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EVERY FRIDAY

THE NEW TIMES

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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).

Is Hitler Just a Puppet?

His Former Boss Says "Yes!"

"For fifteen months I was in daily contact with Hitler and I believe I know this strange man as well as, if not better than, anyone else."

Thus a former officer of the Reichswehr, in a remarkable article, entitled, "I Was Hitler's Boss," appearing in "Current History and Events," whose editor made inquiries to satisfy himself that the writer is a reliable witness.

The article describes, among other things how and when its author came to engage Hitler and for what duties, some of Hitler's personal peculiarities, why the author ordered Hitler to join the National Socialists (!), the evolution of the National Socialist Party, and the struggle for supremacy between its leader—particularly Goering and Roehm. After that description of this struggle, the following passages occur:

NOT REAL LEADER: HASPOORBRAIN

Why, it will be asked, did Hitler allow all this working over his head? Was he not the leader of the Nazis? The answer is that Hitler never was nor is he now anything of the kind. As a leader Hitler is possibly the greatest hoax ever played on the world.

The reports that Hitler brought me daily in the Reichswehr were scrupulously honest, but his style and grammar were lamentable. His reports always had to be rewritten before I could file them. His intellect was not higher than that of an eight-year-old child.

AT THE MERCY OF POLITICAL FREEBOOTERS

After he left the Reichswehr, he was completely at the mercy of political freebooters. Those two

would-be dictators, Roehm and Goering with their satellites fought one another behind the scenes tooth and nail. They even ousted Ludendorff. Finally, Goering won the battle in the "Blood Purge" of June 30, 1934.

"A bloodthirsty mad ogre," "a superman in leadership and strategy" --in such terms was Hitler referred to. How little the world knows about the real Hitler!

JUST A RABBLE-ROUSER

The Nazi boast, "Tell people the most senseless lie again and again and they believe it to be sure and certain truth," has a right to stand after the world acknowledged Hitler as Germany's leader. As a rabble-rouser of the highest order Hitler was and still is, of extreme value to the Nazis.

If all Germans had not more brains than Hitler they would be a harmless lot. It is people with brains who use Hitler for their own ends that are dangerous—those who try to build their own prosperity and well-being upon the misery of others. Hitler has never been capable of making a decision on his own.

"MEIN KAMPF" NOT HIS

He certainly never wrote a line

of "Mein Kampf"; he merely signed his name to it. Many writers had their fingers in the "Mein Kampf" pie. Ludendorff, Rosenberg, Haushofer, Streicher, Epp, Eckart and probably several others contributed material for the book.

Hess collected all their stuff, chose suitable parts fit for printing, and so "Mein Kampf" came into existence. Hitler, the man with the mind of a fourth-grade scholar, was, of course, proud to sign his name as author of a book.

GOERING, EVIL GENIUS

Germany has many Fausts, but their Mephistopheles in Goering, who was able, through crafty propagandists like Goebbels, to sell Hitler to the entire world as a patriotic superman.

Goering alone engineered the burning of the Reichstag and had a feeble-minded boy executed for it. He arranged the "Blood Purge" of June 30, 1934: it was he who saw that Hitler got the false material to convince him that Roehm intended to kill him unless he killed Roehm first.

NOT "HITLER'S WAR"

Those who call the present war "Hitler's war," or who say "We must defeat Hitlerism, do not know what role Hitler plays in Germany.

Posed photographs in which Hitler is seen signing an agreement or, surrounded by generals, placing a finger on a war map, are reproduced by the most serious newspapers as important documents and are regarded by the readers with awe. Yet the real power is Goering.

If that is so, then why, it may be asked, does not Goering get rid of Hitler and take his place? Because the time has not yet come.

A USEFUL PAWN

Hitler is still a useful pawn in Goering's hands. If Germany loses the war, Goering can hypocritically declare: "Let us have an honourable peace. We Germans never wanted this war. It is this Austrian madman who is to blame. We will send him to a sanatorium for life." But if, on the other hand, Germany should win, Hitler will have outlived his usefulness. He will die and Goering will come into his inheritance.

Goering will even make use of Hitler when dead. Hitler would be declared the greatest of all German saints and heroes. Thousands of faithful Aryans would every year make a pilgrimage to his tomb. German theatres would boom by producing saintly Hitler plays, Joan of Arc style.

THIS "SECOND FRONT" TALK

SOME OBSERVATIONS ON THE COMMUNISTS

By ERIC D. BUTLER

I have no pretensions as a military expert; I leave such pretensions to those noisy pro-"Leftists" who are such great military strategists that, although many of them who were eligible did not fight in the last war because it was an "imperialist war," and opposed the present war until Russia was attacked by Germany, they can decide just what should be done 10,000 miles away.

But I do know enough about organisation to realise that policy and administration are two vitally different spheres. The people should be concerned with policy and policy alone. They know nothing about administration. Administration is a matter for experts, who are well paid for that particular work.

Now, I believe that the British Empire has, in spite of all the anti-British sentiments being widely publicised, some of the finest military leaders in the world. These men, having received from our Governments instructions on the people's policy (i.e., the winning of the military war in the shortest time commensurate with available resources and avoidance of unnecessary loss of life) should be free to decide just what to do. The Government should only remove all artificial obstacles and hold the military leaders responsible for results. The Government should not dictate to the military leaders, for political reasons, on questions of administration. The unhappy results of the one-man Government in Britain should convince anyone that politicians, no matter how challenging their speeches, should keep their hands off military strategy. But such methods don't interest the local Communists, who know more than the military admin-

istrators in Britain—that is, according to themselves.

The almost fanatical zeal with which these "Leftists" are worming their way into every possible movement or organisation which can be used to further their aims is alarming. Movements such as the Australia-Soviet Friendship League are only a cloak for the work of our local "Reds." Loyal Australians are now being flooded with dangerous, misleading literature. No wonder that there is a tendency everywhere to speak in glowing terms of Russian and American military leaders to the detriment of our own military leaders. This is all (Continued on page 6.)

REGULATION 77

This is one of the most objectionable regulations yet issued. It was strongly denounced by a few Labour party-hacks, but that was only lip-service to democracy, because later, when a vote was taken on it, they voted FOR it—regardless of their own expressed views and the wishes of their electors! Messrs. Ward and Morgan figured prominently in this sell-out. One idea behind the regulation is to conscript citizens into a labour corps at coolie rates of pay, in an endeavour to run the war on the cheap.

NOTES ON THE NEWS

STRING PULLERS: The "Herald" finance writer allotted a full column to the dotings of Prof. E. Ronald Walker, the Tasmanian economist who is described as Deputy-Director of War Industry Organisation. So this economist must be the bankers' voice behind Dedman. Now we know what causes the mess. It is not an accident that these tools pull the strings from behind. Wherever they are there's sure to be trouble because they have no experience of practical pursuits.

ARMY BATMEN: Statements that the army had refused to release skilled men for essential industries, and that they employed some of these men as batmen, were made by Mr. Ward, who also says he can keep needed men from being forced into the army, but cannot get them out once they are in. It is not very complimentary to the "brass hats," who evidently fail to understand that industry is their first and last base. If such is the case, it is time they were disciplined by Parliament, which is finally responsible.

FUEL PLANNERS: In Britain the president of the Board of Trade, Sir Hugh Dalton, has figured it out that employing 15,000 staff at a cost of £35,000 per week, in order to ope-

rate a fuel-rationing scheme, is preferable to recalling 20,000 miners from the army. No doubt the pleasure of inflicting unnecessary sacrifice appeals to this planner. However there are hopeful signs that the British people have had enough.

EXPORT MANIA: Recent reports of British exports of cotton, rayon yarn and fabric for 1941 showed a general increase of 127% in piece goods. This makes it clear that it is not a shortage of material that has caused rationing in Britain; it also shows that the same old "export or perish" maniacs are still in control.

FOOD MUDDLE: New Zealand is considering using potatoes for bread, because of a possible wheat shortage. Mr. Beasley recently suggested we should increase our rice diet, because potatoes were scarce. Wheat and potato restriction is being brought about by legislation and man-power bunglers. Ye Gods!

