

**ON OTHER PAGES**

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# THE NEW TIMES

Now, when 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. 42. MELBOURNE, FRIDAY, OCT. 18, 1940.

## BRITAIN and THE BANKERS

### More Parliamentary Pressure

On 18th July, Mr. De La Bere (Evesham) again raised the point of the banks extorting £2,500,000 a year from farmer borrowers of bank-credit. He wanted to know what this cost the banks, and answering his own question, said it cost nothing at all beyond the administration charges. This time he was well supported by Mr. Turton (Thirsk and Malton), Mr. Price (Forest of Dean), Sir F. Sanderson (Ealing), and Mr. Loftus (Lovesroft).

On July 23, Mr. Glenvil Hall asked if the Treasury had any cause to thank the joint stock banks for any interest-free loans? (Evasive reply.) Mr. Butcher asked what steps had been taken under the Emergency Powers Act to take greater control of the finance of the country and the banks? (Evasive reply.) Mr. Davidson raised questions about the Bank of England (evasive reply) supported by Mr. Stokes:

"Arising out of the original reply, in view of the fact that the loans made by the banks are on the nation's credit, will the right hon. and gallant gentleman, consider making representations to the banks that they should make those loans interest-free?" (No reply.)

In reply to a question by Mr. Gibson, it was disclosed that 3357 males and 62 females were imprisoned in England in 1938 for failing to comply with an order or judgment to pay a debt.

\* \* \*

On July 25, Mr. Granville raised the difficulties of farmers in getting credits from the banks. Mr. De La Bere supported. (Evasive replies.)

#### REMARKABLE SPEECH

Mr. Loftus: ". . . I have always deprecated foolish attacks on the banks, and anything I say is not in criticism of the management of the banks, but of the system; for I have never concealed my opinion that the system whereby most of our money—and three-quarters of our money is cheque money—is created by companies and not by the State is a wrong system, and that it is responsible for many evils. I am convinced that under our privately controlled issue of money, money that is burdened with interest from the moment of its creation, we shall never be able in peace time to develop fully our agriculture and industry, and we shall be able to do so in war time only at the cost of piling up vast burdens of debt. I will go further. I will say that under this system you will of necessity always be hampered and hindered and delayed, as we have been during recent years in dealing with the great problems of unemployment, Colonial development and rearmament. I do not believe that the delays in our rearming were due to optimism or the short-sightedness of our politicians, or even so much to the desire of the Treasury to preserve our rate of foreign exchange, but that they were inherent in this present

financial system . . . I know that many will say that these words are merely the mutterings of a currency crank, and that I shall be accused of being a green shirt and a follower of Major Douglas. I never have been, although I have admired greatly his diagnosis, without agreeing with the remedies he proposes. My reply is that I have learned these ideas as a result of taking the advice of Lord Baldwin, who told us to study the work of Benjamin Disraeli. I followed his advice, and I now quote the words, which he used. Disraeli wrote that King William III:

"introduced into England the system of Dutch finance. The principle of that system was to mortgage industry to protect property. This system has made debt a National habit. It has made credit the ruling power, not the exceptional auxiliary of all transactions."

Disraeli described the results of this system in typical Disraelian florid rhetoric:

"A mortgaged aristocracy, a gambling foreign commerce, a home trade founded on a morbid competition and a degraded people."

"It might be objected that Disraeli wrote these words before he had the experience of office, and before he shouldered the heavy burden of being Chancellor of the Exchequer. I will quote, in reply, the words of one who was Chancellor of the Exchequer more times than any (Continued on page 8.)

### BANK OF ENGLAND'S CHARTER

#### MOVE TO HAVE IT REVOKED

According to a recent issue, just to hand, of the English weekly, "Reality," the "News Chronicle" of August 2 reported that a group of 11 members of the British House of Commons had announced their intention to table a motion that the charter of the Bank of England be revoked.

We await news of further details and of more recent developments in this regard with interest.

While it is very doubtful whether this frontal attack could succeed, it provides striking evidence of the growing realisation, among responsible citizens of Great Britain, of the identity of the enemy within.

### ALBERTA'S PREMIER SUMS UP

Mr. Aberhart, Premier of Alberta, warned his audience, in a public address at Winnipeg recently, that Canadians must be alert to the possibility of a Fascist State being "slipped over" on them during their time of stress.

Speaking before about eight hundred persons in the Walker Theatre, Mr. Aberhart declared himself against centralisation of power in one spot and said it made no difference who controlled industries or other matters so long as they were handled properly and fairly.

If he could mobilise the intelligence of the west, he continued, he could solve all provincial problems in six months. By intelligence he did not necessarily mean people with university educations, but people capable of solving their own problems.

Monetary problems of the west should be solved in such a way that purchasing power was circulated to bring about a balance between consumption and production. He thought the only way this could be done was through the issuance of debt-free money.

Mr. Aberhart contended his Government's proposal to issue basic dividends to the people of Alberta was no different than the issuance of old-age pensions or the extension of public health insurance.

He believed that every workingman should be assured through dividends with the necessities of life. The dividends, he added, would never be taken out of the pockets of somebody else.

Mr. Aberhart said he had asked a number of people what they considered the outstanding problem of the day and from most of them he had received the answer: "The war." Contending this was a false impression, he said that war was the outcome of problems, which have not

been solved, that it was not a problem in itself but a crisis instead.

He predicted that if Democracy did not do something to solve its problems, the people would do something themselves.

Hon. W. A. Fallow, Alberta Minister of Public Works, also addressed the meeting, giving a review of improvements made in Alberta by the Social Credit Government in regard to highway construction, educational reform and public health. Although a great cry had gone up when Alberta cut the interest rate on its bonded indebtedness, he said, there had been no similar demonstration when 25 per cent of the Ontario municipalities had been unable to pay their bond interest and the Ontario Government had passed laws reducing their interest rates.

\* \* \*

In a speech made at Winnipeg to the Canadian Manufacturers' Association, Mr. Aberhart, after reviewing Alberta's wealth of coal, oil, minerals and natural products, said that it was a narrow, selfish idea to think that a growth in Alberta industry automatically meant that it was at the expense of eastern Canadian industrialists. He said that Alberta intends to encourage deliberately the establishment of new industries and the expansion of existing ones.

He saw no reason why Alberta coal should not serve the entire Canadian market or why industries could not be established to produce coal by-products.

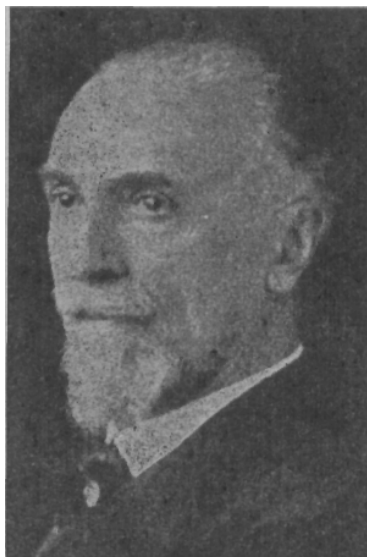
Mr. Aberhart made only brief references to Alberta legislation. He said that some propagandists had spread the false impression that because of Alberta's debt legislation, investors hesitate to enter the province.

"As a matter of fact, this is the opposite to the truth. Our action in this regard has safeguarded the investments made in our province. I am convinced that if any individual or corporation continued to borrow every year, the investors could have no confidence in him. They would know that ultimately he would come to a collapse," he said.

Alberta was the only province living within its income and not plunging into debt, he claimed. Its action offered industrialists a guarantee that their capital resources would not be jeopardised by a piling up of public debt and the consequence of ever-mounting taxation.

Investors had taken advantage of the opportunity and in the last year 18 new industries had been established in Alberta. Between 1934 and 1939 the province's retail sales had increased nearly 38 per cent, and its wholesale sales nearly 34 per cent.

Alberta's policy, said Mr. Aberhart, could be summed up in one phrase: "Conservation pending reform and readjustment."



Mr. Montagu Norman, Governor of the Bank of England.

## THE CRIME OF POVERTY

By "THE WALRUS."

One of the maxims dinned into me from earliest youth—probably as an anticipatory consolation—was the one asserting, "Poverty is no Crime." I had even got to the point of believing that, with the abolition of the debtors' prison, Society had accepted this view. It would seem that once again I was wrong. The following is a report from my newspaper:—

"London, October 1. Lord Woolton, head of the Ministry for Food, said today that 58 emergency feeding centres had been opened in London's bombed areas. Provision had been made for 200 such centres. More food was available for anyone willing to pay. There was no desire to give anything for nothing."

