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EVERY FRIDAY

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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).

Senator Richard Darcey Speaks Out Again

The Financial System Criticised

Speaking in the Senate during the Budget debate on September 11, Senator Darcey delivered a characteristic speech, in which he made many good points and continued his self-imposed task of educating his fellow-Senators on the vital question of finance. Here is the first part of his speech as reported by "Hansard":—

Senator Darcey (Tasmania).—The Leader of the Opposition (Senate) (McLeay) declared that on page 13 of the budget was to be found a statement which had special reference to the policy which I support. If the honourable Senator knew anything about central bank credit, he would not make so foolish a statement. There is not such an institution as a central bank in Australia. There never has been, and there never will be a central bank in this country so long as the Commonwealth Bank as functions at present is in existence.

Senator Allan MacDonal.—We have had a central bank in Australia for the last 30 years.

Senator Darcey.—The honourable Senator does not know, what he is talking about. The central bank as we have known it in Australia for the last 30 years, is the principal bank of the private banking system. In Great Britain, it is represented by the Bank of England, which is presided over by Mr. Montagu Norman, and in the United States of America, by the Central Reserve Bank, which was presided over, until recently by Mr. Jacob Schiff. So great was the power wielded by the private banking system in the United States of America that in 1912 the late President Wilson appointed a commission to investigate it. That commission found that the bank presided over by Mr. Jacob Schiff controlled three big banks, which in turn, controlled 125 small banks and these controlled the whole of the industrial output of the United States of America. So great were the depredations perpetrated by the private banking system at that time that President Wilson was compelled to enact the Sherman anti-trust law. Certain trusts were fined 1,000,000 dollars. In order to show their strength, they defied the Government by refusing to pay the fine in gold. They paid in paper. The Bank of England wields similar power. The late Mr. Gladstone declared that he did not know that the power of the "City," represented by the Bank of England, was so great, until he became Prime Minister. As I have said previously, banks can make and unmake Governments. I take the following quotation from the "Westralian Banker," of April, 1942—"It is a well recognised principle in banking that whenever a bank makes an advance by way of overdraft to a customer, the deposit of that same bank or some other bank increase to a corresponding extent. If for instance, a man borrows £1000 from a bank, the account of the person to from he pays this amount is swollen to the extent of the credit thus created."

I have put that fact before honourable Senators over and over again. Every

bank loan creates a deposit. Nine out of ten people, including many bank managers, believe that the amount shown as deposits in a bank's balance-sheet represents money placed in the bank by depositors. I repeat that banks do not lend their deposits; because it is their responsibility to have those deposits on call. To substantiate that statement, I cite the reply given by Mr. Graham Towers, the manager of the Bank of Canada, which is controlled by the Canadian Government, when giving evidence on oath before a committee on the 21st June, 1939, at Ottawa. He said: "Banks cannot, of course, loan the money of their depositors." Banks cannot lend their deposits; but they can lend against their deposits. They lend against the right to draw which, in Australia, the private banks secured from the Bruce-Page Government after that Government strangled the Commonwealth Bank in 1934. The quotation from the "Westralian Banker" continues—

"Inasmuch as banks have been doing this from time immemorial—
That is, making advances and putting them down as deposits—
It is also obvious that they have been collecting interest on what are merely book entries."

How many times have honourable Senators heard me make that statement, and quote the greatest authorities in the world in support of it? I have now given them the opinion of Mr. Graham Towers, of Canada, to back it up. The quotation continues—

"But the champagne party for the banks has ended with the regulations which were gazetted on the 20th November last, which brought banks under Commonwealth Government control. No longer can banks make advances excepting in accordance with Commonwealth bank policy. Further, the banks have to deposit with the Commonwealth Bank their surplus deposits at a nominal rate of interest, which it is understood is less than 1 per cent."

I read in a newspaper published in Sydney a statement by "the Government spokesman at Canberra" that the banks had already deposited £37,000,000 worth of money with the Commonwealth Bank, on which it is paying 15s. per cent. interest. I say that they have done nothing of the kind. If their surplus profits since the regulation came into operation amount to £37,000,000, banking must be a very profitable occupation.

Senator Sampson.—What are surplus profits?

Senator Darcey.—I have been trying to find out for a long time. The quotation continues—

NEED FOR DECENTRALISATION

"Apart from the war issue, decentralisation is one of the greatest problems at present confronting people," said Mr. Kennelly, M.L.C., speaking during the Address in reply in the Victorian Legislative Council. More speeches, he declared, have been made and less has been done about this question than about any other.