SALES TAX: While the Government is pretending concern about increased living costs, it has deliberately decided to further increase them by another £6 million, via the sales tax. This makes a total of £18 millions increase. Quite evi-

Continued on page 8.)

BANKERS BETRAYED FRANCE

Here is the speech by Mr. F. Gilbert, Treasurer of the Free French Movement in Victoria, delivered at the big public meeting of the New World Reconstruction Movement, in the Central Hall, Melbourne, on April 27:

Many explanations have been given about the downfall of France and many writers have written books and offered their versions, but whatever they all may say, France was not betrayed that June Sunday in Bordeaux when little Reynaud was outvoted in his own Cabinet, nor even on that sadder morrow when Petain, the aged marshal-hero of Verdun, broadcast to all French soldiers, "We can't fight any longer"; not even on that day of blood and blunder in mid-May when the German Panzer divisions burst across the unguarded bridges of the Meuse, prelude to a second and more shameful Sedan.

The betrayal of France began many years before, and no one is more to blame than those in power. During the almost seventy years that the third French Republic existed, many Governments came and went—over a hundred of them—but all the while the country was actually governed by the fifteen regents of the Bank of France. They were the real masters.

THE REAL MASTERS

Whatever Government was in power, the framers of the Constitution left intact the Bank of France. This institution remained at the apex of the State pyramid, just as Napoleon Bonaparte had created it: autonomous, unassailable, with unrestrained power. At its creation more than a hundred years ago the Bank of France was christened, in a widely circulated leaflet, "the new Bastille." This was what in reality it proved to be—a concrete fortress erected in the interests of the wealthiest men of France.

The "High Bank," as it was called, had its fingers on the pulse of every important corporation, credit establishment, and commercial bank in France. It fixed arbitrarily the rediscount rate and the rate of advances against securities or gold. By discounting commercial notes it granted life to a business firm; by refusing to discount it pronounced its death sentence. It held in its hands the fate of finance and industry. It determined the destiny of the Government in power. By granting the necessary credits it allowed a Cabinet to continue. By its

refusal to do so it doomed the life of the Cabinet beyond recall.

In 1933 the capital of the Bank of France was divided among thirty-one thousand shareholders. But of these only two hundred had the right to vote at general meetings of the bank. These two hundred shareholders were called the "Two Hundred Families of France"; they controlled the decisive levers of finance and industry in the nation.

THE REGENTS

The business of the bank was directed by a board of twenty-one members: the governor, two vice-governors, fifteen regents, and three financial auditors. The governor and vice-governors were appointed by the Government. But only an investor possessing at least a hundred shares of the bank's stock could be nominated governor. In 1933 a hundred shares represented a sum of approximately two million francs. Only a man holding fifty shares could become vice-governor. It was customary for the fifteen regents to provide the governor and vice-governors with the requisite shares. It was also customary for the governor and vice-governors to receive, upon their resignation from the bank, lucrative positions in private business.

The fifteen regents came from the great banking houses and from commerce and industry. But to the most important among them election to the board was a mere formality, because their seat was practically hereditary. Thus the Rothschild family was represented on the regency for over seventy years, the Mallets and Hittinguers for over a hundred.

The regency was as exclusive as the blue-blooded Jockey Club of the aristocrats. A handful of men, linked together by class-ties, marriage alliances, business interests, social bonds and snobbery, formed a solid, forbidding phalanx against all newcomers.

HOW THEY RULED

They might quarrel and compete with one another. But whenever a serious threat to their common interests arose they drew closely together, in order to preserve intact the

social order on which their strength was based. They controlled the money of the nation: hence they dominated most of its industrial mechanism. They enjoyed the closest connections with the leading members of the military caste, many of whom sprang from collateral branches of the same families. They were related to some of the highest prelates of the Church. Their sons, nephews, and sons-in-law held key positions in the Foreign Office, in the Finance Ministry, and in the State apparatus. They furnished the diplomats who represented France in foreign countries. They financed, and lavishly, their own political parties and groups. Through the newspapers they owned or controlled, they moulded public opinion.

Thus, by its stranglehold on the Cabinet, by its control over Right-wing political parties and some of the most influential newspapers in France, the High Bank in fact controlled French policy. Its history has been a long one; but always, in the words of the French publicist, Francois Delaisi, "it has been on the other side of the barricades."

As early as 1848 the bank fought the Liberal Democrats and supported General Cavaignac, a militarist notorious for the brutality and ferocity with which he crushed a rebellion of the "have-nots," the common people of France.

During the Dreyfus Affair the bank, in spite of the Rothschilds, subsidised the anti-Dreyfus camp. In the first decade after the war of 1914-1918 it fought obstinately against the two Radical-Socialist Governments of Edouard Herriot, and brought them crashing down. Once, during the great war, Clemenceau complained that he did not possess enough power. A Deputy asked him, "But, after all, who has more power than you?" The Tiger shot back, "The Regents of the Bank of France."

SUPPORTED HITLER AND MUSSOLINI

... After the Duce's rise to power in Italy he became a favourite of the regency of the bank. Their newspapers supported him from the very outset of his regime, in spite of his numerous and violent attacks against France during the post-war period. Not even the fact that Fascist Italy's territorial claims embraced French colonies or possessions could curb the regency's unilateral admiration. That was not the first time the Bank of France had placed its private interests above national interests. During the Franco-Prussian war the bank took its stand with theirs, the "monstrous gnome," who sought an understanding with the Prussian Chancellor, Bismarck.

In 1933, when Hitler came to power, the regents were enchanted with the Fuhrer's enslavement of German labour, the smashing of the trade unions, and the interdiction of all Liberal and Leftist political parties. They were ready to forget that he had branded France as Germany's Public Enemy Number One, and that, in "Mein Kampf" he had set the isolation and annihilation of France at the head of his programme. From the first days of Hitler's regime the "Two Hundred Families" gazed with envy across the Rhine. They accepted Hitler, just as German big-business before them had done, as the saviour of Europe from Bolshevism. During the early months of Hitler's Government they entertained some doubts as to its stability, permanence, and eventual success. But, by the beginning of 1934 the "Two Hundred Families" had definitely made up their minds to follow his example and to arrive at a political understanding with him. By then they judged France ripe for remodelling in the image of Fascist Italy and Nazi Germany.

A statistical survey showed that the fifteen regents were chairmen or held seats on the boards of two hundred and fifty companies.

These included thirty-one private banks, two rail way companies, seven steel and iron companies, six public utilities, eight mining, twelve chemical, and eight insurance companies. Like an octopus, the regents had spread their tentacles over the key industries and the monetary nerve-centre of France. But their grip extended over international boundaries as well.

INTERNATIONAL TIE-UPS

Eugene Schneider, the ironmaster representing France's greatest armament trust, Schneider-Creusot, on the regency, was also the head of the Union Europeenne Bank, which controlled the most important armament works in Czecho-Slovakia, the Skoda factories. The French Chamber was presented with convincing evidence that the French director of the Skoda works had made large contributions to the Nazi movement. After the rape of Czecho-Slovakia in 1939, Schneider sold his Skoda shares to German interests. The transaction was negotiated by the Paris bank of Lazard Freres, represented on the regency by Max David-Well. Lazard Freres had intimate connections with the Bank of Lazard-Speyer-Eliason in Frankfurt, in turn connected with the Metal-Gesellschaft, an offspring of the giant German chemical trust, I. G. Farben.

I. G. Farben collaborated in Spain, South America, and China with the French chemical trust of Kuhlmann, represented on the regency by Rene Duchemin. Interestingly enough, 75 per cent, of the capital in one of the vital cellulose explosive factories of the I. G. Farben chain was French-owned.

One regent, Francois de Wendel Senator of France, is head of the de Wendel trust, the greatest mining company in France. He is also the leader of the Comite des Forges, the all-powerful federation of France's heavy industry. The mines, steel mills, and blast furnaces of the de Wendel group are situated on the France-German frontier, some of them are in France, others in the Saar region of Germany. In 1914 at the outbreak of the Great War, one of Senator de Wendel's near relatives was a member of the Reichstag.