It looks as though someone—probably a thriftless down-and-out—has been putting it about that the government of a democracy is about to give something for nothing. You know what these thriftless people can be like. They are bad enough in peacetime with their insistence on the right to live, their eternal complaint about having no job and therefore no money, their uneconomic belief that they should share the wages of the machine, which makes them superfluous. In wartime they can be much worse; if they have the misfortune to be bombed out of their beloved slums they are a greater liability than ever.

### EQUALITY OF SACRIFICE

There is really nothing for them to "come the pathetic" about. Equality of sacrifice ordains that they lose merely a hovel while the nobleman loses a mansion. It is quite possible too that in their ranks are those who are not merely unwanted in industry, but who, through poverty, have rendered themselves unfit for the army. If only we could get them to see it, they would be better out of everything. Starvation may eventually accomplish their elimination of course, but I would not mind betting, even then, that the State will have to bear the cost of the funerals.

Mind you, Lord Woolton is on ground more delicate than would appear at first sight. He knows that the copybook maxim, "Poverty is no crime," is more than a little suspect. Undoubtedly poverty is a crime. How could it be otherwise in an age in which scarcity of commodities is something to joke about; when even a famine is normally an impossibility; when science is multiplying man and horse power at such a rate that three persons out of every four will soon be super-

fluous in industry. He knows that, war activity apart, there should be unemployed a-plenty, but no poor.

All this makes it very difficult to believe in the genuineness of poverty. The law itself wisely takes cognisance in this category only of vagrants or loiterers, or persons without "visible means of support," or maybe, persons with visible but temporarily ineffectual means of support. In matters like this you simply must have proof, and poverty is one of the hardest things in the world to prove. The burglar can be convicted by the possession of the proceeds of his burglary, and the drunkard by his own contents, but when you get down to it, poverty is almost as intangible as a cartload of post-holes.

There is something, therefore, to be said for the attitude of the law in recognising just those without "visible means of support." An advantage, which emerges from the legal slant, is the assumption that, of course, in an age of plenty, everyone has the means of support, but certain eccentrics maintain an extravagant secrecy on the subject. This immediately puts the whole business in a somewhat different light. We need not get so confused by the people who persist in never having anything, and the fact that no garbage tin is safe in the vicinity of these people can simply be taken to prove that there is no accounting for taste.

Admittedly, quite often, you can tell when people die of malnutrition consequent upon poverty, but here again the issue has been confused by the behaviour of misers who have been known to die while possessed of invisible means of support. You never know where you are in the poverty business.

### NEGLECTED OPPORTUNITY

All the same, I am surprised that, considering the embarrassment caused by so many of these people coming out into the open in a physical sense as a result of enemy action, the government hasn't done something in departmental style, and drawn up, on approved lines, a form to be filled in by those believing themselves to be stricken by poverty. By approved, I mean an attractive document beginning with "To Wit," and proceeding through a wealth of "whereas" and "afore-said," ending finally with a flourish. "By virtue of the Catalepsy Act of 1201," or something imposing like that. It would, of course, have to be signed before a J.P., and its truthfulness guaranteed by a 5/- stamp.

Anyone familiar with departmental procedure could draw up a suitable form dealing with pertinent matters - - and impertinent matters too, as far as that goes—seeing there'll be no kick coming. As a suggestion, we might start off with:

Name (birth certificate to be produced); address (heaps of rubble caused by bombing not acceptable for this purpose unless witness of outrage is forthcoming); whether married, single or with intentions (searching inquiry as to why the family can't be held responsible); physical fitness; whether poverty has been experienced previously, and if so, how it was disposed of; and so on. Anyone really good at this sort of catechism could eliminate all but a very small percentage of the applicants.

It is a perfectly splendid opportunity for some department, and it has the advantage of appearing to take a human interest in the welfare of people who have long since ceased to be of any use for the war effort. The usual depart-

mental safeguards would be needed, naturally. If any of the staff got up to any larks with the application forms, such as "coordinating with a view to the elimination of a social evil," he could easily be shifted to another department, if persistent. Young men are sometimes apt to take these things rather seriously and occasionally they become guilty of conduct prejudicial to the maintenance of departmental and political jobs. But this is presumption in me. Ministers would, no doubt, exercise their usual discretion.

\* \* \*

There is another way of dealing with the matter, but the main trouble with it is that it would take a good lawyer to demonstrate its morality. It struck me that what was raising expectations of getting enough to eat, notwithstanding inability to pay, was probably the spectacle of internees being catered for. What the hungry ones, maybe, don't realise, is that when you are certain of victory you can do your aliens pretty well, because you can present the bill afterwards to the fatherland of the internees.

Furthermore, it occurs to me that whereas we know perfectly well that industry is functioning as usual, Hitler isn't aware of this, and it aught to be a simple matter to persuade him that his Luftwaffe is the cause of it all, particularly as he doesn't even know we have any unemployed. How could he? Nobody ever mentions them.

So what I thought was.... Well, neither Hitler nor his executors need ever know.... No, it's no good! It is so mean to deceive a helpless opponent.

But you CAN see how annoying it must be for a national to die of starvation in circumstances like that, can't you?

## RUSSIA, GERMANY, ENGLAND

In England, the Imperial Policy Group, originally a group of members of both Houses of Parliament, publishes a monthly Memorandum of Information written by Kenneth de Courcy. An Editorial Committee consists of Lord Phillimore, Flight-Lieut. Victor Raikes, M.P.; The Earl of Mansfield; Captain A. R. Wise, M.P.; and Mr. W. Nunn, M.P. The following passages appear in the Memorandum, dated 31/7/40:

"Soviet statesmen are undoubtedly disturbed by Germany's rapid expansion and swiftly-won victories. Although M. Stalin's diplomatic, political, and economic machinery has been working against the Allies, and the last thing he wants is a British victory, yet he does not want Germany to gain her objectives so swiftly. Exhausting war or an indecisive and controversial peace would suit equally well. What the Russians wanted was the British Empire swept away, and Europe thoroughly exhausted. That was the game. In the background was Stalin's odd feeling of kinship with Hitler. The Russians will do almost anything to avoid a clash with Germany, the prospect of which thoroughly frightens them. Here and there they will try to grab an advantage. They will flirt with us in order to strengthen their bargaining position with Germany. Russia, however, will not, according to our information, take any initiative to disturb the main provisions of the far-reaching understanding into which the two countries entered last spring and summer. All our information, and we have a good deal on the subject goes to show that there is no ground whatever for the view that Russia will join Great Britain in a war against Germany. It is groundless. What Germany may do later on is another matter. . . ."

"The lights have gone out in three gallant little countries which, just over twenty years ago won their independence after a hard struggle, Russia has annexed Es-

tonia, Latvia and Lithuania for two reasons. First, in order to improve her strategic position, and secondly because she found her garrisons in these countries dangerously influenced by the local inhabitants. We have reason to believe this latter factor played a very important part.

"The Russian garrisons were astonished to find three small countries on the borders of the Soviet were living in totally different, and far better, conditions than those prevailing in Russia. The standard of living was higher; everybody had plenty of food, pleasure and freedom."

"...Whatever the Marxist may say, the ordinary British youth wants to build something which will be all his own and will endure. He doesn't want to work some great soulless State machine. . . ."

"... After the Great War, the trade unions made a bid for supreme political power and the nation crushed it in 1926. Wartime conditions may well tempt others into the danger zone of British politics. The Executive itself might drift this way.

"Foreign influences might tempt the trade unions to forget the lesson. . . . Or may be a political party might so far forget itself as to speculate in forms of government. But, whoever by chance or design forgets the lessons of our history will meet with the stubborn resistance of the people of this realm, who will never tolerate the accumulation of power in one institution, or one pair of hands. . . ."

**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.

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# THE KING, FEDERAL UNION AND YOU!

By ARTHUR A CHRESBY

Director of Political Strategy  
Democratic Federation of Youth (Australia)

## NATIONAL SECURITY

Section 42 of the National Security Regulations of the Commonwealth of Australia states:

- (1) A person shall not—
  - (a) Endeavour, whether orally or otherwise, to influence public opinion (whether in Australia or elsewhere) in a manner likely to be prejudicial to the defence of the Commonwealth, or the efficient prosecution of the war; or
  - (b) Do any act, or have any article in his possession, with a view to making, or facilitating the making of, any such endeavour.

