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Clears up Obstinate
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45 Brunswick Street,
Eastern Hill, N.6.
Phone: J 1873.

THE NEW TIMES

Vol. 6. No. 28. MELBOURNE, FRIDAY, JULY 12, 1940.

"CATARRHEX"

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Sir Keith Murdoch and National Credit

ISSUE EVADED

The following correspondence has taken place between Mr. Bruce H. Brown, who needs no introduction to our regular readers, and Sir Keith Murdoch, who also needs no introduction. The correspondence speaks for itself:

17 Ferguson Square,
Toorak Gardens,
Tusmore,
South Australia.
18th June 1940.

Sir Keith Murdoch,
Director of Department of
Information,
Melbourne, C.I.

Dear Sir Keith,

I have just listened very carefully to your broadcast address to me as an Australian citizen, and am anxious not only to believe in your sincerity, but also to see your efforts completely successful in the National interests. But there is one thing I cannot understand. You tell me, with apparent earnestness, that you are concerned only with the welfare of the people and the dissemination of truth, yet for many years you have been supporting, and using your powerful propaganda avenues to defend, a system which oppresses the people and is the very antithesis of truth. I refer, of course, to the financial system.

Anyone who has given thought to the subject will realise that more than 90 per cent, of all our community activities are conducted on the basis of financial credit, and that whoever controls this financial credit controls the activities of the nation. Notwithstanding this, in all the talk by our official spokesmen about marshalling the nation's material resources, not one word has been said regarding the marshalling of our credit resources. These, as you know, are controlled by a private monopoly and the information available to me indicates that you are not unacquainted with its identity or its methods.

If we continue our present-financial arrangements, a satisfactory peace will be a physical impossibility, because immediately the present war is finished we will resume the silly struggle for markets on a more intensive scale than ever, ultimately leading to a bigger and even more terrible war than the one now raging. And it has to be remembered that this will be on top of terrific perpetual book debts for vanished assets.

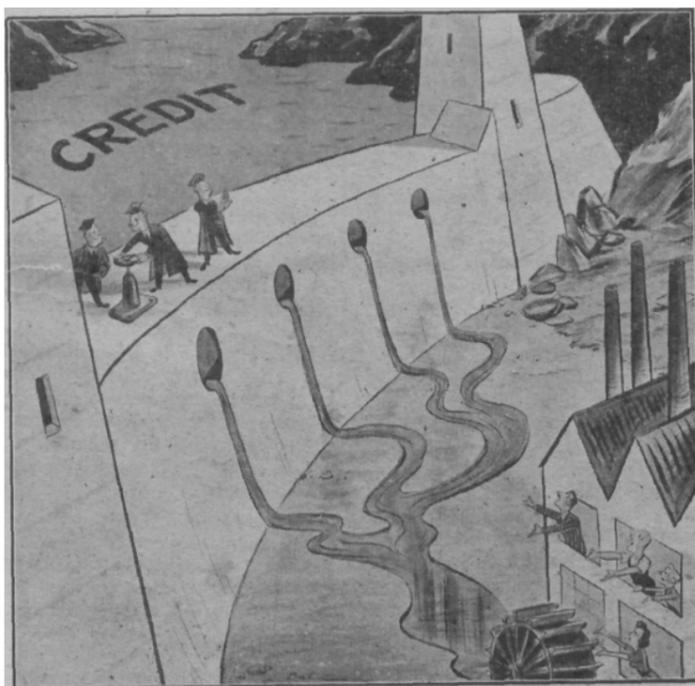
God has supplied us bountifully with materials and everything necessary to provide comfortable and happy lives for all the people, and yet we have widespread misery and degradation. This disgraceful state of affairs comes about, not because of lack of ability to produce, but entirely because of lack of ability on the part of people in general to buy. It is the product of the financial system, which generates costs faster than it distributes the financial wherewithal to liquidate them.

This out-of-date and dishonest system produces poverty, slums, disease, prostitution, unemployment, suicides, stagnation and war. Corruption of this kind will inevitably continue and increase during the promised "Peace", unless we remove the faults in our financial organisation. These are not the idle words of an irresponsible person. I am prepared to appear before you at any time and prove them

So long as public credit is controlled for the benefit of a private monopoly, so long will it be impossible to put forth our best war effort, and so long must our best young men die, largely in vain. At Milwaukee, U.S.A., on 8/6/1939, Philip A. Benson, President of the American Bankers' Association, declared, "There is no more direct way to capture control of a nation than through its credit system." (Quoted in the "New York Times" of 11/6/1939.) You already know this, and it is true to say that every rise in taxes and prices (both of which are products of the financial system) is a victory for the enemy, because it unnecessarily burdens the populace and reduces its morale.

It is publicly alleged that the Department of Information is being used to counter the rising tide of public opinion demanding reform of the credit system, and if there is truth in this allegation, then your professions of seeking

(Continued on page 8.)



"NO, NO, A THOUSAND TIMES, NO!"

(From "Rydge's Business Journal" for July, by kind permission.)

DAILY PRESS KEPT IT DARK

Some British M.P.'s Are Waking Up

The May 11 issue of an English weekly contains fairly extensive extracts from the Debate on the Budget in the House of Commons, and informs its readers that "The nonsense, often vicious nonsense, talked in the Debate on the Budget proved no exception to the usual display of futility to be witnessed in Parliament . . . During much of the Debate only about 30 members were present."

However, as the journal itself reports and points out, there were some exceptional utterances, which indicate a considerable measure of enlightenment. From the assorted extracts given, we have gleaned the more encouraging samples reprinted below. It should be noted that none of the gentlemen we have quoted has been elevated to Cabinet rank, nor did any of the remarks we have quoted appear in our daily press when it gave considerable space to the Debate and other reactions to the Budget. A double coincidence?

Mr. Stokes (Ipswich):

"I think it is time that the Chancellor of the Exchequer took back to himself and to the Government the power of creating money and took over the issue section of the Bank. There is no reason why it should not be done. May I remind the Chancellor of the Exchequer that in the Middle Ages anyone caught issuing financial credit or money outside the King's Mint was promptly boiled in oil, and I suggest that we should look upon this matter in that light . . ."

"I cannot understand—and I have never had a proper answer to the question—why it is bad business to issue your own money free and good business to have to pay 3 per cent, on your own credit. Everyone is now saying that this is a 3 per cent war. That is better than a 5 per cent, war, but I should like it to be a no per cent war. . ."

"About 75 per cent, of the population are busy making goods which are utterly useless except to blow other people's brains out. There is plenty of money to do that, but when it is suggested that men who are out of work should be put into work to produce real wealth, then it is said that it cannot be done."

Mr. Richards (Wrexham):

"The Chancellor of the Exchequer is making a great plea that the small man should save, but we on these benches feel that the small man has not that surplus which he could lend to the Government. The rich people can lend not only out of their savings, but out of the money loaned to them by the banks. This was done on a wholesale scale during the last war."

Mr. Woodburn (Stirling and Clackmannan, Eastern):

"It is a great mistake to assume that the mere creation of credit is inflation. The whole capitalist system has been built up, for the last 100 years by the banks creating facilities for the expansion of industry. All that is happening today is that, instead of this being done for private enterprise, the Government is doing it for public enterprise."

Mr. Loftus (Lowestoft):

"The technique of the banks' advances and methods may require many qualifications, but, generally speaking, you can say that inflation in the last war happened as follows. The joint stock banks advanced money to their customers, who used that money to subscribe to Government loans, and the Government used that money to pay for goods and to pay the workers. This in turn created additional deposits in the joint stock banks . . . The inflation in the last war was not merely the printing of currency; that was a consequence and not a cause of inflation. The cause was the creation of immense sums of bank credit . . ."

"The Economist' of January 26 last contained a most interesting article entitled 'The Technique of Inflation,' in which it pointed out that if inflation has to come, it must

(Continued on page 7.)

The United States, Russia and Germany

According to the more obvious indications the nations taking part in the war can be divided into two similar but opposing sections: on the one hand Britain and the Commonwealth, and the United States, more involved in one way or another than she will admit, and vociferously trying to pull as many plums out of the pie as she can before clarifying her position any further; and on the other hand Germany and the Empire she has annexed in the last few years, Italy, and Russia, which, like America, has at once more interest and more influence in the struggle than she would care to acknowledge.

Britain is fighting for the rights of the small nations to their freedom, and for the individual; Germany, to absorb the weaker States into her power system. From Russia comes the ideal of a Planned State coupled with M. Stalin's words: "It is necessary to precipitate the capitalist States in an armed conflict against each other, as the doctrine of Marx, Lenin, Engels, teaches us that all universal war must automatically end in revolution." (May, 1938.) "Our aim, therefore, is that Germany should be able to conduct the war for the longest possible time in order that Britain and France should become so exhausted as no longer to be able to crush Germany." (October, 1939.)