President Albert Lebrun was always treated kindly by the Comite des Forges. Lebrun, a mining engineer and company director from Lorraine, was on the board of the Acieries de Micheville, a member firm of the Comite. Francois Poncet, French Ambassador in Berlin from 1931-39, had close ties with this gigantic outfit. Before leaving to assume his diplomatic post in Berlin, Francois Poncet had edited the daily bulletin of the French steel magnates.

(Continued on page 3.)

DON'T "LEAVE IT TO LABOR"

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THE PACIFIC WAR AND THE ENEMY WITHIN

Under this heading in our issue of December 15 appeared an open letter to Federal Members from Eric Butler. Many people believe this to be the clearest, most damning, and hardest-hitting piece of writing ever directed against the Money Monopoly and its political "yes-men." There is a challenge in every sentence. A copy was sent to every Federal Member.

At the request of many people and in the interests of a really free Australia, we have had thousands of copies of the above letter reprinted for mass distribution.

But they are no good here in our office. They must go out. You alone can get them out. Order your quantities now. 1/- a dozen; special rates for large quantities.

Write TO-DAY, enclosing payment, to the "New Times," Box 1226, G.P.O., Melbourne. Ask for "The Pacific War and the Enemy Within."

Financing the War Without Debt to the Banks

How It Can Be Done

Some citizens applaud the idea of debt-free war finance, and agree that it must be possible; but they mention certain technical problems, and insist on knowing just HOW it can be done, before they will support any move toward the desired result.

In an endeavour to provide an explanation free from technical jargon and unnecessary details, the Melbourne Economic Research Council puts forward the following proposals:

(1)—All loans granted by the banking system are issues of the national credit, which belongs to the community.

(Note on Par. 1: When a trading bank grants a loan it increases the amount of money in existence, and the new money ranks as purchasing power with existing money. The bank does not lend its deposits; it creates money and thus uses the nation's credit. The use and value of this new money, as with all money, depends upon the goods and services furnished by the community in return. If there was nothing to buy, money would be valueless. Consequently, it is true that the community, which provides these things, is the creditor to the bank loan; and the ownership of the credit issued is resident in the community, not the bank. The bank merely creates and issues the money, and registers the debt)

BANKS AS COMMUNITY'S AGENTS

(2)—All banks shall assume the role of the community's agents, issuing and recalling credit, using the normal technique they now adopt in granting and requiring the repayment of loans, but with the vital

difference that the credit they lend when granting a loan belongs to the community. Therefore, in the event of a borrower failing to repay his loan, the bank will take over his assets in the name of the community, these assets being held in trust for the community, and not becoming the property of the bank.

CENTRAL ISSUING AUTHORITY

(3)—The Commonwealth Bank shall be the central issuing authority of all the nation's money, including bank credit.

INTEREST-FREE DEBENTURES

(4)—As an issue of credit by the banking system is backed by the community's productive ability and constitutes a demand upon the community's labours, the Commonwealth Bank must lodge interest-free debentures to the amount of such issue with the Commonwealth Government Treasury as the representative of the community. These debentures shall be drawn in favour of the Treasury and shall be secured by the assets of the Commonwealth Bank.

(Note on Par. 4: This proposal is in accordance with the recognised practice that an agent handling

money or valuables for a principal is required to lodge securities with the principal. It also constitutes the logical development of the principle already recognised and practised in the State Savings Bank, that the bank must not lend its depositors' money directly, but must first borrow the necessary money on the security of debentures.)

TRADING BANKS TO ISSUE CREDITS

(5)—When credits are issued direct to Governments or industry, the cheques drawn against these Commonwealth Bank credits pass into the hands of the trading banks and accumulate into inconveniently large deposit liabilities lodged with the Commonwealth Bank in favour of the trading banks; therefore, all credits issued to industry for production shall be issued through the trading banks, or the Trading Bank Department of the Commonwealth Bank, and not direct from the Commonwealth Central Bank.

DEBENTURES BY ASSETS

(6)—All credits or loans granted to Governments, semi-Governmental bodies, industry, or individuals by the trading banks shall be secured by the trading banks lodging interest-free debentures to the full amount of such loans with the Commonwealth Central Bank. These debentures shall be secured by the whole of the trading banks' assets, reserves, and shareholders' capital.

AUTHORITY FOR LOANS

These debentures shall constitute the sole and only authority under which banks may grant loans. On receipt of such bank debentures, the Commonwealth Central Bank must, in its turn, immediately lodge its own debentures, mentioned in Par. 4 above, with the Commonwealth Government Treasury.

LIABILITY TO COMMUNITY

In this manner the principle is established that when the national credit is issued, the banking system, as a whole, accepts as agents, liability to the community.

Cash in hand, held by trading banks, or credits established at the Commonwealth Central Bank shall not constitute an authority for the trading banks to grant loans.

RETURN FOR SERVICES

(7)—The banks, acting as the community's agents, are entitled to receive a reasonable return for their services. Therefore, they should be authorised to charge a rate of interest which will cover their costs of administration and provide a reasonable return to shareholders.

ISSUE OF NOTES

(8)—In accordance with their deposit liabilities, trading banks may, on submission to the Commonwealth Central Bank of interest-free debentures, obtain cash in notes in order to maintain the desired ratio between their cash holdings and deposit liabilities. These debentures shall be secured by the bank's assets, reserves, and capital account.

MUNITIONS FINANCE

(9)—Assuming that production credits have been issued by the trading banks for the production of munitions, then on the foregoing basis debentures covering the full amount of such credits will be held by the Commonwealth Central Bank and the Commonwealth Treasury. When payment is required, the Treasury will surrender its debentures to the Commonwealth Bank, which, in return, will make available to the Treasury a credit equal to the value of the surrendered debentures.

(10)—The Treasury will now pay industry for the munitions with cheques drawn against the aforesaid Commonwealth Central Bank credit.

(11)—Industry will lodge the Treasury cheques with the trading banks through which they received the loans, thus repaying these advances.

(12)—The trading banks will present the Treasury cheques to the Commonwealth Central Bank, thus redeeming their debentures.

(13)—The Commonwealth Central Bank will cancel the Treasury cheques, and thus the national credit has been cancelled and the munitions acquired without Government debt

(14)—Any inflationary effect of this credit policy can be met by price control and taxation.

(15)—The deposit liabilities of the trading banks shall be guaranteed by the Commonwealth Government.

APPENDIX:

PRIMARY PRODUCTION

The following outlines the manner in which this credit policy could be applied to primary production.

Under the conditions laid down in paragraph 6 above, trading banks are required to deposit interest-free debentures to the value of all loans to industry, etc. Similarly, the Commonwealth Central Bank must lodge debentures with the Treasury. Therefore, the banking system as a whole, must lodge debentures with the respective authorities for the full amount of their existing loans.

On receipt of such debentures, the Treasury may now surrender to the Commonwealth Bank any desired amount and receive in return a credit from the bank.

With the credit thus established in (Continued on page 8.)

Bankers Betrayed France—Continued

THE REAL FIFTH COLUMN

The war of 1914-1918 did not sever the contacts between German and French heavy industry. Early in the Great War the mines in the basin of Briey fell into German hands and were exploited to capacity for the purpose of producing armaments. The French bombarded these mines on only one occasion. In 1916 the War Minister, General Lyautey, was asked why such an important source of German raw materials had not been destroyed. He declared that he had given the proper orders, but that the orders had not been carried out. After the war a letter in the Paris newspaper, "Information," dated February 16, 1919, revealed the reasons for this failure to carry out instructions: a tacit agreement between the belligerents had been reached, sponsored on the French side by de Wendal and Schneider, and on the German side by the magnate Thyssen and the Saar ironmaster Roehling.

In 1933, at a convention of the Radical-Socialist party, one of the delegates, Sennac, stated that he had proof that Schneider-Creusot had recently furnished Nazi Germany with a number of the latest model French army tanks, dispatching them through Holland to avoid, suspicion. In March, 1940, at one of the secret sessions of the French Chamber, it was disclosed that from September, 1939, France had delivered huge quantities of iron ore to Germany and had received German coal in return. The route of transit was by way of Belgium.

