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THE NEW TIMES

Vol. 7. No. 3. MELBOURNE, FRIDAY, JAN 24, 1941.

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).

Nation-Wide Campaign Against New Regulation

DEMOCRACY AND SOCIALISM CLASH

Democracy Awakening

The regulation introduced by the Menzies Government to stifle criticism of the existing financial system has already resulted in a further awakening throughout the community.

It is apparent that the tradition of British democracy still lives in this country. Since launching a campaign against the regulation in our last issue the matter has been taken up all over Australia. Democracy is not yet dead.

As was to be expected, Mr. Curtin adopted a very meek attitude—incidentally now being supported by some of the Labor Fascists in Queensland, who also attempted to bring down some regimenting regulations recently.

Of course, it is being pointed out that the great New Zealand Labor Party has already had a regulation gazetted preventing public criticism of their financial policy. Which puts the admirers of the New Zealand Labor Party in this country in a rather awkward position.

However, as we have mentioned

lately, the rank and file of the Labor movement is starting to realise that they will have to do the job themselves; they realise that the private financial system is the enemy on the home front. Resolutions are being passed all over Australia demanding the repeal of this latest undemocratic legislation.

Thousands of demand forms are being quickly circulated. Readers are urged to do everything in their power to help mobilise public opinion on this all-important issue. This is the greatest fight in the history of Australian democracy.

We can and must win it.

Sir Stafford Cripps, K.C., M.P., the well-known Labor member in the London House of Commons, has recently published a small book called "Democracy Up To Date." A large majority of people in all the British communities are likely to agree with such expressed sentiments as those about the "genuine desire to maintain and increase the measure of democratic freedom" (page 105); about the need to arouse "the political will and consciousness of the common people" (page 10); about the electors taking action "in their own interests" (page 11); about the need for adaptation "to the circumstances and conditions of a new world" (page 108); about "a successful and efficient form of democracy in Great Britain" being "superior to every kind of totalitarian government" (page 12).

Sir Stafford admits, "to all intents and purposes British democracy is today accepting the dictatorship of the Prime Minister as a substitute for its own action" (page 15); he also says "a disintegration has set in which will, unless steps are taken to arrest it, bring destruction to our liberties" (page 105).

On the other hand, persons who have a realistic grasp of the nature of a true democracy, and how it can and should be implemented, will be sure to criticise severely the suggestions, which Sir Stafford Cripps makes in the way of basic ideas and corrective measures.

(1) The definition of democracy, as given, is far from being satisfactory; on page 19 we read that democracy is "a system of government in which every adult citizen is equally free to express his views and desires'.... and to influence the majority of his fellows to decide according to those views, and to implement those desires." If those ideas were to be followed it would turn the com-

munity towards unsatisfactory wrangling disputation dear to the hearts of lawyers and abstractionists. The true criterion of a democracy is that every person

NEWS AND VIEWS

THURSDAY, 16th JANUARY

The Prime Minister (Mr. Menzies) told a deputation of union leaders that overtime earnings would not be exempted from taxation. He appealed to unions to be patient.

The Federal Labor leader (Mr. Curtin) said if a majority of members of the Federal Labor Caucus wanted a meeting to consider the recent regulations issued under the National Security Act, it would be held.

FRIDAY, 17th JANUARY

Mr. Menzies announced a scheme of child endowment to cover payment of 5/- per week to each child after the first, to as many income earners as possible without placing an "undue" additional burden on industry, and without contributions from beneficiaries. The Commonwealth Royal Commission on Child Endowment was appointed 24 years ago. It is stated that it will be impossible to introduce the legislation to Parliament when it re-assembles in March next.

Mr. Crofts, secretary A.C.T.U., said his council would deal with the question of the Arbitration Court's delayed judgment on the union's basic wage claims.

Sir Walter Citrine, Socialist Internationalist, who visited Russia and the U.S.A., is to be invited to Australia by the Commonwealth Government. Sir Walter was not favourable to the conditions he discovered in Russia. Reports state that he refused the invitation. Many delegates at the

Trades and Labor Council in Sydney expressed strong opposition to the proposal.

FRIDAY, 17th JANUARY

It is unlikely that the Federal Labor Caucus will meet to discuss the new regulation 42a of the (Continued on page 5.)

WHY ISNT HITLER BOMBED?

The following letter was published in the "Social Creditor" on November 16:

Sir, —Assuming that the verbiage regarding rolling rivers, wider horizons, new orders of society is concerned with the delivery at scrap prices of the British Empire to "The United States," and the enthronement of a bureaucracy on New Deal-Russian models, the only statement as to the object of the war in which we are engaged, with which I am acquainted, is that of Mr. Neville Chamberlain, that we declared war on Hitler.

Accepting this statement as, within its limitations, one with which the common man would agree, and can understand, when do we begin to fight?

It is commonly supposed, on somewhat slender evidence, that we have a Secret Service. The R.A.F. can, and does, reach every part of Germany. Is there any reason why a small special force of fighter-bombers should not follow Hitler about Germany, practically every night if not every day, until they get him? And then bomb his successor, if there is one? Of course, if the Germans retaliated on some of our Great Leaders, and got them, or induced them to retire to their spiritual homes in say the "Leased" naval bases that would be just too bad. But war is war.

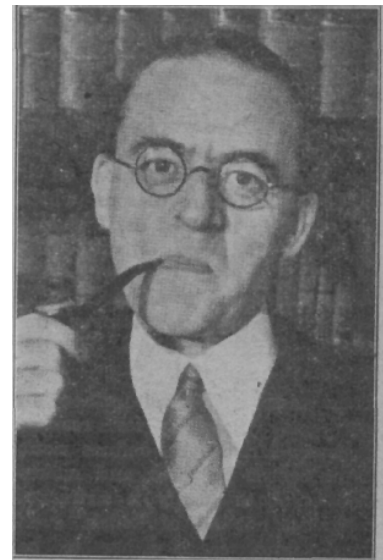
Why wasn't Hitler bombed when everyone knew that he was in the railway coach at Compiègne, arranging to occupy the Channel Ports from which to invade (as Senator Pittman phrases it) once-great Britain?

Is it because too short a war would spoil the Game?

Yours faithfully,

C. H. DOUGLAS.

November 1940.



Sir Stafford Cripps.

does actually experience a freedom to do, and get, and use the things he desires, so long as in the process no one else is thereby hindered from experiencing a similar freedom.

(2) Strangely enough in Sir Stafford's "corollary" to the definition we find ideas much more nearly acceptable than in his definition:—"not to use his own freedom of thought, speech or action so as to deprive others of like freedom." Action is here the important word.

(3) Many pages are devoted to a consideration of how parliamentary procedure might be improved; whether those suggestions are good, bad or indifferent, it is not much use our debating, until we have the responsibilities of the electors, the parliamentarians and the various technical administrators properly defined, and the people aroused to see that they shall be honoured in practice.

(4) In a number of places Sir Stafford displays his socialistic- (Continued on page 7.)

"Nazi Challenge to Democracy"

By C. H. DOUGLAS, in the "Social Crediter."

Those of us whose memories go back to the bad, barbaric days before the Glorious Era of Socialism in which we now bask—days when a cottage was rented at 3/6 instead of 12/6 per week, and was an Englishman's castle, and not a common lodging house run by Inspectors; when beer was brewed from hops by brewers, and not by Imperial Chemical Industries, and good whisky was 3/6 a bottle instead of bad whisky and water being 16/6; when railways were run by engineers and not by tax-collectors and fares were half their present amount and railways paid dividends to thousands of widows; and a first-class sleeping berth from London to Edinburgh was 5/- instead of 25/-, and a large luncheon basket containing half a chicken, salad, cheese, butter, and half a bottle of good claret was 3/- instead of being unobtainable; when farms were run by farmers instead of by olive-skinned clerks from the London School of Economics and owned by administrators with a tradition of obligation, instead of by loan societies, and everyone eat butter and had never heard of margarine; and a seat in the Pit to hear and see Irving was 1/-,—in short in the bad old days when life was an adventure and not a "plan" or a "skedule"—may remember the story told of a Frenchman who was taken to a London Music Hall to hear a turn by Arthur Roberts, in "French." Asked what he thought of it, the Frenchman replied, "E look like Francais, 'e sing like Francais, bort I cannot agree with wot 'e would like to tell me." The song, in fact, consisted of a string of disconnected phrases from a French exercise.

This simple tale is recalled to my memory by reading an article published in the New York "Nation," and sent to me by a Canadian friend with the comment that it has attracted a good deal of attention, and that he feels sure that my opinion on it will be asked. For reasons, which will occur to most of us, I should not share that expectation. Without attempting to deal with the article at length, therefore, I think that an attempt to discover the general thesis involved in the title may be useful.