YOU agree that this war must be won quickly; that Australia must be preserved from attack, and that her defences must be immediately built up so that we can with certainty repulse an attack if made.

YOU agree that we must prevent the propagation of any doctrine, which will influence the Sovereign people of Australia in a manner likely to undermine their MORALE and their unswerving belief in the British Empire, and LOYALTY TO THEIR KING, who is the SYMBOL AND GUARDIAN of the moral unity of that Empire.

## BRITISH EMPIRE UNITY

This belief was demonstrated in the following extract of the message of his Majesty, the late King George, to his dominions overseas in September 1914:—

"During the past few weeks the peoples of my whole empire at home and overseas have moved with one mind and purpose to confront and overthrow an unparalleled assault upon the continuity of civilisation and the peace of mankind.

"My peoples of the self-governing dominions have shown beyond all doubt that they wholeheartedly endorse the grave decision which it was necessary to take.... The full measure in which they have placed their services and resources at my disposal fills me with gratitude, and I am proud to be able to show the world that my peoples overseas are just as determined as the people of the United Kingdom to prosecute a just cause to a successful end....

"... All parts of my overseas dominions have thus demonstrated in the most unmistakable manner the FUNDAMENTAL UNITY OF THE EMPIRE amidst all its diversity of situation and circumstance."

In the year 1931 YOU were given a further unmistakable demonstration of the greatness and UNITY IN FREE ASSOCIATION of the several units of the British Commonwealth of Nations, by the establishment of the "Statute of Westminster," which states in its preamble:

"And whereas it is meet and proper to set out by way of preamble to this Act that, INASMUCH as the Crown is THE SYMBOL OF THE FREE ASSOCIATION of the members of the British Commonwealth of Nations, and as THEY ARE UNITED BY COMMON ALLEGIANCE TO THE CROWN it would be in accord with the established constitutional position of all the members of the Commonwealth in relation to one another THAT ANY AL-

TERATION IN THE LAW TOUCHING THE SUCCESSION TO THE THRONE, OR THE ROYAL STYLE AND TITLES SHALL hereafter require the assent as well of the Parliaments of all dominions as of the Parliament of the United Kingdom."

## PLAN TO DESTROY BRITISH EMPIRE IS REVEALED

In the year 1931, YOU were also given the FIRST OPEN ADMISION of the existence of the plan to SMASH the British Empire, and DESTROY not only the MORAL INFLUENCE OF YOUR KING, but also the BRITISH THRONE. This admission was contained in the following extracts from a speech given by Professor Arnold Toynbee (Director of the Royal Institute of International Affairs, and whose salary of £1,500 per annum is paid out of the money collected from the British taxpayers, direct and indirect) at the fourth annual conference of Institutes for the Scientific Study of International Relations, at Copenhagen:

"If we are frank with ourselves, WE SHALL ADMIT that we are engaged on a DELIBERATE and sustained and concentrated effort to impose limitations upon the SOVEREIGNTY AND THE INDEPENDENCE of the fifty or sixty local sovereign independent States.... The SUREST sign, to MY MIND, that THIS FETISH of local sovereignty IS OUR INTENDED VICTIM is the emphasis with which all OUR STATESMEN and OUR PUBLICISTS protest with one accord, and over and over again, AT EVERY STEP FORWARD WE TAKE that whatever changes we may make in the international situation, THE SACRED PRINCIPLE OF LOCAL SOVEREIGNTY WILL BE MAINTAINED INVIOLEABLE. This, I repeat, is a sure sign that at each of those steps forward, the PRINCIPLE OF LOCAL SOVEREIGNTY IS REALLY BEING ENCROACHED UPON AND ITS SPHERE OF ACTION REDUCED, and its power for evil restricted. IT IS JUST BECAUSE WE ARE REALLY ATTACKING THE PRINCIPLE OF LOCAL SOVEREIGNTY, THAT WE KEEP ON PROTESTING OUR LOYALTY TO IT SO LOUDLY. The harder we press OUR attack upon the idol, the MORE PAINS WE TAKE TO KEEP ITS PRIESTS AND DEVOTEES IN A FOOL'S PARADISE lapped in a false sense of security which will inhibit them from taking up arms in their idol's defence...."

"... I will not prophesy. I will merely repeat that we are at present working, discreetly but with all our might, to wrest this mysterious political force called sovereignty out of the clutches of the local national States of our world, and all the time we are denying with our lips what we are doing with our hands."

If YOU are to believe his Majesty, the late King George, and the "Statute of Westminster," YOU were given unmistakable evidence of the desire of our Statesmen—with the concurrence of His Majesty—to confer more AND MORE LOCAL SOVEREIGNTY UPON each of the Nations of the British Commonwealth.

# UNITED ELECTORS' REPORT

Business Meeting. —A meeting of the executive was held on Tuesday night last, and proposals for future activities were discussed. It was agreed that, pending the publication of a suitable textbook as a basis for the proposed study-group, the usual lecture arrangements be continued. The unavoidable resignation of the chairman, Mr. M. Keogh, owing to pressure of business, was received with regret, and Mr. F. Parker was elected to the

chair. The hon. secretary informally gave notice of his intended resignation, but will endeavour to carry on until his future plans are arranged. The following ladies were appointed to act as hostesses at the weekly discussions: Mrs. J. B. Allen, Miss N. Jones, and Miss P. Thomson.

Weekly Lectures. —Mr. Robert A. Gardner, general secretary to the Opportunity Clubs for Boys and Girls, will be the guest speaker on Tuesday night next, October 22, We appeal for a good attendance by supporters and all interested. The title of Mr. Gardner's address will be "Public Opinion About Poverty." Remember: 8 p.m., Tuesday next, Christian Club Lounge, 8th Floor, Albany Court, Collins-street (near Swanston-street), Melbourne.

Petrol Rationing. —Actionists are urged to take advantage of the rising tide of public opinion against the anomalies of the scheme, and the proven neglect of our own fuel resources, by assisting in the distribution of letters to M's.H.R., now available as hereunder:

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

Date .....

Federal Members' Rooms, Post Office Place, Melbourne, C.I.  
Be PETROL RATIONING.

Dear Sir, —

I desire to have my views, as follows, represented in the Federal Parliament.

I am prepared to voluntarily conserve petrol should such action become necessary.

Patriotic citizens do not require a bureaucratic and costly Board to compel them to do their duty.

In my opinion the Fuel Board's ration scheme will retard our war effort and antagonise loyal Australians.

I would also remind you that prompt development of Australia's abundant petrol supplies and the immediate erection of further storage facilities would quickly eliminate the dollar exchange problem.

Yours faithfully,

(Signed) .....

(Address) .....

(Federal Electorate) .....

Send 1/6 for 100, or stamps for similar quantity, NOW.

Acknowledgment. — "Workshop" Group, Yallourn, 4/-,

## Wedding Bells

We have pleasure in announcing the forthcoming marriage of Miss Josephine Robinson, of Box Hill, who is well-known to many of our readers, and Mr. Norman F. Rolls, who has been hon. secretary of the U.E.A, since Mr. Dow's retirement early this year, and has to his credit two years' honorary work for the U.E.A. and the "New Times" in Victoria and N.S.W.

Carrying with them the good wishes of this journal and so many of its readers, they will be married by the Rev. W. Bottomley at the Unitarian Church, East Melbourne, on Saturday, November 9, at 5 pm.

In view of the years of service rendered to the movement by these two stalwarts, the U.E.A. proposes to provide supporters with an opportunity of showing their appreciation of the services of both Miss Robinson and Mr. Rolls.

Will all those desirous of assisting in the matter please forward contributions for same to the Campaign Director, United Electors of Australia, McEwan House, 343 Little Collins-street, Melbourne, as soon as possible?

It must be obvious to YOU, therefore, that those behind Professor Toynbee are endeavouring to SMASH ALL THIS AND DESTROY YOUR FREEDOM AND ALL THE RIGHTS CONFERRED UPON YOU by virtue of the free association of the Nations of the British Commonwealth united by common allegiance to his Majesty the King. Irrespective of the sincerity or otherwise of those engaged in this undertaking, is not such activity at any time (and particularly during war) ABSOLUTELY HIGH TREASON? IS IT NOT A CONTRAVENTION OF THE NATIONAL SECURITY REGULATIONS?

*Don't Delay, Order Your Christmas Suit To-Day*

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Published every Friday by New Times Ltd., McEwan House, Elizabeth and Little Collins Street, Melbourne, C.I. Postal Address: Box 1226 G.P.O., Melbourne. Telephone: MU2834.