America advocates the "war-aim" of Federal Union, a Planned State that to the individual would differ in degree only from either the Soviet or the German model.

In France M. Reynaud, when Premier, was openly working for Federal Union. But the English, with their sturdy commonsense, are a tougher proposition, and the best that can be said for the progress of Federal Union in Britain is that somebody has been at pains to engineer the appearance of enthusiasm for it. It is doubtful if there is much volume or real conviction behind the appearance.

There remains in this country a reasonably large proportion of the people who are aware consciously—and a larger proportion who know sub-consciously—that they are at war for their own and others' liberty, and not to compass either German, Russian, or American variants of a Planned State, nor even the back-door type that is being forced on us as a necessary result of "being at war."

BUREAUCRACY.

Bureaucracy is one of the chief characteristics of both the Soviet Union and Germany. It hampers the efficiency of the Soviet Union severely. The inefficiency of attempts to plan and direct the distribution of products from a single centre is shown by the fact that today the standard of living within the Union is still comparatively low, and the surplus of goods for export is much smaller than in 1928, when a drive for increasing production was started. The Bolshevik leaders, instead of introducing a more elastic and effective system of production and distribution, are tightening up their control; thus farmers were recently dispossessed of their smallholdings on which they had been allowed to do a little gardening for themselves.

Since the war, Germany has begun to realise an almost complete economic socialism (planning), a process described by the "Voelkische Beobachter" as a transformation of private capital into public capital.

There is nothing left that can be called private. Prices are regulated by the Price Commissar; the systems

of book-keeping are laid down for each industry; new inventions are exchanged between industries, under the control of the State; economic control boards require returns about stocks; wages and working conditions are regulated by the Trustees of Labour. The private capitalist is now a vassal of the State. Private individuals exist no longer—every individual belongs to some organisation. The Reich Economic Board has become a kind of planning centre. With the opening up of a more active phase of the war the process has accelerated.

SECRET POLICE.

A further similarity to the U.S.S.R. is in the use of secret police.

In the U.S.S.R. it has been estimated that every tenth soldier is in the employ of the O.G.P.U., Russia's secret service and terrorist organisation, and a political commissar is attached to every unit of the army. The result has been the disastrous undermining of efficiency and morale that was evidenced by the Finnish campaign, along with an increase of direct power of the political leaders. Now this system is gaining an increasing hold in Germany, the land of efficiency. Regiments of the S.S. guards, a kind of special police under political, not army, control, are said to have been placed in strategical positions along the German Front. The number of Gestapo agents attached to regular army units is being increased. The division of authority threatens to break down army morale, and may create a serious situation—but it will be one in which the political leaders still have the power.

America's part in the situation needs plenty of clarification.

U.S. AND RUSSIA.

Russia has invaded Poland and Finland. She is now working in far greater co-operation with Germany than is apparent on the surface. And Russia has been built up to its present strength by the United States. In 1933 Mr. Roosevelt extended diplomatic recognition to the Union of Soviets, and made heavy tariff concessions in her favour. At that time inefficiency and incompetency threatened the regime of Stalin. Mr. Roosevelt arranged to lend American experts to help build the Communist State. Technical experts in chemistry, manufacturing, mining and even military affairs were sent to the Soviet. Russia paid in gold.

Since the outbreak of war 40 per cent, of U.S.S.R. purchases from the United States consisted of machinery and materials essential to war. She bought \$2 millions worth of petrol from September to November 1939, and in December 1939, her trade amounted to \$10,528,000,

which in January, 1940, had increased to \$11,313,000. Some of these goods must have been used in the campaign against Finland; many of them have undoubtedly reached Germany, and will help to prolong a war that is profitable both to Russia and America.

U.S. AND GERMANY.

The United States has also to a very large extent helped to finance German growth to its present position. In June, 1937, Americans were in possession of short-term assets in Germany to the extent of approximately \$144 millions, or 23 per cent, of the total short-term assets held abroad. Moreover, while the percentage of her short-term foreign assets held in Germany have decreased considerably since 1931 (that is roughly since the beginning of Hitler's dictatorship), it was still considerably greater than in any other country.

These facts are significant because any prolongation of the war—and any extension that does not touch American rights—is to the advantage of powerful American interests.

Mr. Sumner Welles, whose recent visit to Europe preceded the extension of war to Scandinavia, has always been an able and astute diplomatist. He has done good work for American banking interests by preventing revolutions in Honduras and the Dominican Republic. As Ambassador to Cuba in 1933 he ousted President Machado, ruled the island as unofficial dictator for a few months, and saved \$2 billion in investment belonging to Wall Street and the Guggenheim sugar interest.

OIL INTERESTS.

W. R. Davis, the wealthy oil broker, has also returned from a secret trip to Germany. Before he left the United States he had a long conference with the President, and on his return he reported, "that co-operation between Russia and Germany was much greater than had been realised."

Oil companies, indeed, seem to be either abnormally intuitive or abnormally careful about the prospect of wars. In 1929 the Standard Oil Company (New Jersey) made a contract with the I. G. Farbenindustrie A.G. of Germany, providing for a definite merger of interests in the development of the hydrogenation of coal (a process of making oil from coal)—all patent rights, present and future, of both companies outside Germany were assigned to a new company created for the purpose, the Standard I.G. Company. The majority of the stock of the Standard I.G. Company is held by Standard Oil (New Jersey). Exclusive rights for licensing the processes in the United States were assigned by Standard I.G. to another company, and the same rights for the world outside both Germany and the United States were later transferred to yet another company, the Internationale Hydrogeneeringsoetropien Maatschappij. This last company was incorporated in Holland in June 1938, to take over the entire business of another organisation registered at Valduz, Liechtenstein, which was looking after the interests of Royal Dutch Shell and Imperial Chemical Industries as well as Standard I.G., in the matter of hydrogenation of coal. That is to say, shortly before Mr. Chamberlain averted war by his action at Munich, the business was moved from the territory of one of the belligerents into a neutral country.

The Standard Oil Company is said to have acquired recently the patent rights for countries outside Germany of the German process for the manufacture of artificial rubber.

DOUBLE ROLE.

We have seen that certain interests in the United States both can and do support Germany while allowing it to be understood that the sympathy of the Americans is with the Allies (as it probably is).

CAUSE AND EFFECT

"After the decay of the Roman Empire, Europe experienced a long period of economic stagnation and spiritual barbarism. For several hundred years the human race groped in the dark, generations upon generations living wretched and dissatisfied lives, devoid of culture and science.

"With the beginning of the twelfth century, an unexpected and glorious change began to manifest itself . . . An almost incredible prosperity set in, and the wealth created was so well distributed that there was hardly any difference between the castles and the farmers' homes, or, as another historian writes, the farmers wore double rows of golden buttons on their vests and coats, and silver buckles on their shoes." — "Man's Most Glorious Epoch," by Paul Studer.

"There has never been, before or since history, anything at all like the physical and mental atmosphere of that age. It presented concrete and realised ambition on a scale that has no precedent. Life had turned into poetry, it had changed into a vigorous paradise that made it worth while to run its dangers, as well as to enjoy its pleasures." — "Mediaeval Life, Art and Thought," by Sacherevell Sitwell.

(The Renaissance—circa 1150-1450—was beyond any question the result of decentralised issue of money by feudal chiefs, bishops, and many others.)

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THERE MUST BE A REASON

By "THE WALRUS."

I have come to the conclusion that Cabinet Ministers are busy people. It is purely a reasoned conclusion, for I have never known any so intimately that I could accost them for a cigarette or newspaper—and welcome. What I think must happen is something like this:

A Minister for the Co-ordination of Flapdoodle is about to visit his constituency. He is lighting a cigar from the butt of another, while his secretary—a much more superior person than the Minister—is making up a diary and an itinerary.

M.: "Lemme see, Simpson—beg yer pardon—Perkins, I sh'd say—have yer put in the boloney about cotton?"

P.: "Yes, sir. I think you'll find everything in order."

M.: "Can yer think of anything else?"

P.: "If I might venture to say so, sir; considering that your constituency is preponderantly devoted to dairying, I think you should give that circumstance due consideration in addressing yourself to them."

M.: "Oh, yer do, eh? Yes . . . I think it's pretty sound, too. Got anything on it?"

P.: "Yes, sir. I've put everything in, including Mr. Bulcock's address."

M.: "You needn't 've bothered about that. I know where to find him . . . Eh? . . . Oh, yeh . . . I see. You didn't mean that. You meant the—er—whatsis."

P.: "The line of approach."

M.: "Just what I was goin' to say. By the way, I s'pose it's O.K. Where did Bulcock get it from?"

P.: "I really couldn't say, sir. I've no head for these things really."

DAIRYMEN WARNED.

