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# THE NEW TIMES

Now, when our land to ruin's brink is verging,

In God's name, let us speak while there is time!

Now, when the padlocks for our lips are forging,

Silence is crime.

—Whittier (1807-1892)

Vol. 6, No. 40. MELBOURNE, FRIDAY, OCT. 4, 1940.

## British Empire Versus Wall Street

### Federal Union or Democracy?

By ERIC D. BUTLER

It has been obvious for some time that the British Empire is the last great bulwark against tyranny and complete financial gangsterism of an international character. The German-Italian-Japanese Pact, which was announced last week, further clarified this situation.

Behind the totalitarian powers — including Russia — International Finance, centred in Wall Street, New York, with its worldwide ramifications, has been the most powerful force. A careful reading of the daily press reveals an increasing number of news-items, which tell the dramatic story of the manner in which financial interests in America are extending their worldwide influence. For example, the reports of the increasing exports of war material from America to Germany, Italy and Russia does not make very cheerful reading. Neither do the reports of increasing financial assistance by International Banking Groups to these countries—particularly Germany. Dr. Schacht, German Economic Adviser, and close friend of Mr. Montagu Norman, Governor of the Bank of England, has been in Wall Street quite recently. Apparently some very searching questions have been asked in America concerning financial assistance to Germany. In answer to a question on this matter, Mr. Morgenthau, Secretary to the United States Treasury, is reported by the Melbourne "Herald" of August 9 as follows: "Any amount of money can be sent to Germany. It is silly, but we are at peace with Germany, and cannot do anything about its funds."

#### INTERNATIONAL FINANCE AND THE ARMS RING

If a victory for real democracy against the totalitarian powers is to be achieved, it is essential that the activities of the Wall Street groups be made public—particularly to the American people. It is quite evident that they are behind the British people; but, unfortunately, Wall Street is no more concerned with the American people than its representatives in British countries are concerned with the British people. During the last war, Mr. Bernard Baruch, claimed by many as the unofficial President of America — readers may remember Roosevelt's famous statement: "Barney doesn't write all my speeches"—was self-admitted dictator of all American industry. Mr. Baruch is closely connected with Wall Street, and some of his activities during the last war do not make very nice reading.

The arms ring in America today is more powerful than ever; International Finance dominates it completely. That's why Germany's war machine is being maintained at full strength. I don't ask the reader to take my word for this

I only ask him to read the following report, which appeared in the Melbourne "Herald" on September 28: "The Washington correspondent of the 'New York Post' says that army spokesmen declined to comment on the Senate committee report that the Ameri-



PRESIDENT ROOSEVELT.

can bomb sight may no longer be secret. The committee pointed out that Bausch and Lomb, the German-controlled firm of optical instrument makers, had to secure German permission before selling bombsights to the army. "It also discloses that German(Continued on page 7.)

### POSITION OF WHEAT INDUSTRY FEDERAL GOVT. MUST ACCEPT RESPONSIBILITY

The drought conditions, which have been prevailing for the past six months, have brought to a head the crisis, which ultimately threatened the wheat industry. The real cause of that crisis is the present financial system. Other primary industries are threatened with breakdown unless something is done. There is no need for us to mention what has happened to the apple and pear growers. They have been completely "bolshvised," and, unless a halt is called, a similar fate awaits every section of the primary producers.

One of the most remarkable statements made during the election was Mr. Menzies' claim that his Government had saved the wheat industry from chaos. Perhaps Mr. Menzies can reconcile his claim with the following report, which appeared in the Melbourne "Herald" on September 26. Similar reports have been appearing in other papers, and correspondents living in the wheat belts inform us that the conditions are actually much worse than the reports indicate:

"Unless the Government gives help, farmers in the wheat belt will have to starve on their farms or walk off, following the decision of the Victorian Storekeepers' and Traders' Association yesterday not to extend further credit to those engaged in the wheat-growing industry. This statement was made today by one of the largest storekeepers in a leading Wimmera town, who said today that in his area 60 percent, of the farmers would not be able to live without credit. Farmers had no ready cash, and no prospect of getting any. In odd cases in that district, farmers were already leaving to look for work

elsewhere, and it was inevitable that the number should increase as the year went on. . . . A Mallee storekeeper said that unless the Government made advances to help farmers carry on, 50 per cent, in his district had no hope of continuing. They faced a gloomy future in which their only hope was that the Government could not afford to let so many people engaged in an important industry go completely bankrupt. . . . From the northern Mallee a trader told how, in his district, nearly everything farmers had was mortgaged. Advances received for their wheat had paid only expenses associated with growing the crop, and left nothing for domestic needs. Many merchants had outstanding credit up to £5000 and £6000, and had no hope at present of collecting any of it. **At the same time, banks were pressing for a reduction of traders' overdrafts.**" (Our emphasis.)

The drought is not the fundamental cause of this deplorable position. It has only aggravated it. The wheat industry has produced billions of pounds worth of real wealth over the past quarter of a century, and, if the growers had received a payable price for every bag of wheat they produced, they would not now be in the hands of the private trading banks who never produced a bushel of wheat in their lives. Even if this were an excellent season and a bumper yield were harvested would the position be any better? The Government cannot even fully pay the growers for last season's wheat.

#### WHY GROW WHEAT?

We have heard quite a lot about the necessity of saving the wheat industry. Now, there can only be one logical reason for doing this: that it is absolutely essential that the people have access to wheat products, and that a surplus can be sold overseas in exchange for something which we do not produce in Australia. In other words, the real object of growing wheat is consumption. There is no other reason, unless of course, the Government and financiers are concerned with the wheat growers working just for the sake of working. The issue to be decided is whether we can (Continued on page 8.)

### THE ALMIGHTY DOLLAR U.S.

#### AID FOR AXIS

Australian Associated Press

NEW YORK, September 25.

The New York "Daily News" states that 10,000,000 dollars' worth of war materials are going to Germany and Italy from the United States every month via Spain, Portugal, Cuba, Russia and Mexico. Department of Commerce figures show, for example, that exports to Spain and Portugal increased by 22,000,000 dollars, compared with the first seven months of last year, while shipments across the Pacific to Russia, and thence to Germany, were leaping up.

—Melbourne "Age," September 26, 1940,

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"Recurring reports that America has sent vast quantities of tanks, 'planes and other war materials to Britain are placed in proper perspective by official statistics, which reveal that the amount of material sent to Britain since the war started is slight . . ."

—Melbourne "Herald," September 25, 1940.

## IT PAYS TO ADVERTISE

By "THE WALRUS."

**It is surprising what one may learn from the printed word. Every now and again one may be confronted with a paragraph, which suddenly reveals the uselessness of experience and the futility of reason. For instance, if I had been asked what was the cause of the extraordinary rise in material production and the astonishing variety of gadgets surrounding us today, I should have replied without hesitation: "Applied science."**

Which only shows how simple I am. For here in my "Morning Bulletin" I find that our material progress is due mainly to advertising. And it was not only the writer who thought highly of this thesis, but the editor, too, seeing that a preferential rate was paid for its publication.

Our informant says: "The high standard of living enjoyed by civilised peoples today is largely attributable to advertising." I think he must mean us, and it makes us glow with thankfulness, that we didn't live in the bad old times when everybody had to work, even if they did get paid for it, and when war was a glorified charade in which the opposing leaders addressed each other in blank verse.

But, naturally, I was curious to know just where my reasoning had gone wrong. It seems that the trouble with a lot of us is that we have been taught to reason on a mathematical plane wherein two things may be equal to one another, but never greater than one another, or better than one another. In the world of advertising you just have to forget all about mathematics. Naturally, anyone can see how unreasonable it would be to say to a shopkeeper, "Of course, I know it is quite impossible to sell at a loss and make a profit at the same time, but, you see, my social status and financial means are such that I can only afford rubbish. And I should be grieved beyond measure if by any act of mine anyone should suffer disadvantage."