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No. 42.

## THE AWAKENING

Fifteen years ago an article by Sir A. Conan Doyle, in which disaster was prophesied, appeared in the "Morning Post," then an influential London daily. Subsequently, there was a lively controversy in the newspaper's correspondence columns, which included the following letter:

"It should be plain to all who have eyes to see that catastrophe must soon overtake a world which persists, in the face of the scientific application to production of mechanical labour-saving devices, in carrying out a policy resting on the assumption that unless man work neither shall he eat. The consummation of this policy, unless labour-saving machinery be forbidden, is that man must die.

"There is, however, an alternative policy. It is that man be allowed to **enjoy** the increased leisure to which his ingenuity in harnessing the forces of Nature to his service entitles him. There would be no technical difficulty in slightly modifying our financial system so that potential production and potential consumption could be equated, the two thus being made actual.

"It rests with the people to say which policy shall be pursued. If they fail to decide in time they certainly will not be spared."

If it is too late to spare us much suffering, it is not yet too late to avoid final disaster.

Why have the people, not insisted on the sensible policy of permitting themselves the enjoyment of that leisure which modern industry has made possible?

It is because those who profit by the alternative policy have, and have had, control of all the principal channels of publicity. They have consistently filled those channels with lies and deception, suppressing every infiltration of truth. Thus they have succeeded in misleading the people into mistaking the most colossal lie for the truth.

The policy of live-and-let-live, which is what most normal people want, means freedom for the individual to choose his own way of living at peace with his fellow-men. Although the desire for individual freedom is in the very bones of the Australian people, its fulfilment has been suppressed with a growing pressure as the physical means of satisfying it have been increasing.

Press and wireless combine to delude the people into a belief that they cannot have access to the earth's abundance **because money is scarce**. Money—an abstraction—is held up as a rare commodity, and the people are duly hypnotised by the idea. Abstractions are thus given preference over realities. The eyes of the people are kept constantly on the ends of the earth.

But there is hope now more than ever before. The path of Australians is being strewn with rocks, and they are beginning to bark their shins so painfully that they are at last lowering their eyes to the ground. Soon they will have to keep their eyes on the path they are treading, lest they fall down altogether. Then the distant abstractions will no longer interest them, for all attention will have to be riveted to realities.

The Australian people, once the truth dawns upon them, will give vent to a long-pent-up force, the result of which is past the comprehension of those who have hitherto kept it down. They yearn for freedom, and a life worth living, and the means to enjoy the beauty of their lovely land. They will not tolerate dictatorship once they recognise the fraud upon which it is founded. Hitlerism is but one of many effects springing from a common cause that must be uprooted wherever it is.

This is the land of the free. Here the seed of liberty was sown long ago. Here it has struggled upwards to the light. Here it will yet bear fruit.

## SPILLING THE FEDERAL BEANS

Reprinted from the "Social Crediter," England.

**That there is an element in the United States of America that is not the real America, readers of this journal are well aware; a voice can be heard that is not the voice of the American nation—a nation which we know to be friendly to us.**

Mr. Clarence Streit, author of the book, "Union Now," has been constituted the mouthpiece of that other voice, and, at this moment of crisis, he is to be heard to the extent of a full page advertisement in the Jewish-controlled "New York Times," shouting "union now," with emphasis on the "now."

Mr. Streit, like all his kind, is very ingenuous. His proposal is for a union of all the countries composing the British Empire with the United States of America, to be known as "The Union of the Free World"—of all sympathetic-sounding titles! All essential powers, as suggested in his book, are to be vested in a central Congress, in which the United States is to have 27 votes, to 20 for the whole British Empire.

There can only be one assumption behind such a simple suggestion as that: that Great Britain is so embarrassed with the war as to put bargaining, or rather the obtaining of a fair deal, out of the question for her, otherwise how could Mr. Streit go on to give away America's position, and his own objective so naively as he does.

"Let us face facts," he says in his advertisement, "the British Navy stands between us and European invasion . . ." And on the strength of that he offers to come in with Britain on what is practically a seventy-five per cent, basis in America's favour!

But Mr. Streit is a hustler; he has it all worked out in advance. "By Union," he says, "We secure the British Fleet over-night." You don't see that? Well, but it is all so simple. Listen—"The Seven States" (of the Union) "can rule the Seven Seas so that no combination of autocracies can prevail against them. While they rule they can lose even the British and Irish Isles, and yet win." That is indeed a comforting thought for them, whoever "they" are. To be certain on that last point we had better work it back, because Mr. Streit's teeming thought has shot so far ahead that we may have missed some of his meaning.

Evidently Mr. Streit sees, and fears the worst, speaking from our rather insular point of view. In imagination he has already lost both the British and the Irish Isles to the Autocracies. But, one gathers, it would take a great deal more than a setback of those dimensions to daunt Mr. Streit. We must remember that they don't look very large from the other side of the Atlantic. What matter if the Seven States are now, like the Ten Little Nigger Boys, reduced to only five, so long as hearts are strong and courage high; and so long as there is the British Navy, and Australia, and South Africa, and New Zealand and Canada especially Canada, the prospect does not daunt Mr. Streit and those for whom he speaks.

"They," then, is the "Union of the Free World" Congress, or whoever controls it, with the voting ratio presumably reduced to 8—27 consequent upon the unfortunate liquidation of Great Britain (11 votes) and Eire (1 vote). That is not the real voice of America. Nevertheless, it must be given attention, if for no better reason than that those behind Mr. Streit have considerable power. That this point is evidently beginning to be generally realised is shown by the following extract from Lord Donegall's article in the "Sunday Dispatch" of July 14: "Perhaps some economist reader can tell me this. Supposing the U.S. ceased to buy up at 35 dollars an ounce all the gold that is being offered to her? From the British Empire alone she bought

some £366 millions in the first eight months of the war. The presumption is that Germany would win the war practically overnight, as all shipments of aeroplanes and machine tools would cease. It won't happen, but am I correct? It is quite a thought that although America cannot win the war for us overnight, she could lose it for us in just about that time."

There is one important point on which Mr. Streit requires to be put right, since he makes use in his advertisement of the facts of Mr. Churchill's offer of union to France after Paris has fallen as proof that the British people are "only waiting to be invited" to walk into the Federal Parlour. Evidently Mr. Streit does not realise that that move can only have been an emergency war measure: one says that because there was no time to consult even Parliament, much less the country, on the matter.

"They" have "spilled the beans" this time without any question. And the New World order of which we heard so much in the early months of the war, begins to emerge. Does it begin to appear also that there is no place in it for England, for Great Britain, for that is unquestionably the key pin that holds together the Great British Commonwealth of Nations and of British culture? — Norman F. Webb.

\* \* \* \*

**"Prime Minister Churchill's offer to form overnight with France the very kind of federal union here proposed is a proof that the British consider such a proposition practicable and wait only for our invitation."**

So says Mr. Clarence Streit in a full-page advertisement, which he took in the "New York Times" on July 15.

"The proposed democratic federation would be called 'The Union of the Free World' and would be directed by a congress in which representatives would thus be divided: United States 27, United Kingdom 11, Canada 3, Australia 3, Ireland 1, South Africa 1, New Zealand 1 . . ."

"While they rule the seas they can lose even the British and Irish Isles and yet win."

(—Press Association Special, quoted from "Bristol Evening Post," July 15.)

I could find no report of this remarkable statement, which surely has some interest for British people, in "The Times" and the "News Chronicle" for the next day. The "Daily Telegraph" had a very brief snippet in an inconspicuous place, with no reference to Prime Minister Churchill's overnight offer, or the plan for an American-majority Government.

Mr. Streit, I am assured, is only a journalist and author, and his statements cannot be regarded as having much importance, though I wonder who paid for his full page in the "New York Times" and why!

Senator Key Pitman, on the other hand, is chairman of the Foreign Relations Committee of the Senate, and it was he who recently advised us (see Reuter report, "The Times," June 27) "to continue the fight from the New

(Continued on page 7.)



## ENGLAND'S RESTIVE PARLIAMENT

The daily report of speeches in the House of Commons occupies 150 to 250 columns, 8½ by 2½ inches, in the House of Commons Official Report, of which the Editor is P. Cornelius, Esq. It is represented with decreasing completeness and reliability by the newspaper press, the rise in influence of which was closely associated with steps to meet the demand of the public that it should know what was going on in Parliament. Previously to James Perry's Gazetteer (1783), both Houses of Parliament had, for a long series of years, absolutely forbidden the printing of speeches in newspapers, and the public could gain information of what was going on only by indirect means.