M.: "Let's have a look at it. . . . Hm . . . Ha . . . Yes . . . Mr. Bulcock Warns the Dairymen.' Quite right, too! Half the bloomin' pumpkin-squatters reckon they can do better in Parliament than I can . . . Mr. Bulcock issued a warning that dairying incomes throughout Australia would be materially lowered at the termination of the war.' . . . Any ideas about that, Perkins?"

P.: "I'm afraid I wasn't really listening, sir. But it seems quite normal, sir. It's what they usually tell the dairymen."

M.: "But someone might ask me." P.: "Perhaps if you read on a bit, sic, you might get some clue."

M. (Reads on): "No longer could they be content to depend on bountiful Nature. . . ." What's he mean, Perkins? How does he know what the weather's goin' to be like at the end of the war? Too much like Inigo Jones for my liking. What was it that financial bloke was saying the other day? Oh, yes, I remember . . . something about it's being a good job there was a drought. Drought makes everybody better off. Remember? . . . No, that's no dash good. We've got to account for prices bein' lower, not higher. I'll have to leave that bit out."

P.: "Try a bit further down, sir."

M. (Tries): "Producers would have to consider more seriously the use of artificial pastures, fodder conservation . . . Hold yer horses . . . That's no good either . . . What d'you think, Perkins?"

P.: "I really couldn't say, sir."

M.: "Would it increase production, or wouldn't it?"

P.: "I'm not a farmer, sir, but I imagine that to be the intention."

M.: "Well, wosser gooder that? The more you have the less you get. Thasser law o' Nature, ain't it?"

P.: "I think, possibly, sir, he means that if there's lack of the bounty of Nature, as Mr. Bulcock suggests, so few will try to grow imitation grass or whatever it is, that next to nothing will be produced and everything will be all right."

M.: "Hm . . . Yes . . . I see. But d'yer think these cockies'll get that straight? They're a pretty dumb lot o' cusses, yer know."

P.: "It won't really make any difference, sir. It isn't as though there's an election."

WRONG DOPE?

M.: "Hm . . . That's right, too. Let's 'ave another go. I'm beginning to think I can do as well by myself . . . 'Australia's principal competitor in dairying in this State would be out of the industry for a considerable time and obviously it was necessary that Australia should reconstruct her forces . . . ' Hey, Perkins, where'd'yer get this?"

P.: "It's a report of a speech by the Minister for Agriculture, Mr. Bulcock, as reported in the Rockhampton 'Morning Bulletin' of June 26."

M.: "Well, d'yer want to know what I reckon? His flamin' secretary's dished up prosperity dope with a misery headline. That's 'ow it looks to me. Id fire a bloomin' secretary like that. It's not to be expected that a Minister's got everything at 'is fingertips. Here's some more of it. . . . Denmark ordinarily supplied 130,000 tons of butter to England annually.' So what? Australia 'as got to accept lower prices! Fair beats me, it does. What d'you think, Perkins? 'Aven't yer got any ideas about anything?"

P.: "Yes, sir. I think, if you read on, the speaker explains that there is a growing preference for some stuff called 'margarine.' These things are always happening, sir. Look at the amount of beer that's sold, for instance, when a nice, sound, dry wine is so much pleasanter."

THERE MUST BE A REASON.

M.: "What about the price, fat-head?"

P.: "I see what you mean. You think this margarine stuff's cheaper."

M.: "You pullin' my leg, yer blighter?"

P.: "Oh, no sir! I couldn't do that. But I do think it's terrible to contemplate the mistakes that avarice betrays one into."

M.: "It's a serious thing for the farmers—and for their unfortunate representative."

P.: "On the other hand, of course, it would be unfortunate for the producers of margarine if everyone ate butter. It's all very complicated. I always thought one ate what one liked; and I really do think you might be wrong, sir; because further on in the paper Mr. Bulcock points out how a large proportion of dairymen themselves ate margarine in preference to butter, though to be sure they were only Danes."

M.: "Oh, shut up! 'Aven't you lived long enough to know that nobody can afford anything?"

P.: "There must be a reason, sir."

M.: "I s'pose so. But what the blazes 'as that got to do with me? All I ask is for you or someone to dig up something to please my constituents, and you give me this boloney about spending more money on improvements to get a lower price at the end of it—and with Denmark out of the way at that. If I 'adn't seen the newspaper myself, I'd say you'd made it up. But I'll 'ave to tell 'em something. Come on! Rally round, Perkins!"

MORAL VALUES AND FINANCE.

P.: "I think I'd tell them, sir, that they're the Backbone of the Empire, always ready to sacrifice this and

that and eat margarine if need be, and even accept lower prices than the, in our opinion, present inadequate remuneration in order to further the greatest war effort of all time."

M.: "And what about after the war, like Bulcock talks about?"

P.: "After the war, sir you always have the aftermath."

M.: "Why, of course. I was forgetting that. Good old aftermath!"

P.: "As a matter of fact, sir, if you proceed to the end of the speech, you will discover that Mr. Bulcock succeeded in evoking a remarkable effect. Quite an ebullition of feeling, if I might say so, sir."

M.: "Yeh? . . . Wheresat? . . . Hm . . . Yeh, I see. "The conference unanimously carried a resolution affirming loyalty and devotion to the King and the Empire and pressed members to co-operate and do all in their power, even to making hitherto unknown sacrifices to aid the Empire to stimulate a united effort and to increase the output and raise the quality of dairy produce.' I got the cane at school for better sentences than that. But not bad work, eh, Perkins, after such a rotten beginning?"

P.: "Excellent, sir. Like me, the people of the conference understand moral values so very much better than finance."

Babies or Luxuries?

"Sir Stanley Argyle, State Opposition leader, said that the war might have arrested a tendency to drift in the direction taken by races which had destroyed themselves by pursuing the fleshpots. There was, however, no easy solution of the social problem of encouraging larger families. We had lived at top extravagant a rate, he said, and the problems of supplying ourselves with luxuries had often been the consideration to the exclusion of children."—"Argus," July 5.

The birth-rate in Toorak, where Sir Stanley lives, might indicate what section are the "we" to whom he refers, but the "extravagance" of the 90 per cent, whose incomes prohibit large, or even small, families, stops at the uncertainty of knowing just what to take out of pawn during this changeable weather. Would not the Argylian theory, however, apply generally in Toorak? Too right!

Gippsland Supporters Attention!

At the request of many readers Eric Butler will conduct another tour of Gippsland, starting in the first week in August. He will be dealing comprehensively with the only manner in which to get a maximum war effort without pawning the nation to private finance in the process. His recent addresses have aroused tremendous public enthusiasm in all quarters. All those who desire to obtain Eric's services are urged to communicate with him direct, c/o a The "New Times," Box 1226 GP.O. Melbourne.

Co-operation

One enthusiastic subscriber to the "New Times" has put or thirty-two new subscribers during the past four weeks by personal contact and the distribution of back numbers. Quantities of free back numbers of the "New Times" are available at head office. Supplies will be posted to any address on receipt of expenses to cover - postage. Fifty copies may be posted for 9d Send for some now. We will supply the ammunition—If you will fire it.

The "Grapple and Despair Fraud" Again

"Canberra, Thursday. — General provision for the acquisition for marketing purposes of the Australian apple and pear crop for 1941 by the Australian Apple and Pear Board is contained in a marketing plan for the industry completed in Canberra today by representatives of growers and merchants." — Melbourne "Sun," July 5.

Without comment, other than registering our disgust at the sanctioning of the willful destruction of God's gifts in a country many of whose people go in dire need of them, may we quote one of the provisions as published: "I (the Apple and Pear Board) will be empowered, if the fruit offered is in excess of the quantity which can be marketed, to direct the abandonment or destruction of any specified part of the crop."

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Vol. 6.

FRIDAY, JULY 12, 1940.

No. 28.

CROSSROADS

Today the whole world is facing issues which cannot be evaded, and which must lead to a new world order.

What kind of order are we to expect? Everything depends upon whether a sufficient number of persons can be quickly persuaded to think and act for their country as well as die for it.

Either the Totalitarian State (labelled Nazism, Facism, Communism, or what-not), with supreme power at its apex and complete subjection at its base, or else, the true Democratic State, with complete decentralisation of power, effected by the people's resolve to utilise their organisations for results never before known to civilisation, will emerge. The purpose of Democracy is to carry out the will of the people.

"The people" have an inherent desire for "liberty." Individuals desire to do the things, which they like to do, and to refuse distasteful work. They want to be free to choose or refuse, without interference from others or with others. They would not risk the loss of their personal freedom by allowing the bounds of liberty to extend into the realm of unrestrained licence.

The first step to liberty-for-all is the provision of first necessities for everyone—food, clothing and shelter. By the application of science to industry, powerful machines, supervised by a few intelligent men, could provide enough for all to have freedom to choose many things beyond first necessities.

