing insecurity in a land of plenty?

The huge taxation burdens which this and future generations are to carry, due to the Debt-System of financing wars and other National undertakings, is also making the people think.

The common question heard on all sides is, how is it that millions of pounds can be found for war but less and less for the people's health, education and the provision of a higher standard of living?

"No funds available," is the usual answer to the requests for the better development and true defence of Australia. The people are becoming impatient with this absurd and tragic position, and must demand that the money mechanism shall no longer be the plaything of Bankers and Financiers, but that it shall be scientifically controlled in the interests of the whole community.

A noted Banker has admitted that "Modern thought in regard to banking and finance is undergoing drastic changes." and our Federal Treasurer (Mr. Spender) says that "the pressure of public opinion has played a tremendous part in liberalising views on these matters, and that "we have learned a great deal about credit finance since the war."

We, the people, however, must more effectively expose the dishonest financial manipulation that took place during the last war and since, and exercise an even greater "pressure for the liberalising" of our Monetary System.

If our leading politicians are prepared to "learn a great deal more about finance," then it is hoped that they will protect the people they profess to represent from further economic enslavement to the Money Monopoly during this war and after. — Yours, etc.,

STANLEY F. ALLEN,  
F.C.A. (Aust.).

Sydney.

### An Australian Economy

Sir,—Europe is battering itself and its civilisation to pieces, so that it behoves Australia to take thought for the morrow, if she wishes to continue her mode of life, her freedom and her pursuit

of her ideals. Indeed, her task is no less than to salvage what will be left of civilisation after the Germans are done with it, for clearly, whichever side wins, a military dictatorship is inevitable unless some country can show the way out. What is the way out?

Wars have followed wars for millenniums past, each having its roots in a preceding war; there must be some cause common to ancient and to modern times for such disasters. What is it?

— Yours, etc.,  
M. C. DE GARIS.  
Geelong, Vic.

## A Highlight from Hansard

Mr. Dedman (new Member for Corio, during his speech in the House of Representatives, 19th April):

"It will be remembered that it (the Government) has recently borrowed £10,000,000 from the banking system. I believe that endeavours have been made to find out the proportion of that loan which was subscribed by the Commonwealth Bank, and the proportion of it, which was subscribed by the private trading banks. That information, I understand, has never been made available. I can only surmise that a considerable portion of that amount was subscribed by the private trading banks at 3½ percent interest. Because of the transaction, the Government has put the people of Australia in pawn to the private trading banks at 3½ per cent, when it could have obtained the money free of interest from the Commonwealth Bank, which belongs to the people of this country. . . . The point is that, to the extent that there are unemployed resources available in this country, the Commonwealth Bank could make available to the Government, free of interest, and without any fear of inflation, sufficient money to utilise these unused resources to their fullest extent. That is the modern definition of the ability of a central bank in any country, to finance the resources of that particular country. I point out that the full utilisation of resources includes not only manpower, but also capital equipment and raw materials. As I have already stated, none of the unemployment that has existed over the last ten years was at all necessary; all of it could have been avoided."

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## SUCCESSFUL CAMPAIGN IN NORTH-EAST VICTORIA

The first reports to hand from the North-East clearly indicate that Eric Butler and Norman Rolls are, as usual, sparing no effort to get the facts behind the present world struggle to the people. Leaving Melbourne on Sunday, May 12, the campaigners made their first call at Benalla, where arrangements were made for a meeting. On Monday, May 13, a public meeting at Buffalo River was well attended, although the temperature was below freezing point. This mountain centre heard the campaign for political and economic democracy explained for the first time. Literature sales were good. Mr. A. Collins and Mr. W. McGuffie were responsible for this very fine meeting. Supporters in other small country centres are reminded that a meeting in their locality will help spread the facts in areas, which have been previously ignored or neglected.