The task is not altogether an easy one. Possibly for reasons of space, Mr. Noyes defines none of the words he uses and makes no attempt to justify a string of assertions, not all of which, even when sound, seem either to be fully understood by him, or to bear the interpretation he places upon them. For instance, in what is obviously a paraphrase of the A + B Theorem (although Social Credit literature is nowhere mentioned) it is stated, "For all practical purposes the mass-production industries—perhaps also agriculture and some others—are already operating in an economy of abundance. This fact should not be obscured by the under-consumption, which is still widespread. National and world production are less than enough to provide a universally satisfactory standard of living, but the expansion of production can always be faster than any expansion of demand which is conceivable in a conventional capitalist system." (Black in original). The introductory words "For all practical purposes" and the use of the word "conceivable" in the black portion, deflect attention from the fact which is so obviously near the root of our

An article by C. E. Noyes, in "The Nation," New York, September 14, 1940.

troubles—that Finance supplies the credits, which are required by the B portion of cost, to equate purchasing power to prices, only against production, never against consumption, thus providing the strongest urge to compete for foreign markets and to regard war as a welcome consumer.

When, therefore, Mr. Noyes states that "The regimentation which exists in Germany, Russia and Italy is neither a product of the character of the people nor a system arbitrarily imposed by the whim of authority" he is, I think, writing rather dangerous nonsense. The idea suggested is our old friend "inexorable economic law." Nobody is to blame—it's just too bad. Yet one would have imagined that if the character of a people was such as to resent regimentation the final statement that "Unless.... the people will turn to the totalitarian method" would appear to be illogical. Now the fact is that, once it is conceded that banks, i.e., bankers, create and destroy credit on the basis of always demanding a lien on non-consumable goods as a condition of the loan, certain results do follow almost automatically, including war. It is curious, and possibly significant, that nowhere does Mr. Noyes make any reference to the bankers' powers.

But to say that the disallowance of every Law passed by the Alberta Legislature, which would rectify the results of banking control of credit, is "automatic" or "unconscious" would be simply untrue. The legislative history, not only of Alberta, but of New Zealand, as well as of the Federal Parliament of Ottawa, affords ample evidence that financial policy is consciously directed to the attainment of certain obscure but very far-reaching objectives and that those objectives are not "democratic." Equally, the misrepresentation of a growing labor surplus (i.e. the attainment of leisure), has consciously, deliberately, and with great skill, been misrepresented as "the unemployment problem." These things are not "automatic."

This aspect of the subject is of primary importance. The title chosen by Mr. Noyes for his essay would suggest that National Socialism (undefined) is an alternative policy to Democracy (undefined). But he observes, quite correctly and significantly, "The same forces have been tending towards regimentation in the United States even longer than in Europe. This tendency seems inevitably to accompany the rationalisation of industry through centralised financial control and large-scale producing units." This seems to suggest that the United States ceased to be a democracy some time ago, if it ever was one; that the birthplace of National Socialism was the United States, although its conception may have been "German"; and that the policy effective in the United States is identical with that of Nazi Germany, although some of the administrative details may differ. I should agree with all these suggestions, but I should add that the situation is neither automatic nor inevitable, and that, to anyone who will resist the flood of ridiculous but highly successful propaganda, to the end that anyone who suggests that an effective policy which resists all efforts to change it, as in the case of Alberta, implies an effective body of politicians, has a bee in his bonnet, the growth of regimentation, not merely in Germany, Russia, and the United States, but in Great Britain, would

suggest an effective body of politicians common to, but stronger than, any one of the nations mentioned, under present conditions; and it ought also to suggest the direction in which a remedy can be found for the incredible, but tragic results of their activities. In this matter, the correct and just use of words is fundamental, and the distorted use of them has been one of the strongest weapons in the hands of that body of effective politicians which I suggest does exist, and also one of the evidences of the existence of that body and of its control over the Press and Broadcasting.

"Policy" is a word whose derivation is allied to that of the word "police." It implies sanctions. No sanctions, no effective policy. What are the sanctions of society, that is to say, those powers that enable politicians to make their will effective?

There is I think three in number:

(1) Priestcraft (Freemasonry, hypnosis, suggestion, propaganda, and advertising), (2) Finance (a derivation of priestcraft), (3) Armaments.

Now, Mr. Noyes takes it (or wishes us to take it) for granted, that "Totalitarianism" is more efficient than "democracy," but he does not say what he means by efficiency, or democracy, although we have seen, and as I should agree, he suggests that democracy does not exist in the United States. Nor does it now exist in Great Britain although, in a restricted form, it once did. The scientific definition of efficiency is: the ratio of output of what you want, to input of what you have got. Efficiency is a word completely without meaning except it be coupled with policy. Well, both Mr. Noyes and I can agree that the world has been moving towards totalitarianism by various converging routes for a considerable period. If the populations of the world, who, by the exercise upon them of the three sanctions of Priestcraft, Finance, and Armaments, have been induced to put in all they have got, including their lives, have got out what they want, including the hells of London and Berlin, then the system is efficient from the democratic point of view. If not, not. But that does

not mean that it may not be highly efficient from the point of view of those who cannot conceive any world tolerable which would permit individuals to mind their own business.

But, suggests Mr. Noyes, centralised production is necessary to meet centralised production for war purposes by e.g., Hitler. That is to say (to give him the best possible case) once you have decided what to do, centralisation is the best way to do it. I have said much the same thing myself. But it is a statement, which requires careful elaboration.

In the first place, modern war is simply the apotheosis of gangsterism. To use the phrases that "man is a fighting animal," "you can't stop people quarrelling," and so forth, in connection with modern war, is either stupidity, or worse. Modern war would be impossible if by centralised power a small number of power maniacs were not able to swing millions of men into the mass murder of millions of others with whom they have no quarrel, and whom they do not wish to injure. This gang warfare is made possible by centralised sanctions — propaganda, financial pressure, legalised press-gangs. So that there is every ground for the belief that the bigger the gang, the more certain and more devastating will be the war. Which is exactly the lesson of history.

But there are also other important reservations as to the effectiveness of very large organisations. They are always riddled with intrigue; they acquire momentum in a straight line (e.g. the production of the Ford Model T, long after it was out-classed, and the complete shutdown for nine months of the Ford organisation to enable new models to be produced).

Much of the "success" of large organisations is paper, and nothing else. Price rings, access to large credits, and large scale buying at bulk prices unquestionably give certain bookkeeping results. But that is all they amount to. The reductio ad absurdum of giant productive organisation is Russia, a country of 170,000,000 inhabitants, which narrowly escaped a (Continued on page 5.)

ANTI-SEMITISM

"United Democrats Come to Judgment"

Thus run the two headlines of an article on the front page of the "Workers' Weekly Herald" of January 10. The journal in question is the only official organ of the South Australian branch of the Australian Labor Party.

The article mentioned is an attack upon Eric Butler's booklet—now out of print—"The World Government Plot Exposed."

We have mentioned on several occasions the manner in which the apologists of the present banking swindle have taken great trouble to attack and discredit Mr. Butler's writings; it is most interesting to note that these apologists have kindred spirits in Labor ranks.

The anonymous writer of this article, who signs himself "X"—anonymity is a chief characteristic of those who champion the Judaic philosophy—, says: "Yet that anti-Semitism flourishes and is encouraged in Capitalist Democratic Australia by bodies self-professedly democratic is well evidenced by a publication written by a Mr. Eric D. Butler, entitled 'The World Government Plot Exposed.' This pamphlet is sold by the United Democrats of 18 Weymouth Street, and was eagerly pushed in front of me when I inquired for literature on world economic subjects."

The Secretary of the United Democrats has written to "The Workers' Weekly Herald" pointing out that the United Democrats does not endorse all that Mr. Butler or any other person writes. It is a matter of general interest. Also it was pointed out that there is a difference between anti-Judaism and anti-Semitism. Further, it was stated that this book of Mr. Butler's was not "eagerly pushed" in front of anyone; it would be sold to any inquirer, even if he be Rothschild himself.

The article mentioned is one of the most illogical and ill-informed we have yet read. Here is a typical gem: "In short, Mr. Butler says, if you do not start a wave of anti-Semitism now you will have on your hands a wave of anti-Semitism."

Much more could be quoted, but it is not necessary. Mr. Butler has forwarded a reply to "The Workers' Weekly Herald"; we will inform readers whether it is published or not.