No facilities were offered to reporters, and in the "Strangers' Gallery" no one was allowed to use a notebook. William Woodfall became famous by the degree of his success in committing the debates to memory and reporting them in the "Morning Chronicle." "Hansard" (6d. daily while Parliament is sitting: H.M. Stationery Office) is the last remaining source of full information. Commander S. King-Hall's name is associated with the proposal, made early in the present war, that it should be replaced by an abridgment. It is reported that the Treasury has "banned" a "Penguin Special Pocket Hansard." Passages here reproduced from "Hansard" reflect currents in Parliament, which the "kept" press conceals or obscures.

### EMERGENCY POWERS (DEFENCE) (NO. 2) BILL.

16 July: Moving the Second Reading, Sir John Anderson said:—

"... But I must first make it clear that while all the machinery will be got ready and the persons who would take part in the work of these special courts, whether in a judicial capacity or as subordinate staff, will be designated in advance, the courts will actually operate only where a state of grave emergency has been declared by the appropriate authority, and only for so long as that state of emergency continues.

"... I have explained to the House that this system of special courts which we contemplate could, probably, have been set up by regulation, as the law now stands, but we thought it better to come to the House with a Bill so that the House might know what is proposed. It is for the House to pass judgment."

... Mr. Hore-Belisha: "But why is not all that in the Bill?"

Sir John Anderson: "Because that will be dealt with in the regulations. There will be a great deal of matter in the regulations which it is not convenient or practicable to bring before the House in a Bill."

Hon. Members: "Why not?..."

... Sir J. Anderson: "The regulations, when they are made, will come before the House, and the House will have an opportunity of debating them. [Hon. Members: "But not amending them."]

"May I point out—"

"—As I was saying, the special courts which we propose to set up will differ from the ordinary courts of assize or quarter sessions in two important respects. First, there will be no jury, and secondly, there will be no appeal from the decision of the court. The court will be empowered to impose any sentence authorised by law, including the death sentence, for any offence for which the law authorises capital punishment. If the death sentence is imposed it is proposed that the President shall have power to respite that sentence, if he thinks there are circumstances, which make it right to delay the execution and to enable the question of commutation by means of the Prerogative to be considered by the Home Secretary. There will, however, be no right of appeal to the Court of Criminal Appeal..."

"... it has been thought that it would be advantageous to associate with the President of the court two justices, who will be able to assist him with their advice."

Mr. Pickthorn (Cambridge University): "When you say 'jus-

trices,' do you mean justices of the peace?"

Sir J. Anderson: "Yes."

--- Mr. Gordon Mac-Donald (Ince): "To be appointed by whom?"

Sir J. Anderson: "That is a matter which will be covered by the regulations. They may be selected from a panel or appointed by the Lord Chancellor."

Mr. Shinwell: "By Lord Simon?"

--- Sir J. Anderson: "The President will pay due regard to the opinion of the two justices, but they will not be in a position to over-ride his judgment as regards either conviction or sentence..."

[An argument ensued in which Messrs. Logan, Bevan, and Shinwell and the Speaker participated, as to whether it was in order to discuss what were in fact regulations not presented to the House. Time, about 4.15.]

Time, 6.44 pm.: — Mr. Edmund Harvey (Combined English Universities): "We need, therefore in this country, to see that we do not, under the forms of law, take any steps which might be used, not by this Government, but by some Government when that law has become an Act, to destroy the foundation of law itself. It is a great part of our heritage that law and freedom are interwoven, and we cannot touch one without endangering the other."

### 24th July

Sir Richard Acland (Barnstaple): "We desire to have not a full-blown appeal, but a review, not merely on sentence, but also on merits, by judicial persons independent of the Executive, and for the life of me, I cannot understand why the Home Secretary cannot grant that. I cannot see what he would lose, in substance, by granting it. I am sure he desires unity in the Committee and the Government desires speed, but I do not think the Home Secretary or the Attorney-General will get either of those, unless they show that they understand the very grave fears which sincere and honest citizens of this country and Members of this Committee feel about this Bill. We are not afraid of somebody being imprisoned who ought not to have been imprisoned. That is a small fear. We are not even afraid of somebody being shot or hanged who ought not to have been shot or hanged. In these days a lot of people are being hanged and shot who ought not to be, and one or two more would not be terribly important. There is a much graver fear. We gravely fear that if the Executive is given excessive powers over the liberties of the subject, the liberties of the particular subject may be

detrimentally affected and the very thing for which we are fighting may be destroyed. We have seen that happen in several countries in the last few months, precisely because the Executives had taken to themselves too much power over the liberty of the subject. That is the grave fear, which confronts us, and when we find that the Home Secretary is rejecting appeals from all parts of this Committee, on grounds, which he does not state, then our fears are not allayed but increased.

"I would like to point out—almost every hon. Member is aware of it, but I do not think the Home Secretary is—throughout this Debate the Home Secretary has not told us what he would lose in substance by granting the overwhelming desire of this Committee. He has told us that it is inconsistent with the spirit of the Bill. He just says so, but he brings no argument. What the Home Secretary requires is provision for arrest, early conviction and early sentence. In the case of death, the Home Secretary does not say that he gains anything by early execution. He does not want it. He merely wants arrest, speedy trial and early sentence. He has not said anything to show this Committee that he will lose any one of those three things if he accedes to the demand, which has been expressed upon all sides. When he says, 'I will not yield' without giving any reason, that, too, must increase the very sincere fears which a great many of us feel. Unless the Home Secretary or the Attorney-General can tell us what the Government would lose in substance, this Committee should vote against them and try to impress its will on the Executive."

\* \* \* \*

Mr. Glenvil Hall (Colne Valley): "I make no apology for the few words I have to offer, because the understanding that we should try to get the Bill through all stages by half-past seven, which has been broken, has not been broken by Members on this side. I think that the Official Report tomorrow will show that, as one hon. Member has said, the Attorney-General and the Home Secretary between them this afternoon have made very heavy going. They have definitely given me the impression that there is behind this Measure, which has been pushed through in a most curious way, something that has not yet been brought out into the open. I hope I am wrong, but I have a strong suspicion that this is so. It seems to me that if the Home Secretary's Second Reading speech was to be taken at its face value—and, of course, I do so take it—he already had all the powers, which were required to his hand in the original Measure or under Regulations, which he could have brought in under other Acts of Parliament. Here we have a Measure, which was brought in for the simple purpose of extending to the civil population courts-martial, which previously could have been used only in the case of members of His Majesty's Forces. That purpose has now gone. These new courts are not courts-martial, and are to be used only in a state of emergency, or in the face of enemy action, actually taking place or apprehended. It seems to me that the powers given are greatly in excess of anything, which any Government should ask from this House.

"It seems to me that the words that have been excepted by the Home Secretary will not give that right which should be given in a free country. If you are not going to shoot everyone found guilty, if it is possible for a person to be kept for a review of his case, then obviously he can be kept until he has had his appeal considered in a proper manner. It is simply begging the question for

the Home Secretary to say that the situation will be such that present ordinary safeguards will not be possible, and that therefore they cannot be allowed. Without saying more, I desire to protest most strongly against the way this Bill has been introduced, altered, pushed through the House, and all attempts at improvements stonewalled by the Ministers in charge, in a shocking way."

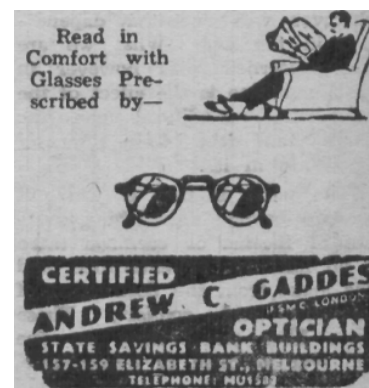
### BUDGET PROPOSALS.

Mr. Ellis Smith (Stoke): "... We in the House of Commons have a responsibility on our shoulders. Most of us are relatively well placed, most of us have an assured income, but some of us remember the promises that were made after the last war, and I remember, as a young boy beginning to take an interest in things, saying that our people would never stand for a repetition of the insecurity of the past. Men working alongside me said that it would continue. I was proved wrong, and they were right, but I am now confident that the people in the future will not stand for a repetition of the past if we come through this war, as we all hope we shall do. If millions can be raised in this way for the successful prosecution of the war, millions can be raised also to remove the economic insecurity of our people under which they have been living in the past. Therefore, we on this side will support the right hon. Gentleman in this Budget in principle. Perhaps several changes in detail are required, but our people are behind the prosecution of this war. It is they who are making the great effort. Therefore, we have a right to ask that in future steps shall be taken to remove the insecurity in which our people have lived."