Obviously, we couldn't talk like that. It would be a reflection on our bountiful country, and we have far too much "noblesse oblige" in our make-up to utter such an affront when a few euphemisms will save us. But for all that, I find it difficult to jettison the laborious lessons of my youth. That may be because I am pagan at the core, although I have never really thought about it. At any rate, it is certain that I have missed the real point about civilisation, just as I have about

advertising, for the writer next says: "People eat health foods because advertising has played on their desire to be fit and well, wash their bodies and clothes scrupulously because advertising has drawn their attention to the need for hygiene."

Well! Fancy that! Here's an explanation of the plagues that I should never have thought of all by myself. Naturally, if people went about in the bad old days saying to themselves, "I don't want to be fit," or "Just you catch me being well!", they got what they deserved.

With regard to hygiene and the use of soap, while admitting the power of advertisement, I would like to utter a word of warning on the subject of overdoing it. It's a nuisance to have to hide the soap to prevent the youngest born from uttering a trenchant query as to whether anyone has BO.

But touching my difficulty over this civilisation business. The writer says: "Civilisation has been defined simply as the creation of new wants and the means of their satisfaction." Well, if anything were needed to show up my complete asininity, that thing is in the sentence quoted.

Why on earth did I ever listen to those absurd philosophers from Diogenes to Ruskin, with their insistence on the vanity of the flesh? I had gathered from them the notion that as the road to happiness lies in the satisfaction of wants, happiness might be achieved with more certainty by eliminating wants than by creating them: that to discover one want to fill the heart and to be granted the means to pursue it were to know happiness. I don't think any of the philosophic brethren had the least suspicion

that they were uncivilised; that they should have been at it from dawn to dusk discovering new wants and telling the world.

Yet it is hard to re-orient the habits of thought of a lifetime, and ere forswearing my views on advertising and embracing the new civilisation of everlasting want, I shall retire for meditation. It is so difficult for me to believe that people hurry to buy things because someone has put the "pop" in popularity, or the "cat" in catsup, or the "rat" in rations, or maybe the "boot" in bootlegging.

I know it is all my own fault that I can't grasp the money business, the democracy business, and now the advertising business, for "twenty thousand Scotsmen can't be wrong"—or is that advertisement, too? It isn't merely a matter of everybody's beer and whisky being the best. It is something much bigger than that. In fact, my mental obtuseness makes me feel guilty of a sort of involuntary mental sabotage when I read such a pronouncement as was recently made by Lord Addison in the House of Lords to the effect that "the British and Allied cause was inadequately presented in neutral occupied countries. There was a mass of material available for influencing the discontented, suppressed millions in Germany." He doesn't say, "Isn't it a pity the Germans don't grasp the truth about themselves—and us?" That isn't quite the point. The point is that good advertising stuff is going to pot. In case we should get confused as to the thing he has in mind, His Lordship hastens to amplify, "I should not be a bit

sticky about the methods adopted to stir up trouble in Germany." So you see, the thing for sale is trouble, not truth, and Lord Addison's faith in advertising shows him to be a child of the new civilisation which some of us have missed, for he says, "I am always afraid of the newspaper people. They give me a creepy feeling . . . but if you want a case presented, you must employ experts and give them a free hand, plenty of money and organisation."

In spite of his "creepy feeling," His Lordship evidently breathes the modern culture quite naturally. He ends on a wistful note. "I wish Lord Beaverbrook would take on the job." Just as one of the rising generation might say, "It isn't fit for a dog to go out tonight. Why can't father go?"

I suppose when you have lots of money, a peerage and a thoroughly impaired digestion, you see things differently, but I know that in Beaverbrook's place, I should demand at once my "crowded hour of glorious life," and fill it with things about Lord Addison. As it is, we don't know what Lord Beaverbrook thought or said, but it seems fair to assume that he must have thought the reply of the Dominions Secretary, Lord Caldecote, barely adequate to the occasion, for it would not appear that Lord Caldecote was over censorious of the new civilisation. The distinguished peer merely contented himself with pointing out that, "if we persevere with the presentation of fact, we will ultimately succeed better than if we resorted to lies and pervariation."

In other words, though it is possibly true that "it pays to advertise," "honesty is the best policy"—after all.

## SCIENCE MARCHES ON

**Regular readers of the "New Times" will recall that we reported, well ahead of and more comprehensively than other Australian papers, including radio journals, the invention and development of the Frequency Modulation (FM) system of broadcasting, by the American inventor, Major Armstrong.**

In the past fortnight the Federal Communications Commission has handed down two momentous decisions, one releasing Frequency Modulation broadcasting from the confines of experiment, the other locking television tight within it. By awarding FM the number one television-sending band (44,000-50,000 kilocycles), F.C.C. opened the heavens to F.M. broadcasting. Including the band it had previously been allocated experimentally, it now has 42,000-50,000 kilocycles, and will presently be able to spot stations all over the land. Meanwhile, television must plainly label television experimental, must readjust its transmitters in New York, Chicago and Los Angeles to one of its other bands. Bubbling with confusion, excitement, hysteria, the radio industry, feeling the hot breath of revolution on its neck, last week gazed fitfully into the future. Some of its visions were sad, some glad. Among them:

A boom in the radio set business. Already busy selling F.M. sets are Stromberg-Carlson, General Electric, Scott Radio. Ready to leap into the market are Stewart-Warner, Zenith, Pilot, at least three others. Ranging from 70 dollars up, F.M. sets in the higher brackets will supply receivers for both the old type of broadcasting (amplitude) and the new (F.M.). Optimistic estimate of sales within a year: 100,000.

A growing F.M. network to replace the present makeshift me-

thod of relaying existing programmes.

A scramble for mountaintops, high buildings. Since the power of an F.M. transmitter increases with height, the spread of F.M. broadcasting is expected to put a premium on lofty locations. Prize location in Manhattan is the Empire State Building, in which Major Edwin Howard Armstrong, F.M. deviser, experimented until R.C.A. booted him out to make way for television.

A raft of new laws and regulations. Still undecided by F.C.C. are the rules that will govern F.M. transmission, the licensing of stations, power, coverage and engineering.

Hundreds of new stations. When the F.C.C. decision came through, 22 F.M. permits had already been allotted; several stations were in the process of being constructed. When F.C.C. issues new licenses, these 22 and 135 other applicants who are now clamouring to operate F.M. stations will all start from scratch.

Real and immediate is the problem of clearing television's number one band for F.M. Now in the position of a landlord owning an apartment from which the tenant has not yet cleared out, F.M. will not really start to go to town until January 1. By that time F.C.C. expects to have the space cleared. Included in the megacyclic house cleaning will be 13 maverick Government short-wave services.

### 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

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

## LEADERSHIP AND CRITICISM

By JAMES GUTHRIE, B.Sc.

(Based on a talk broadcast from 7HO, Hobart, and 7LA, Launceston, on Sunday, September 29, at 8.15 p.m.)

**As a result of the Federal Elections, the Party, which assumes office, will have a very slender majority. How is this going to affect the Government of the country and the prosecution of the war?**

According to statements made by the Prime Minister, he considers it necessary that the Government should have a big majority in order that business of the House may be done quickly and efficiently; and he has shown a great deal of irritation with the criticism of his efforts, especially in Parliament.

The Prime Minister looks upon himself as in the same position as a military leader who should be blindly followed, no matter to what end or at what cost. Everything, he suggests, should be subordinated to winning the war under his leadership.

Now, round this leadership business there is a great deal of muddled thinking—that's to say, if you call it thinking. It is beyond all doubt that the only way to get a job of work done is to select a competent man and put him in charge with full responsibility, and those who work under that man must give him absolute loyalty and obedience. There is no other way of getting a job done. You can't run an army or a ship or a business with a committee or a debating society.

Obedience and loyalty to an army leader is essential, but it implies that you have a free choice in the matter. When you join the army, it is essential that you submit to the discipline of the army; if you become an engineer, you have to submit to a stricter discipline, but of a different kind. These things are necessary whenever people work together in association to obtain something they want.

### PARLIAMENT AND PEOPLE

The job of our Representatives in Parliament, including the Prime Minister, is to select the men who are to lead the army and navy, and to remove all restrictions from those who are supplying the essentials of war. When this is done, Parliament will be assured of the whole-hearted co-operation of the vast majority of the people, because the people are united in their resolve to win the war—and they back those they think will win it quickest.