POLITICS AREN'T DECENT

By SIMPLE SIMON

It looks to me as though Politics is on the way to bein' outlawed. I don't know what the reason is, but it does look as though we're a bit too fond o' rules. Maybe it's somethin' inside us free and enlightened citizens that insists on bein' governed, and as we don't know what the game is and we don't acknowledge the right of anyone to order us about, we've kind of managed to get ourselves surrounded by all sorts of rules to get some sort of feelin' of discipline and reason. Mind yer, I'm not startin' an argument about whether anyone does order us about or not: I'm merely sayin' that we seem to 'ave lots o' rules for the sake o' rules.

I'd like yer to notice the number of organisations that 'ave made it a rule to bar politics. I s'pose it's right enough if you take the view that politics stand in the same relation to 'uman bein's as bettin' does to 'orses, but I think it's a bit far fetched in any social organisation to refuse to discuss anything that really matters about people in case the patron or the president should walk out o' the meetin' after deafenin' you rule two o' the constitution.

When you come to think of it there seem to be plenty o' reasons why there ought to be a society for the prevention of cruelty to people same as there is for animals. Prevention of cruelty to children isn't enough. You don't 'ave a special society for the prevention o' cruelty to calves an' chickens an' spring lambs; you make a job of it while you are at it. Anyway, I'm told a monkey in the zoo costs 12/6 a week to keep, and there's thousands of unemployed that don't get that or anything like it, to say nothink o' not bein' able to grow their own suit.

I used to belong to quite a club or two; all s'posed to be interested in uplift, but the main idea seemed to be to take morphia for your conscience in the shape of a bob in. The minute anyone got up to ask the why and wherefore, the chairman 'ud say: "Can't be done. It's politics!" I reckon this 'don't mention politics' stunt is about the strongest union in the world, and the union includes pretty well every organisation I ever 'eard of, not exceptin' the church.

It's always been a bit of a surprise to me 'ow the church as a whole, or rather as a collection, 'as managed to 'ang on all this time regardin' people as partially demobilised spirits instead of as 'uman bein's, and I'm prepared to make a bet that the first church that 'as a crack at rescuin' the people from politics will send the verger trottin' off to the nearest billiard saloon for extry seats. It's as certain to 'ave to do somethin' like that as it is to 'ave its overdraft called in. The moment it realises that nearly everythink unpleasant that 'appens to mankind 'as been commandeered in the sacred name o' politics, it can regard its search for the Devil as over—for the time bein' at any rate.

I've seen churches crammed to the doors; not only on Sundays, neither, but any time a he-man preacher cared to risk a comfortable job by tellin' the politician exactly what 'e thought about things. I've stood meself under the eaves of a mission church on a wet night because it wasn't possible to get inside. There was a crowd of us, bunched under umbrellas, and roarin' out the words of an "ymn from a sheet that a sidesman shoved at us. I can still remember some o' the words of a special one. It was from a regular book, but no one ever sings it now, as far as I know:

"When wilt Thou save the people
O Lord of Mercy, when?
The people, Lord, the people,

Not crowns and kings, but
men?"

That's the stuff. Anybody can see where that's gettin' to. Not like "Fight the good fight" if someone can find it for you, or "Old the Fort" if someone'll 'old the baby.

Politics filled that church, if you can call it politics to 'ate injustice, despise 'ypocrisy and abominate a brass-faced liar, and it does make yer wish the church'd 'ave more to say about the gospel o' Christ, and less about the trimmin's.

Maybe you're curious to know what started such a wave of enthusiasm for the church. It's no secret. It followed the action o' the House of Lords in throwin' out a Lloyd-George budget, in which 'is nibs 'ad tacked on the first old-age pension. You couldn't 'ave anythink more political than that. Result: The biggest congregations and the biggest political landslide in English 'istory since the Restoration.

Naturally it couldn't go on. There were too many people interested in seein' that it didn't. It 'ad served its turn, an' the church fell—or was it pushed?—back into the more 'armless job o' sellin' pies in the sky, the price for said pies bein' submission to the laws o' Mammon.

I may 'ave peculiar ideas about these things, but it always seems to me that the church 'as shamefully neglected the business of savin' the souls o' those in 'igh places. Considerin' the larks these get up to they appear to me to need salvation to the point of desperation.

Meanwhile, we shall 'ave to go on bein' as religious as we can in the circumstances. It seems plain enough that some great moral force is workin' overtime against us. That force won't permit progress while there is brutality, and it won't permit religion while there is pretence. It won't even permit profit in business while profit is the only aim o' business.

If I wanted to be an evangelist I wouldn't go past that for a text. But cheer up. I never will be. I'm too careless about my aitches, so they say.

MR. ANTHONY EDEN AND SOVIET RUSSIA

"In the light of these tactics (Germany's tactics in the Balkans and Near Blast) it is not surprising that certain persons inside the Government should be clamouring for the removal of Lord Halifax, a confirmed anti-Soviet, and his replacement by someone more acceptable to the Kremlin.

"When" Tony Eden was at the Foreign Office he made a trip to Moscow, which even the Soviet leaders admitted was a great success.

"Now, it is significant that only one newspaper last week revealed the fact for the first time since 1937 a Russian military attaché had arrived in Britain.

"That newspaper is the 'Yorkshire Post,' owned for many years by the Beckett family into which Anthony Eden married. On

SYDNEY "BULLETIN" BLATHER AND SECTION 504

From time to time, fresh proof comes to light of the worry and exasperation felt in high finance and banking circles at the publicity given to the report of the Royal Commission on Banking, and particularly Section 504.

This annoyance is reflected in the recent attacks by regulation on our liberties, and, also, in an article which appeared recently in the Sydney "Bulletin," under the heading, "Credit Blather and Section 504." In the course of this rather pitiable diatribe, spiteful abuse does duty for argument, and charges of "hypocrisy," "stupidity," "wind bagging," etc., are freely showered on monetary reformers, while the writer himself gives a typical example of the muddle-headedness that so many of his ilk are afflicted with.

In his reference to the financing of the last war, he fails to realise that he is really showing up the mistakes of financial orthodoxy. He stated: "National credit is based on the national income, and if we had taxed this—thus 'utilising it'—more heavily during the last war there would have been much less debt." The important fact, which he seems to have overlooked, is, that the economic policy followed during and since the last war was that recommended by the Professors of Economics whom the Government was foolish enough to consult. His admission, that the policy these pundits favoured was a mistaken one, is illuminating.

In this connection there are some other "ifs" that might well be considered, besides that which he has suggested. In another "Bulletin" column in the same issue it is stated: "Total cost of the last war to Australia, according to figures supplied last year, was £877,000,000 up to June 30, 1939, including £305,000,000 of interest." People given to the making of financial comparisons and alternatives might perhaps suggest that the latter amount, or half of it, would be more than sufficient to create and maintain the naval vessels and equipment. Admiral Henderson considered adequate for the defence of Australia, but in these critical days, we must, of course, "put 'first things first.'" If some of the nit-wits who advocate it were capable of realising what the effects of taxing "more heavily" will be, they perhaps would not advocate it so glibly. Taxing national income "heavily" means less all-round ability to purchase goods, and lessened demand means less work.

If, for instance, taxation forces people to "give up using" new clothes and other goods, many tailors, dressmakers and factory-workers will be thrown out of work, and unemployed folk cannot pay taxes.

However, the "Bulletin's" best effort in the way of "hypocrisy"

and "humbug" is in dealing with Section 504. After quoting part of this well-known Section: "Because of this power . . . the Commonwealth Bank . . . can even make money available to Governments or to others free of any charge," the writer goes on to stage an elaborate piece of deception. Three subsequent paragraphs of the Banking Commission report are quoted, together with the comment that these will "blow out" all the fantastic theories of 'easy money' built up . . . on Section 504." A careful perusal of these will completely sweep away the preposterous bluff of the "Bulletin" writer:

"Section 509. An increase in the supply of money results in some people having greater ability to buy goods and services. If these people spend their increased incomes, the increased demand for goods is transmitted through the community. So long as unemployed men and resources are available, the increased demand for goods will result in some increase of production, with some consequent increase in the employment of men and resources."

This paragraph is simply a plain statement of fact, and does not qualify or limit the powers of the Bank as indicated in Section 504 in the slightest, and still less does it support the taxing "more heavily" advocated by the "Bulletin." If the report had stated it conversely, it would have indicated the effects of taxation even more clearly.

A fair re-statement would be as follows:—"A decrease in the supply of money (whether through taxation or contracted issue) results in some people having less ability to buy goods and services or pay taxes. If these people have decreased incomes, a smaller demand for goods is transmitted through the community. So long as this condition continues (smaller, incomes and less demand for goods) it will result in an increase of unemployment of men and resources, and a decrease of production."