## Riverina Monetary Reform Activities

An executive meeting of the Riverina Monetary Reform organisation was held at Leeton on Monday night of last week, to finalise business arising out of the election campaign and plan future activities. Members attended from Griffith, Yenda, Wamoon and Leeton. The secretary was instructed to circularise all associations and supporters to ensure their continued activity, and it was decided to hold a follow-up convention at Narrandera on Sunday, November 24. Messrs. W. Ridley and E. Taylor were appointed to supervise arrangements for the convention. The warm thanks of committee members was extended to all who gave their support during the campaign, both within and from outside the electorate. The committee approved of John Hogan's intention to return a complete and accurate official declaration of electioneering expenditure, and severely criticised the anomalies of the present Act. It was decided to publish a financial statement to send to all who had subscribed throughout Australia.

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



## BRITISH COMMENT ON A BRITISH BUDGET

The phenomenal growth of governmental expenditure upon the war, writes John Mitchell, in the "Social Crediter" (England), of August 3, has caused the gap between what the government can raise in taxation and "savings" from the public and the total expenditure to become so large and obvious that it can no longer be concealed as it has been so far.

On the one hand the Chancellor of the Exchequer is being pressed by financial interests and the daily papers to impose heavier and even heavier taxation on the public to "fill the gap," and on the other the incompatibilities of such measures with the realities upon which a win-the-war policy depends are appreciated by a widening public and find expression in the speeches of more and more M.P.'s.

The Chancellor of the Exchequer estimates the total expenditure for the year at £3,467 million of which £2,800 million will be war expenditure. In his Budget speech the Chancellor informed us that in the four weeks ended July 20 the rate of expenditure on the war was £57 million a week (i.e., roughly £2,800 million a year). So that in terms of physical facts it is already proved that we can expend the physical equivalent of £57 million a week on the war with no less diminution in physical comforts and necessities than we actually enjoyed during those four weeks ended July 20. That physical capacity is still available. The subsequent restrictions on civilian consumption, which the new budget has already begun to impose, are therefore clearly unnecessary. The cry for still heavier sacrifices, if the Government yield to it, can only lead to needless lowering of the national morale and a real reduction in our war effort. A genuine appreciation of some of these realities is being voiced by M.P.'s. An indication of this is given by the following extracts from "Hansard," concerning which it is only necessary to point that in the Prices of Goods Act the Government already has a means (if a poor one) for preventing the prices of goods rising from the influence of increased consumer demand:—

**Mr. Lees-Smith (Keighley):**— "There is one principle which we have laid down for every Budget, even in war time, although we do not want to apply it to pedantic extremities, and that principle is that no scheme of finance must undermine the reasonable standard of life for everyone throughout the whole population. If I may say so, that principle, I think, is reinforced by the present position and the course of the war, because this is now clearly going to become a war of endurance and of nerve strength. One of our greatest advantages is that we began without that continual lowering of the standard of life to which the German population had been subject years before hostilities broke out. Therefore we would say that any scheme of taxation which impairs the sheer power of physical resistance would be a scheme of taxation which would undermine our strength in enduring this war to the end."

**Sir John Wardlaw-Milne (Kidderminster):** "The resources of the country, I have no doubt whatever, will meet that expenditure in the end. What we are first concerned with however in this Committee is the effect of the immediate expenditure upon the country and the daily lives of everybody in it.

"The point is that if you put taxation beyond a certain proportion of income or earnings there is no initiative or enterprise, and this apart from the destruction of happiness and comfort. These taxes have no bearing on the real war problem of expenditure. Doubling the income tax would

make little difference in bridging the gap between revenue and expenditure if the latter should continue at the present rate for a long period. This Budget imposes excessive taxation. It is excessive if you are to treat the country as a going concern. It has been said that it is much too expensive now to live. Clearly the whole system of taxation has got beyond us. We wish presumably to look at it from the point of view of a going concern, and we want to try and balance our income and expenditure . . . .

"It is not necessarily dishonesty at all. There may be a tendency to be less careful about increased charges when you have no interest in the result, and you are not nearly so keen on economy when your pocket is not affected.

"If you make it worth while for people to be economical, they will be economical, but if you take away the personal interest, the same care will not be taken. However, these are merely criticisms, which I wanted to make on my right hon. Friend's statement and points to which I wanted to draw his attention.

"The main point, if I may revert to it, is that we have to face this very large difference, whether it is £600 million or more, between the amount we can raise and the amount of our expenditure. I think that question is what must give the Chancellor the greatest concern. I have no doubt we shall face it, and that we shall find the money, but I doubt whether we shall be able to find, it without having to embark upon some form of inflation. The amount of money borrowed from the banks is already considerable; and these things, I fancy, must be giving the Chancellor a good deal more concern than the mere matter of whether the income tax rate next year may be 8/6 or 7/6. It is not for any private Member to put forward a new system of finance which would lift us out of our difficulties—certainly it cannot be done at a moment's notice—but I think that the whole of our system of raising money will have to be looked at after the war, and probably before the end of the war, with new eyes and from a new angle. I do not think we can continue on the basis upon which we have worked for so many years past; the days of "soaking the rich" have gone long ago, and, on the other hand, if you put your indirect taxation beyond a certain figure, you will make life so bitter for a large number of people that you will destroy the greatest reserve in the country's strength—the contentment and determination of the people as a whole. One thing is certain; equality of sacrifice is the essential basis of our national effort.

**Sir Percy Hurd (Devizes):** "There must be greater resolution to stop waste and re-establish and strengthen the self-managing capacity of the English people. We are frittering that away by the excessive interference of a Whitehall. I speak with the memory of a meeting of a town council, of which I am

member, and which was held, last night. We had before us the monthly report of the various spending committees. What is the method by which we are frittering away a large part of our revenue? I will take two or three examples by way of illustration.

"There is, first of all, the question of air-raid expenditure. There was a question of providing cleansing facilities at an air-raid post. This is a town council representing 100,000 ratepayers. They are responsible, they are full of a sense of their duty and anxious and determined to fulfill it, and they hold a very high record for efficiency and economy. But this high authority, elected by the ratepayers, has to go to the Middlesex County Council for sanction for this very small sum and the Middlesex County Council has to go to the Ministry of Health to get its consent. The Committee can imagine the correspondence, the interviews and the delays that are occasioned . . . .

"Cannot my right hon. Friend devise some means by which this waste of time, creation of irritation and damping down of initiative and effort are put a stop to? Instead of treating big municipal authorities like school children, why cannot they be treated as responsible authorities anxious to do what they can to help forward the war effort? I do not believe it beyond the capacity of the finance officials of the Ministry to devise such a formula, applicable in the one case to the Minis-

try of Health in its relations with county councils and in the other to the county councils in their relation with smaller bodies, enabling the municipalities to bring about a higher effort in forwarding the national purpose. . . ."

Sir Kingsley Wood came in for sharp criticism from "The Economist" on July 27. The main leader writer could hardly find a good word for him. "The Economist" considers that the weekly expenditure on the war will not average "at the very least" below £65 millions this year, making a total expenditure of over £4,000 millions for the year. It complains:—

"The result of raising by taxation considerably less than half of a total expenditure that is itself a gross under-estimate is to leave a gap which will be filled by borrowing larger than can be covered by the savings of the people. On the Chancellor's own showing, the gap is £2100 millions; in fact, it is more likely to be £2700 millions or more. It is perfectly true that there are sources other than the public's savings from which funds will be available; sales of gold or foreign securities and the increase in Dominion balances in London. But these will not cover more than a fraction of the total. A sum of at least £2000 millions will be left to be found from domestic borrowing. There is no visible prospect of raising more than half that sum, at the very most, without inflation."

## BANK OF ENGLAND 100 YEARS AGO

The following report appeared in the "Manchester Guardian" in its issue of December 28, 1839. It was reprinted in that paper on January 6, 1940:—

"A special general meeting of the Manchester Chamber, of Commerce and Manufacturers was held at their offices, Town Hall Buildings, King Street, on Thursday last, to receive a report from the board of directors on the effects of the administration of the Bank of England upon the commercial and manufacturing interests of the country."