"It has received considerable attention with in the country and on the election platform but I have often wondered if the people who alleged that they are in earnest simply air their views when Parliament assembles. . . ."

"What problems does this drift of population bring in country areas? In the first place, there are empty houses. In one important Gippsland town prior to the war there were 104 empty houses. The lack of education facilities is another problem that arises. The health of country people is vitally affected, because medical men give up country practices when the local population is not sufficient to make a practice remunerative."

"Because of the drift of population, problems are experienced in the city. In country areas there are empty houses and business stagnation; in the cities there are no empty houses, and people are forced to live in dwellings that are not suitable."

"We find that not only does the drift to the city react on the health of the people in the country owing to the lack of medical practitioners, but it also causes a shortage of hospital accommodation in the metropolitan areas. Furthermore, the process of

education in the country is arrested, while in the cities there are many crowded schools rooms."

"A further problem presented to us is that of transport. Every member of this House is aware of the traffic congestion in the city. Other issues besides those to which I have already alluded, are raised by the drift from the country to the city. Is it satisfactory, for instance, from the point of view of defence that practically 60 per cent. of the citizens of our State are living within the boundaries of an area of about 14 square miles. What are the causes of the drift? To my mind there is only one cause, and that is of an economic character. There is not much hope of inducing citizens to remain in the country districts unless we can assure them of a standard of living that will bring them a sense of security, and unless suitable progressive work can be found for their children. . . ."

"Another important question that has not been attacked is that of chain stores. Every country member knows of the unfair competition brought about by chain stores as a result of the cheap labour they employ. The record of a certain country chain stores firm is, perhaps, the worst of any firm. . . ."

"Thus no longer can the trading banks follow the policy of creating credit by making new advances and charging 5, 6, or 7 per cent. on fictional money, which is nothing more or less than a book entry."

One banking man told me that the Bank of New South Wales had deposits of £54,000,000, out of which it had put £2,000,000 into war loans. I said that if its balance showed £54,000,000 worth of deposits, and it put £2,000,000 in war loans, its deposits were then £56,000,000. He said that the £54,000,000 was money put into the bank in the form of deposits for the bank to lend to its clients, but Mr. Graham Towers says that banks cannot lend their deposits. I told this man that the total issue of currency in Australia stood at only £57,000,000, and if the Bank of New South Wales was responsible for £54,000,000, I should like to know what the other large banks in Australia, which all had deposits of over £50,000,000, were doing. He said he had never thought of that. The principal teller of another bank told me that his bank paid good money for every £1 of depositors' money it lent. I said, "That won't cost you much. Surely you know better than to think that your bank lends depositors' money." One keen financier who is on a committee with me said, "The only money that the banks can lend is what is entrusted to them by the public." Is it any wonder that I cannot make headway against conservative ideas like that? Someone wrote to the Treasurer (Mr. Chifley) and asked what the Government meant by surplus deposits. The Treasurer replied—

"I can assure you that your interpretation of the Government's financial policy is not in accordance with facts, briefly, the Government holds the view that there is no problem of war finance as such. The only problem is so to organise the man-power and productive resources of the Commonwealth that they will be of the maximum value to the country at this time."

That sounds all right, but now does it work out? The Leader of the Opposition has told us that we must not utilise bank credit unduly, because it means inflation, but it does not matter from what source credit comes if it brings extra money into circulation, prices must rise unless they are controlled. No matter whether the money comes from national credit or private banks, prices must rise. The policy of this Government is something like this; at one end of the counter they will not allow the banks to buy war bonds for themselves or advance money to other people to buy war bonds, so that the dummifying that was done by the banks in that direction in the past has been stopped. At the other end of the counter the Government has already passed Bills to raise £150,000,000 by the sale of inscribed stock, which is another form of Government borrowing, carrying interest at the same rate. I do not think the banks care twopence because they are prevented from buying war bonds or advancing money to other people to buy them. It will take all the credit they can raise to cater for Treasury bills and inscribed stock, because they are limited in the amount of cash credits they can advance."
(To be continued.)

NOTES ON THE NEWS

Another epic of British heroism and determination to supply Russia with the sinews of war is found in the report of the terrific four-days' battle against U-boats, high and low level bombing, torpedo-plane attacks and minefields, during the successful voyage of the biggest convoy ever sent to Russia. The efficiency of "capitalistic" production will at least be appreciated by the friends of the Soviet Union—in the firing line.