Tuesday, May 14, was spent in Myrtleford. Owing to unforeseen circumstances, there were very few at the meeting at night. However, every person present bought a copy of Eric's booklet and "Money." The ultimate result may even prove more beneficial than a big meeting. The campaigners left for Osborne's Flat, via Wodonga, that night, and were the guests of Mr. and Mrs. F. Mongan for the following two days. On Wednesday they visited Albury, and made preliminary arrangements for the big public meeting, which took place in the Town Hall last Monday night. As we went to press, we had not yet received a report of this meeting, but a report will appear in our next issue.

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## The Truth About Sumner Welles

(Continued from page 1.)

allow this change in attitude to be attributable to an emissary of Jewish High Finance. To divert attention and to make it appear as if the present hostility was due to something other than Sumner Welles's mission, the meeting between Hitler and Mussolini at the Brenner Pass was stage-managed. The chances are that all major lines of policy had been laid down before that meeting, and that they merely discussed details, which could just as well have been settled another way. To the world, however, it looks as if Italy's changed political direction was due to that meeting. If, from a military point of view, the Allies were gradually getting into a more and more favourable position and there was a possibility of the Allies actually breaking the power of Nazi Germany without themselves becoming exhausted, then the Jewish International plot would have failed.

The enemy in New York would have two alternatives. Either they would call off the war completely and prepare for another war in 10 or 20 years' time. By that time the constellation of powers could have been changed; Russia could have been re-organised and the U.S. people been educated up to a definite hostility towards France and Britain. The other alternative is to strengthen the military position of Germany. This could be brought about in a number of ways, in view of the fact that Germany enjoys internal lines of communication, and by additions to the military power of Germany by Italy and Spain. If these two countries are involved, Russia might also be brought in. It was recently shown that it was a grave diplomatic error to try and involve Russia against the Allies first, as this was antagonising Italy and Spain.

The second alternative would, therefore, involve buying Mussolini and his Government. For Jewish High Finance this is quite easy, by promising finance, with a view to exploiting the Balkans jointly with Italy. Mussolini was bound to rise to this bait. There is, of course, no doubt that Jewish International Finance intends to double-cross Mussolini and Hitler as soon as it suits them, but not before they have dealt Britain a fatal blow. If Jewish High Finance has come to such an arrangement, then we shall also find that our internal difficulties are increasing, because that archenemy of Britain and of democracy has a foothold in this country. It is to be hoped that true lovers of England and of democracy will more and more realise how it is part of the enemy's tactics to rely on treachery. This treachery, in the military sense, was amply shown in the recent German occupation of Norway. Such treachery is showing itself in this country in a financial sense and an economic sense. It behoves all those who are aware of the real enemy to do their utmost to spread this knowledge.

—"H.R.P.," in *The Social Crediter*, April 27.

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### MELBOURNE (Cont.)

(Continued from page 6.)

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**C. KENNEDY**, Grocer, Haw. 223. Opp. Cemetery Clock, Parkhill Rd.  
**DRY CLEANING**, Depot & Library A. I. Fraser, 182 High St. H.3733.  
**E. WHITE**, 109 High Street. Confectionery and Smokes.  
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**IMPERIAL DAIRY**, R. H. Kent, 9 Brougham Street. Haw. 3243. M.  
**J. MARTIN**, 157 High St. Haw. 3794. Shoe Store, Shoe Repairs.  
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## THE ENEMY WITHIN

By JAMES GUTHRIE, B.Sc.

(A Broadcast Talk from 7HO, Hobart, on May 19.)

**In Tasmania, all the monies collected from Income Tax and Wages Tax, about £1 million a year, are required to pay interest on State Government Loans.**

**That is a very serious state of affairs, because it means the development of the State and the maintenance of roads, hospitals and schools is crippled and hampered at every turn. It means that our Parliamentary representatives are asked to carry on the government of the State with a supply of money, which is quite inadequate for the task; and our representatives will, therefore, be quite unable to meet the legitimate demands of the people.**

Under these conditions it does not make much difference, which Party is in power—the results are always unsatisfactory. Complaints about the amount of Loan money used in this State have been voiced in several ill-informed quarters—but the fact remains that it is impossible to build roads, railways, hospitals and schools out of the monies available from taxes. Nor is it possible to obtain the money from private savings.