Science and invention are the common inheritance of the people, and a dividend of increasing liberty should be paid to everyone. Sufficient money to buy the full output of the machines should be distributed to the inheritors for their enjoyment of additional leisure and freedom.

The OBSTACLE to the realisation of this objective is the control of our national life by International Finance. The policy of domination by the few and submission by the many is thus enforced upon us. Our banks are controlled from without. Bankers manufacture money by making book entries. They issue bank credit (loans and overdrafts) to our Government and to our people against the nation's wealth, as a debt to themselves. In consequence, all individuals are forced to pay direct and indirect taxes to meet interest on debt to the banks. Innumerable taxes—payments in money—for licences to use a motor car, a wireless set, to buy or sell, even to keep a dog, restrict our freedom.

To REMOVE the obstacle, Action—personal initiative—is needed. Every individual desires liberty, and each should know what to do to gain what we are fighting for. The control of our financial credit must be transferred from the International Financiers to our own Government, which must be controlled by our own people.

The immediate need is to make possible the maximum war effort while avoiding unnecessary taxation, debt and inflation. The permanent application is the financing of Peace.

Permanent peace can be secured by the provision of substantial security to each individual; and that means personal access to goods and services in the form of money as a vehicle of personal liberty. The mastery by individuals of their institutions, Liberty, as defined above, with Peace and Plenty, must become the paramount aim of our Government.

Christianity, which postulates the freedom of the individual, is in dire peril. We exhort all who see this danger, to use their best personal endeavour to inspire and lead their uninformed brethren to action. Their immediate help is needed to avoid impending disaster.

STAGGERING

Spender's Way of Spending

"Although most commercial interests do not think petrol rationing will result in undue extra strain on train and tram services during peak hours, the Tramways Board is setting an example to other organisations by 'staggering' the hours of its head office staff."—Melbourne "Herald," July 4.

Our staff considers the example of the Tramways Board a good one. No change, however, will be made at our head office, since our hours are already staggering. Correspondents to the "New Times" are asked to make their inquiries as brief and to the point as possible.

"Sydney, Thursday. —A 3½ per cent, loan of £250,000 to enable the Water Board to carry on without dismissing men has been approved by the Federal Treasurer (Mr. Spender)." —Melbourne "Herald," July 4.

So, in order to carry on our public works, and to save men from the human scrap heap, we are saddled with loans, which will add to our debt and interest burdens, already responsible for social and economic strangleholds through taxation. For the privilege of using one unit of value NOW, we will have to do without two units LATER. This is known as "sound finance" in some quarters—probably the hindquarters!

THE WAR AND THE GOLD STANDARD

By ARTHUR BRENTON, in "REALITY" (England).

On March 4, 1940, Senator Elmer Thomas, of Oklahoma, introduced a Bill (reference S.3510) to provide for the "expansion of the foreign trade of the United States" and the "stabilisation of currencies through the redistribution of gold."

Mr. Thomas's arguments run like this: "We've already got 19 thousand million dollars' worth of gold, while the other 52 nations have only 9 thousand million all told. At the rate we're going on collecting gold, it will take only three years before we shall have got the lot. What then? Well, these other nations will find some other standard. If they do we shall lose an enormous amount of value. Therefore we must get busy right now. We must prepare to redistribute our gold."

The scheme is as follows:

The Export and Import Bank of Washington is to have powers to lend gold to approved foreign central banks. There are two conditions: (1) that there must be satisfactory security for the loans; (2) that a central bank must undertake to "fix a definite gold content for the monetary unit used by it" and to "maintain such unit in terms of gold as a basis of all exchange transactions entered into by such bank (or government)."

To assist this purpose the Secretary of the Treasury is authorised to provide for the coinage of gold up to two thousand million dollars. Each coin shall weigh 533.33 grains of gold nine-tenths fine (i.e., 90 per cent, pure gold) and thus contain 480 grains (i.e., one ounce Troy) of pure gold. Such coin, on the present valuation of the dollar (namely, 1 dollar is equal to about 13¾ grains of pure gold), will be worth 35 dollars exactly, and it shall be legal tender for all debts, public and private.

As regards supervision, the above Bank will be run by a Board consisting of the President, the Secretary of State, the Secretary of the Treasury, the Chairman of the Governors of the Federal Reserve System, and the Federal Loan Administrator. The last is to be the executive manager of the Bank.

This is only a private Bill, and has been referred to the Committee on Banking and Currency. Nevertheless, it reflects the classical gold-standard outlook, and is worth attention on that account. Senator Thomas lays emphasis on what he describes as "the establishment of the gold ounce—\$35—as a world monetary unit, and through such use of gold the discouragement of war and the promotion of peace."

THE BIG STICK

The Bank has power to sell gold as well as to lend it. It will lend only to "solvent" nations, by which, one supposes, the reference is to countries which balance their Budgets. That would be the moral security. There would also be material security, which is a more intriguing subject of inquiry. Older readers will remember that after the last war there were rumours of concrete British assets having been pledged against America's loans. Home railways were mentioned on the one hand, and overseas possessions on the other; and some people wanted to know who really held Bank of England stock. Maybe these rumours were idle, but, if so, rather in the sense of being premature. For at present other American legislators than Senator Thomas are busy taking an inventory of Britain's assets as if they expected an auction. One item being discussed is our West Indian strategic centres in relation to the "safety of the Panama Canal." The snag is that the British Treasury could not do a deal behind the back of the British Admiralty. America would require evacuation—and that cannot be carried out secretly. All the same, needs must if the devil drives; and if victory were dependent on such a deal, and America insisted, presumably it would be carried through.

In the meantime the British press is counting on American sentiment to remove the cash-and-carry handicap on our purchases from that country. Well, that would suit American contractors all right. They got their money in the last war irrespective of whether we were going to pay up—which we didn't. So will they in this war. It is all a question of what undertakings British bankers give to American bankers. It would suit the latter, stuffed, as they are with gold, to let us default on this war's new debt provided we undertake to rivet the shackles of the gold standard on Europe after our victory. As Senator Thomas has remarked, enormous "values" are in jeopardy unless that happens.

PARADOX.

Readers will notice this gentleman's coupling his "world-unit" with (1) an expansion of American trade; and (2) the promotion of peace. How he reconciles the two is a puzzle. To begin with, the obvious way in which to redistribute a glut of useless gold is to use it for purchasing useful wealth. If the Americans like the game of turning it into 35-dollar coins, all right; it does no harm, if no particular good. They would get an "expansion of trade." But trade inwards; and that's the trouble. They want trade outwards. They want to expand their excess of exports. Very well, if they do that continuously then before them is the prospect of repeatedly lending their coins and earning them back in exchange for real wealth ad infinitum. If only the borrowing countries would learn social credit wisdom, applying the technique for digesting imports, they would quickly tire the Americans out at that game. As things are, exports provide the people with employment, whereas imports deprive them of it. These consequences are not natural; they arise through arbitrary acts of bankers performed incidentally to their observance of gold-standard principles.

ABOUT ALBERTA

ENGLISH PAPER MISLEADS.

"ALBERTA BONDHOLDERS MAY GET NEW DEAL."

"... Accordingly, it seems likely that, should there be a number of bye-elections in the next year or two, Mr. Aberhart's slender majority may vanish." —"Evening Standard," April 30, 1940.

"Mr. Aberhart's," i.e., Social Credit representatives, hold over 63 per cent, of the total seats in the Legislature, as compared with less than 37 per cent, held by all other parties combined. The next largest party, the so-called Liberal party, could not even elect its leader. Moreover, the election was conducted by means of the single transferable vote, which ensures that a majority elected represents a majority of electors voting.

Hitler and International Jewish Finance

Some Popular Fallacies Exploded

By ERIC D BUTLER

One of the most powerful and subtle weapons being used in the present war is propaganda. The presentation of news and views by both sides plays a tremendous part in strengthening or weakening public morale.

Hitler has given the worldwide impression that he is opposing International Jewish Finance. Hitler may think that he is. Finance doesn't. I would suggest that the propaganda experts in the British Empire immediately attempt to inform the German people, and inform our own people for that matter, that Hitler is the chief criminal in an attempt by International Finance to smash the British Commonwealth of Nations, as we understand it. Hitler is the very embodiment of those underlying evils against which we are fighting today. He must be defeated. Those behind him must also be defeated.

ANTI-SEMITISM OR ANTI-JUDAISM?

I have constantly pointed out the important difference between anti-Semitism and anti-Judaism, Anti-Semitism, which is an attack upon Jews as Jews and as individuals, is part of International Jewry's campaign. But it is not an attack upon the philosophy of International Jewry. Hitler, in fact, is one of the greatest exponents of the Judaic philosophy. He has even attempted to improve on it. Anti-Semitism in Germany has paved the way for the "persecution" of Jews to all parts of the world, where they are rapidly entrenching themselves. One cannot condone the murderous tactics adopted against individual Jews in Germany. However, as one writer has said, "The Higher Command is concerned only with victory, not with the loss of a few troops."