WORK-CURSE: John Hargrave's "Information Sheet" (London) reports Dr. William Temple, Archbishop of Canterbury, as saying: "I am inclined to agree with the Biblical saying that work is a curse. If you have the money, you can have leisure; but if you have no money, it's unemployment. Personally I'm rather doubtful about this blessing of work." Will "New Order" designers please note?

YOUTH TRAINING: Strong criticism is being voiced in Britain regarding the proposal of the "Committee on Education" to mass-train alert, tough young men and women, eager to serve the State. The Committee's recommendations incorporate Hitler's indoctrination scheme embodied in his youth movement. The "Manchester Guardian" says: "If the introduction of a British form of Fascist youth training were to be undertaken, this is how it might be done." This anti-British proposal of mass youth regimentation is but an extension of adult control here and elsewhere; it is seen at its worst in the Manpower Regulations, which are a negation of our war and peace aims.

FARMERS' DEBTS: It has been said that a farm is a piece of land surrounded by mortgages—a good description, judging from the following official figures quoted during the Mortgage Bank debate in Parliament: "Total rural indebtedness in Australia was about £400 million; consisting of £80M. loans by States, £140M. bank overdrafts, £80M. by pastoral, insurance and trustee companies, and about £100M. by private mortgage." Since all these sources are linked with the bankers, it is they, in the last analysis, who own most of the debts and therefore virtually own the farms. It only cost them a few pints of ink and a few reams of paper. What a racket! And the farmers' political representatives permitted it!

CHURCH'S FUNCTIONS: Much discussion has followed the recent announcement by the Archbishop of Canterbury to the effect that it is the function of the Church to take part in political and economic questions. The London "Times" commented thus: "Praying Thy will be done on earth as it is done in heaven" can scarcely be reconciled with slums, unemployment (unemployment), malnutrition or an educational system in which religion is denied its proper place." The Archbishop's attack on the immoral money system was hotly resented. It is very heartening to observe that these real issues have now transcended the empty vapourings of windy orators. Meanwhile we wait for the matter of the liberty of the individual to "get the spotlight."

ECONOMIST WAKES UP: William Wilson Cumberland, accredited New York economist, is reported in the "Argus" of September 25 thus: "Economic conditions clearly indicate a period of post-war prosperity, the realisation of which depended chiefly upon getting rid of planners, Government controls, high taxes and all the other paraphernalia of Statism which stifle the individual and waste the product of industry. Unless we remove these deterrents to enterprise we should resign ourselves to a period of profound and prolonged depressions, and to the economic and political systems which characterise Germany and Russia—there will be no prosperity and there will be no freedom." Nuff said.

"HITLERISM": On the front page of the Melbourne "Sun," in heavy type, is a report of a woman aged 32 being sentenced to two months' imprisonment for absenteeism. The woman's defence was NOT published, but the prosecution announced that the case was brought at the request of a works committee, who asked that an example be made of her. Such a situation could not arise in Britain, of course even though the "Sun" report stated that it did.

BISHOP ON BANKSTERISM: Years of work by political and financial reform "cranks" have now made it respectable and fashionable for spiritual leaders to denounce the backers' anti-Christian money system, as witness the following from the Bishop of Bradford, Dr. Blunt: "We have to fight the stranglehold of finance, which has battered on industry and poverty, with the Bank of England bossing the Empire." Ironically enough, whilst denouncing the bankers' financial control, he (like others) also urges "nationalisation" and "Nationalisation", both of which represent the international bankers' final objective. However, it is a start, and maybe the "cranks" will now succeed in encouraging such men to take up the basic fight—the fight for individual freedom. --O.B.H.

TREASURY BILLS

Mr. Jolly: "Can the Treasurer tell me whether Treasury Bills are now being issued to the public and, if so, at what rate of interest? Or are all these Treasury Bills being taken up by the Commonwealth Bank?"

Mr. Chifley: "So far as I am aware they are not being issued to the general public."

Mr. Jolly: "They are all being taken up by the Commonwealth Bank?"

Mr. Chifley: "No."

— "Hansard" report for September 16

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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D. J. AMOS ON INFLATION

Mr. D. J. Amos, F.A.I.S., author of "The Story of the Commonwealth Bank," needs no introduction to Australian monetary reformers. Therefore, the following extracts from a statement of his views supplied to us by himself will be of interest to our readers:—

If you increase the amount of money in circulation with one hand, and, at the same time, sabotage the production of consumption goods with the other, as the Government is doing at the present time, you will inevitably reach a point when true inflation begins and money values in circulation will exceed the values of goods for sale. This is quite irrespective of the fact whether the Government borrows money created by private banks in the form of an interest-bearing debt, or creates it through the agency of the Commonwealth Bank as a free gift to the community—only in the latter case you have no debt or interest charges saddled upon you.