If people, generally, had sufficient surplus cash to lend to the Government, then their homes and farms would not be mortgaged to the banks as they are today.

Public works are built with public money: that is, new money created by the Banks out of nothing and lent to the Government. As the community develops, new money is created to assist this development. It is obvious a community cannot sit still until somebody discovers gold. There isn't £½ million worth of gold in Australia, and the Governments of Australia are in debt to the tune of £1300 million.

This means that since we are dependent on the Banks for the issuing of new public money for new public works, the entire assets of the country must ultimately be owned by those who issue that money—namely, the financial houses and their friends; and the rest of the country will spend their lives working for them—that is, those who are permitted to work. A simple illustration will explain how this happens:

### AN EXAMPLE

Suppose a few of us decided to build our homes in the back-blocks, and to maintain ourselves while clearing the land, some of us went shooting rabbits and fishing, and two of us might build a dam to supply us with water; that dam, when finished, would be an asset which would supply us with water without further effort for many years. The little community paid for the dam when it fed the men who built it, and there was no further liability attached to it.

But in Hobart or Launceston, when a water supply is required, we ask the banks to issue new money to the men who build the dam. This money is issued on behalf of the community in the form of a loan. The community feeds and clothes the workmen by means of their wages, and when the reservoir is finished, the Bank claims the

property as its own, and demands repayment in real money, or, failing this, it requires an interest payment to be made each year forever afterwards.

In this way, the financial houses not only collect the lion's share of our rates and taxes, but the lion's share of all enterprises and income from private property.

### COUNTERFEITERS

Some people think that loans made by banks are made from money deposited in the banks by you and me, but that is not true. When a bank makes a loan, it increases the amount of money in circulation by the amount of the loan. Although the extra money created is credit operated on by means of cheques, this money serves all the purposes of real money.

In fact, ninety per cent, of the business transactions in this country are done by cheque—cash and notes are only used as petty cash.

The power to issue and create credit gives enormous powers to those in control of our private banks. In America the firm of Kuhn, Loeb and Co. controls hundreds of thousands of millions of pounds of capital; their ramifications cover the entire world, and no country, however powerful, can afford to defy this company.

This company financed the Russian revolution; it financed Hitler and Japan; Communism, Fascism and Democracy are all the same to the big financial guns—they don't care a tinkers' damn for private enterprise. Why should they, when they can obtain gilt-edged securities from Governments, and get Governments to collect the taxes for them?

### GOVERNMENTS "IN THE BAG"

Take the case of the Tasmanian railways; for

years they have shown no profit—but that doesn't matter. The bondholders receive their interest regularly year after year. That is what the Government is there for; that is the Government's principal job - - tax collectors for the banks.

Any politician who carries out this task, who takes loans when he is told to, and who sees that the social services are cut down sufficiently to permit the banks getting their interest out of the community taxes in perfect safety—such a politician is called "safe"; he is sure of promotion; his photograph will appear regularly in the papers; the public will get to hear of him; he becomes a national figure for a few years—until he is found out, and then he is retired on a pension or given a job abroad.

### SABOTAGE

The supreme tragedy for us is that, although the development of the British Empire has been held up for over twenty years, and although since 1930 the defences of Great Britain have been cut to the bone under the dictation of and through the agents of International Finance Houses, yet these same Houses have extended their credits to Germany in such a generous manner that she was able, with their aid, to build and finance a military machine so vast that the destruction of the British Empire was almost guaranteed.

In recent years 40 per cent, of the best shipbuilding yards in Great Britain have been permanently dismantled, and shipbuilding prohibited in them by deeds of sale carried through by financial houses.

This is not the time to discuss the sabotage of British resources of the last ten years, and the building up of Germany's resources. The British public has taken the matter in hand, and there has been an outcry at the limited money available for war as compared with Germany, and Sir John Simon has been removed from the Treasury.

But the position still remains serious, because it is impossible for this country and England to pay the private Banks interest on the last war and carry on this present war.

### THE HOME FRONT

If the present debt system remains in being during this war, it means ruinous prices, exorbitant taxation with a consequent destruction of the morale of the people at home. Heaven knows we have a powerful enough enemy to fight in Europe without having any enemies at home.