But this war is quite different from all other wars; the war affects everybody; everyone is involved; fresh difficulties arise each day which are new even to the experts. We all have to help.

To think that one leader can lead in all the activities of this war is sheer humbug; there is no such leader. And it is only through Parliament that the Prime Minister can come face to face with the feelings and difficulties of the people—and these difficulties will have to be considered if the war is to last several years.

The British Government was asked again and again to make money available to build underground shelters for the people; in spite of the very obvious need for such things it didn't do it, and so the people commandeered the underground railways for shelter—and the Government can do nothing about it but submit.

The leadership in this important matter came from the people, but it was ignored. The British Government was asked to build camps in the country for child evacuees from the towns, but it refused to do so until a gallant body of men tramped the country agitating that money be made available for that purpose—and after many months the Government submitted and voted one million pounds for these camps

which have since proved a tremendous blessing.

That is leadership, but it doesn't come from Parliament; it was forced on Parliament by the people. The people were vitally concerned, and they not only saved themselves by their action, but they saved their leaders.

This leadership business is becoming a bit of a joke.

### LEADERSHIP

Leadership. What does it mean? Most of the world's so-called great leaders left behind them a trail of blood, sorrow and hatred; and the real leaders of the world had to spend most of their lifetime trying to clean up the mess that was left behind.

If there is anything in leadership, it is found in those famous words spoken two thousand years ago: "He who would be first amongst you, let him be the servant of all."

It was the tragedy of China that the great men of that land, the scholars, took to themselves the treasures of the past, the cultural inheritance of their race, and left the great masses without guidance or knowledge; left them to be exploited and dehumanised.

They tried to be great without doing anything great. And aren't the German people suffering from the same trouble? Their professors sold their sacred trust for a little patronage and fame from their Prussian paymasters. They found it possible to twist the truth to suit the atmosphere of the men in power; men for whom they had nothing but contempt.

Our tragedy today is that we have men thrust upon us as leaders not because of service rendered to the people, but of service rendered to the great financial interests who can best reward them.

As Wells says: "These are not men of distinction; they are men who confer distinctions upon each other."

### CRITICISM

These men now occupy the seats of power, and we have to fight this war as best we can, and drag behind us these so-called leaders. I suppose we can do it, anyhow, we have to try; and only by keeping open the various channels of criticism can we prevent these so-called leaders from doing much damage.

Some people, who today object to the criticism of the Government, will very soon be very thankful that there are still left men who, by their constant watchfulness saw that British soldiers in the front line were given proper munitions, and those at home were protected from exploitation.

A great deal of time in the House of Representatives was wasted, so the Government supporters say, by discussing such important things as boots for soldiers. One member brought a pair of military boots into Parliament in Canberra; the boots were a sample of those issued to the A.I.F.

The army owes a debt of thanks to this Member of Parliament, as

Parliament is the proper place to do this job.

If the time of the Government was wasted, then the cause should be removed—or should not have arisen. People who object to criticism of this kind are simply asking us to lose the war.

There was no justification for those boots being issued to the A.I.F., except cheapness; and at 15/6 a pair they were very dear. Australia can make good boots; she made very much better boots twenty-five years ago; and the House was obviously in no mood to tolerate a cheese-paring financial policy, which was prepared to save a few shillings at the expense of the fighting forces. Those who would stop this criticism are a danger to their country.

If you read the criticism of the Members of the House of Commons in England and the House of Representatives in Australia you will find it directed in two main directions: First, to force the Government to take more active steps to protect the people from damage by military action; and, secondly, to protect the people from a breakdown of morale caused by useless sacrifices imposed upon them by those who have no understanding of the fact that the prolonged physical and mental strain of war demands a higher standard of living than in peace time.

Men can stand anything for a short time, but after a prolonged effort men become tired and weary, and just don't care what happens. It is just then that the final battle is lost or won and victory goes to the general who has protected his men from useless sacrifice and fatigue.

The Government today has enormous powers; powers never possessed by any previous Government. If it desires to do anything to help the people to win the war—and only the people can win the war; the Government can't—then there is no obstacle in its way.

The talents and resources of this country are far from being fully used; the people, especially engineers and businessmen, know this: This is the cause of most criticism.

The Government's chief task is to get rid of the obstacles, which are restricting effort. The Government cannot serve the people and its financial masters at the same time. Our arrangements for financing the war are out of date and costly, and a needless burden on the people. The 3½ per cent War Loans have got to stop. They are nothing short of a swindle. Most of the intelligent people in Australia know that, and they resent it.

If the Government thinks it can unite this country by trying to bluff intelligent people, then that Government is doomed to disappointment.

The people are united, in spite of the Government.

## UNITED DEMOCRATS' REPORT

From Headquarters, 17 Waymouth Street, Adelaide.

Unless otherwise desired by a majority of members, the date of the regular monthly meetings will be fixed for the first Saturday of each month. It is hoped that the next of these meetings—Saturday, October 5, at 8 p.m.—will attract new members, especially as it is a good opportunity for them to become acquainted with the objects and policy of the Movement, as well as to meet other members and friends in an informal way. On this occasion there will be a ten-minute talk on "Federal Union," followed by discussion—and later, supper and conversation.

It was decided at an Executive meeting this week that a recommendation be put before the general meeting to revive the campaign for Defence Without Debt under the newer title of

## WILL THE LABOR PARTY BETRAY US?

### Menzies' Hand Can Be Forced

The Labor Party has made use of so many platitudes about monetary reform, without showing any real sign of trying to do anything, that we have not regarded them with any great hope in the past. However, at last they are in a unique position to force Mr. Menzies' hand on financial policy if they are really sincere.

Next Monday, at the conference called by Mr. Menzies, a proposal is to be made for the formation of a National Government. This very interesting report appeared in the press of October 2, in connection with this matter: "The Prime Minister has indicated that at the conference to be held with Mr. Cameron, Mr. Curtin and Mr. Beasley, he is willing to discuss not only a National Government, but a national policy acceptable to all parties." (Our emphasis.)

Mr. Curtin has a great opportunity—an opportunity which he may never have again—on behalf of the Australian Labor Party, to clearly indicate that the only policy acceptable would be one of Government control of credit, without further debt and taxation. This is the crux of the position, and we wait with interest to see whether the Labor Party will betray us again by failing to force this issue.

This is a clear-cut issue. The Labor Party can make no excuse. If it fails to give this lead next Monday it will betray the Australian people.

### That All-in Effort

The following interesting item from Sydney appeared in the Melbourne "Age" of September 25:

"In the Legislative Assembly today, Mr. S. A. Lloyd (U.A.P., Concord) asked the Premier whether it was a fact that the Federal Government, in its war expenditure, was giving an unreasonable proportion to Victoria, compared with New South Wales, where there were many suitable workshops not used to their full capacity."

\* \* \*

Being a member of the U.A.P., Mr. Lloyd should know that Collins House is in Melbourne, not Sydney. Not, of course, that we would even dream of suggesting that Collins House is more concerned with its own interests than national interests, such as a real maximum war effort.

"Victory Without Debt." To this end it was suggested that other organisations and groups outside our Movement be contacted and invited to join forces, and the campaign carried out in much the same way as that for the repeal of the National Insurance Act. In view of this decision, will all who are in sympathy with this objective and really wish to do something kindly get in touch with Headquarters for further information.

Enquiries are invited at 17 Waymouth-street regarding hire of the Lounge at Headquarters. This is available for evening or afternoon meetings at a moderate cost. Use of kitchenette if required. Members may assist by recommending this convenient and attractive room to possible clients.

# 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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## ORGANISED "CADGING" WON'T WIN THE WAR

We have consistently endeavoured to influence public opinion in this country to the extent that the Government would be forced to adopt a more realistic attitude towards financing our war effort. We have pointed out that the financial system should only be a mechanism for getting things done; for allowing our total manpower to be applied to raw materials in a great national effort. Money, in itself, is entirely valueless, and should be created by the Government on behalf of the sovereign people. Its only cost should be one of administration.