If, now, you rigidly ration goods upon a coupon system and at the same time control their prices, within reasonable limits (as was done in England during the last war and is being done in the present one), this inflation becomes an unmixed blessing to the people, because, being unable to spend their money in other ways, they use it to redeem mortgages on their homes and other property, to clean up arrears of rent, to pay for goods previously bought on time payment, and, in the case of businesses, to wipe off existing bank overdrafts and similar advances—in a word, to get out of debt and become economically free.

It is for this reason, and not because prices might rise or that consumption goods might be produced instead of munitions (both these things can be controlled easily enough), that continuous efforts are being made to drag every spare shilling out of us. Whatever happens, we must not be allowed to pay off our debts and get out of the clutches of the money-lords!

Of course, as inflation is being carried on up to date with money created by the banks and loaned by them, to the Government, even if the people do pay off their debts with it, the enormously increased national debt and the interest charges upon it will remain, and we may be taxed back into debt and poverty (with or without a preliminary deflation period) after the war; but, once having tasted freedom, the operation might be both difficult and dangerous for the money-lords, especially in view of our increased knowledge of their methods. It is infinitely safer to keep us in our present economic servitude.

THE CONTROL OF POWER

A Book Review Broadcast from THE Hobart, on Sunday, September 27, by JAMES GUTHRIE, B.Sc.

One of the most fundamental conceptions in the scientific world is that of energy. One form of energy can be transformed into any other forms of energy. For example, the chemical energy found in petrol can be transformed into heat energy by combustion in an engine, and this heat energy can be transformed into mechanical energy by pushing a piston and driving an engine.

A petrol engine or a steam engine can be used to drive an electric generator, and this changes the mechanical energy into electrical energy. By means of electric wires the electrical energy can be taken into your house and by means of an electric lamp be changed into light energy, or, by means of a radiator, back again into heat energy, or, by means of an electric motor, into mechanical energy. In other words, the same energy can be found in many forms, and by suitable controls can be changed into any desirable form.

Bertrand Russell, the well-known English scientist, uses a similar idea to energy to discuss such things as economic and political power. In his book called "Power," Bertrand Russell discusses the Laws of Social Dynamics in a very masterful manner. He says:—

"In the course of this book I shall be concerned to prove that the fundamental concept in social science is Power, in the same sense in which Energy is the fundamental concept in physics. Like energy,

power has many forms, such as wealth, armaments, civil authority, influence on opinion. No one of these can be regarded as subordinate to any other, and there is no one form from which the others are derivative.

"The attempt to treat one form of power, say wealth, in isolation, can only be partially successful, just as the study of one form of energy will be defective at certain points, unless other forms are taken into account. Wealth may result from military power or from influence over opinion, just as either of these may result from wealth.

"The laws of social dynamics are laws which can only be stated in terms of power, not in terms of this or that form of power. In former times, military power was isolated, with the consequence that victory or defeat appeared to depend upon the accidental qualities of commanders. In our day, it is common to treat economic power as the source from which all other kinds are derived; this, I shall contend, is just as great an error as that of the purely military historians whom it has caused to seem out of date. Again, there are those who regard propaganda as the fundamental form of power.

"This is by no means a new opinion; it is embodied in such traditional sayings as magna est veritas et prevalebit and 'the blood of the martyrs is the seed of the Church.' It has about the same measure of truth and falsehood as the military view or the economic view. Propaganda, if it can create an almost unanimous opinion, can generate an irresistible power; but those who have military or economic control can, if they choose, use it for the purpose of propaganda.

"To revert to the analogy of physics: Power, like energy, must be regarded as continually passing from any one of its forms into any other, and it should be the business of social science to seek the laws of such transformations. The attempt to isolate any one form of power, more especially in our day, the economic form, has been, and still is, a source of errors of great practical importance."

(To be continued.)

"ECONOMIC TRIBULATIONS"

By VINCENT VICKERS
(Late Director, Bank of England.)

Australian edition of this important book now available at 3/6; postage 3d.