If this war is financed in the same manner as the last war, and if taxation keeps on increasing, it means the entire property of this country, including farms, houses, press, big shops and industry will automatically fall into the hands of the financial institutions.

Many Socialists welcome this trend as being the first stage in State ownership. They believe that when this stage is completed the State will take over the financial institutions. But what the more experienced of the Socialists now see is going to happen is that the financial institutions will take over the State under the name of National Socialism. The word "Nazi" means Nationalist Socialist Party.

Whether you call it "Nazi" or "Nasty" doesn't matter—what it really means is death to you and me. It means death to personal initiative; it means the destruction

of enterprise by an army of officials.

### THE TASK AHEAD

The task immediately in front of us is to release the tremendous unused powers of this country in one gigantic effort to defeat the common enemy. We will not do that by destroying Tasmanian fruit and then telling everybody to tighten their belts, or by making fruit so dear that no one can buy it. Whoever does such a thing is an enemy of his country, and, as patriotic citizens, it is our duty to expose him in public.

One of the most pathetic things in the last war was the spectacle of untrained officials trying to tell experienced men how to do their job. If the Government wants things done it is its duty to tell us precisely what it wants, and, as long as the necessary results are forthcoming, to keep most of the officials tied up in cages so as not to hamper our efforts. The destruction of human effort by Government red tape and ignorant officials has been colossal.

In a war where brains and intelligence and endurance is to tell, the peculiar talents of every man will be needed. Let us try and avoid the tragic blunders and wastage of the last war and give to every man and woman a chance to do their bit. It is of no profit to this country to destroy a good engineer to make a bad soldier, or to throw apples in the river merely for the sake of making sacrifices.

## UNITED ELECTORS' REPORT

### TUESDAY NIGHT LECTURES

Dr. John Dale will be the lecturer on Tuesday, May 28 at 8 p.m. All are invited to attend these informative lectures. Dr. Dale, will speak on "Health and Income."

Mr. W. F. Allen's address on "The Ethics of the Co-operative Movement" last Tuesday night was received with appreciation by those present.

### PICTURE NIGHT

The secretary has much pleasure in announcing that £2/2/3 will be added to the funds as a result of the picture night held on May 15.

### BENDIGO MEETING

New Times readers and supporters are requested to attend a meeting at the residence of Mr. T. Crombie at 101 Anderson Street, Bendigo, to arrange details for Dr. Dale's visit.

## WHO RUNS B.I.S.?

On April 16, Mr. Arthur Henderson asked the Chancellor of the Exchequer whether the Bank of International Settlements is still operating, and whether Germany remains a member of the board of control?

Sir John Simon: "The Bank for International Settlements is still operating, but on a reduced scale. Germany is still, I believe, represented upon the board of the Bank, but no meetings of the board have been held since the outbreak of war."

Mr. Wilmot: "Then who is directing the policy of this institution?"

Sir John Simon: "I do not know."

### Urgent Notice to W.A. Campaigners

**UNLESS IMMEDIATE FINANCIAL HELP IS EXTENDED TO THE HEADQUARTERS OF THE ELECTORAL CAMPAIGN IN W.A., IT WILL CLOSE ITS DOORS BY THE END OF THIS MONTH. THOUSANDS OF PEOPLE ARE INTERESTED AND AGREE WITH THIS CAMPAIGN. IT IS NOT ENOUGH TO AGREE. PRACTICAL SUPPORT IN THE SHAPE OF DONATIONS AND SUBSCRIPTIONS IS NECESSARY. UNLESS THERE IS AN IMMEDIATE RESPONSE THERE WILL BE NO OTHER ALTERNATIVE BUT TO CLOSE DOWN. AT THIS STAGE IT WOULD BE A TRAGEDY. BUT THE TRAGEDY WILL BE STAGED UNLESS SUBSTANTIAL FINANCIAL SUPPORT IS FORTHCOMING.**

—V. J. Dury, Campaign Director, The Electoral Campaign, 81 Barrack St., Perth.