Although the private trading banks have created many millions of pounds since the outbreak of war by the mere action of writing figures in bank ledgers—to an extent which they were not prepared to do in the days of "peace"—every impression is given by the finance-controlled avenues of "news" that the financing of the war is our most difficult problem; that the people must contribute or the war cannot go on. The result of this line of reasoning is the appearance of people with moneyboxes, raffles, etc., on the streets of Melbourne and other cities every few weeks. We have refrained from commenting on this matter in the recent past, but, we feel that there is a limit. It has been reached.

We object to the deplorable spectacle of the most important struggle civilisation has ever witnessed—the fight by free people for their way of life and their traditions—depending upon organised "cadging." If the survival of democracy depends upon sincere, but misguided, people rattling moneyboxes under the noses of an already financially harassed public, in order to collect a few miserable shillings, what hope is there?

We don't want shillings; we want millions of pounds weekly in order that every man and woman, every machine, everything we possess can be mobilised. Give the people a clear-cut idea of what they are fighting for; sweep the bureaucrats and red tape to one side, and make the banks function on behalf of people. Lift the struggle out of the gutter of orthodox finance, where loudspeakers implore you to "try your luck" in order that we can build more aeroplanes, etc., to a higher level, where everyone can do something useful.

The colossal expenditure of energy in endeavouring to extract money from people who are already chronically short of it can, and must, be utilised for more constructive purposes. Let us repeat that the Government has the power to provide all the finance it requires; an excellent banking administration is waiting or the order. And, yet, the great illusion that finance is difficult to obtain is maintained. We would suggest that for every £1 collected by raffles, etc., about 10/- goes in administration costs. And, even accepting this pitiable method of collecting money, how long would it maintain our national effort? We might struggle on for a few days. Even the war savings certificate scheme has not yet reached £20,000,000. How long could we fight the war on this? A few weeks at the outside.

Well might the average citizen ask where the millions of pounds, which we are spending at the moment, are coming from? They are being created by the private banks. We are not objecting to the creating of these millions. We want more millions, in order that all this wasted energy being expended on organised "cadging" can be utilised for organised production of real things. However, we do object to this "cadging" being used to camouflage what the banks are doing, and, more important, we object to them writing these millions of pounds up as a debt against our efforts, and charging us interest on this debt.

This issue must be faced. If the energy being expended by certain people in protesting against "gambling" to raise funds for the war effort, because of its "moral" effect on the people, were used in protesting about the **cause** of the "gambling," we would be a little nearer to the time when we will have a **real** war effort.

We do not like, criticising the activities of many people

## A DEFENCE OF CHAMBERLAIN

### THE SYDNEY "BULLETIN" SPEAKS OUT

There has been so much abuse of Mr. Chamberlain, the former British Prime Minister, and so much praise of Mr. Churchill, by the finance-controlled press, that the following extract from a recent article in the Sydney "Bulletin," provided a refreshing contrast:

"... on all sides there have been sneers at, in some cases bitter attacks on, Mr. Chamberlain, though Mr. Menzies, it is true, has dissociated himself from them:

"I thoroughly agreed with what Mr. Chamberlain did at Munich, and I still agree with what he did there. If Mr. Chamberlain had not gone to Munich and obtained this breathing-space for the Empire we might not be here tonight."

"During the Munich period Goering said to the British Ambassador in Berlin that if war came then there would be very few Czechs left alive, and little of London left standing. Can anyone now doubt that this savage and the savages associated with him would have tried to make his threat good, and that the consequences would have been more frightful than anything the English have yet suffered, though they have suffered much? With Sudetens, Slovaks, Hungarians and Poles, as well as Hitler's Germans, in opposition, Czechia would have become a shambles, and the slaughter and destruction would have been carried swiftly into distracted France, and so across the Channel.

"In 1938 Britain was not ready, nor was any part of the Empire ready. Conscripted had not been introduced. In men and machines the R.A.F. was greatly outnumbered by the Germans. There was no great system of deep air raid shelters, and there was a general shortage of supplies. Only the Navy was in a position to give more than it got, and the Navy could not have been employed in guarding the passage of bomber and fighter planes from the U.S.A., for the Americans had none to spare.

"Contemplating the certainty of defeat in Europe, and warranted in believing that gas attacks would be added to the horrors of bombing raids on his own islands, can Mr. Chamberlain be fairly blamed by anyone with a spark of generosity in his composition for trying to do what he could, by the method of negotiation, to humanise the inhuman and satisfy the insatiable? At the worst he gained a twelvemonth, and, although it was frittered away in faction-ridden France, it was not wasted in Britain. This is the solid truth, albeit the public has been deluged with flapdoodle about the miracles wrought in two or three months by a set of new Ministers, especially an elderly newspaper baron in the Air Ministry—the implication being that

not the desperate emergency in which his country was placed by the unforeseeable capitulation of France, but the reconstruction of the Government inspired the British workman to renewed efforts.

"From the moment Hitler marched to Prague in violation of his oaths, the nation, previously divided on Continental issues, closed up its ranks. Rearmament was already in progress, for Mr. Chamberlain had not been wholly deceived; huge votes for the services and conscription were at once accepted by the Opposition parties, which had opposed both Spitfires and Hurricanes (both Chamberlain-regime machines) were turned out in ever-growing quantities; the manufacture of mechanised equipment was speeded up; A.R.P. became a real thing; huge stocks of supplies were laid in. Above all, the Navy was put into thorough fighting trim, and a huge building programme was entered upon.

"In the result, the Navy began the war in much better shape than it was on August 4, 1914, when Mr. Churchill had been three years at the Admiralty, and it has had able professional leadership. There have been no cases in this war of obsolete cruisers being left to be gobbled up by superior forces, as was Cradock's squadron at Coronel, or sent rolling round the North Sea, to become easy meat for a prowling U-boat, as were the Cressy, the Aboukir and the Hogue; no examples of great ships being sunk because of insufficient armour and defective turret construction, as were the three battle-cruisers at Jutland; nor any examples of enemy warships getting away because British shells were deficient in penetrative power. Nor has any naval expert had occasion to write, as Lord Fisher wrote, that 'our mines were squibs.' The Royal Navy and the R.A.N. and the merchant navy and the minesweepers have done a grand job; and the convoy system, for which the Empire had to wait until the fourth year of the last war, has been in operation from the beginning.

"Surely, in common fairness to Mr. Chamberlain, these facts should be remembered to the credit of his Government. Australians, on whose continent not a single shell or bomb has fallen, and whose trade and commerce have been carried on almost as smoothly as in time of peace, should be the last to throw stones at the old man."

who sincerely believe that they are really helping our national effort. However, the highest form of patriotism consists in showing the people the truth, no matter how much that truth hurts. "The truth shall make ye free."

In conclusion, let us mention one incident relating to the subject under review, which we consider disgraceful. A recent report in the press told us how a Nazi 'plane shot down over Britain was quickly roped off by the authorities and the people charged so much each to have a look. The money collected is to be used to help buy a Spitfire fighter! The materials and the manpower for building the Spitfire must have existed before the German 'plane was shot down. Collecting money from sightseers will not increase the supply of real things. Surely, the people of Britain are not going to stand much more of this nonsense.

Organised "cadging" won't win the war. The people of this country should inform their representatives that they will consider any further "cadging" activities as an insult to their intelligence, their patriotism and the things they are fighting for. We can give a lead to the rest of the Empire on this matter.



### CONQUEST WITHOUT ARMS

We republish the following report, which appeared in the Melbourne "Sun" of October 2, as the most sinister piece of news we have read in connection with the war.

"U.S. MOVE FOR LOANS TO AID BRITAIN."

Australian Associated Press
"WASHINGTON, Tuesday. -- A Bill which may have far-reaching effects on Britain's war effort has been introduced into Congress by Senator King (Dem., Utah).

"The Bill would authorise the President to begin negotiations immediately to acquire by lease or purchase British possessions in the Pacific or bordering on the Pacific.
"In return, the President would be

authorised to extend loans and credits to Empire countries.