Obtainable from F. M. Stapleton
(Social Credit Bookshop),

190 Little Collins Street, Melbourne.

BEWARE OF WELL-INFORMED "CIRCLES"

In one of his so-called "chatty" commentaries broadcast from 3DB recently Alan Bell, formerly a B.B.C. commentator and war correspondent, engaged in a flow of murky reflections upon the character of Lady Astor because she has been outspoken enough to voice publicly the opinion that the Russians were fighting for themselves and not for us."

Whatever her ladyship's character and associations may be, her remark was singularly realistic (particularly so when it is remembered that she is a politician!) and quite refreshing after bearing with the callow twaddle of some war correspondents, such as the "famed" Mr. Aldridge, who suggested that soldiers would fight better if they were taught the fundamentals of democracy (presumably the fundamentals of the present "democracy") and the hatefulness of fascism. As a Tobruk "rat" remarked, "A Tommy' who received the news that his wife and child 'had been killed in an air raid on London required no academic dope about democracy or the hatefulness of fascism. . . ." It is in no way derogatory to the Russians nor does it detract from the great effort they are making to withstand the German onslaught—and in so doing helping us—to recognise the fact which Lady Astor voiced.

In the "Labor Call" of July 23 Mr. D. Lovegrove had a little to say about Mr. Wells, president of the Coal Miners' Union. His remarks could be applied quite fittingly to certain newspaper correspondents and radio commentators:

"Mr. Wells is reported to have stated that 'If we don't get it (coal) it means we are prepared to ask other people to fight for us—the Russians, the British on a second front, the Chinese people—while we are content to carry on with our peaceful outlook. That is not the real approach to the crisis confronting us.'

"These observations are stupid. The Russians were not asked to fight for us. They are fighting because Germany attacked Russia, and they are fighting primarily for themselves and their fatherland. . . . If there is any merit in this type of argument . . . it is a great pity some union leaders did not use it when London was bombed and the British people were fighting the European war with nothing but their magnificent lone defiance to carry them through. For if Britain had fallen, then would Russia have been bereft of her only powerful ally still capable of bombing Germany, and one of her most valuable sources of supplies. Also it would not be true to say that the Australian workers or the Labour Government are prepared to ask the British to open a second front. It is true that Communists and irresponsible people of mixed opinions and nationalities have settled the problem

of a second front entirely to their own satisfaction, and have been boldly (!) advocating it at every opportunity. It may even be true that the Coal miners' Union has demanded a second front. I do not know. If it is true, then Mr. Wells is undeniably entitled to reproach his members for not producing enough coal, or, better still, not going to the second front. . . . Similarly, the Chinese people are fighting primarily for China. They were so fighting years before Hitler attacked Poland, and they were supported in their fight by Governments which were acting for motives not nearly as pure as the motives behind their support today. . . .

Despite such instances as quoted immediately above, which, incidentally, are rarely published, the general idea behind the matter dished up for our consumption seems to be aimed at the misrepresentation of facts. An example of the "information" is given in the "Voice" (Hobart) of July 1942

"In a special communiqué issued from Moscow after one year's fighting against Hitler and his hoards, it was stated that the enemies of Russia had lost the enormous total of 10,000,000 killed wounded and missing, while the Soviet losses were given at 4,500,000. In arms and equipment the Germans lost 30,560 guns, and Russia 22,000 while the Germans lost 24,000—the Russians, 15,000. In the air, 20,000 German planes were sent crashing earthwards, while the loss by the Soviet did not reach half that number. . . . Had Germany suffered as number of losses set out in this official statement the Allies would now be dictating peace terms in Berlin. In the last Great War the Russian claims were wildly extravagant. A check-up was made by a main land paper after the war had been in progress for two years. If the Russian figures had been correct, Germany would have had but thirty soldiers left while the Austrians would have been 30,000 short.

What is behind it all? When it is noticed that exaggerated accounts of our Allies efforts are given the front-page news and any part played by Britain is usually placed in the background, one begins to wonder whether there is not a conscious move by the controllers of our monopolistic propaganda machines, to discredit the British Empire with a view to furthering the international financiers' plans to engulf it in a Federal Union.

HANDS OFF THE PRESS!

Writes Professor Walter Murdoch, one of Australia's most distinguished----- "There are some people who believe that to beat Fascism the democracies, for the time being, must become Fascist. It is my conviction that this is the precise opposite of the truth. To beat Fascism, the democracies must become democratic."