I am convinced that the bringing of Hitler to power in Germany had a worldwide purpose behind it. Perhaps Douglas Reed, former foreign correspondent to the London "Times," sums the matter up in his latest book, "Nemesis," which, significantly enough, was practically ignored by the press. Reed writes: "... The Jewish question has not been solved, any more than any other question save that of militarism and war, by these methods (Hitler's persecutions), and the sum effect of them has in practice been a world-wide publicity campaign in favour of the Jews, in which the things they have suffered have been exaggerated and the evils which they promoted have been forgotten."

WHO FINANCED HITLER?

Those who have carefully studied Hitler's sensational rise to power are familiar with the part played by big financial interests of an international nature. Hitler is quoted as admitting this himself in "Hitler Speaks," by Hermann Rauschning, who knew Hitler intimately for the first two years of the Nazi regime, until, like many others, he clashed with the regime and left. In one conversation he quotes Hitler as saying: "Jews have been ready to help me in my political struggle. At the outset of our movement some Jews actually gave me financial assistance. If I but held out my little finger I should have the whole lot of them crowding round me. They knew well enough there was a new thing on, with life in it."

Apart from the fact that Ger-

many could never have obtained the raw materials to build her present war machine without the wholehearted co-operation of International Jewish Finance, centred in Wall Street, New York, even the daily press has admitted that America played a major part in arming Germany—there is considerable evidence indicating that Kuhn, Loeb and Co. was interested in bringing Hitler to power.

"Le Canard Enchaîné" for August 23, 1939, published the following interesting item: "In 1933 there appeared in Holland a book, written by a certain Sidney Warburg, which quickly disappeared from booksellers' windows. In it the author stated that in the preceding year, 1932, he had attended meetings in the United States of financial gentleman who were seeking means of subsidising Hitler. It appears that among those present were Sir Henri Deterding, representatives of Morgan's Bank, Mr. Montagu Norman (Governor of the Bank of England), and representatives of the Mendelssohn Bank."

Dr. Schacht's connection with both Wall Street and the Bank of England has been a feature of the intrigue by International Finance. In November 1932, Goebbels wrote in his diary: "In a talk with Dr. Schacht I found that he absolutely supports our standpoint. He is one of the few who side quite steadily with the Leader." Schacht certainly suffered a few setbacks when Hitler decided that the internal economy of Germany must be altered, even if the sacred precepts of "sound finance" were discarded. However, with the outbreak of war, and immediately after the visit of Mr. Sumner Welles from Washington, he was restored to favour. A military disaster for Hitler, without a substantial weakening of the British Empire, would be a disaster for Wall Street and International Jewry.

JEWS STILL IN GERMANY

Those who take all their views from the daily press seem to think that practically every Jew has been removed from Germany. They conjure up a mental picture of poor, poverty-stricken individuals leaving at the dead of night. If some left Germany like this I have yet to see them arrive in this country. Some people may be astounded to know that there are still 400,000 Jews inside Germany. This is admitted by the British Board of Jewish Deputies in a book they have recently published. As yet, most of the big Jewish bankers are still in Germany. From all the evidence available, it appears that Max Warburg, of M. M. Warburg and Company, is still in Hamburg. Also Bleichroeder's, Mendelssohn and Co., J. Dreifuss and Co., Arnold Bros., Simon Hirschland and L. Berends and Sons.

Apparently, with Hitler, there are Jews, and Jews. There is, for example, the much-quoted Professor Haushofer, whom Rauschning, in his book, says has a big influence on Hitler's policies. Haushofer's wife is a full-blooded Jewess, and is reported to be a great friend of Hitler's. I quote Douglas Reed's "Nemesis" on the same point: "But then again, these racial babblings of Hitler

are no more seriously meant than his anti-Bolshevist ravings or anything else he ever said; a Jewess, in the meaning of his own Anti-Jewish Act, was his intermediary in important international negotiations with foreign politicians. He presented her with his signed portrait, and even gave her a testimonial, through his aide-de-camp, to the effect that she had made the Munich Agreement possible."

One of the most astounding features of the Nazi regime is the use of Jewish spies by the Gestapo. Articles dealing with this matter have recently appeared in several papers. Douglas Reed gives detailed evidence of this in his new book. Australians might ask a few pertinent questions concerning some of the so-called refugees coming into this country. The Government would be well advised to closely check up on all these "victims" of the Nazi regime. Mere sentiment must be swept aside in this hour of peril. Our feelings have been sufficiently worked on in the past.

HITLER IS PRO-JUDAIC

It is evident that Hitler's attack upon the Jews is just part of his struggle for world domination. He is quoted by Rauschning as saying: "My Jews are a valuable hostage given to me by the democracies. Anti-Semitic propaganda in all countries is an almost indispensable medium for the extension of our political campaign." In answer to a question concerning the complete destruction of the Jew, Hitler said: "No. We should then have to invent him." This answer sums up Hitler's attitude to the Jews. Those who financed him to power certainly assessed his weaknesses in a very shrewd manner.

He says that he read the much-debated "Protocols of the Learned Elders of Zion." To quote: "I saw at once we must copy it—in our own way, of course." So we have Hitler, the great anti-Semite, aping the technique of his Jewish masters. I wonder if Hitler read in the "Protocols" the statement that even those who think they are fighting International Jewry will be allowed to believe this, while their very egotism will be exploited. Hitler fits this description very well.

All anti-Semitic movements are a great menace. Hitler's anti-Semitic, but strongly pro-Judaic, philosophy has permeated all parts of the world, with the result that there is now an alarming swing to Communism, which, ironically enough, is also fostered by International Jewry. Those who cannot see this dangerous trend at the present time, with

an International Government in the background—Federal Union—have no conception of the tactics of International Finance.

THE BIGGER LIE

Hitler perfected the technique of the bigger and better lie, and has utilised it as a major weapon. Those who have read his book will remember his diatribe against what he calls Jewish Communism. A careful study of his informal talks, as related by Rauschning indicates that most of this was like many other things; only for popular consumption.

In his talks with Rauschning, he not only admires the technique of Communism; he claims to be the executor of Marxism! He describes how he used the Communists in his movement for certain purposes. In fact, the remarkable thing about Hitler is the fact that he seems to have a great regard for all movements of a Judaic nature. For example, he is a great admirer of Frederick the Great, the father of modern Prussianism. He has Frederick's portrait hanging over his desk in his study in Munich. Surely he must know that Frederick was supported by the powerful Jews on every side, and that the funds for his Seven Years' War were furnished by the Jewish firm, Itzig, Ephraim and Co., of Berlin.

Hitler is endeavouring to carry out International Jewry's dream of world domination by their tactics. In doing so he is camouflaging the real issue, and for that reason is the greatest menace to civilisation at the present time. For that reason alone his downfall is of the greatest importance. This point cannot be sufficiently emphasised. Any suggestion that Hitler may be fighting our fight against International Finance is a dangerous delusion, and it is because I know that this delusion has been fostered in this and other British countries that I have written this article. We must realise that both the "Right" and the "Left" are a menace to our culture, freedom and civilisation. Real political and economic democracy will alone save us from them.

This article is based on a careful study of "Insanity Fair," "Disgrace Abounding" and "Nemesis," by Douglas Reed; "Schacht: Hitler's Magician," by Norbert Muhler; "Germany, Fascist or Soviet?" by H. Knickerbocker; "Hitler Speaks," by H. Rauschning; "Montagu Norman," by John Hargrave, and "The Protocols" (Marsden translation).

You Should Not Be Without It! "THE WORLD-GOVERNMENT PLOT EXPOSED"

By ERIC D. BUTLER.

This booklet is most topical at the present time. Shows the plans and objects of International Finance in a startling light. It is a complete answer to "Federal Union" and the move to abolish the State Parliaments. It should be circulated as widely as possible at the present juncture.

The financial swindle during the last war is outlined and the move to financially enslave the British people as a result of this conflict.

Price 6d; Posted, 7d

Also Read:

"THE CONFLICT ON THE WORLD FRONT." By Eric D. Butler. Price 1d, or 9d per dozen. Postage Extra.

An impartial survey of the "Jewish Problem," which is in great demand from all parts of Australia.

The above are obtainable from the "New Times," Box 1226, G.P.O., Melbourne.

THE BRITISH COMMONWEALTH OF NATIONS

Its Significance and Its Peril

(FROM AN ENGLISH CONTEMPORARY.)

Noting the rapidly increasing cosmopolitanism of London and all our cities, one is tempted to ask the question: Is there really such a thing as the British race? Nevertheless there is, and the proof and affirmation of that statement are to be found in the fact of the British Commonwealth of Nations.

What holds it together, because it is held together, today if anything rather more closely than ever before? Even our Internationalist, Mr. Anthony Eden, must admit that, when he welcomes voluntary contingents to His Majesty's Forces from the Antipodes and half across the globe.