"The Bill would also reduce the British war debt to America and would modify the Johnson Act, which forbids loans to debt defaulters, and the Neutrality Act. This would facilitate loans to Britain.

"Congress leaders today declined to say whether they would deal with the Bill in the present session, but they described it as highly symptomatic of the country's feeling."

### More Dictatorship in New Zealand

The following report appeared in the Australian press of September 25:

"Drastic Terms. Compulsory Loan. Wellington, Wednesday. -- The Minister of Finance tonight announced the terms of the compulsory loan, which is estimated to provide £8,000,000. The prospectus provides for the issue of Government stock, which will be non-interest bearing until October 1943. Thereafter interest of 2 1/2 per cent will be paid until October, 1953, when the loan will be repayable at a price of £100 per cent.

"The Minister added that he would not regard any person as having subscribed in due proportion to his means unless he had subscribed at least the amount of the income-tax payable by him in February last."

This is the latest move by a Government which has been slowly but surely crushing the last vestige of economic democracy in our sister dominion. Could we expect any better from Labor Government in this country? We sincerely hope that we will not hear any more platitudes from Labor supporters in this country about the "progress" being made in New Zealand by the Labour Party.

### Recruiting for the R.A.A.F.

The following interesting paragraph appeared in "Smith's Weekly" of September 28:

"Mr. Fadden, Minister for Air, had better have a look at his R.A.A.F. recruiting train, which has just spent three weeks reaching Cloncurry from Townsville, at a cost of £500 a month, and with a personnel of 15, to recruit less than 20 men for the Air Force!

"Where's the necessity for this special R.A.A.F. car, when the R.A.A.F. already has more enlisted men than it can cope with?

"Why waste the country's money in a project of this kind? Built in the Ipswich Railway Workshops at a cost of many thousands of pounds, this R.A.A.F. car has everything that opens and shuts in the recruiting line, including an expensive medical staff and equipment.

"Were recruiting for the R.A.A.F. lukewarm one could understand the need for expenditure on a recruiting tram. But why have this expensive luxury wandering over the railway system of Queensland when the Air Force cannot accommodate the men already on its waiting list?

"It is surely not assisting the war effort that civilians between Townsville and Cloncurry and Winton, in which district the recruiting train is now perambulating, should be commenting on the delightful picnic being enjoyed by the personnel."

### BANKS FIRST, FARMERS LAST

Sir Kingsley Wood (Chancellor of the Exchequer), replying in Parliament on June 18 to Mr. De la Bere (who had asked if he would introduce legislation to make it illegal for the banks to charge more than 3 per cent, or 1 per cent, above the existing bank rate, on all overdrafts and advances to agriculturalists and other industries engaged on work of national importance), said he considered the charges now made by the banks not higher than was "necessary to maintain the banking structure of this country on a sound basis." He, therefore, did not think there was any case for legislation.

Apart from the rate of interest demanded by banks for their costless credit, it is strange that the frustrating power to withhold it altogether from farmers is not raised in Parliament at this time when blockade and famine threaten the whole country. A writer in the "Farmer and Stockbreeder" (June 18, 1940), says:

"A manufacturer of, say, aeroplane parts can go to his bank and the mere presentation of the Air Ministry's order will enable him to secure credit. If any of us receives an order to plough, say, twenty out of two hundred acres we cannot expect the same measure of credit. We have almost to pawn our shirts to get an overdraft. To Mr. Hudson I say: 'Please press these points on the Ministry of Food. First, we started short of ready cash. Secondly—and to the townsman this point needs driving in with a hammer—we plough and sow from September to November and receive no cash until the following September or even later,'

-"Reality" (England).

### Eric Butler Plans Lightning Tour of Southern Queensland

In response to requests, Eric Butler is endeavouring to plan a lightning visit to Southern Queensland before Christmas. If satisfactory arrangements can be made, he hopes to leave Melbourne during the last week of this month (October).

He is prepared to address meetings in New South Wales on the way through, and those who would like his services in that State are urged to communicate with him immediately, c/o The New Times, Box 1226, G.P.O., Melbourne.

Any Queensland reader who desires to use Eric's services locally should communicate immediately with The Electoral Campaign, 142 Adelaide Street, Brisbane.

Eric is prepared to pack the maximum action into this trip. It is absolutely essential—and opportune—with a close balance of power between the Parties—that determined public opinion be focussed on the burning issue of the day: a greater national effort without further debt.

This tour will produce results; the more so if YOU will support it—physically, financially and morally.

### WAR LOAN

### To be Launched With Music

The £20,000,000 war-loan flotation will be launched to the strains of choral music on Monday, October 14. The Commonwealth Bank has appealed to the secretary of the Australian Choral Association (Mr. M. J. Pettigrove) to co-operate in the scheme, and several well-known conductors have promised to help. Employers have also agreed to give vocalists the necessary time off to take part in the programme of patriotic music and national airs, which will be sung outside the Town Hall during the lunch hour while the appeal is in progress. Choirs and individual choristers are requested to communicate with Mr. Pettigrove for further information.

—"Age," 28/9/40.

\* \* \*

In the prophecies of the Learned Elders of Zion, we read in Protocol No. 15: "If we have been able to bring them to such a pitch of stupid blindness is it not a proof, and an amazingly clear proof, of the degree to which the mind of the goyim is undeveloped in comparison with our mind? This it is, mainly, which guarantees our success."

And in Protocol No. 20: "Every kind of loan proves infirmity in the State and a want of understanding of the rights of the State. Loans hang like a sword of Damocles over the heads of rulers, who, instead of taking from their subjects by a temporary tax, come begging with outstretched palm of our bankers. . . . But the goy States do not tear them off; they go on in persisting in putting more on to themselves so that they must invariably perish, drained by voluntary blood-letting."

### U.E.A. Lectures

On Tuesday night last, a most interesting address, entitled "The Philosophy of a Democratic Society," was delivered by Mr. Eric Butler, in the unavoidable absence of Mr. W. J. Carruthers.

Next Tuesday, October 8, the visiting speaker will be Rev. J. T. Lawton, who will speak on "The Fundamentals of Social Reorganisation." A good attendance is expected.

These regular weekly lectures are held in an informal atmosphere, are followed by questions and discussion, and are open to all. Time: 8 p.m. Place: Christian Club Lounge, Albany Court (8th Floor), Collins-street (near Swanston-street), Melbourne.

### The Sub-Human Level

By C. H. ALLEN.

A philosopher friend of mine has a saying that the so-called civilised world has never known a society of humans, but only groups of commercialised beings.

If I started out to philosophize about the cage which has been wrought by the financiers to enslave and enmesh the peoples of the world, I think I would, in some way, link up the codes called LAW with commerce when dealing with the structural characteristics of the cage.

I find it fun, sometimes, in the middle of a conversation, to make the rather sweeping statement: "Ah! but you have never seen a human being." Then I may proceed to suggest that if one goes to the bird-shops one can see caged cockatoos, but a study of such birds cannot give one complete ideas of how a free cockatoo acts and lives. The "moral" can be supplied according to circumstances.

The cockatoo does seem to retain a wonderful zest for life; and though we may be interested to view the new tricks, arts, exercises and sedatives which the people around us are continually inventing as a means of showing their urge for change (progress, they may call it), we who see the bars of the cage so clearly do get exasperated because people generally are not interested in the means of doing away with the cage, and thus winning their freedom.

The problem of getting people to be interested in their own release is essentially in the educational field; that is, people must be induced to be humans; they must be shown that they can live by a philosophy founded in reality.

### Japan Desires More Wheat and Wool

According to the Melbourne "Age" of October 2, the Consul-General for Japan in Australia, Mr. Akiyama, said that Japan was seeking closer relations with Australia, and desired to purchase more wheat and wool.

Before Japan can buy our wheat and wool she must first sell goods in this country in order to first obtain Australian credits. In order to buy her goods we must have an adequate supply of money. If we haven't, we can't buy Japanese goods, with the result that Japan can't buy our wheat and wool.