To preserve our liberties we have to defeat the helots of Mussolini's Italy, the enslaved and brutal hordes of Hitler's Germany, and the machined manikins of the Mikado. In the territories of our foes all freedom of the press has been destroyed. Is Australia about to become Fascist in this respect, or "tune in with Britain," and continue to regard a free and untrammelled press as one of the essential safeguards of the invaluable home-front?

The British Minister for Information, in September, 1941: "A free press is the most watchful sentry of the State, a yes-press is fatal to good government." Mr. Winston Churchill in the House of Commons on January 27, 1942: "We are conducting the war on the basis of a full democracy and a free press."

There is developing in Australia today, with all the secrecy of a Gestapo conspiracy, a dark plot to oppress and suppress the Australian press by extinguishing half of our most historic daily journals, or, alternatively, rendering the conditions such that the existence of all daily journals would be most seriously threatened and their efficiency, at least, utterly paralysed. . . .

How would you like an "old man and woman press"? That is the ideal of a State "Deputy Man-power Officer." How would you like "composite journals," which would reduce every city to one morning and one evening journal, and result in the appearance of the "Age-Argus" in Melbourne, and the "Herald-Telegraph" and "Sun-Mirror" in Sydney? Apparently this is the brilliant idea of Mr. Dedman, of clothes-rationing renown. How would you like circulations "pegged," irrespective of any newsprint shortage, and a system of "syndicated news" in what is left of the Australian press, which would strangle the truth as surely as if it never existed? It might also be considered good sport by some "War Organisation" to extinguish all sporting papers. And pray what effect would all this have upon the war morale of the Australian community?

Is the public asked to rely upon the Department of Information when one half of the Australian press is extinguished and the other half well half-throttled?

It would be better to abolish Senator Ashley and his Department than to abolish free, independent and competitive press in Australia. For this is an essential safe guard to democracy and an invaluable instrumentality in the maintenance of morale in a period of war.

Nobody would object to a rational degree of rationalisation in the newspaper industry under present compelling circumstances.

There were 7000 employees in Australia's metropolitan newspapers before the war, and this number has been reduced already to 4500 by enlistment. If more can be done reasonably by all means let it be done. But public opinion will support no Gestapo methods against the press, still less the frenzied proposed eccentricities of unprofessed press-extinguishers in Australia, dressed in a little brief authority under the guise of man-power and war-organisation applications.

-The "Voice" (Hobart) editorial, July 1942.

(The editor of the "Voice" is Mr. Dwyer-Gray, who is Treasurer of the State of Tasmania and a well-known monetary reformer.—Ed. "N.T.")

"Looking back on that week, we can get a fairly clear view of the power of the Press working in conjunction with the Government. In a week or ten days the mind of the people was so changed that:

"The Church, having aided this plan-----cratic reactionaries in scoring a victory over the King, thought to make-----capital out of it. The Primate broadcast a triumphant address on the success of the Church in affirming public minds. The crisis had showed, in his opinion the depth of religious feeling unsuspected in this country; and he called on everybody to launch a religious revival. It is difficult to see why it should be necessary to launch a religious revival when religious feeling has been proved so strong in the country. But, at any rate, reaction of the public, given full expression in the press that had now less need of this support of the Church, allowed that which the public felt about the Duke of Windsor and Mrs. Simpson, they were in-----ment about the Primate.-----Marshall: "The Changing Scene."

THE "NEW TIMES"
IS OBTAINABLE
AT
ALL AUTHORISED
NEWSAGENTS

COLONEL HAROLD COHEN

(A Letter to the Editor, from BRUCE H. BROWN.)

Sir—Those who are against government spending are against any improvements in the living standards of the people, and last week it was shown that Colonel Cohen has publicly declared that government activities should be conducted only on the basis dictated by Sir Otto Niemeyer. This basis is as follows:

- (1) Based on the balancing of government budgets.
- (2) Increased productivity per head of population.
- (3) No public works to be undertaken unless they will provide a FINANCIAL return sufficient to cover INTEREST and sinking fund.
- (4) No overlapping of State and Federal FINANCES.

His whole concern you see is to secure entirely FINANCIAL results, and particularly to ensure that there shall be no interference with the present system of debt-finance in which he is personally involved.