Such is the partial record of the men who, as regents of the Bank of France, really ruled the French. In peacetime as well as in wartime they have shown that national interests mattered to them only so long as their own private interests were thereby furthered. They were the financial backers of extremist Fascist groups and leagues. Francois de Wendel's

membership card in the Croix de Feu bore the number 13. The electricity magnate Ernest Mercier, closely linked with the German electricity trust, A.E.G., was reputedly member number 7 of the same group. In 1934 it was reported that his donations to this, the strongest of the Fascist leagues, as well as to other organisations of a similar character, exceeded the sum of ten million francs. With the contributions of men of wealth such as these, Colonel de la Rocque purchased rifles, ammunition, machine-guns and aeroplanes for the militarised formations of this Croix de Feu. With this money the riots were organised in February, 1934, in the Place de la Concorde in Paris. And the Third French Republic was brought to the brink of catastrophe.

When the February riots had achieved their purpose, and Daladier had resigned his office, a "favourite son" of the "Two Hundred Families" became his successor. He was Gaston Doumergue.

Mr. Andre Simone wrote in one of his books the following:

"On board the ship which bore me from France I met one of the wealthiest and most influential grain brokers in the country. At the outbreak of hostilities he sought and found refuge in the Army Supplies Department. Then he established a sub-department of the Supplies division at his private home in Paris. Then in May he bought his way out of the army. Through lavish bribes he managed to get himself sent on a Mission to Argentina. We talked at great length of the tragedy which had befallen France. I asked him the questions I had put to myself so often: 'Why did it happen? How did it happen?' He answered, 'Because France had too many men like me.' This cynical admission is the best explanation I have heard."

TO OUR READERS

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COST OF REBUILDING BRITAIN AFTER WAR

Under the above heading, the following paragraph appeared in the Melbourne "Argus" of May 11:—

"London, Sunday.—Britain will have to face an annual expenditure on a rebuilding programme after the war of £800,000,000 for ensuing ten years, in the opinion of Mr. R. Coppock, president, Building Industries National Council. He estimates that between 1,500,000 and 1,750,000 building trades workers and 250,000 to 300,000 civil engineers and assistants will be needed for the work."

Mr. Coppock may, or may not, be suffering from the money and work complexes. The fact remains that if British "experts" fail to think of a better method of financing Britain's expenditure—which last year amounted to approximately £5,000,000,000—than by piling up a colossal debt, pawning the country's assets, and mortgaging the people's future, how can they expect the people to face an additional burden of £800,000,000 per annum on the same terms? (Perhaps our local "sound finance experts" will explain.)

Bearing in mind that the interest-bill absorbs more than half their national income, and believing that one cannot have one's cake and eat it too, no doubt the homeless millions of British people will be expected to resume their toiling and sweating after the war. This, in order to qualify both for the promised humble roof, and the privilege of providing the proverbial "pound of flesh" for those who (apart from manufacturing the money) CREATED the debt!

What else will Britain have to face? And by Britain we mean England's men, women and children; the flesh and blood that makes Britain worth anything at all.

The cost referred to may be far greater than the estimated figure, and (unless, of course, the people decide beforehand to abolish the "borrow, boom, and burst" policy), this will certainly mean further loans and a colossal interest-bill.

The English people, with their country's resources and their personal sweat, suffering, and sacrifice, will have won their part in the war; hence, as a community they couldn't be in debt to themselves. And what they acquired from their allies overseas should be considered as the letter's just contribution to the all-in effort in defeating the common enemies of democracy, or, at most, as payable in kind from future surpluses.

It appears, however, that the same medicine-men who stirred up the pre-war mixture are determined to continue to administer the bitter pill; and unless the people themselves decide to take a hand in the shaping of their own destiny, they will find themselves once again swallowing the same old pill, coated with the sickly sugar of Socialism. The hand of Essau, but the voice of Jacob!

England's financial system—as also that of Australia—must be altered to fit the facts, for the launching of loans is the sowing of debt. WHAT will the harvest be?

BANK PROPAGANDA IN BRITAIN

MARQUES OF DONEGALL HITS BACK

Mr. Arthur Barber, a former partner of Glynn Mills and Co. (financiers), has been appointed public relations officer on behalf of a group of "important British banks, including several of the 'Big Five'" ("Manchester Guardian" weekly, January 30). This follows the lead of the Bank of England, which recently appointed a former Reuter's editor as public relations officer in contact with the press. The banks have realised the need for propaganda to maintain their Debt Myth.

No wonder the banks are getting worried about their press propaganda when the Marquess of Donegall devotes the whole of his space in the "Sunday Dispatch" (January 11, 1942), to taking a rise out of the bankers and their debt system. "If you are spending," he says, "more

billions on the war than could possibly exist except in the warped imaginations of financiers, what is the point of all this lending to the Government? As the war could be won just the same whether the Government got any real cash out of the people or not, you seem to me to be perpetrating a major swindle in piling up a national debt which you know will be wiped off, anyhow." The Marquess goes on to say that Lord Kindersley's reply to this challenge consisted mainly of drawing "at least 100 circles with arrows out of them going nowhere on his blotter." Unless Montagu Norman gets better men on his propaganda staff his crazy racket will not long survive in the growing onslaught of debt-free economics.

BRITAIN BETWEEN THE TWO WORLD WARS

"The Long Week-End" is the title of a book written by Robert Graves and Alan Hodge. It is claimed by the authors to be a social history of Great Britain, dealing with the period 1918-1939.

That the history is not complete does not detract greatly from the value of the book; what is recorded is nearly always ably dealt with. There is a good deal of matter that is both instructive and informative, and will be of use to any serious-minded person interested in politics or economics.

If you desire to know a little about Great Britain's daily press, "The Long Week-End" supplies it; not in the usual sugar-coated manner of fulsome praise for "services rendered to the public," such as the guiding genius of one great journal might use upon the occasion of the demise of the guiding genius of another; but rather in a manner that informs the reader on the way these journals are run, the extent of their power, their business tactics and methods. "Lord Northcliffe," we find, "a hard-working Irishman, was the man who first gave the public what it wanted (!) by introducing into England the 'Yellow Press' methods of journalism, with which the name of the American Hearst is inevitably associated." (Page 58.)

PRESS BARONS' "WAR"

Then, on pages 290 and 291 we get a little introduction to a newspaper war, and the ownership of the so-called Labour Party journal, the "Daily Herald." To quote: "The London Press was engaged in a bitter and exhausting circulation war. For some time the 'Daily Express' had been competing with the 'Daily Mail,' but real warfare did not start until 1930, when the amalgamation of the 'Daily News' and the 'Daily Chronicle' into the 'News Chronicle,' and the reorganisation of the 'Daily Herald,' brought two more large dailies into the fray. The 'Daily Herald' had been living a hand-to-mouth existence since its foundation, struggling on independently of both the Press Barons and the official Labour Party and constantly appealing for help to its readers. In 1930 it was no longer meeting expenses, and J. S. Elias (later Lord Southwood) of Odhams Press, which had also bought up 'John Bull,' 'The People' and 'Sporting Life,' at different times, acquired 51 per cent. of the shares; the rest belonged to the trade unions. The deal contained a clause that Odhams and the T.U.C. were to be equally represented on the board of directors, with J. S. Elias as chairman (my emphasis). The 'Daily Herald' was always to support Labour Party and T.U.C. policy In 1931, to retain the loyalty of its readers, the 'Daily Mail' and its associated papers offered prizes for cross-words and other competitions which amounted to £125,000. The 'Daily Herald' and the 'News Chronicle' followed the same course, offering £50,000 each, exclusive of cross-word prizes, in the course of the year. The 'Daily Mail' was said to be spending £7000 per week on house-to-house canvassing, the 'Daily Express' and the 'Daily Herald' £5000, and the 'News Chronicle' £2500. Enticement of subscribers to forsake one paper and embrace another now became the rule. . . . Free health and life insurance, with larger and larger awards, was another bait offered to catch readers. . . . The aim of each newspaper owner was to be the first to reach a daily circulation of two million."