The further paragraphs referred to are these:

"Section 510. A general contraction of (bank) advances, however, is sometimes necessary to check the development of boom conditions; and a reduction in the advances to a particular industry may be necessary to check an unwarranted degree of expansion in that industry. On the other hand, unemployment or depression in a particular industry cannot necessarily be cured by general expansion of advances.

"Section 511. But if the increase in the supply of money is continued when there are few unemployed men or resources available and the expansion of production in some industries makes it necessary to withdraw men and resources from others, higher prices will be offered, and the money-prices of labor, materials and plant will be forced up by this competition. The increase in money may be carried to such a stage that, although prices rise, there is little or

(Continued on page 5.)

—"News Review" (England),
October 17, 1940.

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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FINANCE AND CENTRALISATION

We have often referred to the manner in which the present financial system inevitably leads to centralisation of industry with increasing bureaucracy and inefficiency. Time and time again we have drawn attention to the fact that no nation can make a maximum war effort while the present banking monopoly holds sway. Finance is rapidly obtaining complete control of industry and centralising it into fewer and fewer monopolistic units.

It is well known that the main centre of big finance and big industry in Australia is Collins Street, Melbourne. Some weeks ago we drew attention to the fact that a deputation of Sydney industrialists protested to the Government that they were receiving very few war contracts in comparison to Melbourne.

The following report, which appeared in the Melbourne "Sun" on January 17, should be brought to the notice of those people who talk about our "maximum" war effort:

"Melbourne Influence in War Contracts Alleged.

"Sydney, Thursday. —Seventy-five per cent, of all recent Government machine tools contracts, worth £2,000,000, had gone to one group of manufacturers in Melbourne and Adelaide, a deputation told the Minister for Supply (Senator McBride) today.

"The group included the Associated Machine Tool Company, McPherson's Limited, and affiliated companies.

"The deputation told the Minister that two of the men who handled Supply Department contracts affecting New South Wales manufacturers were the director of machine tools and gauges (Colonel Thorpe) and his New South Wales representative, Mr. Steer. Before he accepted the Government post, Colonel Thorpe was a director of the Associated Machine Tool Co. Ltd., it was stated. Mr. Steer was an executive in McPherson's Ltd.

"The deputation said that while some New South Wales machine tool factories were working at a fraction of their capacity, export licences had been refused by the Customs Department."

Here we have an example of the manner in which businessmen, under the whip of the present economic system, are forced to endeavour to look after their own interests to the detriment of other businessmen. But, if the community were organised on sane lines, every business would be functioning at the fullest capacity.

One of the best suggestions we have seen by an orthodox politician for some time was made by Mr. T. T. Hollway, Victorian U.A.P. leader, in advocating State War Councils to cooperate with the Federal Council. This would be a decentralising move in the right direction and the hindering influence of finance might be more readily seen by those attempting to help the war effort by really getting things done. Something might then be done about it.

STRIKE A BLOW FOR FREEDOM!

FLOOD MEMBERS OF PARLIAMENT WITH THE FOLLOWING DEMAND:

.....M.H.R.,

Canberra, A.C.T.

Dear Sir,

My forefathers fought and died to give us British democracy. The recent increase in unjust and unnecessary taxation has added to the growing body of responsible public opinion which believes the present financial policy is not only hampering the war effort, but will undermine the victory, as was the case after the last war.

The recent regulation gazetted preventing criticism of the Government's financial policy outrageously violates the right of the taxpayer, who will not be allowed to protest. This regulation is a negation of British democracy, and, in my opinion, is designed to protect the financial interests who are drawing such a heavy toll of interest through taxation from the people. Furthermore, it is the introduction of "Hitlerism," which the youth of Australia is fighting and dying to destroy.

Along with many fellow-electors, I desire you to exercise your responsibility to have this regulation repealed without delay. This matter is of such vital national importance that I demand that you take steps to have Parliament assembled immediately to have this undemocratic and unpatriotic regulation repealed.

Yours faithfully,

Address.....

Obtain your supplies from The United Electors of Australia, 5th Floor, McEwan House, Little Collins Street, Melbourne. Price, 1/6 per hundred, post-free.

FORCEFUL SPEAKING AT CENTENARY HALL MEETING

NEW EMERGENCY REGULATION ATTACKED

The Centenary Hall meeting last Sunday night was highly successful. The attendance was good, and, as a result of the new regulation, which provides for heavy penalties for people criticising the Government's financial policy, those present were in an expectant mood. Mr. Albert Fawcett gave a comprehensive outline of the situation in New Zealand, and clearly emphasised the futility of party action.

In a very stirring address, Eric Butler dealt with the lesson to be learnt from New Zealand, and then went on to deal with the new emergency regulation. Those present clearly indicated that they were right behind the speaker's fighting appeal for immediate opposition to the regulation. An official reporter was in attendance and carefully reported every word of Eric Butler's address.

The climax to the meeting was reached at the conclusion of the address when it was learnt that Mr. King O'Malley, founder of the Commonwealth Bank, was in attendance. He supported the vote of thanks to the speakers, and took the opportunity of briefly relating some of his personal experiences. He was given three cheers by the meeting.

The chair was taken by Mr. O. B. Heatly, U.E.A. Campaign Director.

MR. FAWCETT'S ADDRESS

In opening the meeting, the Chairman said that those present were pleased to have the opportunity of listening to Mr. Fawcett. He had lived in New Zealand for the past two years, and had interested himself in the economic and political moves being made by the New Zealand Labour Party.

Mr. Fawcett gave a graphic outline of what was taking place in the sister-Dominion. He exposed the betrayal to the Money Power in a detailed manner; his analysis of the Reserve Bank Act being particularly illuminating. Mr. Nash's orthodox views, coupled with his connection with P.E.P. (the Bank of England's plan for regimenting industry and agriculture) were given some drastic criticism.

In dealing with the expulsion of Mr. Lee from the N.Z. Labour Party, Mr. Fawcett said that he in turn was making a grave mistake by setting up a new party with the usual regimentation. He said: "I am pleased to see that you have made none of these mistakes in Australia, but have constantly developed the educational work of bringing pressure to bear upon individual members of Parliament along Electoral Campaign lines."

Mr. Fawcett said that New Zealand was being rapidly socialised; U.A.P. Government in Australia was also introducing socialism, as witnessed by the licensing of all wheat growers. He also gave instances of the stifling of legitimate criticism of the Government.

MR. BUTLER'S ADDRESS

Mr. Butler said that he was very pleased to once again speak from the same platform as Mr. Fawcett. In summing up the lesson to be learnt from New Zealand, he said that the people must be very wary of those who come before them with promises of mere monetary reform. "You will generally find," he said, "that there is something else in the background — such as socialism. That is why I refuse to have any faith whatever in the promises made by the Labour Party in this country. All over the world the people have fought under banners erected by finance — artificial manners which give the impression that these different parties, groups and leaders are opposed to each other. Their

fundamental aim is similar: to regiment individuals further and further. The time will come in this country when the people of Australia will thank the "New Times" for its unswerving adherence to the real principles of political and economic democracy."

"We have shown the menace of centralisation. It is in the ranks of the Labour Party that you find some of the greatest advocates of the abolition of State Parliaments and the idea of Federal Union." Mr. Butler went on to say: "Tonight we are on the crest of a wave which can either sweep us on towards ultimate victory, or engulf us in defeat. So successful has been our work and our strategy that the Government has introduced the famous regulation which has caused such a sensation. I believe that I speak for all those present when I say that, as loyal Britishers, we are going to fight and defeat this Hitlerism on the home front. This Movement stands loyally four square for the maintenance of the British Commonwealth of Nations. We do not desire to see it destroyed by financial interests. I urge every person present to obtain quantities of demand forms which are available here tonight, and crystallise a wave of public opinion to force members of Parliament to have this undemocratic and unpatriotic regulation repealed immediately."

Many interesting questions were asked both speakers, who took the opportunity of further emphasising important points.

A vote of thanks to the speakers was moved by Mr. T. Crombie, of Bendigo, who thanked Mr. Fawcett for his instructive address, and Eric Butler for his forceful and inspiring appeal for immediate action against the new regulation.

The financial response, as usual, was splendid. Literature sales were excellent, while a big quantity of demand forms were taken. This meeting was a further demonstration of the fundamental soundness of the Movement in Melbourne. It is to be hoped that action to repeal the recent attack against those fighting for economic democracy is developing in all other States. This meeting clearly indicated that Melbourne supporters are rising to the occasion.

Social Credit Movement of South Australia

The next monthly meeting of the Movement will be held at the A.N.A. Buildings, Flinders Street, Adelaide, on Thursday, January 30, at 8 p.m.