Looking at the four requirements as set out, we find that the balancing of government Budgets simply means that governments will be permitted to spend only what they collect from the PEOPLE, whose incomes are determined and LIMITED by the private controllers of the money supplies. The quantity of money available to the PEOPLE is determined by POLICY, and financial policy in NOT determined by the people or the people's government. Financial policy is determined by the controllers of the banking system, who first restrict the volume of money and then tell governments they must spend only what they can collect from the people! Governments, like individuals, are helpless without MONEY, and by accepting the dictum of balanced budgets while financial policy is determined by private interests the governments obviously surrender themselves completely to the control of the manufacturers of money. Colonel Cohen not only approves of that, but has used every opportunity to IMPOSE it. So long as we accept such a condition, so long will the pawnbroker—to control of our country, and so long will economic security, social justice, and peace continue to be empty terms to mock our poverty in the midst of plenty.

The Budget, you see is an instrument for controlling the government: it is not an instrument for serving the people.

The second "requirement" is that if we wish to raise the standard of living we must increase our productivity per head of population. What is the use of increasing productivity if the PEOPLE are not permitted to have the benefit of it? Official statistics prove conclusively that our productivity per head HAS been increased, BUT that the standard of liv-

ing became lower. Prior to the war, it even got lower than it was in 1937. This came about because the "value of the productivity is determined by the same few people who control the quantity of money in circulation. This clique imposed the policy of deflation upon us, which meant less and less MONEY for more and more production. Colonel Cohen, in giving utterance to this platform, facetiously remarked: "You may reconcile that with a shorter working week—if you can." This was not as irresponsible as it appears, because it is necessary to remember that in the opinion of certain folk the workers of the world are only cattle and to be treated as such.

Evidently this self-sacrificing man, who parades the fact that he is willing to be the Director of Amenities without accepting any "pay" for it, never studies official reports or seeks any opportunity of passing on to the PEOPLE the benefits of

their productive efficiency. It must be assumed that he did not know that the League of Nations has reported that while population has increased by 10 per cent., production of foodstuffs increased by 16 per cent.! Our own Statistician tells us that with many thousands less working on the land, our primary production increased by leaps and bounds. Technocrats declare that the manual work of the world is now only sufficient to occupy able-bodied men between the ages of 25 and 45 working 16 hours a week! Reconcile that with a 44-hour week—if you can! The only thing that prevents the community from getting the benefit of these wonderful developments is FINANCE, AND COLONEL COHEN KNOWS IT. There is nothing wrong with productivity. The trouble is in accessibility. What he says is, therefore, nothing short of political humbug, and under present conditions his attitude becomes a greater menace than ever, because unless there is a radical and immediate change in our financial arrangements, we will not only weaken our war effort, but will be quite unable to meet the post-war problems of soldiers and munition workers.

The other "requirements" will be commented upon next week.—Yours faithfully, Bruce H. Brown, 189 Hotham-street, East-Melbourne, C.2, 4/10/42

DR. EVATT AND HIS "SHADOW"

In London recently both the "Evening Standard" and the "Observer" have devoted attention to the personality and biographical details of Dr. H. V. Evatt, Australian Minister of External Affairs and Attorney-General. Towards the end of May, Dr. Evatt attended a Labour Party Conference in London, at which Ministers were "scattered about the hall and on the platform."

Presently Mr. Arthur Greenwood came in "accompanied by a sturdy, grey-haired, keen-eyed man in a blue suit." Delegates wondered who this could be who was receiving so much attention. He was Dr. Evatt, who spoke, and his voice "soon took on a firmer and more emphatic tone." When he mentioned Mr. Curtin, Labour Premier of Australia, and Mr. Fraser, Labour Premier of New Zealand, he "gave a triumphant emphasis to the word 'Labour'—and the conference fell for the stranger at once and cheered. In a few minutes he had disappeared.

The "Observer" sees at least one similarity between Dr. Evatt and Lord Moulton. Lord Haldane had been telling the Kaiser about Lord Moulton, when the Kaiser asked: "What is this man? You may say he is a judge, but he seems to know everything." At the present moment the world is increasingly interested in men who know everything, particularly when they know how to keep it from the M.O.I., and the London newspapers writing about Dr. Evatt are not, perhaps, so dull as they sometimes read. Dr. Evatt is "the champion of causes which have yet to win the field."—(Red Field?) Dr. Evatt is a man of the people, born in a coal mining town. In appearance "and in other ways he may be thought crude and untidy. Like Mr. Winant, he is unconventional and without ceremony." He was educated in a State school. "As a lawyer turned politician, he invites comparison with Sir Stafford Cripps." (It is understood that the suggestion has not escaped the notice of Sir Stafford.)