True, its several parts are pretty tightly tied up to the City of London by indebtedness; but that unhappy fact, from the point of view we are seeking to explore, is disruptive and disuniting rather than binding. It is highly creditable, and most unusual for friends to hold together when one of them owes the other money, yet here in the British Commonwealth is an outstanding example—a matter for both pride and gratitude.

COMMON PHILOSOPHY.

It does not, however, really explain this phenomenon to say that the ties are racial. It would be nearer the mark to say that what hold the British Commonwealth of Nations together is a common philosophic bond—a common way of regarding life. Men at work on the Canadian prairies and farmers in Australia and New Zealand would no doubt laugh at the idea either that they have a philosophy, or embody one, but of course they do, if they feel themselves to be British. Without a common philosophy of life to talk of race is just so much bunk and nonsense.

The truth is our race embodies a tremendous philosophy—no less than a belief in individual liberty of action—of which it would be the greatest mistake possible to imagine that it was too vague and too general to constitute a real working philosophy. On the contrary, the man who commits himself to that philosophy of life opens up a whole train of consequences and responsibilities. He not only sets himself up against all unreasonable usurpation of authority, but takes it upon himself to say what degree of authority is reasonable.

Like the British Constitution, which exists only in the actions and assumptions of the British peoples, the British philosophy cannot be put, down on paper. In practice it consists, more perhaps than anything else, in a belief in the individual, in his common sense, his decency, his reasonableness when not driven to extremity. It is, in fact, a philosophy of moderation in all things, and of reaction against excess of every kind, and I do believe, a disposition to let the other man go his own way since we want to go ours. To carry the matter deeper, it is really an assertion of the principle laid down nineteen hundred years ago in the words: "The Sabbath was made for man, not man for the Sabbath."

UNDERLYING ISSUE.

Now what is it that is being attacked in the world today? It is exactly these principles of individual liberty for which the British Commonwealth stands. And therefore the attack, if it is realistic, as it has all the appearance of being, is an attack on the British Commonwealth. That is a fact that must be faced by all who appreciate personal liberty, no matter to what race or nation they belong; and particularly one to be faced by Internationalists of British extraction.

Who, then, are the enemies of British nationality and the Commonwealth of Nations? Whoever

they are, they must be the Internationalists, the World Staters. Germany is their tool and so we face her today; and Italy, also . . . But if we still think that either Hitler or Mussolini really fits the role of Internationalist foe—of World Enemies No. 1 or 2—we cannot have probed the situation very deeply. In the first place they are merely individuals - - inordinately vain men, with a primary passion for power, and a secondary, if sincere, desire for the welfare of their own nationals at anybody's expense. But neither of them is a fit or possible antagonist for a philosophy such as the British race embodies, with the whole weight of Christian principle and teaching behind it. The idea is ridiculous! To hold it is utterly to undervalue what we, as a race, represent, and to underestimate the terrific values involved.

By no possible stretch of imagination can Hitler be classed as an internationalist; the whole count against him is that he is not one. Germany without doubt is, militarily speaking, our immediate and dangerous foe, but to assign to her more weight than that of one among many factors in the present convulsion is to misinterpret the situation altogether.

What, then, are those other, and superior factors? Who are the real enemies of the British Commonwealth of Nations? Perhaps it is too early usefully to identify them. We need to know not only who they are, but where they are. But, in the meantime, let us make no

mistake as to their aim: it is to deprive Great Britain and the whole British Commonwealth of all sovereign power by means of the World State: the separation and dispersal and enslavement of all liberty-loving peoples.

SIGNIFICANT FACT.

It is a significant fact that the pattern of Federation advocated for the post-war world is the United States of America — never the British Commonwealth of Nations. If our press and the B.B.C., and most of our statesmen are to be taken as representative of public opinion, the latter has never been considered even as a possible starter in the race. Nevertheless, there is a good deal to be said for it as a working model—a good Christian example—where community of outlook and aim has succeeded in binding together so many millions of human beings separated by oceans and continents, and notwithstanding that each group possesses the full dignity of its own sovereign rights, and the right of secession.

Why should we be so slow and tongue-tied about it—except that it is our national habit? The World-Staters have no inhibitions, they are clamorous and insistent, and to give them their due, they are sufficiently clear and specific as to their objective—even if the means they employ towards it are devious and underground.

At least let us see the issue as it stands. On the one side the British race, representing inarticulately, but practically, the liberty of the individual to control his own life—"the Sabbath for man"; the elementary Christian right. While on the other side is the contrary, opposed doctrine—"man for the Sabbath"—the doctrine for his opposition to which Jesus of Nazareth was killed; the doctrine of centralised control and servitude.

With the end of this war, Federal Union in some form will be the issue. No matter how it is disguised—as an economic federation of Europe to begin with, or possibly only the resumption of the economic bloc between Britain and France—we must never forget that the policy behind it is the policy of the above-mentioned doctrine of centralisation, and that it is put forward in direct opposition to the policy already embodied in the British Commonwealth of Nations.

PEREMPTORY EXECUTION

Western Airways Limited, one of the non-railway group of Britain's commercial flying companies, discontinued its services on March 30 after being informed by the Air Ministry that its fleet of 18 aeroplanes was to be requisitioned at once. The inspection of these machines began on April 2.

Western Airways was included in the Air Ministry's original list of companies to be disbanded, but the company had hoped to be allowed to continue operations, if only on the Cardiff-Weston ferry across the Bristol Channel. Direct appeals to the Air Ministry were made by the Councils of Bristol, Cardiff, Swansea, Weston-super-Mare, Neath, Barnstaple and Ilfracombe for the continuation of the company's services on the ground that they were of public, if not national, importance.

Statistics of Western Airways' operations were sent to Sir Kingsley Wood showing that the number of passengers carried by the company had risen from 2,558 in 1933 to 44,351 in 1939. The wartime services operated since November 25 have shown a large increase, too.

"The Aeroplane" publishes extracts from a letter received from Lord Apsley:

"Some months ago, Western Airways offered of their own free will

to hand over the majority of their fleet to the Government, begging only to be allowed to retain the bare minimum necessary to operate skeleton services. No reply was received to this offer, but now, without warning, the company is told that the Government is going to take the lot.

"Western Airways are, and always have been, prepared and anxious to carry more than their share of the national war effort, but it seems quite clear that this effort is not being served by the closing down of a well-proved public utility.

"The company cannot help reflecting that if the Government, at the present stage of the war, already require aircraft so badly that they cannot do without the four or five veteran machines needed by Western Airways' services, then surely there should be an immediate and searching inquiry into the true facts of our aircraft position.

"Western Airways have done their very best to carry on the services, and to keep faith with the many thousands of people who use them, but one stroke of the bureaucratic pen has made an epitaph of their proud motto, 'Save Time, Save Money—Fly by Western Airways.'"

NOTICE

As from this issue, the pages of the "New Times" will be slightly smaller. This is necessary to comply with new Government regulations applying to all newspapers.

However, by using slightly smaller type, the quantity of reading matter will be approximately maintained. This will counter-balance the saving on paper. We hope our readers will appreciate our action in NOT taking advantage of the regulations, although the increased PRICE of paper would justify it from a commercial viewpoint. Readers may express their appreciation by forwarding small donations at intervals (to help to cover the increased cost of paper, which we have not passed on), and by obtaining new readers.

"Burning Questions"

At the invitation of the Australian Broadcasting Commission, Mr. C. Barclay-Smith delivered a 20-minute address entitled "Social Credit—A Way Out" last Monday night in the session "Burning Questions." The address was broadcast from stations 2BL, 2NC and 2CR.

In these days of suppression, of freedom of speech, the action of the A.B.C. in inviting the views of such a well-known monetary reformer should be commended by all who cherish the spirit of justice and fair play.

A number of our readers have written to the A.B.C. suggesting that, since the reception of this broadcast was not altogether clear in parts of Victoria where people were particularly keen to listen-in, a re-broadcast or similar talk by Mr. Barclay-Smith be broadcast in this State. Those outside N.S.W. who missed this address or failed to get good reception should write to the A.B.C. making a similar request.

Eric Butler at Beechworth

Leaving Melbourne on Tuesday, July 2, Eric addressed a public meeting at Beechworth that night. Although not as successful as some of his recent meetings, it paved the way for a future meeting at an early date. A resolution to Mr. McEwen, M.H.R., demanding that the Government utilise the Commonwealth Bank for a greater war effort without debt or taxation was passed. Another resolution by a returned soldier requesting that the soldiers going overseas have their wages raised by the use of the Commonwealth Bank was also passed. A report of the meeting appeared in the local paper. Eric has been centred at Albury since this meeting and addressed a public meeting in the Town Hall last Tuesday night. A report of this and other meetings will appear in our next issues.