After the business of the meeting, an address will be given by Mr. J. S. DUNCAN, on "History of Money, its Creation and Cancellation."

GERMANY AND THE JEWS

The following statement by the "Social Crediter" is one of the clearest and most logical analyses we have read in relation to Germany and the war. (Readers should also refer to Mr. Butler's excellent pamphlet, "The War Behind the War.") :

Suppose for a moment that, just as Hitler was brought to power by Jewish international finance, so he is still controlled by it. What would be the advantages to Jewry of his alleged "anti-Semitism?" Well, he is trying to destroy Britain, and the British Empire. If he can persuade the British to believe that he hates the Jews, then they may believe that the Jews are their friends, and the enemies of Hitler.

This would tend to make the British think that the enemies of the Jews are the enemies of England. It would reconcile the British to the appointment of Jews, or their nominees to all the key positions in the British Government, who would then arrange for the absorption of the British Empire into the United States, which is controlled by Jews. So that it wouldn't matter who won the war, except to the British and the Germans. The Jews couldn't lose it.

But if Hitler hadn't been "anti-Semitic," he couldn't have (a) kept the German Jews out of the war, (b) made the British receive and maintain them, and at the same time infiltrate Britain with spies and provide a "persecuted Jews" issue, (c) take their property into safe-keeping and restore it with interest after the war if "Germany" wins.

If "England" wins, then Mr. Greenwood has assured the Jews that "the British Government"

will right their "wrongs." So their property is safe anyway.

But, you say, what about the barbarities, the physical sufferings, inflicted on the Jews in Germany and elsewhere?

There is, all over the Continent, a very large and growing anti-Jew and anti-Masonic sentiment, sufficient to account for, as distinct from excusing, far more rough treatment than can be proved against the German authorities, who have, so far as can be gathered, protected the Jews from the mob. Numbers of cases have come before London Police Court magistrates in which alien Jews have pleaded for leniency on the ground that they have been brutally flogged or otherwise maltreated in Germany. In every case in which these stories have been investigated, they have been shown to be false.

But the main answer to this objection is that no sensible person supposes that the Jews as a whole have any voice in framing such a policy, if it exists, any more than soldiers have any voice in choosing the enemy against whom they are obliged to fight. As their leaders alternatively affirm or deny, as suits their purpose, the Jews are a nation, and just as soldiers are sacrificed so that the ends of their leaders may be attained, so the ordinary Jew may be a casualty for the policy of his race. From this point of view, the casualties are insignificant.

ENGLISH INDUSTRIALIST ATTACKS BUREAUCRACY

The following letter was published in the "Daily Telegraph" on November 5:

Sir, —Factory managers should be concerned with production only. Instead, we seem to have to spend our time interviewing Government representatives, inspectors, factory inspectors, and going through multitudes of Government returns, reports, and new regulations.

We have to deal with inspectors over shelters. Factory inspectors insisted upon hurricane lamps, but another inspector barred them. We had to camouflage our factory, and after it was done we were told it was unnecessary, after all.

We were told to paint all our glass; later to strip it and have shutters. Then we had another specification involving roof curtains and fabric to prevent glass splinters. Later, we had to use wire netting. After all this expense Mr. Bevin wants to use up his unemployed, once again changing our methods.

Every factory manager knows the difficulty of light obscuration, and once again we are going to risk fines for ineffective screening by using more screens extremely difficult to use. And this at a time when the hours of work without artificial light are getting fewer!

Then we have to guard our factory against intruders. We have to discuss these matters with the police and military, who decide that our guards must have rifles. They must be men known to us for years as loyal citizens. So we have to lose good men from our organisation to

become gatekeepers at 1/9 per hour. Now we have to deal with aeroplane spotters, and this will no doubt mean more time to deal with Government official reports.

We have to control stocks and keep them apart for certain Government departments. This in turn involves, additional labour and expense. We have to sign progress reports. We are harassed by telephone calls from departments insisting upon speaking to principals. Then, periodically, we have Government auditors to see we are not making profits, and each one wants to be satisfied on points, which take hours of our time in explaining.

As a last straw, we are expected to join panels for the quick repair of damaged premises and give time towards organising this effort. Meanwhile, our job of production has to be relegated to others, and we have become mere receptionists for Government representatives.

Why not leave us alone to do our job? We, who are supposed to lead the industrial army into the field of greater production, are holding the telephone and signing forms, and we are far too busy dealing with red tape to do our ordinary job.

We are willing to work, but we cannot get on.

Yours faithfully,

"A Midlands Manufacturer."

Warwickshire.

NEWS AND VIEWS

(Continued from page 1.)

National Security Act before the meeting of Parliament in March next. The Deputy Leader (Mr. Forde), after a telephone conversation with Mr. Curtin, said that the Labor movement can be assured that Mr. Curtin and the Federal Parliamentary Labor Party will handle the whole matter properly and adequately.

SATURDAY, 18th JANUARY

The Leader of the Labor Party (Mr. Curtin) said the regulations should not be repealed, but amended. It is reported that members of the Party generally oppose a special meeting.

The Minister for Labor (Mr. Holt) said taxes would be reduced for casual workers, including waterside workers and shearers. He stated that once "the principle" that they were liable to taxation was accepted by the workers, every endeavour would be made to "help" them.

The Carpenters' Union recommends a protest against taxation and the new regulations under the N.S. Act.

A new high level in total bank deposits for December quarter at £357,750,713. Payments for primary industry exports have enabled producers to reduce their overdrafts. Advances showed a contraction of £5,228,000, compared with the preceding quarter.

The Minister of Commerce (Sir Earl Page) announced that exporters would be asked to refrain from submitting certain classes of meat for export.

The probable cost of the Child Endowment scheme will be between nine and ten millions a year. Extension, of the scheme

to cover all parents irrespective of income is under consideration.

The New South Wales Premier (Mr. Mair) forecasts that there will be a substantial reduction in State wages and social service taxation in March.

Five persons were fined amounts ranging from £10 to £15, and aggregating £70, for failure to comply with an order of the Court of Petty Sessions to furnish income tax returns. Seventeen others were fined from £2 to £6 for failing to furnish returns.

SUNDAY, 19th JANUARY

At a meeting of the Ironworkers' Union, held in the Princess Theatre, the Victorian secretary (Mr. Flanagan) said that for the first time in history taxation officials had visited the union's office with a view to conciliation. The meeting voted in favour of the ban on overtime, exemptions only to be approved by the Central Council, and that incomes exceeding £1000 per annum should be confiscated. No reference was made of the fact that the Commonwealth Bank could make money available to the Government free of any charge.

MONDAY, 20th JANUARY

The President of New South Wales Labor Council (Mr. J. R. Hughes) said that the increase by 3/- of the basic wage to £4/8/- for males, and £2/7/6 for females, was inadequate as the cost of living had gone higher.

The Lord Mayor of Melbourne (Cr. Beaurepaire), is pleased with the Child Endowment scheme. The cost, estimated at £4,000,000, should not unduly affect the taxpayer, he said.

'NAZI CHALLENGE TO DEMOCRACY'

(Continued from page 2.)
monumental hiding by a country with a population about that of the city of Chicago.

I hope that what I am suggesting is now a little plainer. There is no fundamental difference between the basic policy of the Nazi economy and that of the so-called democracies. "Lebensraum" is no more necessary to Germany than large international trade is to the United States. They both rest on the vicious fallacy, consciously propagated, that the object of statesmanship is to keep the world's population fully employed at tasks, which are set for them. The present state of the world is the outcome of that policy.

Now it has been pointed out by many abler pens than mine that there is a curious linking up of Puritanism (particularly Calvinism) Judaism, International Finance, and Government by Work. I merely refer to this because it is relevant to the common policy of Prussia (which is being pursued by Hitler just as it was by Bismark and the Imperial Reich) and that of the so-called democracies.

The remedy is simple enough in theory, if, from its nature, difficult to come by. It is to put the individual into a position of free co-operation by releasing him from centralised sanctions. The whole of the technical literature of Social Credit is devoted to an examination of this problem as it relates to Finance. But it has to be recognised that since most of the responsible literature on the subject was written, the availability of money as purchasing-power has been consciously hemmed-in by legislation, i.e., "Socialism" which is the antithe-

sis of Social Credit. The problem, while far from insoluble, is therefore more difficult than it was twenty years ago.

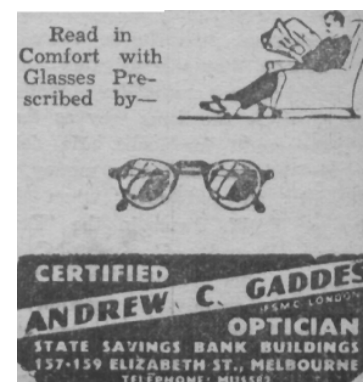
Sydney "Bulletin" Blather and Section 504

(Continued from page 3.)

no increase in the total volume of production."