Beaverbrook of the "Express" beat the Jew-controlled "Daily Herald" by a short-neck, both journals reaching the two million mark in July 1935.

The Express proclaimed that it had "spent £30,000 a week on the task, and that each new reader had been bought at a cost of 8/3 a head."

BRITISHERS' ATTITUDE TO THE U.S.A.

When the authors come to deal with the Britishers' attitude towards the U.S.A. in those days, their comments are both pungent and pointed.

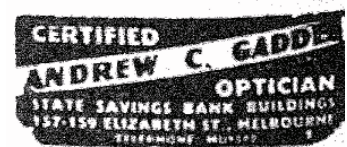
They comment as follows on where the U.S. stood in relation to the last war: "The United States had entered the war late, and although they sent an expeditionary force of two million men to France, their casualties were fortunately slight in proportion to their population—about one-fiftieth of the British proportionate losses, which, in turn, were about half the French and less than one-third of the German. Materially they were richer than before, while the British and French were impoverished, the Germans bankrupt, and the Austrians destitute." (Page 12.) Again, on page 36: "The B.E.F. were unfortunate in being quartered during the war among" those "who were a by-word in France for their grasping ways; this had soured them a little, but British comradeship with France was still by no means a fiction. Suspicions of the United States were far stronger. To begin with, American participation in the war, though officially welcomed, had never touched the British heart; and the Americans were accused of exaggerating their eleventh-hour services in France at the expense of those who had borne the heat and burden of the day. Certainly, in a huge 'Victory Anthology' of poems, written by excited American civilians, though the French and Foch as Generalissimo—"Focus of Freedom; Foch!"—were given occasional bouquets, there was hardly a mention of their British Allies, and the minor engagements in which the American Army took part became Austerlitzes and Waterloos. In the United States it was also currently believed that Britain had been prostrated by her war effort and would never again recover her former proud position. She was described as a mangy lion licking her sores, and it was confidently prophesied that before long England would be a pastoral country without dependencies and with much the some political significance as Denmark."

U.S. AND THE BRITISH FILM INDUSTRY

And then we turn to the American control of the British film industry. Page 136: "Bright hopes for the British film industry, however, had begun to fade in 1922; the picture palaces were still crowded, but American producers had taken to selling their pictures to European exhibitors in blocks—if one good or grandiose picture was

(Continued on page 6.)

Read in
Comfort with
Glasses Pre-
scribed by—



INVENTOR'S MYSTERIOUS FATE

Did Oil Monopolies "Take Him for a Ride"?

The amazing story of an inventor who had apparently discovered a nearly costless substitute for petrol, and his sudden and mysterious disappearance, is told as follows by Walter Scott Meriwether, former naval editor of the New York "World," in an article appearing in "Esquire":

In the early part of 1917, when the World War was occupying the first page of all newspapers, one of the office boys of the New York "World" came to my desk with a message that Commander Earl P. Jessop, senior engineering officer and Captain of the Brooklyn Navy Yard, had something of importance to tell me.

I found him pacing back and forth in his office, obviously under suppressed excitement. "I have just seen something," he said "that all my technical knowledge, all my common sense tells me is impossible. But if my eyes deceived me, certainly my instruments of precision did not. "In short," he went on, "we have just finished testing an invention that gives every indication of being the greatest since the invention of gunpowder."

The substance of what he told me was this:

MOTOR FUEL FROM WATER!

As senior engineering officer, numerous inventions designed to improve war efficiency had been referred to him. He had found most of the ideas impractical. But one inventor writing from McKeesport, Pa., was so persistent that he was finally told to come on. This inventor claimed that he had devised a chemical mixture which would give to water—either fresh or salt - the explosive force of gasoline. He said that the chemicals were so inexpensive as to make the cost of this negligible, about two cents a gallon. The man, John Portuguese—had arrived at the Yard the preceding day, travelling in an automobile. In the laboratory of the Yard was a navy motor-boat engine, with dynamometer attached. This was used for the test.

U.S. NAVY YARD'S TEST

"We gave Andrews a bucket of water drawn from the navy yard hydrant by one of the yard attachés," Commander Jessop said. "He got into his car with a gallon can, which we inspected and found to be empty, and a little satchel he carried with him. In about a minute he handed out the filled can, which I personally carried to the open feed tank. While pouring the liquid into the tank Andrews held a lighted cigarette close to the liquid which did not ignite that showed it was not gaseous or inflammable at that part of the demonstration, which to me was most important."

And then came the amazing thing. "The engine," in Commander Jessop's words, "caught just as quickly as it would have done with gasoline, and after a moment's adjustment of the carburettor it settled down to its work, developing 75 per cent. of its rated horsepower, a remarkable showing with any fuel with so slight a readjustment of the carburettor."

ENGINE USED SALT WATER!

Upon leaving the yard after the fresh water demonstration, Andrews said he would be back the next morning and would run the engine on salt water, if the navy yard would provide it. In this second test Andrews was placed in a bare concrete room with no drain and no possible way for disposing of the bucket of salt water that was passed to him except by placing it in his gallon tank.

"In a minute," Commander Jessop said "he emerged with the can filled and the engine again used it up, no difference being noted between salt

water and fresh. Besides myself, Rear-Admiral G. E. Burd, the Industrial Manager of the yard was present and with the precautions we had taken—our own navy engine tank and carburettor, and our own men supplying the water—there was no possibility of deception.

"From a military viewpoint, it is almost impossible to visualise what such an invention means. It is so important that we have hurried an officer to Washington to make a personal report to the Navy Department. It is obvious that Andrews has discovered a combination of chemicals which breaks down water to a form that is inert until mechanically vaporised by the carburettor, when the spark causes it to burn as gasoline burns.

Asked the whereabouts of Andrews, Commander Jessop said he had registered at the Continental Hotel, and on my way there I thought of the many implications of that invention: aeroplanes dropping a suction hose into the ocean to draw up fuel: submarines keeping at sea indefinitely; and in the commercial field—no limit for imagination there. At the Continental I was told that

Andrews had checked out about an hour before. Losing no time, I took the train for McKeesport and began a search for him early next morning. His name was not in the directory or telephone book, no one seemed to know him, but finally a man of whom I inquired said, "There he is, just getting out of his car."

THE INVENTOR FEARED FOR HIS LIFE

Andrews was opening the gate of a little cottage, a two or three room place, when I accosted him. He greeted me with a scowl of instant suspicion, but when I said "I have come from the New York Navy Yard," he opened the gate and invited me in. On entering his humble quarters, Andrews made a hurried examination of every part of the house—opening closet doors, peering behind doors and out of windows. Finally he quit his inspection and froze when I said:

"While it is true that I came direct from the Navy Yard, I do not want to sail under false colours. I am Navy editor of the New York World." Commander Jessop told me about your invention and I have come to talk with you about it." No, not a word would he say. Finally, I told him I had not had breakfast and would be glad if he would eat with me. With much reluctance he consented.

There were plenty of vacant tables in the restaurant Andrews selected, but he led the way to one in a dark corner and seated himself with back to wall, where he could command a view of everyone entering the place.

And whenever anyone did enter he suspended breakfast to make a close survey of the entrant.

"I am being followed everywhere, day and night," he said, excitedly. "A lot of people know about my invention—know it will put every oil company in the world out of business. Two cents a gallon for a substitute good as the best they can refine! I'll tell you." and he became more excited, "my life is not worth that!" He snapped his fingers. "Think of what my invention means to nations at war."

I interrupted his nervous chatter with this suggestion: that I go to Washington and make an arrangement with the Navy Department for an official and thorough test of his invention.

BUREAUCRATIC INDIFFERENCE

"Can you do that?" he eagerly asked, and the more he thought of it the more the idea appealed to him. With the understanding that I would do all that was possible, and that he would await the outcome in McKeesport and keep in close touch with the telegraph office, I left for Washington. There I found Secretary Josephus Daniels and Assistant Secretary Franklin D. Roosevelt both absent and the department in charge of the Senior Bureau Chief, a fine old navy man, but as unimaginative as one of his blueprints.