And why haven't we sufficient money? Readers are requested to ask Mr. Menzies.

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## THE FOREIGN-MARKET MIRAGE

By WILLIS A. OVERHOLSER, in "Money," New York.

**My good old friend, Gibbons Potteet, of Roxron, Texas, has told a story, which, in a few words, illustrates a lot of common sense in regard to economics, such as, otherwise might very easily require volumes to explain. Mr. Potteet is a writer, lecturer and economist, and for many years managed a bank in his community. Here is the story:**

"Once upon a time there was a fine and fertile island set away out in the Seven Seas. The island was settled by a colony of energetic people who brought with them from the old country their tools, their seed and a start of livestock. They all fell to work each according to his natural bent. Some made household furniture, some ploughs and hoes, some ploughed the ground and some grazed their cattle. They exchanged their wares one with another on a fair exchange basis governed by the time and skill required in the production. Soon they all had good houses, barns, granaries and cellars, and an abundance of the essentials of life.

"The island was isolated, oh, so isolated, no other land within many hundreds of miles. They had no commerce at all. It was hard work, as each farm was also a miniature factory, but all that the people produced was theirs, for money and commerce had not yet come with their tricks to rob the producers.

"Finally, there came a year when they had a most abundant harvest. At the end of the harvest the people met at their little church for a season of rejoicing and thanksgiving. All were happy but Brother Botts, who seemed worried. He called the Chief Elder aside and spoke as follows: 'Brother, please call a meeting of the council. I have something to say to thee.' The council gathered and Brother Botts delivered himself like this: 'Brethren, calamity stares us in the face! We have overproduced. Our granaries are full to the overflowing, our cellars are full, our clothes presses are full, our stock are fat, our men are fat, and our women are so fat they wobble when they walk. Friends, we must export or we perish.'

"Then the Elders stepped into the bushes for a conference. One says: 'Brother, this is our first

one.' Another says, 'Yes, our good brother is bereft of his reason.' Another says, 'Old Brother Botts has bats in his belfry. We must put him up.' And straightway they went further into the forest and they did build a good strong pen out of logs, and with a padlock on the door. And they fed Brother Botts through a crack.

"This was the first lunatic asylum."

\* \* \*

Think it over! If it doesn't click, then read it again and think some more!

Foreign trade is not nearly as necessary as many people would have us believe. It undoubtedly is desirable, because there are some things, which we wish to make use of, which are not produced in this country. It, therefore, is desirable to carry on foreign trade as a means of exchanging some of our products for some of those products, which we do not produce.

However, the great clamour for foreign trade is not due to this, although this is what is talked about the most in order to kid the public into taking their minds off a consideration of certain domestic problems which, if solved, would eliminate the bastard reasons for trying to unload so-called surpluses in foreign markets. By failing to provide and distribute properly the right amount of purchasing power, we fail to develop our domestic market anywhere near as much as it could be developed. As a result, we create so-called surpluses of things, which are badly needed by our own people. We then plunge into a mad scramble for foreign markets for the disposal of those misnamed surpluses or overproduction of things, which our own people desire and actually require for their well being. These

so-called surpluses are commonly sold in foreign lands at prices greatly below the prices charged for the same products here at home.

This unnatural rivalry for foreign markets among nations creates animosity between nations and undoubtedly is one of the great causes (if not the major cause) of wars. Wars in turn, of course, aid in using up our so-called surpluses and in relieving some of the tension for foreign markets, but what a price to pay for relieving this tension!

It has been quite well demonstrated that without the solution of domestic problems and without wars that sufficient foreign markets just simply do not exist. The absurd scramble among nations of trying to unload illegi-

mate surpluses upon one another has not proven successful.

What a spectacle!! An abundant production, whether created by a good crop or good machinery, proves to be a curse since we have not intelligence enough or fair play enough to bring about a sufficient creation and distribution of purchasing power to buy (and thereby distribute) that abundance. Thus, when the abundance develops, we shut down, create unemployment, and this puts on the finishing touches for making abundance a curse.

When are we going to get down to business about solving our domestic problem, of distribution, and thereby eliminate the mad clamour for foreign markets and the reckless causing of humanity's greatest curse—WAR?

## AN IMMATURE ECONOMY?

### AN AMERICAN ECONOMIST'S VIEWS

The following article from a recent issue of "Time" is interesting—although orthodox in outlook, and employing some of the jargon of orthodoxy:

A prime theorem of many New Deal ideologists is that the U.S. economy is mature, past its years of automatic growth. According to this view, frontiers can no longer be depended on to absorb the country's excess capital—the only way to keep the economy going is by heavy taxes on savings and surpluses, to re-circulate wealth through a widening programme of Federal works. Leader of this school of thought (called the "deficiency school," because it thinks the private outlets for new investment are deficient) is Economist Alvin Hansen of Harvard.

Against this gloomy hypothesis, U.S. businessmen are instinctively arrayed. Most of them, had they heard of it, would belong to the opposed "deterrent school," led by Professor Sumner H. Slichter, also of Harvard. Economists of the "deterrent school" believe the economy would resume its normal expansion soon enough if the deterrents to expansion, governmental and otherwise, were removed. But U.S. businessmen, in this debate, have been forensically slow-footed.

Last week, with a 413-page volume called "Capital Expansion, Employment, and Economic Stability," august Brookings Institution of Washington threw its weight on the Slichter side of the scales, against the doctrine of the mature economy. Product of a two-year study directed by Brookings' president, orbicular Harold Glenn Moulton, it broke no new argumentative ground, offered no new documentation for economists. But to businessmen it served the useful purpose of asserting learnedly, with charts and logic, principles that most of them accept on faith. Some contentions:

The increase in U.S. population (although the rate of increase is declining) and the need of raising living standards offer ample basis for large-scale, private-capital construction. In the next 40 years the bulk of present housing facilities should be replaced, new facilities should be prepared for a probable increase of 22,000,000 to 55,000,000 in population. Estimated average annual outlay: 3,500,000,000 dollars. Better housing facilities might conceivably run the annual total to 6,000,000,000 dollars.

To put the U.S. productive plant back into tip-top shape, and to take care of increasing population, would cost 22-26,000,000,000 dollars. Example of capital-expansion needs: 61% of U.S. industrial machinery in 1937 was over ten years of age (compared to 44% in 1925); less than 5% of U.S. locomotives (end of 1938)

were "strictly modern," 52% are over 24 years old; more than 60% of the steam capacity of power plants will need replacement or rebuilding within a few years.

New technologies and new industries—chemicals, plastics, synthetic fibres and textiles, photoelectric cells, aeroplanes and air transportation, television, air conditioning—have tremendous potentialities for a widening economic horizon.

The mature-economists' contention that large industrial organisations can now finance their own capital requirements from "internal sources" is exaggerated. Even so moderate a business recovery as that of 1936-38 sent many a well-heeled company to the money market: U.S. Steel Corp., 100,000,000 dollars for modernisation; Monsanto Chemical, 5,000,000 dollars for "working capital and plant expansion"; Standard Oil of New Jersey, 50,000,000 for "capital expenditures," etc.

Lining up firmly with the "deterrent school," the Brookings report described some familiar deterrents:

Government taxation policies have driven investors to tax-exempt bonds, away from risk investments.

Time lost in complying with S.E.C. rules has increased market risks in issuance of new securities; legalistic requirements have increased the expense of flotations, particularly of small issues: access to the capital market is further complicated by vagueness of S.E.C. rulings and indefiniteness of penalties.

Deficit spending and the growth of the public debt have made U.S. citizens unwilling to make long-term capital commitments. Investors, says Brookings, fear an ultimate "breakdown of public credit."

Competition of public lending agencies (R.F.C., H.O.L.C., etc.) with private institutions has worked against private risk of capital.

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## WHY COMPULSORY PETROL RATIONING ?

### VOLUNTARY SYSTEM WOULD SUCCEED

If petrol rationing were really necessary—and we don't think it can be proved that it is, particularly in view of the fact that no real attempt has been made to get oil in this country, or to produce power-alcohol on a large scale—we are of the opinion that a voluntary system should be tried. We reject any suggestion that the Australian people must be COMPELLED to help the national effort. The Government has been using that strategy for far too long to introduce more regimentation.