These sections give as little support to the "Bulletin's" contentions as does Section 509. They are in the main simply a warning against UNCONTROLLED or ill-considered Bank advances, and no monetary reformer is an advocate of such. To suggest that the Commonwealth Bank could not, or would not, expand or contract advances, as prudence dictated is sheer dishonesty and humbug. The cause of the "Bulletin's" spleen is that the people of Australia are waking up to the fact that the present financial system is the easiest of "easy money" schemes for the benefit of certain financial institutions.

—"STIRREM."



HERE, THERE AND EVERYWHERE**Notes on the News**

By ERIC D BUTLER

I am beginning to wonder if the Melbourne "Herald" is the Australian edition of the New York "Times" or some other "American" publication. One gets rather nauseated with all this propaganda concerning Mr. Roosevelt and his "touching" faith in "democracy."

Words, words, and still more words—"democracy cannot die" . . . "we will not retreat." . . . "The preservation of the spirit and faith of the American nation does and will furnish the highest justification of every sacrifice made in the cause of national defence in face of great perils never before encountered."

Mr. Roosevelt's latest speech has been compared with "the spirit of Lincoln at Gettysburg."

The reports do not compare it with the spirit of Lincoln when he attacked the financiers. Mr. Roosevelt has not been able to protect millions of unemployed Americans from being tortured by a hellish financial system.

As "our" press is endeavouring to "persuade" us what a great "moral" influence "America" is having on world affairs, I think that the following observation by Aldous Huxley, the famous English writer, in "Do What You Will," is worthy of study: **"The Jews were also responsible, at any rate in part, for an even more pernicious anti-political doctrine—the doctrine of the all-importance in human life of economic success . . . The Puritans were the first typically modern Businessmen—the first rich Christians who were not slightly ashamed and frightened of being rich; the first shopkeepers to feel themselves the equal of gentlemen, artists, scholars, priests (and not merely their equals, but even their superiors); the first mechanics who ever esteemed their money-getting as a pursuit to be ranked with contemplation and the liberal arts. It is in the essentially Protestant America—home of the ignoble Benjamin Franklin—that this Jewish doctrine of the primacy of economic values has found the widest acceptance and been most wholeheartedly acted upon. From America it has begun to infect the rest of the world. Thanks to the Protestant Reformers, - the whole of humanity is being Judaised."** In fairness to Franklin, it must be mentioned that he was under no delusion about the "Jewish Question."

Mr. Dedman, M.H.R., is a man who has said that he believes in the necessity of monetary reform. Judging by his Budget speech on December 3, 1940, he has some rather peculiar and dangerous ideas. To quote: "I bracket loans and taxation because the proceeds of both come necessarily from the same source. If money is available to be lent, it is equally available to be taxed." Does Mr. Dedman really believe that Government loans come, to any worthwhile extent, from money already in existence, or is he so naive as to believe that the private banks would create credit for taxation purposes in the same way as they create credit for loans? He definitely implies that this money is already in existence when he quotes T. W. Swan in the "Economic Record of Australia" to support his contention: **"The choice is mainly a question of income-distribution, both now and after the war; it is true that if the purchasing power is available**

to be borrowed it is available to be taxed."

Mr. Dedman then goes on to praise the taxation methods of the Churchill Government. Taxation in England is directed against the middle and upper classes, who still possess a little economic freedom. Mr. Dedman wants the same thing here. Which is exactly what the financiers desire. I am not supporting taxation of the lower wage incomes; but, it has been said that we must not let our sympathy for the "underdog" be utilised to create a world of nothing but "underdogs." There is no present need for increased taxation on any class. However, this no-taxation idea does not appeal to Labourites and Socialists. They know that taxation is a powerful weapon of Government.

The following item from latest issue of the magazine, "Opportunity," is well worth quoting: "Declaring that wholesale fish sellers had dumped fish back into the sea in order to keep up the prices, Cr. Barry, M.L.A., recently reiterated his claims although it had been denied by the Fish Merchants' Committee. Cr. Barry

said that he had noticed that a well-attended meeting of the committee had refuted the claim made by him, but he alleged that only six members of the wholesale fish sellers had been present. Cr. Barry further alleged that the fish merchants did not believe in long line fishing, because they did not want the market to be over-supplied with fish." And still we hear the cry for more sacrifice. Is this the way to win the war?

The following item appeared in the Melbourne "Herald" on January 21: **"Loan Council To Meet A Premiers' conference will be called soon to discuss specific proposals for child endowment, uniform taxation, post-war reconstruction and national security."**

In fact, there will be a discussion on everything except how to abolish the debt-and-interest swindle. Electors should endeavour to press their State Members to see that a direction to the Premiers is given on the necessity of a drastic alteration in financing the national effort.

"Nazis Kill 100,000 German Insane. The Geneva correspondent of the National Catholic Welfare Committee reports that 100,000 insane persons have been killed in Germany on the ground that they were a burden to the community." The above report stimulates the idea of similar action in other countries. Of course, my ideas on who are insane might differ from that of the German authorities. The controllers of a financial system, which contradicts facts, should at least be carefully examined.

The following report is from the Melbourne "Sun" of January 16: "The problem of supplies reaching Russia across the Pacific, which enable her to increase her exports to Germany of goods of value to the aggressors, is receiv-

ing the attention of the Ministry of Economic Warfare.

"A recent statement by an American publicist emphasises the importance of the aid which American producers and industrialists may be indirectly affording to the Axis Powers, while they and their fellow-citizens are approving a policy of giving the utmost direct aid to Britain and other countries fighting aggression.

"What is happening may be seen in the statistics of cotton imports into the Soviet Union from the United States.

"In the last two months for which figures are available, Russia has imported from the United States twice as much cotton as, normally, she takes in a full year from all sources.

"It is obvious that the obligations which Russia has assumed to Germany, under the recent commercial agreements, could not be fully implemented out of her own resources—unless, indeed, the Russians themselves are to go short for the benefit of the Hitler war machine.

"What is known of Russian policy does not suggest that that is an object for which the Russian Government would be inclined to ask its people to make a sacrifice, however desirous it may be to see Germany's urgent war needs bring advantage to Russo-German trade.

Therefore it is to be expected, after the new agreement, that Russia will seek imports of commodities, notably oil, grain and cotton, which will release equivalent quantities for exchange against German manufactures.

"This may also explain reports that Russia is mobilising a fleet of merchant ships to carry produce from the Americas to Vladivostok, Southern Russia.

"The Ministry of Economic Warfare is known to be watching carefully developments along these lines."

So long as the Ministry of Economic Warfare only continues to watch instead of acting, Wall Street, which virtually controls American industry, will be quite complacent.

"Sir C. Baillieu For America." Thus ran the headline in a recent issue of the Melbourne "Sun." All roads lead to America these days.

A recent report in the Melbourne "Herald" states that British Jewry is going to remove the main causes of anti-Semitism. Part of the report reads: "All communities have their black sheep, but to combat prejudice, Jewry is attempting a 100 per cent, weeding out process." Upon reading this, I thought that the days of the Warburgs, Niemeyers, Schiffs and others were over. But no! I read on, and apparently these gentlemen and their associates don't come within the category of "black sheep."

In conclusion, this week I quote the following lines from Shakespeare's "King Henry VI., Act I., Scene I.:

"Gloster—'Is Paris lost? is Rouen yielded up?

If Henry were recall'd to life again,

These news would cause him once more to yield the ghost'

"Exeter—'How were they lost? what treachery was us'd?'

"Messenger—'No treachery, but want of men and money.'

Among the soldiers this is muttered."

A BOOK YOU MUST READ**"The Money Power Versus Democracy"**

By Eric D. Butler. Price, 10d posted.

This book is being acclaimed by readers from all over Australia as the finest exposition of political and economic democracy to yet appear in this country. A former executive of the Queensland movement, now residing in Melbourne, told a meeting of Melbourne supporters in the Centenary Hall on Sunday, December 15, 1940, that this was the best book he had read during his ten years of activity. He urged supporters to buy copies and pass them around.

This book will save you a lot of talk. In forty-eight pages, the author has crystallised the philosophy, history and application of democratic principles. A handbook, which every supporter should have.

ALSO BY THE SAME AUTHOR:

"The War Behind the War." Price, 4d, posted

Every person who desires to gain a thorough knowledge of the real background to the present conflict should read this booklet. The most critical and impartial analysis of the "Jewish Question" to appear in this country.