"I have attended vaudeville shows," this unemotional gentleman said, "I have seen sleight-of-hand performers draw a rabbit out of a silk hat—that

(Continued on page 6.)

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The Enemy Within the Empire

A SHORT HISTORY OF THE BANK OF ENGLAND

By ERIC D. BUTLER.



THE CONSPIRATORS.

Dr. Schacht (of the German Reichsbank) and Mr. Montagu Norman (Governor of the Bank of England) talking things over before the Second World War.

"In view of the disastrous policy followed by the Bank of England after the last war and the part it is believed to have played in the re-armament of Germany, does not the right hon. gentleman (Sir John Simon) consider it time that the people knew a bit more about the proprietors of this unique concern?"

—Mr. R. Stokes, in the British House of Commons, April 16, 1940.

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THIS "SECOND FRONT TALK"

(Continued from page 1.)

part of the world offensive against British culture; to convince us that our ideals are old-fashioned and that we need a certain kind of "New Order."

A Brief Survey

Before going on to deal with some of the tactics of the Communists—or Socialists!—let me make one or two points as a background to the present situation:—

(1) Although Communist propaganda told us for years that Britain was planning for years to help Germany and Japan to destroy Russia, exactly the reverse has taken place.

(2) Although the Communists asserted that Russia could successfully fight Germany, Britain and Japan together, Russia has had to be kept supplied with vast quantities of equipment from Britain and America in her fight against a Germany who had been fighting Britain for nearly two years.

(3) Britain did have a front in Europe. Why didn't the Communists advocate the establishment of a second front then—by Russia? After France's collapse, due to a great extent to "Left-Wing" activities for years before the war, Britain was left to face the storm alone; she stood between civilisation and Hitler. We now know that, had Britain fallen, the prospects of Russia and America (America's war effort was then pitifully small) standing against Germany and Japan would have been small. But Russia actually allowed essential equipment to be sent through Russia to Germany to carry on the war against Britain.

(4) Britain's leaders have weakened the Empire to send all possible material aid to Russia. Further great strains have been placed on the British Navy in order to convoy this material to Russia. Lord Halifax, British Ambassador in America, recently asserted that Britain was EXPORTING 80 PER CENT, of her war production. The great bulk of this has undoubtedly gone to Russia. Perhaps the local Communists can tell us how Britain is going to arm the "mighty" U.S.S.R., keep up a huge and increasing air attack on Germany (this alone is taking a big strain off Russia by keeping thousands of German planes in the West) and find sufficient ships, etc., to force a landing on the enemy's strongly fortified coast. In passing, I might point out for the benefit of Britain's critics that she has had over 1,000,000 men in the front line of the war, night and day, ever since war started. I am referring to the men manning Britain's naval and mercantile fleets.

(5) So long as Britain is held, the war in Europe can be won. Britain is still the key to the whole war. To those who suggest that we can't win if Russia collapses, I would mention that Russia collapsed in the last war, but we managed to win. And we have the tremendous potential productive machine of America behind us.

(6) Although we are being hard pushed in the Pacific, Russia has not indicated that she is prepared to open a "second" front from Siberia. To refrain from doing so may be sound military strategy. The Communists say that it is. Stalin is rightly putting Russia first. It's a pity that our leaders wouldn't put the Empire first and tell the pro-Communists to devote their attention to something they understand.

Should a "Second" Front be Established?

Frankly, I don't know. But I am very suspicious of the high-pressure campaigns being conducted to urge the establishment of a second front in

Europe. Lord Beaverbrook has now lined up with the Second Fronters. The London "Economist" gave him the complete and final answer. It is applicable to all those who are busy obtaining signatures for a petition for a second front: "Is Lord Beaverbrook prepared to state openly, from his own special knowledge, that ships, weapons and aircraft for an expeditionary force are available, and that it is only the Western Allies' intransigence or worse, that is holding back an invasion of the Continent.

"THESE SUGGESTIONS AMOUNT TO A CAPITAL CHARGE WHICH SHOULD BE MADE FORTHRIGHTLY OR NOT AT ALL.

"If Britain attacks, she cannot afford to fail. If her troops were again flung into the sea the country would be brought very close to disaster, because no nation could stand too many Dunkirks, although one commentator thinks, paradoxically, that even failure would be worth while." (My emphasis.)

Needless to say, the "famous" commentators and local "Reds" will not be in the big attack. Too many British lives have already been sacrificed in this war through policies which will astound future historians.

Britain cannot afford to lose another big battle on the Continent. If she were driven back, in what would probably be the bloodiest and most crushing defeat ever suffered in British history, Britain would probably fall and our war be lost. This possibility may not worry the Communists, but it worries loyal Britishers.

The Australian Government should tell the members of the Australia-Soviet Friendship League that decisions on strategy will be made by military experts under instructions to get results or get out.

The Communist Technique

I am prepared to agree with the Communists that they, and many others, are rapidly forcing people to develop some sympathy for "socialism." But what people do not understand is that we are witnessing the introduction of the first stages of socialism through greater State control—boards, regulations, etc. I can only hope that a taste of complete socialistic bureaucracy will

INVENTOR'S MYSTERIOUS FATE

(Continued from page 5.)

is, it looked as if they did. This is another thing of the same sort. The New York Navy Yard is all steamed up about this vaudeville show, and sent one of its officers down here to tell us about it. I am not interested—I believe it merely another kind of flim-flam."

There spoke the voice of the Old Establishment. Often had it been heard before—when Dr. Gatling begged for a test of his now famous machine gun; when Hotchkiss asked for a trial of his revolving cannon; when Holland clamoured for a try-out of his submarine. Not one of these important inventions was adopted here; all of the patents were eventually sold abroad and we have had to buy the rights of these American inventions from foreign countries.

Secretary Daniels returned the next day, and after he had heard the story promptly said: "Tell the man to come on at once; I will have a submarine and aeroplane detailed and ready for him on his arrival."

INVENTOR VANISHED

I sent a telegram to Andrews. Hearing nothing from him, in due time I sent another, and still another,

stir the people to democratic action to get control of their own destinies again.

As mentioned, the pro-Communists are working hard behind various masks which their innocent dupes do not suspect. The Australia-Soviet Friendship League is a typical example. Here is a powerful, centralised organisation, in the hands of the Communists. E. A. Laurie, LL.B.,—the good old "legal mind" again!—is a well known Communist.

I have before me a recent circular issued to organisations throughout Australia by the Australia-Soviet Friendship League. One amazing paragraph reads: "We believe that a full-scale Anglo-American attack in Western Europe, coinciding with the great Russian offensive from

BRITAIN BETWEEN TWO WARS

(Continued from page 4.)

wanted, many indifferent ones had to be bought at the same time. The one good picture was beyond the scope of the British producers: picture palaces were already booked up with indifferent American ones; and British producers could no longer find enough exhibitors to justify their attempting anything grandiose—after making a picture they often had to wait two years before recovering production costs. Meanwhile, American film companies were buying up the cinema houses and tightening their hold still more."

MIXED GRILL

Page 247 deals with the Wall Street crash of 1929—and is a warning to amateur speculators of the present time to watch their step. Page 257 throws the spotlight on the rottenness of the Means Test; while pages 307 and 308 contain some patchy references to Major C. H. Douglas and Social Credit, even going so far as to state "neither the orthodox or Socialist economists had any difficulty in pointing out the flaws in his arguments." As our American friends might say: Oh! Yeah?

"The Long Week-End" deals with a much wider range of subjects than those that have here been dealt with; as, of course, would be expected in a work of historical scope.

My copy comes through Readers' Union. Faber and Faber (London) are the original publishers.

—H. A. Hotchkiss.

the East, would destroy Nazi Germany in 1942 . . ."

Can Mr. Laurie and his friends produce any real evidence for this belief? Perhaps they are great strategists, but I doubt it. And what facts have they which, we haven't. As far as I know, Mr. Laurie's only claim to being a military strategist is the fact that he is a bombardier in one of our anti-aircraft batteries.