"(The report of the meeting, which ran to five and a half columns, contained the lengthy report of the directors on the Bank, the concluding paragraphs of which were:)

"Although it scarcely comes within the scope of their present object, the board will add a reflection upon the subject of the undue privileges possessed by the Bank of England.

"That such a power over the property, and, as has been seen, the health, morals, and very lives of the community should be vested in the hands of 26 irresponsible individuals for the exclusive benefit of a body of bank proprietors, must be regarded as

one of the most singular anomalies of the present day - - that the secret of these individuals, veiled as they are even from the eyes of their own constituents, should decide the fortunes of our capitalists, and the fate of our artisans - that upon the error or wisdom of their judgment should depend the happiness or misery of millions - and that against the most capricious exercise of this power there should be neither appeal nor remedy; that such a state of things should be allowed to exist, must be regarded as a reproach to the intelligence of the age, and as totally irreconcilable with every principle of public justice.

"If instead of having been handed down to us from our ancestors, it had been proposed in the present day to create a joint stock bank, to be endowed with the powers and privileges enjoyed by the Bank of England, the common sense of the country would have revolted against the attempt to establish so dangerous a monopoly."

### Canada as a Debt Farm

In 1868 Canada's population owed in public debt 21 dollars per head.

In 1914 it had risen to 42 dollars.

In 1919 it had jumped to 189 dollars, an increase of 358 per cent, in five years.

In 1939 it had risen to 227 dollars per head—an increase of 554 per cent, over 1914.

Interest on private and public debt before the present war broke out was estimated to cost the people 2,000,000 dollars a day.

Only in Alberta has the steady rise of the debt-load been stopped.

### Eric Butler Postpones Queensland Tour Owing to Severe Illness

We are sorry to announce that Mr. Eric Butler has been forced to postpone his proposed Queensland tour owing to the contraction of a severe illness. Mr. Butler took ill late last week and has been confined to bed.

### SITUATION WANTED.

Reliable Tractor Drivers, Teamsters, Milkers, Fern Cutters, M. Couples waiting. —WILLIAMS' BUREAU, 440 Flinders-street, Melbourne. Phone: MU3423.

LETTERS TO THE EDITOR

WAR FINANCE

Sir. Lately I have heard several speeches, have read a number of articles, and have also read Mr. Barclay-Smith's little book—all on financing the war with debt-free money—and while on the whole very good, there are one or two points, which I think could have received greater emphasis, as I shall endeavour to indicate below.

(1) If the Commonwealth Bank finances the war effort (or other public efforts) with its own credit, it will in effect call on society to render a certain amount of goods and services for that particular purpose. The people having done this will then have been taxed once. Taxation once is not robbery. People generally are at heart honest and desire to pay for anything once. I am afraid that in not giving this point emphasis, the impression may be given that finance by Commonwealth Bank credit, debt-free, is an expedient to escape payment.

(2) Financing the war by taxation and loans (other than bank loans), to say nothing of the catchpenny stunts, is unnecessary. Financing the war or any other Government undertaking by private bank loans (created credit) is not only unnecessary, but dishonest; in doing this, the banks monetise the national credit—i.e., the people's willingness to do things. This, our present method, calls on society to pay several times: firstly, in rendering goods and services for the bank-created credit distributed by the Government; secondly, when repayment of this credit is demanded through taxation, and infinitely, in the payment of compound interest. This is the colossal confidence trick.

Finally, it must always be kept in mind that no lasting reform can be made unless we have the National Control of Credit with the application of these three principles.

(1) That the cash credits of the population of any country shall at any moment be collectively equal to the collective cash prices for consumable goods for sale in that country, and such cash credits shall be cancelled on the purchase of goods for consumption.

(2) That the credits required to finance production shall be supplied, not from savings, but be new credits relating to new production.

(3) That the distribution of cash credits to individuals shall

be progressively less dependent upon employment. That is to say, that the dividend shall progressively displace the wage and salary.

Without this, financing Government undertakings with debt-free credits would make it possible for some individuals and companies to acquire (through the costing system) high assets at the public expense.—Yours, etc.,

S. W. NEWMAN.  
Hawthorn, Vic.

PROF. MURDOCH ON THE SPOT

Sir,—I have had occasion before to comment on the moral patter of Professor Walter Murdoch appearing regularly in the columns of the Melbourne "Herald." I feel impelled again to bring him before the bar of plain common sense.

In a recent article, "The Decent Bloke," our one-time social creditor, who figured as a critic of a state of affairs which is

responsible, not only for war, but for the beggary and humiliation and frustration of people even in so-called democracies, now maunders about "fighting for all decent blokes everywhere who are assailed by crooks."

Our moral mentor kindly refrains from animadversions upon the crooks of the democracies that mislead people, and directs all his venom upon totalitarian States. Let it be said here quite plainly that the political theory of totalitarianism is just as abhorrent to me as it is to Walter Murdoch, but that does not blind me to the pretences and subterfuges in democracies by which the people are robbed of their rights. The crooks go up and down the earth in democracies, like the devil of old, seeking whom they may devour. They shelter under legal Formulae, dissembling their real character and using institutions, which should render service to the people, for personal ends, and to fortify and strengthen the old order. Of this Professor Murdoch says nothing, and to that extent he betrays the beliefs, which at one time he alleged he had.

Then, with a masterly casuistry, he evades a plain issue. One of his correspondents considered it expedient to point out to him that he was preaching that the war was fought in defence of Christianity, and as there were certain people in the community—rationalists, atheists, etc.—who did not believe in Christianity, they were not likely to want to risk their lives for "outworn creeds and dogmas." Personally, I fall foul of this correspondent in his assumption of outworn beliefs, but I am interested in Professor Murdoch's sophisticated treatment of him. Our verbose essayist equivocally replies that he has never maintained that we are fighting for Christianity, that he is not competent to discuss the question whether Christianity is an obsolete dogma or whether the Christian ethic would survive the collapse of the Christian religion,

This charming evasion does credit to the general tenor of his presumably well-paid articles. (Whether indeed he is really a "decent bloke" in accepting payment for his effort in the war, instead of making a sacrifice "no matter through what burning, fiery furnace" he may have to go, is a question I shall not decide. It is, however, an easy matter, seemingly, to sit in a comfortable study pouring out mystifying words about stealing spoons and eating peas with a knife, while others go through the burning fiery furnace.)

Professor Murdoch, on many occasions, has not hesitated to say or imply that Christianity is an outworn creed, although now he avers he has not had the kind of training that would fit him to discuss that question. If so, why does he now presume to pronounce judgment on the distinction between Christianity and the Christian ethic? Perhaps it is his wily method of scoring against his critic who cannot reply. About two years ago I wrote to Professor Murdoch dissenting from some of the sentiments he had expressed over the air, and in his reply he did not make the distinction he now does in order to fob off his rationalist critic.

It is very hard to follow Professor Murdoch in his bewildering dissimulations. He has pronounced opinions on all sorts of questions, historical and philosophical; and now he says he is not a philosopher, not a historian, and not a theologian. It seems as if his words are mostly greased, he can slip through them to some-

thing else with ease. When he is caught, as on this occasion, by the rationalist correspondent, with using a form of words, with definite and familiar connotations, he slithers off to something about a "decent bloke," and "stealing spoons" and "eating peas with a knife," which are not issues causing decent blokes in one country to bomb decent blokes in another. Professor Murdoch says, "I have never maintained we are fighting for Christianity—never once." Lord Halifax says, "We march together in this crusade for Christianity." Which is right?

He says that his rationalist opponent, in charging him with writing that the war is being fought in defence of Christianity, "must have addressed his letter to the wrong person," or else he has read his articles with "an inattention which is the reverse of

flattering." So he, Professor Murdoch, swiftly disclaims he is on a crusade for Christianity, whatever Lord Halifax may think about it. To the ordinary man, it is all extremely confusing.

If he is anxious that crooks be liquidated, let him start right here at his own door. There are scores of them batten on the credulity of the people, "cashing-in" on their moral sentiments. Let Professor Murdoch do an article for the "Herald" on the money monopoly (formerly having some ideas on this question, it should not be difficult for him), and he will be rendering a service to the cause of freedom more useful than the empty, and even misleading moral homiletics about decent blokes who were never in question now or at any time.—Yours, etc.,

J. MCKELLAR.  
Toorak, Vic.

SPILLING THE FEDERAL BEANS

(Continued from page 4.)