"Elections Over—What Now?" Price, 6d per dozen, post free.

A summary of political strategy. The campaign director of the N.S.W. Division of the Electoral Campaign has written as follows about this brochure: "We consider this to be a masterly presentation of vital factors, and probably the finest article that has yet appeared in any paper in this country."

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

W.A. PARLIAMENTS FURTHER DEMAND FOR MONEY REFORM

(Continued from Last Issue.)

On November 6, as briefly reported in our "West Australian Notes" of November 29, the Legislative Assembly of that State re-affirmed its demand that the Federal Government use the Commonwealth Bank to provide adequate financial credit for national purposes "without inflation or any charge."

We considered the debate which preceded the passing of the resolution, by 28 votes to 6, of sufficient interest to our readers to warrant publishing it in full, but its length is such that we are only printing part of it in each of several issues. The editor would welcome readers' views on this experiment. Here is the fifth instalment from "Hansard":

The Hon. C. G. Latham (York) [8.43]: I do not want the motion as worded to pass the House. One would think that the Commonwealth Government was getting insufficient money for defence purposes. That is not yet the case. It is a very serious matter for the State Parliament to reflect in any way upon the Commonwealth Parliament. The motion says—

That in view of the apparent deplorable shortage of money at present in Australia, it is evident that a maximum effort to bring victory in the present war, to provide sufficient funds for the proper future defence of Australia, and to bring the standard of living to a point of living approaching decency, is impossible under the present monetary system.

I do not think that is right. Up to date I do not know that the Commonwealth Government has had any difficulty in obtaining finance.

Hon. W. D. Johnson: It has to pay interest, of course.

Hon. C. G. Latham: That is quite a different matter. I admit there is something in that argument. In my opinion it is most unwise—the probability is that this may be followed up by other State Parliaments—for us to dictate to another Parliament even if its status is equal to our own. On the other hand, the Commonwealth Parliament is a superior body. We can do nothing regarding the currency. The Federal Parliament has that power. Recently we endorsed a motion, with the wording of which I strongly disagreed. What would we say if the Commonwealth Parliament carried resolutions and sent them to us through you, Mr. Speaker? We would resent any such action. We have been appointed to govern Western Australia, not to dictate to other Parliaments.

Mr. Hughes: But the Commonwealth Government passes legislation and asks us to enact similarly worded measures.

Hon. C. G. Latham: The Federal Parliament does not pass any Bill without the authority provided in the Commonwealth Constitution, except by agreement with the States. Usually the Commonwealth Government introduces Bills to ratify agreements arrived at between the States, such as happened with regard to the financial emergency measures, aviation and so on. I am certainly anxious to provide the best conditions possible for our people. I believe my theory to be correct when I claim that the £1,300,000,000 that the Australian Governments owe to the people here and overseas represents money borrowed on the credit of the country. When we examine the position, we must be convinced that that aggregate of loan money will be considerably increased before the termination of the present war. Population represents a vital phase. The Premier mentioned that fact pointedly when he said that if we had not the population to earn the money to justify increased borrowing, the position would be hopeless. The Premier also mentioned the situation in Germany, where it was decided to pay off the internal indebtedness by inflation. That was done. Overseas debts were also paid by the sale of marks in the currencies of the countries concerned. Even Australians purchased those valueless

marks and paid Australian currency for them. By that means Germany was assisted to clear her debts through that inflationary process. So it was under the Reich Bank. By these methods Germany was afforded an opportunity to re-establish her credit. Apart from that, Germany borrowed money from America with which to build roads, erect factories, and so on.

Mr. Raphael: And England gave her a few hundred million pounds.

Hon. C. G. Latham: America in particular provided loan funds.

Mr. Raphael: But England gave Germany the money.

Hon. C. G. Latham: But that did not amount to very much. For the most part, the money was borrowed from America. We are in a different position from Germany. I do not desire inflation to any great extent because of the problems following in the train of that policy. We know the position in Germany, Austria and Russia after the inflationary period. I was in Austria at that time and the abject poverty there was dreadful. The people were prepared to clean one's boots in the streets for a penny. The hard-working people were committing suicide by the hundred. In one day 150 people in Vienna committed suicide in the Danube. That was due to the abject poverty. We do not want that experience here. It is all very well for members to advance their pet theories, which the unthinking public is apt to swallow. We should be very careful about the propaganda in which we indulge. Although the Premier and I disagree fundamentally in politics, I am prepared to entrust him with the finances of this State, having regard to the watch we can exercise over him in Parliament. I know perfectly well that the Premier would not indulge in inflat-

ion to the injury of the country itself. We have already inflated the currency to some extent. What is the value of £1 today compared with what it was in 1913-14? It is totally different. We are told that wages have gone up. Wages have increased in name only, not in purchasing power. I know what happened when I was young, and what I could buy with £1 compared with what I can purchase today.

The Minister for Labour: Do you know what you spent your pounds on when you were young?

Hon. C. G. Latham: I was very careful, and I did not spend my money on the things the Minister thinks I did! I do not want members of this House to disseminate propaganda suggesting to the people that we can rectify the financial problem by merely issuing pound notes.

Mr. Marshall: Who said that?

Mr. Hughes: Who made that statement?

Mr. Berry: No one said that.

Hon. C. G. Latham: Who said that? Let members look at the motion—

In view of the deplorable state of our primary industries and the ever-increasing poverty and unemployment in our midst, the national credit of the Commonwealth should be used in the cause of defence, the primary industries and the general welfare of the people of Australia, by and through the Commonwealth Bank without inflation or any change.

What will the Commonwealth Bank do? Does it not mean that the bank will issue notes?

The Minister for Labour: Or cheques?

Hon. C. G. Latham: Something that will be in the form of negotiable documents.

Mr. Marshall: The Premier referred to our national credit, and that does not mean £1 notes.

Hon. C. G. Latham: Of course that is a form of credit.

Mr. Hughes: The bank would allow a substitute method of cheques for notes.

Hon. C. G. Latham: That does not affect the position. We are asked to let the people believe that we can go to the Commonwealth Bank and ask for £100,000,000 and that we can get it. Nothing but inflation would follow such a procedure. Does the member for Murchison (Mr. Marshall) want us to believe that the Commonwealth Government or the Government of New Zealand or any other Government would not have given effect to the proposal outlined in his motion if it could have been done effectively and without injury to the people? Let us see what has happened in New Zealand.

Mr. Marshall: I am not worrying about New Zealand.

DEMOCRACY AND SOCIALISM CLASH

(Continued from page 1.)

bias, which must be corrected before we can accept him as a champion of a thorough-going democracy; for instance, on page 18, we read: That it is "almost universally accepted that the State must attempt to plan to some degree . . . both nationally and internationally its own economic life and that of its citizens . . . This need for planning trade and industry has created an entirely new demand upon democracy." On pages 32 and 33 we find:—"Interference by the State with the free actions of the individual citizen has now become an acknowledged necessity... we must therefore accept that today it is no longer possible to achieve true liberty for the mass of the people except by a very large measure of interference by law."

Unfortunately such socialist views are commonly held by agitators who are styled radicals, and by many persons who politically are supposed to be in the Conservative and opposite camp; and there is considerable danger that an era will commence through which the disease of law-and-

regulation-itis may run its devastating course, unless we take the trouble to bring effective democratic sanctions to bear upon our Parliaments. All those who adopt, or conjure with, the idea that a law-and-regulation-itis epidemic can be an antidote or cure for the obvious faults in our present community life seem to ignore the real trouble—the basic cause, of poverty in the midst of plenty, of the fierce and stupid commercial competition and of the extensive sabotage which is rampant in peace times as well as in war.

The real trouble is epitomised in the phrase "centralisation of power." Anti-social power has become centralised by means of finance, and because of wrong financial policies. The cure is not to be looked for in some other or auxiliary form of centralisation; but a cure can be "worked" if power is decentralised, and if instead of finance being allowed to remain as a power, the figuring devices connected with money records become merely a statistical device to reflect facts.

—C. H. ALLEN.

Hon. C. G. Latham: I understand they support an unorthodox system of finance.

Mr. Marshall: Nothing of the sort.