All the evidence clearly shows that a voluntary system would work; with the result that there would be no need for more bureaucrats or waste of paper by printing ration tickets. Apart from this, there would be no need for these who must have adequate petrol supplies to keep production at its peak—such as in the dairying industry—to be arbitrarily hampered.

Those who think that the people of this country are so unpatriotic that they must be forced to help the national effort, would be well advised to carefully read the following article from "Smith's Weekly" of September 28:

#### COMPULSION UNNECESSARY

"Few people—except perhaps a group of politicians—are convinced that compulsory petrol rationing, which starts next month, is essential.

"It is popularly agreed that a cut of one-third in our present consumption is required to conserve dollar exchange in America. But the motor trade, and most men who have studied the matter, consider that this end can be achieved by methods, which would have far fewer repercussions on Australian industry than compulsory rationing.

"Most obvious method is an appeal to the public to use petrol only for essential business, and then only when no other form of transport is available. This idea was put up to the Menzies' Government, but was squashed—the Government apparently not having honest faith in the public's readiness to make sacrifices to aid war effort.

"Sound indications of the public's willingness for sacrifice, which the Menzies Government should have considered, were amazing response to recruiting campaigns for the A.I.F., R.A.N., and R.A.A.F., and the many millions of pounds which have been subscribed for war purposes through gifts to the Commonwealth, interest-free loans and war savings certificates.

"When applications from car owners for petrol ration cards were analysed recently it was discovered that over 60 per cent. of applicants asked for no preferred ration. Undoubtedly many of the car owners concerned could have made out watertight cases why they should receive extra rations. Fact that they didn't prove conclusively that they were aware of the need for sacrifice and were patriotic enough to make sacrifices.

"Also, since necessity for conserving dollar exchange was first announced, many car owners who drove to their offices daily have garaged their cars and have been travelling on trains and trams.

#### "NO-CAR" DAY

"Voluntary petrol rationing was introduced in America during the last war, and proved an enormous success. As soon as the U.S.A. Government seriously put it up to the public it caught on. Government did not say 'Please use less petrol.' Scheme was introduced in a scientific fashion.

"Car users were asked to voluntarily observe one day a week as 'no car' day, even though it entailed a lot of personal sacrifice.

Patriotic spirit did the rest. On 'no car' days, the only cars, except commercial vehicles, seen on roads were those used by such people as doctors. Such cars bore distinguishing marks.

"Public became so enthusiastic about the scheme that anyone seen driving a car without a 'privilege' badge on a 'no car' day was booed, hissed, and hooted off the streets. Farmers in back areas who used cars on 'no car' days were obliged to explain the reason why to the local police stations to save themselves from the wrath of their neighbours.

"Quantity of petrol saved each week by this method was so great that it was enough to run the entire British Navy for a week.

"To suggest that Australian car owners would not be just as patriotic as the Americans were during the Great War is ridiculous. A 'no car' day in Australia would undoubtedly be a great success.

"It is not too late to cancel the cumbersome petrol rationing scheme, and introduce a voluntary system of the type which was so successful in America.

#### RESENT RESTRICTIONS

"By cutting out compulsory rationing a great deal of hardship would be prevented. For one thing, the motor industry will be saved. Since compulsory rationing was announced, re-sale value of Australian owned motor vehicles has depreciated by £40,000,000, and many thousands of employees have been, or are about to be, sacked.

"Australians are a free-living, free-thinking people, who resent restrictions, but are unflinching in voluntary sacrifice for the good of the community, if approached in the right manner. You can lead them, but you are asking for trouble if you badger them."

### "Wall Street Has Faith in Britain"

"Australian Associated Press.

"New York, Wednesday.

"Hitler's statement that Germany was ready for a four years' war started one of the most active market rallies of the year.

"Financial circles interpret it as an admission of Germany's failure to dent Britain's defences. Wall Street reasoned that another year of war would turn the tide definitely in favour of Britain."

—Melbourne "Herald."

How considerate of the Warburgs, Kuhn, Loeb, etc., to have faith in Britain. But, the British people fight, not for Wall Street's financial dictatorship, but for their own way of life—British culture, British homes and British democracy.

## British Empire Versus Wall Street

(Continued from page 1.)

interests in United States industry amounts to hundreds of millions of dollars, while the Reich may already have used America's enormous investment in German industry—estimated at 2,000,000,000 dollars (£A666,000,000) 'as a means of blackmailing American interests.' . . . Other vital aircraft war materials in the United States are subject to German control."

We are therefore naively told by the press that "America" has huge investments in Germany's war industries, while "Germany" has big interests in America's war industries. If we substitute the term "International Finance" for both "Germany" and "America," we begin to understand why Dr. Schacht has been visiting Wall Street. There are two lines of action open to Britain in connection with this matter: First, to try to place these facts before the American people and the American administration, and request that International Finance be prevented from helping the totalitarian powers. Failing this, a complete economic blockade of all war materials which might find their way to the totalitarian powers to be imposed immediately. This action would certainly cause an outcry by the financiers, but it would bring the enemy into the open.

Unless drastic action is taken, International Finance can keep the war going for years by maintaining the fighting strength of our enemies, while hampering us from making a maximum effort by keeping us in the straightjacket of orthodox finance. While all this is going on, Federal Union—complete financial dictatorship of the whole world, backed by armed force—is being gradually implemented. Is this why the same interests who armed Germany, Russia, Italy and Japan are now going to arm America? Do they think that they can institute similar conditions in America to those they have been responsible for elsewhere? It looks very much like it. The Melbourne "Herald" of September 12 reports a plan being formed in Washington for the regimentation of the economy of the whole Western Hemisphere. Fortunately, the spirit which produced Lincoln—"Democracy will rise superior to the Money Power"—still flickers. However, it will need more than flicker if it is to meet the growing menace.

#### FEDERAL UNION IN THE PACIFIC?

When the American-Canadian agreement was signed, it was hailed by many as the first step towards the implementation of Federal Union. Behind the surface-reasons of military co-operation can be seen the power of finance. In a lengthy report dealing with the proposed military link between America and Australia in the Melbourne "Age" of September 12, the following significant statement appeared: "Greater economic co-operation with British countries would logically follow a military understanding."

After dealing with the proposal for America to take over islands right across the Pacific as air bases, this report states: "Tahiti might be made the administrative centre" This sounds suspiciously like Federal Union in the Pacific.

Big moves are taking place behind the scenes, as witnessed by the following report from the Melbourne "Herald's" Special Service, on September 21: "The New York Post," commenting on the discussions which recently ranged over the whole Pacific field, describes the Administration's programme as 'revolutionary in scope,' adding that it could hardly have been brought to the stage of serious discussion, even three months ago."

Three days later, the "Herald" published the following thought-provoking item: "The New York Times' features the reactions of the Italian Press, notably that of Resto del Carlino (Bologna), alleging that America is seeking to get control of Canada and Australia. Japan is rightly alarmed at "American Imperialism," says the newspaper."

#### MR. CASEY IN ACTION

It has now become apparent why Mr. Casey was sent to Wall Street. Mr. Casey is a member of a banking group. We might recall the Melbourne "Sun's" famous editorial on his appointment: "We want the American people to know more about this country—not merely as a picturesque former resort of bushrangers, or as a reserve of a unique fauna, but as the home of a great and growing nation, and a fine field for the investment of capital." (My emphasis.)

On July 19, the following appeared in the Melbourne "Argus": "Leading American businessmen who arrived in Sydney tonight emphasised the quickening interest in Australia as a field for industrial development by business concerns in the United States. 'With a close knowledge of this country and its possibilities, formed on a previous extensive visit, I have seized every opportunity to tell business interests in the United States that Australia is the coming frontier for American investments,' said Mr. George D. Willis. . . ." (My emphasis.)