World, instead of defending the British Isles to the last ditch."

Col. Henry Breckinridge, formerly Assistant Secretary for War under President Wilson, has announced in a recent speech (see "Daily Telegraph," July 18) that "For weal or woe the British Fleet is our Atlantic Fleet."

These straws show the speed with which the wind is now blowing towards an attempt to bring about Federal Union without consulting the people of either country. It is unlikely that the attempt will succeed as regards this country if it is tried too soon. Neither the people of Britain nor America is likely to submit tamely to this further centralisation of power. The danger is that if such an attempt to filch from us the very independence for which we are fighting is made, as it is likely to be, at a moment of supreme danger, it will so weaken and confuse our effort that the fate of France will be ours also.

This, indeed, would seem to be our biggest, perhaps our only, chance of losing the war. It is not so much that the Nazis can beat us, as that we can beat ourselves if we are not in agreement about the fundamental cause for which we are fighting.

Fortunately, it is impossible to persuade the majority of English people outside Bloomsbury that we are fighting to become a "Gau" in the Empire of Wall Street and Hollywood; but it is just possible that under the cosmopolitan facade of many a Federal Unionist there still beats the heart of an Englishman, which will respond in the traditional way when

his country is in danger.

It is high time also that someone told our American friends that we rather like our Islands, and our Empire, and intend to keep both. We also like our idea of decentralisation of government, which has worked out a great deal better wherever it has been tried in our Empire than the American idea of centralisation and Mass Ballyhoo. We intend to keep that also.

The British Navy is for the defence of the British Islands and Empire, and if it happens to be fighting their battles for them, that is to their advantage, but the sooner they realise that if the Islands go to Hitler, the Navy will have already gone to the bottom of the sea, the sooner they are likely to give us some effective help.

A majority of the American people are our natural allies. Their heritage, their interests, and their way of life are the same, and the sooner they are allowed to work and fight for their own independence at our side the better. But the unelected Rulers of America have different aims. So long as they think that while Hitler shakes the tree of the British Empire all they have to do is to catch the fruit as it drops, they are not likely to allow too much interference with the shaking, but as soon as they realise that the fruit will not drop unless the tree falls, leaving them alone to face the plunderer, we are likely to get more effective help, and less advice from these gentlemen, who, whatever else may be said about them, are undoubtedly realists.

—Geoffrey Dobbs.

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## BRITAIN AND THE BANKERS

(Continued from page 1.)

other man in our history, Mr. Gladstone. He said:

"From the time I took office as Chancellor I began to learn that the State held, in the face of the Bank and City, an essentially false position as to finance. The Government itself was not to be a power in matters of finance, but was to leave the money power supreme and unquestioned."

"These are voices from the long distant past, but I would call in the voice of one of the greatest of living Liberals. Señor Madariaga, who at one time was President of the League of Nations. He said:

"These great financial institutions have attained two aims—they have all but evicted the State from its position as the only dispenser of money; they have all but evicted the industrialist from his position as manager and controller of industry. The absorption of all powers by the dispensers of credit is one of the most fantastic phenomena of modern life."

"But that is a voice from the Left, and it may not be acceptable to Right Wing opinion. May I then quote from the recent writings of Pope Pius XI., who, in an Encyclical, said:

"It is patent that in our days not wealth alone is accumulated, but immense power and despotic domination are concentrated in the hands of a few, who, for the most part are not the owners, but only the trustees and directors of invested funds, which they administer at their own good pleasure. This domination is most powerfully exercised by those who, because they hold and control money, also govern credit and determine its allotment, for that reason supplying the life blood to the entire economic body and grasping in their hands, as it were, the very soul of production, so that no one can breathe against their will."

"I do appeal to the Chancellor of the Exchequer to consider now, in this hour of grave peril, the resumption by the Crown of its ancient right to control the issue and cancellation of all kinds of purchasing power. I invite him to read the remarkable leading

article which appeared in the Times' last Thursday: It states:

"Much harm can be done to our cause, both in Europe and overseas, by the insinuation that we stand for the old order. This charge should be emphatically and authoritatively refuted."

"The Chancellor of the Exchequer can refute this charge both in Budget speeches and Budget practice."

"Finally, I make this appeal, not only to my right hon. Friend the Chancellor of the Exchequer, but to every Member of this Committee and every Member of this House. There are multitudes, in this country and throughout the world, of men and women who realised before this war that the whole modern system of finance was breaking down; that it had failed to solve in any country the unemployment problem, that it had destroyed vast stores of food desired by the people, and that the system stood condemned. But they regarded with horror the alternatives offered to them by the disciples of either Karl Marx or Adolf Hitler—the degradation of man to the level of the hive or herd, the revival of slavery to the soul of man. They look for and believe in a better order, and many of them look to this country for a lead. I believe that these multitudes have their own vague ideal of what the future should be. They desire a varied society of free men, where the productive resources are used to the utmost, and where consumption keeps pace with productive power. They desire individual liberty to be maintained, and they desire every encouragement of legitimate private enterprise. They also wish freedom of choice in the market and that international trade should no longer be a savage struggle to obtain favourable balances, but rather an equal exchange of goods to the mutual advantage of all nations. These people look to Britain now to give a lead, and I pray God that they do not look in vain."

**Responsibility for all political comment in this publication is accepted by H. F. Allsop, 5th Floor, McEwan House, Melbourne, C.I.**

## A Letter from Major Douglas to Mr. P. C. Loftus, M.P.

Dear Sir,

My attention has been drawn to your speech of the 25th inst., in the House, in which you disclaim "being a greenshirt and a follower of Major Douglas."

I am primarily interested in this sentence because I have noticed a tendency on the part of those who do not agree with me to couple my name with the greenshirt organisation.

To avoid any possibility of misunderstanding; I have no connection whatever, personal, administrative, advisory, or financial, with the greenshirt organisation, and to the very limited extent that I have any knowledge of its policy, do not agree with it. It is perhaps unnecessary to add, that so long as this is understood, it is neither my wish nor my concern to criticise that movement.

I am, however, surprised that you do not agree with the remedies I propose, as I was not aware of any action to see that they are put before any bodies responsible to the House of Commons. On the contrary, my information and experience both suggest that the House has during the past twenty years, which have been contributory to the present situation, so anxious to insist that it was a pseudo-expert body rather than a channel of Public Policy, that it has wholly neglected to insist that it should be supplied with any information available.

While certain principles of price-control have been adopted (without acknowledgment) by various Government Departments, the main Policy for which this Country will hold Parliament responsible, and in respect of which we have put the British Empire in jeopardy, and which must be decided before any discussion of financial reform can have relevancy, is still undecided.

Having this in view, I trust that you will permit me to suggest that the urgent need of the House of Commons is to re-assert its position of representative Sovereignty rather than still further to accept responsibility for technical matters which it has so signally failed to control.

C. H. DOUGLAS.

July 31, 1940.

## United Democrats' Report

From Headquarters, 17 Weymouth Street, Adelaide.

As a preliminary to launching a vigorous campaign in South Australia for "Victory Without Debt," and to prepare the ground by stirring public curiosity, it is proposed—if the wherewithal is forthcoming—to assail the letter-boxes with leaflets or other propaganda literature of a simple, straightforward kind, calculated to make people ask questions.

We have evidence that there is an awakening interest on the part of the public in the subject of public finance. There is a general awareness that there is a "screw loose" somewhere; the war has brought this to their notice, and we have rubbed it in at every opportunity.

The time seems to be ripe, therefore, for a thorough and systematic canvass, accompanied by informative "tracts" in simple, but vigorous language designed to bring that simmering opinion to boiling point.

To get such a canvass going, first of all in the metropolitan area, will not cost a great deal—perhaps only a few pounds plus a little spare time work by voluntary helpers in distributing the pamphlets. We know there are many in South Australia who have the Movement at heart, and who need only to be asked to give their services willingly or maybe to contribute a few shillings to help a definite objective of this kind.

It is a great opportunity, this readiness of people to listen to us, which perhaps will never occur again. "There is a tide in the affairs of men . . ."—you know the rest. We have reason to believe that we are nearing the flood tide, both in events and in public opinion; shall we take it at the flood, or shall we let this chance go by into the realm of the "might have been"?

Will those, then, who feel that something can be done in this way as a first step, and who are willing to help, either in distributing leaflets in their own districts or by giving a small sum to help build up a fund for this purpose, kindly write or call at Headquarters as soon as possible? There is no time to lose.

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