Enclosed with the above circular letter is a printed brochure which is being distributed by various organisations. This brochure is special material. M. Maisky's belief, the "the Russian front is the decisive place," is the view of a politician not a military leader.

While the brochure tells us that "the victorious panzers smashed their way through" Europe and the Balkans, it does not tell us how the Russian forces were pushed back in a devastating manner—and this in spite of the fact, to again quote this brochure, that "Russian military opinion, the best in the world," has been opposed by bitter facts.

The brochure also tells us that millions of Russians have died in the struggle, and that Britain must expect "heavy casualties." All very nice for the armchair strategists. If Britain can win the war by a big air offensive, over a longer period than required for land fighting with colossal loss of life, then why talk about second fronts?

Air-Marshal Harris, the brain behind Britain's bomber offensive, is reported in the Melbourne "Herald" of May 5 as follows:

"If I could send 20,000 bombers to Germany to-night, Germany would be out of the war to-morrow. If I could send 1000 bombers to Germany every night it would end the war by the autumn."

Isn't this a second front which is already growing?

With proper financial organisation, and given a little time, America and Britain, plus the assistance which Russia can give, should be able to turn their great resources to this end. But British and American, production can never reach, maximum until orthodox finance is discarded. If the Communists would get a petition signed demanding this, they would be doing something constructive.

But they are determined to use every possible opportunity to turn the present situation to their own anti-British ends. That is why I appeal to all loyal Australians to be very wary of all these organisations.

We should see that Governments remove all political and financial restrictions of our military leaders. If this is done, men like Air-Marshal Harris will decide what is to be done about the conduct of the war. And if men like Harris can't run the war, I am certain that a bunch of armchair-"Reds", with their flow of emotional rhetoric, are only presumptuous upstarts.

"Monopolies and the War Effort"

Readers are advised that no further supplies of this pamphlet are obtainable, and existing stocks have been exhausted.

Negotiations, unfortunately somewhat lengthy, have been held between the U.E.A. and a Sydney organisation which had also published this pamphlet under a different title, and had intended printing a further edition.

Advice has been received that this organisation does not now intend reprinting the pamphlet, and consequently no more copies will be available.

Remittances from readers who have orders still unfilled will be returned by post.

—Hon. Sec., United Electors.

THE BIG IDEA

By C. H. DOUGLAS, in the "Social Creditor" (England).

(Continued from last issue)

I think that there are two simple concepts which it is essential to grasp in considering the nature of the conspiracy against the individual.

The first is that bureaucrat Socialism is probably the most inefficient method of conducting an economic system which has ever been devised. The second is, that a reasonably efficient economic system, such as Laisser Faire, combined with a sane financial system, would make "employment" ineffective as a means of government.

Having thoroughly grasped these ideas, it is well to remind oneself that wisdom was not born with us, and is unlikely to die with us. In other words, others have grasped these simple facts, probably some time ago.

From the purely economic point of view as distinct from the destruction of war, efficiency of the scientific management type is completely unnecessary. There is no necessity for cut-throat competition, and it is not "natural." There is no genuine scarcity which is not consciously produced, and I am beginning to disbelieve in the idea that there ever was any genuine unavoidable scarcity.

"What is quite clear is that every advance in productive capacity with diminishing human labour effort, has been nullified, and even more than nullified, so that economic life is less secure, and, in relation to possibilities, less widely civilised, than it was five hundred years ago. And that this situation has been used with Satanic cleverness to transfer more and more power to those who have caused it.

Socialism or to give it its correct name, Monopoly, is not a production system, which is exactly what one would expect from its origins. That is a simple statement of fact is being demonstrated in this country at the moment. It is a legalistic system based on a power complex supported by a set of abstract slogans which its policies and results contradict, where these have any concrete meaning. The idea so skillfully inculcated that confiscation of property will assist in the distribution of wealth is of course, completely without foundation. Socialism is a restriction system, as any examination of Socialistic practice in the trades unions will confirm, and it has two well-defined fundamental principles—centralisation of power, both economic and political, and espionage.

That is to say, every advance towards Socialism is an advance to the Police State, as anyone who will give five minutes attention to the increase in the number of licenses he now requires in this country (which even yet is less completely enslaved than Russia and Germany) can see for himself. And if anyone supposes that the licensing system is purely a war expedient then I can only envy his optimism.

Now, it is commonly supposed by those who have not devoted much attention to the subject that the German-Jew, Karl Marx, is the father of modern Socialism. This is incorrect. There is not a single original idea in Marx. "He found everything that his system contains in the British Museum. His Communism was that of Babeuf, his theory of wage slavery was current during the French Revolution, his idea of the class war had originated with Weishaupt, the Illuminist, his theory that labour produces all wealth has been formulated by Robert Owen and the Chartists, his theory of surplus value had also been proclaimed by the Chartists."—(Webster.)

What is much more important is that at the time that Marx was practically living in the British Museum, supported by the German, Engels (who had made an immense fortune by exploiting Lancashire child

labour), the whole country was ringing with attacks on the financial system, Cobbett was attacking the Bank of "England" and the Jews, Atwood was writing on currency, and the disorganisation and distress which culminated in the "Hungry Forties" was only kept from assuming the proportions of a panic, by the employment provided by railway and canal development on privately subscribed funds. There is not a word about the dominant position and responsibility of finance to be found in Marx, and Socialism has attacked every form of property, and at this moment is attacking every form of property, except that which is the monopoly of the international financier, and has steadfastly refused to have anything to do with financial reform. Practically every one of the theories which Marx had welded into the Communist Manifesto had been tried out experimentally and all, with the exception of the Co-operative Movement, which is mainly the child of Robert Owen, whose psychology was correct, had failed completely. Had, of course, the Co-operative Movement obtained control of its own credit, which it never did, and never tried to do, it would inevitably have developed into a completely successful social and economic system.

By 1848, Socialism, as it had been attempted, was dead.

"It is evident that at that date, some pact was formed between German Imperialism and the Jews of Germany . . . Socialism, a derelict concern was now taken over by a company. That company was the German-Jewish band of 'Social Democrats' "—(Webster). Bismarck, it will be remembered, speaking of these people thirty years afterwards said, "we march separately, but we fight together." This statement seems to close any discussion as to the relation between Marxian Socialism and the constant state of war and threat of war which has been existent since the inception of the Bismarckian Reich.

Now, this policy of the Bismarckian Reich was the policy of Anacharsis Clootz, the Freemason, and the same policy which "Hitler" is pursuing at this moment—the United States of Europe, dominated by Germany, and the monopolistic trust first developed in Germany, and controlled by a great bank of the type which the Bank of "England" has now become, was the perfect complement to the propaganda of the Social Democrats. The Jews at the head of the "Deutsche" Bank, the "Dresdner" Bank and the "Disconto Gesellschaft" were in constant contact with the German Socialists, and regarded them simply as part of the bureaucratic organisation of European States otherwise insulated from German-Jewish influence.

To what extent Marxian Socialism was a genuine worker's movement, or had as its object the real good of the under-privileged can be gathered from his published correspondence, in which he refers to the French as "Parisian chatterboxes," and to the English trades union "schweinhunde" (pig-dogs), Marx worked for Bismarck, tried to paralyse the resistance of the French to Prussia before 1870 (just as the Socialist movement in Great Britain has worked for the fifteen years from 1920 to 1935

to make a German victory certain) and was stated to have received £10,000 from Bismarck for his services, and did not deny it.

His gratitude to this country for having sheltered him can be gathered from his message to the Internationale in 1870: "The English are incapable of making a Socialist revolution, therefore foreigners must make it for them. The point to strike at first is Ireland, and in Ireland they are ready to begin their work."

Events, however, were against Pan-Germanism and the bureaucratic State. The later half of the nineteenth century saw the tremendous rise in the power of the British Em-

pire, and the comparative prosperity of a mercantilist system during a period of rapid expansion. Socialism languished.