CONUNDRUM

"It takes seven rabbits and more than 40 men, women, girls and boys to make the 'digger' slouch hat—the headgear of Australian soldiers." — Melbourne "Herald," July 4.

Who said war isn't the safety valve of the present system? Why, if we did away with war, we could enter the leisure age and chase rabbits for fun instead of felt. How long will the war need to last to ensure the eradication of the rabbit pest in Australia?

Daily Press Kept It Dark

(Continued from page 1.)

be strictly controlled; and it suggested a new technique, which was that—expressing it very broadly and bluntly—that the Government should borrow directly from the Joint Stock Banks and pay a mere bookkeeping interest of one half of one per cent. When I read that article in 'The Economist,' I realised the truth of the remark recently made by Mr. Keynes when he said that the orthodox economists kept catching up so fast that he looked forward to a blameless old age surrounded by orthodoxy. (!) On reading that article in "The Economist," I realised that we have moved a long way in our economic ideas since the last war. I would go even further. If there has to be a certain expansion of credit money, created credit, I cannot see why the State itself should not create that credit free of interest. I do not mean the printing of currency notes, but the creation of credit in the same way as the Joint Stock Banks do when they lend to customers. That credit, so created, should carry no interest, but be redeemable by annual instalments. Such a system would involve very strict control, but it would have the effect that any assets created by that Government credit would not bear the burden of interest. . . . I feel that it is a flaw in the wonderful and very efficient money system of the modern world that nearly all money comes into existence as a loan saddled with interest.

"It must always be remembered, however, that no methods of currency control will allow us to dodge realities, that money is only a symbol representing goods, and that the realities are goods. . . . I believe this direct control of credit by the Government may become necessary in war. Certainly, I believe it will be essential in post-war reconstruction. I do not believe that the world can go on piling up vast quantities of debts. The world is overburdened with debt today. We are warned that civilisation may be destroyed by war, but it may also be destroyed by an over-heavy burden of debt. It was an over-heavy burden of debt and taxation, far more than the barbarians, which destroyed the Roman Empire. I fancy at times that something may be said for the old Mosaic Law by which all debts are abolished once in every 50 or 100 years. . . . I must make quite clear that I do not advocate under any consideration the nationalisation of the joint stock banks. These great institutions are conducted with an integ-

rity and an ability which make them the admiration of the world and a model of how banking institutions should be conducted. They work their present system in an extremely efficient manner. I do not criticise them, but I criticise the system by which the bulk of our money must come burdened with interest. I feel that the banking system should act as agent for and not as the creators of Government credit."

Sir Herbert Williams (Croydon):

"There are about 1,200,000 people in this country at this moment who desire employment and have not got it. The Minister of Labour, with the help of the 'Daily Telegraph,' has been telling us for months past now that this figure is not true and that it represents really only about 500,000 unemployed people. I am sorry that the Minister is not here. What he and the 'Daily Telegraph' are saying is nonsense. The bulk of those people are capable of and want employment but cannot get it. I hope that members of the Government will not talk that kind of nonsense. One of the comments made upon the Budget by the Leader of the Opposition was that he liked it because it led us a little nearer to that classless society which he desires, I am never quite sure whether a classless society is one in which everybody wears a dress suit or one in which nobody wears a dress suit. The only example of a classless society I have ever heard of is a curious form of monarchical dictatorship in which the bulk of the inhabitants are imperfect females and where, from time to time, a small number of males is born. After the males have, on one occasion, been introduced to Her Majesty they are handed over to the Unemployment Assistance Board and shortly afterwards they are bumped off. That society is known as a beehive and such communities have never shown the faintest progress."

"I learned this not as a member of the Select Committee, but as an ordinary member of Parliament—that the administrative methods now being pursued in all Government Departments are a crying scandal. You cannot get a reply to any ordinary letter under a fortnight or three weeks and when you do get a letter, it has wandered through one Department after another, simply

because people cannot make up their minds to take a decision."

* * * * *

Our English contemporary concludes with this comment:

"The extracts from speeches which have been quoted above show that through the confusion of thought and utterance emerges a fairly general recognition of a fact which a year ago was stubbornly denied—that banks create credit. Articles on the Budget in 'The Times,' 'The Economist' and the Labour Party's pamphlet on 'Paying for the War' all recognise this fact, although it is nearly always referred to as 'inflationary borrowing.' All unanimously proclaim that the 'inflationary borrowing', which occurred in the last war, should not be repeated this time, and at the same time demand that expenditure on the war should be greatly increased and that taxation also be much higher.

"The outstanding fact about war economics is the call which is made upon any nation's productivity. Common sense only is required to appreciate that provided proper measures are taken to achieve prior claims on materials, skill and labour for military purposes, the maximum productivity will be achieved by allowing unrestricted effective demand to be placed on producers whilst removing every restriction upon their initiative and incentive to produce. Let us bring every source of production into being to increase the nation's will, vigour, independence and material well-being; that is the way to win a war and to assure the individual that he will have a real share in the victory. Expansion of consumers' income and adequate credits to producers will elicit both effective demand and the maximum effort from producers. Only one thing is needed then to safeguard the effective operation of supply and demand and that is regulated or just prices. In an age when innumerable and often complex laws exist to prevent the individual from doing this, that and the other, and it has been demonstrated that Governments possess adequate sanctions for making them valid, one would be justified in taking it for granted that laws could be enacted and become valid for regulating the prices of producers, wholesalers and retailers at true costs plus agreed reasonable profits, so that inflation from profiteering would become impossible. Increased taxes do not reduce costs; the purchase tax would increase costs and inflate prices. The absence of any suggestion in Parliament or press that such price regulation is feasible renders the campaign, which is being carried on for increased taxation plausible. The prevention of an economic collapse and the winning of the war, however, depend upon sensible price regulation, and those who do not want to 'lose' the war or lose their independence whether they 'win' or 'lose' the war would do well to tell their M.P. in the plainest terms to take suitable action in regard to it. at once."

Monty Banker, Do Be Franker

"London, Wednesday. — Britain's choice was to save or spend—investment in national war bonds or inflation, said Mr. Montagu Norman, Governor of the Bank of England, broadcasting last night. He disclosed that sales of the new 2½ per cent, war bonds had reached £61,000,000 in eight days."

—"Argus," July 4.

Until the stranglehold of the privately controlled banking monopoly is broken, Britain has no "choice." The bank of which Montagu Norman is Governor is the Bank of England in name only. Spending, if the new British price-control system is extended to all commodities, will not cause inflation. The bogey of "inflation" must be scotched!

The Hand of Esau, But the Voice of Jacob

"Substantial economies in all branches of State Government services have largely offset increased expenditure because of the war and loss of revenue as the result of the coal strike, and will enable Mr. Dunstan to present an almost balanced Budget to Parliament next month,"—Melbourne "Argus," July 3.

In the adjacent column, same issue, appears the following: "Extension of social services as a counter to decline in the birth-rate was commended yesterday by the Premier. 'The fact that the Australian birth-rate fluctuates according to the economic conditions of the country indicates vital need to improve those conditions wherever possible, and to extend our social services,'" Mr. Dunstan said."

Possibly Mr. Dunstan appreciates the significance of the slogan, "Populate or Perish." It was the pet cry of that political chameleon, Billy Hughes (or is it Hues?), when Minister for Health. But whoever is responsible for crediting Mr. Dunstan with honours for a balanced Budget by "substantial economies in all branches of State Government services," etc., either suffers from aberration of the mind or knows NOTHING about the money swindle. Mr. Dunstan cannot have it BOTH ways.

L.S.D-UNSTAN

Mesmerised About Money

"On the grounds of expense alone, the Premier (Mr. Dunstan) is opposed to the plans for providing full-time work for unemployed recommended by the State Parliamentary Public Works Committee . . . The Government proposed, as far as finances would permit, to find work for the unemployed."

—Melbourne "Sun," July 4.

"Australia must be armed to the limit of its capacity, and the responsibility of determining that limit falls upon you and me," the Premier (Mr. Dunstan) says in a message to the State Public Service.

—Melbourne "Sun," July 5.

What we want to know, and what everybody should be asking, is what limit Mr. Dunstan proposes to set for the defence of Australia. If he really means the limit of Australia's capacity, and not the limit of the present inadequate financial policy, then there is no justification for his refusal to find full-time work for the unemployed and full use of the country's resources. Mr. Dunstan declares that: "If the war is lost, everything is lost. It will be won only if all of us are prepared to throw everything we possess into this titanic struggle to defend civilisation." Mr. Dunstan must be forced to realise that the necessary finance MUST be made available to employ every man and woman. When that is done, and if we fail to win, then we shall have lost only after having made an honest attempt. On the other hand, if present methods of finance are adhered to, the responsibility for the loss of the war, or alternatively for the economic collapse which will follow victory, will rest with those in responsible positions who are consistently ignoring the warnings from scores of thousands of REAL patriots throughout the Commonwealth at the present time. Mr. Dunstan must declare himself NOW or face political extinction in the near future.