Since arriving in America, Mr. Casey has apparently been very busy settling our destinies. Lengthy discussions have been taking place between Mr. Casey, Lord Lothian (exponent of Federal Union), Mr. Cordell Hull (American Secretary of State) and Dr. T. V. Soong (Chinese emissary to America and the guiding power in the Chinese Central Bank.) In a lengthy report on these discussions by the Melbourne "Age's" Special Representative, on September 16, the following appeared: "While Mr. Casey and Dr. Soong naturally were reticent about their conversation, it is no secret that British diplomatic missions have interpreted Dr. Soong's protracted visit here as designed to secure a United States 'bolster' for Chinese currency, and it is believed that this was one item in a general review of the situation in the Far East discussed by Mr. Casey and Dr. Soong . . . and Anglo-American support for this currency, therefore, would be one of the most important items in an Anglo-American plan to check any Japanese expansionist policy."

In other words, Wall Street's interests in China are the cause of the trouble. On the other hand, Japan obtains 80 per cent. of war materials from America. The Americans call this "playing both ends against the middle." The whole British Empire is in the middle at the moment. We are taking the brunt of the whole struggle in the military sphere, while International Finance and its agents continue to pawn us on the home front.

#### THE REAL ISSUE

The fundamental issue today is the British Empire versus Wall Street. We are either fighting for democracy or Wall Street's new world order—Federal Union. Anyone who cannot see that Wall Street is playing a game of "balance of power" on a world scale has nothing of serious consequence to contribute to the problem. That influence is now spreading to the Pacific, and will finally overwhelm us unless we are prepared to attack financial domination within our own country. The Empire fights alone. Let us at least fight with our hands free and for our own way of life.

## POSITION OF WHEAT INDUSTRY

(Continued from page 1.)

consume more wheat products in Australia, and whether we can sell the surplus overseas. Some people may say that the immediate problem is one of drought. Yet, if the Federal Government would only pay the growers a reasonable price for last season's yield, which they commandeered under the National Security Act, the majority of the growers would be able to carry on during this dry period, as they have carried on in the past when they had similar seasonal conditions. The Government is apparently unwilling to do this because it has not been able to sell the wheat at a price which would allow them to pay the growers a payable price. However, be that as it may, the Government is responsible. It took the wheat and it must see that the growers are paid. Of course, we are aware that the cry that there is a shortage of money will be raised. The Government has the sovereign power to find all the money necessary without saddling the rest of the community with further debt and taxation. Pressure must be brought to bear to see that this is done immediately. How we can reconcile the oft-repeated cry that we must maintain public morale at the highest peak with the shocking conditions in the wheat belts is beyond our comprehension. Settlers who are being forced off their blocks are not likely to feel very enthusiastic about anything.

### WHEAT PRODUCTION AND MONEY PRODUCTION

We have pointed out that although the wheat growers have produced billions of pounds worth of real wealth, they are steadily going further and further into debt to the private trading banks. The Gepp Commission, as far back as 1934, found that total interest charges on every bushel of wheat produced amounted to nearly 2/-. The trouble with the wheat growers has been that they, like every other section of the primary producers, have been so busy producing the real wealth that they never stopped to ask who was creating the money claims to the wealth. That is the question which an increasing number of them are asking today. If we had a real democracy, the Government would see that all money claims to wealth produced by the people would belong to

the people. This is unfortunately not the case, with the result that the private banks have the monopoly of the creation of money, which they only issue as a debt against the people's real wealth. Until the wheat growers learn that simple fundamental fact about our present economic structure, they are not going to make very much progress.

If the people of this country had had more money in the past they would have bought more wheat products, with the result that the wheat growers would have obtained a better price for their produce. Further, if every bushel of wheat grown in this country had been monetised—in other words, sufficient money claims created to represent the wheat produced—we would have been in the position to have bought more of the goods which other countries were, and still are, offering us. They would then have been in the position to have bought our surplus wheat. We would suggest that it would be more sensible to allow Japan, and other countries, to sell their manufactured goods here—that is, if we had sufficient money to buy them—in order that they could buy some of our wheat, which some of them urgently desire. Japan, for example, has indicated in the past she is prepared to pay well, but she must be able to sell her products here first; and, of course, we cannot buy her goods unless we have sufficient money. This is the crux of the problem in passing we might mention that we would feel much happier to see Australian wheat going to Japan that scrap iron.

### GOVERNMENT MUST FACE THE ISSUE

Of course, should there be no demand for wheat overseas, under decent monetary arrangements the obvious thing would be to produce sufficient for our own needs and any possible droughts, and to then produce something else. However, the immediate task is for the Government to accept responsibility for the financial stabilisation of the wheat industry. It is quite apparent that the election results have given all the Parties something to think about—particularly the U.A.P. and the U.C.P. Mr. A. C. Everett, vice-president of the Victorian Wheat and Wool Growers' Association was reported in the Melbourne "Sun" of September 26 as follows: "The political action taken by the growers' organisations has proved their

worth. Had the wheatgrowers' organisations taken a stand three years ago the position of the wheat industry might have been very different. In every electorate where wheat was extensively grown the Government candidates had either been defeated or their majority greatly reduced."

It is quite apparent that the situation has the U.A.P. and U.C.P. very concerned, with the result that suggestions have been thrown out that the wheat position will be faced immediately. This seems to suggest that there is quite a lot of intrigue going on behind the scenes before the pre-session meetings of the three Parties take place at Canberra. Both the Labor Party and the U.A.P. are endeavouring to obtain a balance of power with the assistance of U.C.P. members, and it would not surprise us if quite a few of the U.C.P. members are inclined, to support Labor. Perhaps this explains Mr. Menzies' sudden interest in the wheat industry. The situation was never more satisfactory for united action by the wheat industry, with the assistance of all those dependent upon it, to bring pressure to bear upon members of Parliament. We suggest that the present closeness of strength in the Parties will make members of Parliament listen more attentively to the demands of their electors than ever before. Electors should write to their respective members of Parliament about the urgency of this matter immediately.

### U.E.A., Frankston Branch

The Frankston branch of the U.E.A. has started on a campaign for the next election. At an executive meeting, held this week, it was decided to form an electorate council, drawn from those localities which election results show to be strongly in favour of the policy, and hold a meeting of delegates at Dandenong at as early a date as possible. The proposals put before the meeting will be based as largely as possible on the experience of the election, and a scheme drawn up which has for its purpose attacking from the bottom instead of, as hitherto, from the top. Consideration will also be given to the advisability of endorsing independent candidates or supporting any candidate pledged to bring to fruition the policy of the U.E.A.

Mr. F. Parker, of Frankston, will be glad to supply any further information asked for.

### How Do Australian Wool Producers Like This?

The following interesting report appeared in the Melbourne "Argus" of September 23 (our Emphasis):

"LONDON, Sunday (A.A.P.).

"Action of the wool control authorities in increasing issue prices for wool last week has astonished almost the entire industry. The bulk purchase of the South African clip meant that the United Kingdom would receive an amount double the normal annual consumption of wool.

"It was taken for granted that issue prices would be lowered, especially as all reports from South America emphasise the disadvantageous effect which high prices are having on British endeavours to expand exports of textiles. Business in the north of England has actually been held up because of the belief that lower prices were in prospect.

"However, a corresponding increase in export issue prices means that foreign manufacturers buying wool from Britain will suffer by the same degree. Furthermore, foreign manufacturers will not be given the advantage of having raw material costs guaranteed for a long period ahead.

"It is conservatively estimated that merino top prices are now 70 per cent, in excess of the pre-war level, but Dominion growers have certainly not benefited to that extent. It is argued that increased freight and insurance charges could not have absorbed the difference. A corresponding increase in prices of noils is now expected, despite a recent plea for a decrease to assist exports."

### Business as Usual

"BANK OF ENGLAND'S DIVIDEND.

"LONDON, Sept. 19. (A.A.P.)

"The directors of the Bank of England held a general court in the bank's vaults. The Governor, Mr. Montagu Norman, in announcing a dividend of 6 per cent, said that precautions had been taken to ensure that business will be carried on in all emergencies."

"-Sydney Morning Herald," September 20.

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