The United States of America began to come into the picture, and the Big Idea had to ensure that there was no complication, from that quarter. William Jennings Bryan and his bi-metallist campaign were more menacing to the money-power than anything in Europe, and Max and Paul Warburg left the inner circles of German-Jewish finance in the flesh only, to become "Americans."

(To be continued. All rights reserved.)

"YOU CANNOT MAKE WAR BY COMMITTEES"

British Admiral's Plea for Decentralisation

Lord Nelson once put a telescope to his blind eye to avoid seeing a signal that would have prevented him from using his initiative and winning a battle. But nowadays, says Admiral Sir Roger Keyes, squadrons and fleets of the British Navy are directed from Whitehall by omnipresent wireless. Enough to make Nelson turn in his grave!

Sir Roger feelingly unburdened himself on this subject in the House of Commons on February 26, and gave practical examples — including one of his own experiences—to prove his point. The following report of his remarks is condensed from the British "Hansard":

Admiral of the Fleet, Sir Roger Keyes (Portsmouth, North): ". . . Over and over again the Prime Minister has felt that he must reject his own inclinations in regard to matters on which he had received expert advice, because he had to be bound by the advice of his constitutional service chiefs. He then gave us a list of the various committees, which he said operate flexibly, in his war machine. You cannot make war by committees. You must have someone ready to accept great responsibilities. When a project is put up to these committees—I think he mentioned three of them—even when it has the approval of the Chiefs of Staff, they find out all its difficulties and dangers and persuade the Chiefs of Staff that the odds against them are too heavy. . .

"The readiness to accept responsibility is the whole essence of the conduct of war. We hear a great deal about youth and the need for youth, and of course, it is a war for youth, and when you find a man who is ready to accept responsibility, he should receive strong support from the Board of Admiralty. But how under the present system, with that dreadful thing called wireless, is a young man to exercise initiative, when the wireless not only gives him orders, but listens to what he is saying to other people? I have suffered from that. I could give examples if it would interest the House. (Hon. Members: "It would.") You may remember the sinking of the Aboukir, Cressy and Hogue, an action in which we lost 1400 men, more than were lost in the Battle of Trafalgar. I happened to be able to go to sea with a force of twenty or thirty destroyers and a light cruiser, and I thought it would be a splendid opportunity to hit the enemy back. . . . I felt that it was no use telling the Admiralty, but thought I ought to let the Commander-in-Chief know. I told him what I was going to do, and he said he would send some cruisers to support me at dawn and told me not to stay too late. My wireless conversation with the Commander-in-Chief was heard at Ipswich, was telephoned to the Admiralty, and I received a peremptory order to return to har-

bour at once. I am sure that those few enemy destroyers could not have escaped.

"How is an officer to exercise any initiative under such conditions? It happened over and over again in the Norwegian campaign. . . . Take the case of the Renown. With some destroyers she fought a gallant action against a force superior to her in gun-power. She drove them off and prevented them going into Narvik, and was then going into Narvik to destroy the nine German destroyers which were there. She was stopped at the last minute by wireless. Then a gallant captain commanding four destroyers was given the option of going in to attack. Of course, he did not hesitate to attack a vastly superior force, and lost his life, and we lost two destroyers. Then, a day or two later, the Warspite was sent in with destroyers to do what the Renown could have done days before. It is impossible for men to act with initiative if they are ruled by wireless from Whitehall all the time. . . ."

WASTED MANPOWER

(To the Editor)

Sir,—A couple of months ago I had occasion to call at a small haberdashery wholesalers place in the city. None of the goods on show were in any way essential to the war effort, yet I counted seven young and able-looking men standing around with nothing to do. More recently, I discovered on one of Melbourne's principal streets a tobacco shop which boasts three or four men attendants and as many girls. The almost empty shelves were clean and tidy, pipe and other accessories sales were almost non est, and according to the attendants, they had been without tobacco and cigarette supplies for the best part of a fortnight. What does this team of persons do all day, and, incidentally, who eventually pays the cost of their wages?

Last week I waited in the passage of a well-known city building for a certain office to open. A couple of doors down the passage is the office of a philatelist; during the space of fifteen minutes no less than six men and one woman (presumably travellers in that line) called to do business with the men who run it.

I could fill pages with thousands of similar examples, but to cut a long and wearying story short: WHO SAID SOMETHING ABOUT AN ALL-IN EFFORT?—Yours, etc. "Twelve Hours Per Day—plus." Melbourne.

YOUR REPRESENTATIVES IN THE FEDERAL PARLIAMENT

You are represented by the M.H.R. for your electorate and by all the six Senators for your State. For your convenience, here is a list of the federal electorates in each State, with the name of the M.H.R. shown opposite each electorate; also a list showing the Senators for each State:

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BOOKS TO READ

"Federal Union Exposed": A book you MUST have. By Barclay-Smith. Price 1/- each.

"Banks and Facts": How to Finance the War for an All-in War Effort. By Bruce H. Brown. Price 6d. each.

"Money": What it is and how the Money System Works. By S. F. Allen. Price, 1/- each.

"Victory Without Debt": Showing that Victory can be Won Without Creating a Huge Burden of Debt to be Paid Off After the War. By Barclay-Smith. Price 1/- each.

"Answer to Tax Slavery": Explains the Taxation Racket, and shows WHY we Really Pay Taxes. By Barclay-Smith. Price 1/- each.

"Story of the Commonwealth Bank": The Story of the People's Bank and How it Could and Should be Used. By D. J. Amos. Price 1/- each.

Obtainable from the United Electors of Australia. Room 8, 5th Floor. McEwan House, Little Collins-street, Melbourne, C.I.

N.W.R.M. BROADCASTS

The New World Reconstruction Movement continues its Sunday night broadcasts at 10.15 p.m. The station is 3AK, Melbourne. Next week we expect to have space for some of the highlights of the broadcasts since our last report on this particular activity of the N.W.B.M.

Banks' Grip on Steel Trade

The "Sunday Express" (February 1, 1942), reporting what it calls the Bank of England's "cleaning up of the steel industry," says: "Thus the Bank is enabling three celebrated companies which no longer serve any useful purpose to be cleared off the stage."

Lord Beaverbrook will find that the Banker Government in the "City" has its own "Ministers of Production" who will want to tell him what to do. If he fails to put the banking system in its proper place, he will fail in his major task and will sooner or later have to give place to a man with a hundred per cent understanding of Debt-Free Organisation.

—"Hargrave's Information Sheet," London.

SOMETHING FOR NOTHING

A limited quantity of miscellaneous back-numbers of the "New Times" is available to our readers, free of charge and post free. They contain articles of permanent interest and great educational value, and should help materially in obtaining "converts" and new readers. Just send us your name and address, and say you want a parcel of back-numbers (On this basis we can NOT supply any particular issues.) Our postal address is: Box 1226, G.P.O., Melbourne. If you come into the city you may call at our office (5th floor, McEwan House, 343 Little Collins street) and collect your quota. "First come, first served."

NOTES ON THE NEWS

(Continued from page 1.)

dently they are not sincere. It would be a pertinent question to ask your parliamentary representative how his words square with his actions in this matter.

DOCTOR SHORTAGE: Yet another example of the man-power muddlers' incompetence is to be found in the following press report: "Half of our doctors are supervising the minority in camp, whilst the other half have to attend to the rest of the population." It is no wonder people are disturbed while such men are allowed to remain in important positions, for which they obviously have no qualifications.

FINANCING WAR WITHOUT DEBT

(Continued from page 3.)

favour of the Commonwealth Treasury, the Government could subsidise prices of primary products at a figure which would ensure farmers a return sufficient to meet their costs and repay their debts.

The difference between the market price and the subsidised price would be met by the Commonwealth Government drawing upon the credit, established as above, and issuing cheques to farmers on evidence of delivery and sale of products.

These cheques would be paid into the trading banks, which on receipt would present them to the Commonwealth Central Bank, thus redeeming a portion of their debentures.

The Commonwealth Central Bank then debits the Commonwealth Treasury credit and cancels the cheque.

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HAIRDRESSER and Tobacconist. L. Larsen, Station St., op. Gilpin's.

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