Hon. C. G. Latham: They do. To such an extent did they embark upon unorthodox methods that they practically exhausted all the Dominion's credits overseas. The member for Guildford-Midland (Hon. W. D. Johnson) referred to the position, and he knows very well that New Zealand's credit in London was down to about £3,000,000. At that stage the Imperial Government went to the assistance of the Dominion. What actually saved New Zealand was the declaration of war. In the meantime the Dominion is recovering its position because it has reverted to more orthodox methods. I know what was done there. I know that what can be procured for the payment of 10/- a day at a State hotel in Western Australia necessitates the payment in New Zealand, for the same class of accommodation, of not less than £1. That means, of course, that the individual's pound note is not worth more than 10/- in New Zealand. That is the position exactly. In New Zealand a Committee of Economic Stabilisation was set up, consisting of 7 Labour members, 7 other members, with a Minister of the Crown as chairman. Probably members will have read details of a report of that committee as published in the "West Australian." The committee told the New Zealand Parliament that it was unanimous in its agreement that it would be very dangerous to proceed any further with the inflation of the currency in New Zealand. That is actually the position. It is easy to talk about what has taken place in New Zealand, which is a wonderful country. I do not think there is a more fertile country in the world, and, although it contains some poor land, the Dominion produces a great deal of wealth. While I was there, a girl in a hotel said to me, "Have you any Australian £1 notes?" I asked her why she put the question to me, and she replied, "I want to send them to my mother, and I will pay you 25/- in New Zealand money for each £1 note you have."

Mr. Raphael: Was that all?

Hon. C. G. Latham: Yes. One cannot take money away from New Zealand owing to the conditions that exist there. People who visit Australia have a great deal of difficulty in arranging credit. If any member wished to go to New Zealand and went to his bank to arrange for £400 or £500 to be available for his use in New Zealand, the banker would say, "You will not get your money out again if you take it to New Zealand. The better way would be to arrange for us to cash your cheques here." That is the position. And we should not desire to reach such a stage in Western Australia. This State has still plenty of credit. The Commonwealth Government or the Western Australian Government can purchase almost anything required anywhere. I know that every endeavour is made today to conserve overseas credit, but much is possible along the lines I have indicated.

Motions such as that before the House are not calculated to help Western Australia. They convey the impression that even those who sit behind the Government have no confidence in the Administration. When motions can be moved embodying such phrases as, "to bring the standard of living to a point approaching decency," "the deplorable state of our industries," "the even-increasing poverty and unemployment in our midst" and so on, the effect can only be detrimental to the interests of the State. We all know what is the trouble with our primary industries. We are unable to obtain markets in which to dispose of our surplus supplies.

(To be continued.)

NASH-IONAL SOCIALISM IN NEW ZEALAND

By ALBERT FAWCETT

Judging from the latest reports from New Zealand, it would seem that Mr. Nash is somewhat alarmed at the manner in which New Zealand businessmen have been defeating his new regulations and social legislation in the law courts of the Dominion. After all, being a firm believer in the theory that the average person doesn't know what he wants, and that men such as himself have a much better idea of what is good for us than we do ourselves, it is quite natural that he should take steps to see that the people don't try to get out of taking the medicine that he has ordered for them.

Regarded in this light, his latest action, which will no longer allow the people to appeal against his new legislation in the law courts on the grounds that it is unconstitutional, can only be looked on as being in the highest Socialist tradition. No doubt our Socialist friends will say to us, that although this will make Mr. Nash and his colleagues virtual dictators of the country, free to pass any new laws they choose without any regard whatsoever to the constitutional rights of the New Zealand people, once Mr. Nash has applied his scheme of planned economy in full, to the Dominion, what will we want with a constitution, anyway?

Those individuals who in the past have blindly pinned their faith to party politicians and their platforms are now waking up to the realisation that this party system of ours is one hundred per cent, "democratic" for just so long as it suits it to be "democratic." The moment the money power that is behind these political parties decides that "democratic" government no longer suits it, the party that happens to be holding office at the moment, be it Nationalist, Labour, or of any other "ism," will inaugurate a new form of government to suit the bankers' new policy. The New Zealand Labour Party has demonstrated most effectively, how a "democratic" country such as New Zealand used to be, can be converted—constitutionally and without any bloodshed or violence whatsoever—into a totalitarian State, almost over night.

In the same manner as Mr. Menzies has bludgeoned the wheat-growers into submission, although with possibly a little more finesse as befits one of the "old school tie" brigade, Mr. Nash has taken over the control of New Zealand as a whole, and it but needs the day for Wall-street, through the Bank of England, to set up its new World Federal Union, for New Zealand to be handed over lock, stock and barrel, into the hands of the internationalists. The right of the people to place their

case before a jury of their peers, or a qualified jurist, is the very backbone of English justice, and to deny them this right is to uproot the very foundation stone on which British democracy is built.

Here, in actions such as these, lies the real Fifth Column that is sapping the morale of the British people, and which will smash the British Empire, even though Hitler be defeated, unless those individuals responsible are made to realise that such treacherous activities will not be tolerated by a nation fighting for its very existence against a similar threat to its freedom by Nazi aggressors. What New Zealand has done, Australia is even now already doing, and a halt must be called to this rising tide of Bolshevisation that is already sweeping over the country and threatening to overwhelm us. Only by cooperation and intelligent action can it be stopped, and stop it we must if we are to hold on to the heritage of freedom and liberty that is ours.

Eric Butler Addresses Two Successful Meetings

On Thursday, January 16, Eric Butler addressed a well-attended house meeting at the home of Mr. and Mrs. Johnstone, 62 Power Street, Hawthorn. Mr. Butler said that this was the finest house meeting he has yet addressed. He was given a very attentive hearing; many keen questions were asked at the conclusion of the address. House meetings allow each individual's personal difficulties to be adequately dealt with by the lecturer. More supporters are urged to arrange house meetings.

On Friday, January 17, Mr. Butler visited the Western District and addressed a meeting at Birregurra—a new centre. Considering

LETTER TO THE EDITOR

ACTION IN GIPPSLAND

Sir,—The recently gazetted regulations referring to "criticism of the Government's financial schemes"—and schemes is a most appropriately chosen word—call for prompt action.

I have addressed a letter to my Parliamentary member (Mr. T. Paterson, M.H.R.), asking him to name dates upon which he would be available to meet his constituents.

I have in mind the organising of an "all sections" meeting at Trafalgar, so that members of his constituency may place their views before him.

More frequent personal contact with our Parliamentary represen-

tatives is, to my mind, essential, as well as frequent expression of our views by letter post.

I am appealing to your readers, within my vicinity, for support. The amount of support forthcoming will, of course, be the deciding factor as to whether or not such meeting is held.

I desire your readers to write me direct in regard to this matter, and as early as possible. The gravity of the situation calls for prompt action on the part of all Democrats.

I feel sure it will be forthcoming.

Further details will be forwarded upon contact with those willing to co-operate. Yours, etc.,
H. A. HOTCHKIN.

Thorpdale, Gippsland, Vic.

United Democrats' Report

From Headquarters, 17 Waymouth Street, Adelaide.

Money "cranks" throughout Australia have been on tip-toes with excitement during the past week over the newly gazetted Regulation No. 42a of the National Security Act, by which the Government hoped to stifle all criticism of its stupid, stick-in-the-mud financial policy. It was done so cunningly, too; the bomb was carefully concealed in innocent-looking wrappings dealing with "rumor-mongers", subversive statements, and the like, but we discovered it in time. It is nevertheless, an unexploded time bomb, and still dangerous. Until Parliament meets in March, when the offending regulation can be dealt with by the Opposition, we must move heaven and earth to have it disallowed. Meantime, our utmost effort must be spent in bringing pressure to bear, as organisations and individuals, on the Federal members of Parliament, for only by raising a storm over it will anything be done.

Lunch-hour Lecture: On Friday, 24th January, United Democrats will have the pleasure of

that it was the initial meeting, the attendance was very satisfactory. Leading citizens of the district were present, and a future meeting should see a packed hall. Literature sales were good.

hearing Rev. Wm. Bottomley, who is at present visiting Adelaide, give an address on "Democracy at War." Mr. Bottomley is well known to readers of our journals for his outspoken and fearless criticism of present-day evils, and none should miss this opportunity of hearing him speak.

Monthly Meeting: Saturday, 1st February, at 8 p.m., will be our first rally for the year. There will be rather more business than usual, for we have important matters to discuss, but the social side will not be omitted and supper will be served as before by the ladies.

—MARY H. GRAY,
Hon. Secretary.

TWO WARS

"We have two wars to win, that against Hitler and that against inflation"—Captain Crookshank, British Treasury.

Inflation consists of an issue of money tokens, accompanied by a rise of prices. So the "Government" issues money by borrowing from the banks and insures a rise of prices by first raising the price of all nationalised or semi-nationalised services (post-office, railways, coal, electricity) and then adds 33 per cent, to the price of everything else by means of a Purchase Tax. You say the "Government" must be fools, Clarence? Wrong again, my boy. We're the fools. Who do you suppose cornered all the stocks before they were subject to Purchase Tax?

—"Social Crediter,"

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