TO OUR READERS—

You may obtain your copy of the "NEW TIMES" from any authorised newsagent. Should your agent not have supplies, please ask him to communicate direct with New Times Ltd., Box 1226, G.P.O., Melbourne, C.1, Tel: MU 2834.

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SIR KEITH MURDOCH AND NATIONAL CREDIT

(Continued from page 1.)

only to give us the facts are not convincing. In this respect I would invite attention to the statement quoted in the Melbourne "Sun" on 10/6/1940, as having been made by a Director of the Bank of New Zealand, and would I commend that statement to your serious consideration. The position as I see it is that any responsible man who refrains from telling the truth about this financial credit business, and fails to insist upon the discontinuance of private control of the community's credit, is not worthy of our trust. With best personal wishes,

Yours sincerely, (Sgd.)
BRUCE H. BROWN.

COMMONWEALTH OF AUSTRALIA.
Director-General of Information,
Melbourne.
Monday, June 24, 1940.

Bruce H. Brown, Esq., 17
Ferguson Square, Toorak
Gardens, Tusmore, S.A.

Dear Sir,

I have your letter of 18th June. As I cannot agree with your arguments that credit can be expanded without limits and money made out of nothing, I fear there can be no advantage to my Department in discussing your ideas. Yours faithfully,

(Sgd.) K. A. MURDOCH.

17 Ferguson Square,
Toorak Gardens,
Tusmore, Sth. Aus.
26th June 1940.

Sir Keith A. Murdoch,

Director-General of Information,
Melbourne, C.I, Vic.

Dear Sir Keith,

Please accept my thanks for your letter of the 24th June.

Evidently the words used in mine to you had a meaning other than is to be found in our recognised dictionaries, for, on carefully re-reading the letter I can find no suggestion whatever that "credit can be expanded without limits," that "money can be made out of nothing," and that a discussion of my ideas would be of advantage to your Department. All I put forward was a request that you would be as good as your publicly-pledged word and tell the people the truth about the financial system, which is now oppressing them and hindering their war effort. Unless you have confused my letter with one received from someone else, then it seems clear that your broadcast about facts, truth, honesty, etc., was not intended to be taken seriously. If the latter be true, then I apologise for having troubled you.

May I remind you, however, that make-believe has already cost the Empire and her Allies very dearly. Germany, as a nation, is controlling her money system to give the material results she wants, whereas we, as a nation, are being controlled by the money system, and, consequently, have not been getting the material results we want. In the current year, according to an article in the Melbourne "Herald," Britain contemplates spending two thousand million pounds on munitions, but Germany is to spend

three thousand million. That is to say, for every two 'planes obtained by Britain, Germany will obtain three! And this by a nation supposed to have been financially bankrupt as recently as eight years ago.

We have also been told that the Maginot Line had not been completed along the Northern border of France because of financial considerations, and the British soldiers had been insufficiently equipped, even while Canadian and Australian factories were idle, or working below capacity, because of lack of orders. More and more of the people want an explanation of these things, and I am one of those who believe the explanation is to be found in an unsatisfactory financial organisation.

In the "Advertiser" this very morning we are informed that "important Frenchmen are being charged with having placed personal interests above national factors," and I can only hope there will not be grounds for making similar charges against important Australians.

Yours sincerely,
(Sgd.) BRUCE H BROWN

The usual weekly lecture was suspended last Tuesday night to allow the executive to deal with important business. The next weekly lecture will be held at the rooms next Tuesday evening, July 16. Local supporters are urged to attend and bring their friends.

A special appeal is being made for the services of an experienced typist for approximately one hour each evening, in order that the increasing correspondence may be dealt with more effectively. Would volunteers kindly call at headquarters, or ring MU 2834?

Amounts totalling £2/3/9 have been received into the general fund from the two last consignments of waste paper. ALL LARGE, CLEAN newspapers will be gladly received by the secretary.

Another batch of special letters with enclosures has been posted to country "contacts." The known result of a small number posted to persons at Wangaratta recently amounts to three new subscribers to the "New Times" to date. Will supporters immediately send in names and addresses of non-supporters attending U.E.A. meetings? Help us to help you.

Acknowledgments. — "Workshop," Yallourn, 6/-; A. W. Davis, on behalf of P.S.E.M.W., Yallourn, £1; "C.N.B.," Morwell Bridge, 2/-; R. Berger, North Ringwood, 2/-. Others as per receipts posted.

We are supplying letterforms at the rate of approximately 1000 per day. Have YOU had YOUR quota yet? 100 for 1/6, 50 for 9d, 25 for 6d, posted, from United Electors of Australia (Non-Party), Fifth Floor, McEwan House, Little Collins St., Melbourne. (Phone: MU 2834.)

South Australian Notes

From Electoral Campaign Headquarters, 17 Waymouth Street, Adelaide.

Friends and supporters will be glad to know that since the appeal for help to clear off our debt was launched, we have already received in actual cash about half of the required amount, and have hopes of more still to come. This generous response by members and friends past and present has enabled us to be equally liberal with our creditors, though there is still much leeway to be made up. Will all those who have so far contributed accept our best thanks?

As the outcome of the meeting on June 21, the campaign for "Victory Without Debt or Taxation" is now taking shape. A leaflet and demand form is being prepared, in line with those of other States, and we hope soon to be in the thick of the fight once more.

Some suggestions have been put forward as to ways of rallying supporters and keeping members informed; one is that we should have a study group for open discussion of matters vital to us, perhaps once a week.

Another idea, to help both the sale of our journals and the dissemination of their valuable propaganda, is to appoint someone who will be responsible for increasing sales, whether by his own efforts, or by enlisting volunteers who will help in giving these papers wider publicity. The benefit to our cause of such increased sales can hardly be over-estimated. Even if every reader in South Australia gained only one new subscriber, the result would be astonishing. We should be glad to have the names of any who succeed in doing this.

It's An Old Spanish Custom

"At a conference between members of the Onion Marketing Board, representatives of the Growers' Advisory Committee, and merchants, held yesterday, the fact was disclosed that only 4500 tons of onions now remained in Victoria to be marketed. From July 1 to the end of the year during 1937-38, sales exceeded 8100 tons, and in the equivalent period in 1938-39, 9600 tons. It was decided to ask growers to realise that, based on normal demand, present supplies were insufficient to meet requirements . . . To compensate growers for further deterioration and loss, prices will be increased from time to time."

—"Age," July 4. Not long ago we witnessed the dumping of tons and tons of onions. Now we are told there is a shortage, and that prices will be bumped up again. After the "crocodile tears" of the Onion Board, we shall now probably find the consumer shedding some real tears, unless the Housewives' or similar associations "know their onions."

GREAT NATIONAL EFFORT WANTED!

Strike a Blow for Victory—Now!

Time and time again the "New Times" have warned the people of this country about the ruthless intensification of a plan by International Finance for World Domination. Tragedy has followed tragedy with the result that Australia is one of the few British countries in which the light of democratic Government still faintly shines.

This nation now stands face to face with a situation, which we cannot avoid—if we are to even have a reasonable chance of surviving. A tremendous national effort is wanted, an effort, which will clearly indicate to our Members of Parliament that we are going to sweep aside any suggestion of financial treachery in this war. The rest of the British Empire is looking to us.

Thousands of our race are dying in Europe today. No doubt, many thousands of Australian youths will make the supreme sacrifice. They are fighting on the military front, but

WHAT ABOUT THE HOME FRONT?

Their Sacrifices Must Not Be in Vain

WILL YOU DO YOUR BIT?

Below you will read a demand form, which you can sign and send to your Member of Parliament—NOW. Get your friend to sign it. Mobilise public opinion in a tangible form. Write in and obtain a quantity of these forms and get out on the job. Australian electors must demand a REAL victory for the British people.

Two Millions of These Demands Must Be Sent to Canberra

Mr..... M.H.R.

Dear Sir, —

I desire to inform you, as my Parliamentary representative, that I am determined that the war shall be won for the British people, British culture and the Parliamentary system of democracy. Every increase in debt and taxation is a victory for the enemy, prevents us from putting forward our maximum effort, and is a blow against the morale of our people. I, therefore, demand that the nation's war effort be financed without further debt, taxation, or inflation.

It is, preposterous to suggest that our unlimited resources and manpower cannot be mobilised without pawning the nation to private finance, and I will be forced to vote and work for your dismissal at the earliest opportunity unless you take immediate action to prevent the further betrayal of the nation.

Yours faithfully,

Send your order for some of these demand forms now. Write to The United Electors of Australia, 5th Floor, McEwan House, Little Collins Street, Melbourne, C.I. Price 1/6 per hundred, post free.