He lacks both the charm, the personal attraction, and the capacity for getting on with people which Cripps has. On the other hand, he has more natural political sense than Cripps, and his feet are closer to the ground. Cripps has never mixed

with the working classes as one of them Evatt can, and has, because of his origins and his education and his intimate associations with the Unions. Like Cripps, Evatt is obviously a Socialist intellectual. He is, in fact a friend of such left-wing thinkers as Justice Felix Frankfurter in the United States, and Professor Harold Laski here. Like Cripps, Evatt is the intellectual leader of the Left Wing Movement in his country, but unlike him, he has a party backing. Solidly entrenched both in the political and industrial sections of the Australian Labour Movement, he has an assured political future in a world which, he firmly believes, belongs to the people."

Let us turn to the adviser of the State school boy who knows everything (and well he might).

"Nearly everywhere Dr. Evatt goes you will find by his side a tall, thin man, with greying hair, carrying a microphone, suspended by a cord from his collar." (No, not short-wave: plain Mr. Robinson is deaf.) Mr. Robinson has been coming to this country for years, and knows most of the prominent people here. Though he likes and knows England well, there is one thing he does not like about it. That is our winter. He has nearly always managed to make his return to Australia in autumn. Now he is acting as adviser on production to Dr. Evatt.

"His biggest financial interest is the Broken Hill mines. He is also associated with the big metal and smelting men of America. In this country he is connected with the Imperial Smelting Corporation. Mr. Robinson started life as the commercial editor of the Melbourne "Age," but he gave it up to go into finance. Today he is a man of immense interests and powerful influence."

LEGAL LUMINARIES LACK REALISM

(To the Editor.)

Sir,—On September 15 and 16, in Adelaide, lunch-hour addresses were given by Sir John Latham (at the Commonwealth Club), and by Mr. A. J. Hannan, K.C. (at the Institute of Public Administration). Realists who heard the pronouncements of these two luminaries of the legal profession might appropriately feel a general idea hardening in their minds concerning people who spend their energies dealing with polemical abstractions. Orthodox legalism, theology, and political science seem to hold a spell of superstition or unreality over professionals in these realms, making it difficult for them to give proper heed to factual backgrounds, to which lines of useful thought can be related.

Sir John Latham, for instance, as part of his account of the Japan of his experience spoke effectively about the swagger which the Japanese have developed in regarding their navy as an "invincible navy." Sir John altogether omitted any reference to the way in which New York financiers arranged that Japan should receive from the so-called democracies enough scrap iron and steel to build up their vaunted war machine, and also to build up a reserve stock of 10 millions of tons of scrap iron and steel. No swagger harmful to us in Australia would have been possible without the physical background of material accomplishment.

Anyone who sees in mental decisions something more vital than the resulting physical happenings should then trace out the motives of those who arranged the— which anticipated the movement—

GIPPSLAND BAUXITE

Mr. Paterson: Will the Minister for Supply and Development tell me whether it has been kept fully informed of the great extent and high quality of the recently discovered bauxite deposits in Gippsland. Will he also say whether the difficulties formerly encountered in obtaining equipment from abroad to deal with the bauxite have been overcome? I should like to know what progress has been made towards producing aluminium from the bauxite stage as against the mere fabrication of imported aluminium ingots?

Mr. Beasley: The Department of Supply and Development has been kept fully advised of the high quality of the bauxite in the Gippsland district.

Mr. Paterson: Does that relate to the recent discoveries?

Mr. Beasley: I do not know exactly what the honorable member regards as "recent." The general position in relation to bauxite in Gippsland is well known. Samples tested have been well up to standard. The point raised by the honorable member in relation to equipment is not so easily met. For a long time we have been pressing for the supply of equipment for this purpose from the United States of America. The Attorney-General (Dr. Evatt) took the subject up while he was in America recently. We have succeeded in getting additional equipment for treating ingots for the rolling mills to be erected in a town in Victoria, but so far we have not succeeded in obtaining equipment for the treatment of the bauxite. In order to satisfy the American authorities in this connection, we must secure the support of the American lease-lend representatives in Australia. Steps have been taken through the Allied Supply Council, to secure this endorsement. Everything that can be done in this connection has been done and certain representations have been conveyed to the Government of the United States of America. The whole problem is difficult but we are taking all steps within our power to secure the requisite approval. We shall continue to press our claim until success has been achieved.

—"Hansard" report for September 3

LEAVE WOOL ALONE!

Of all Australian land industries, ancient or modern, that of woolgrowing has remained the most successful. It has withstood the depression, ill-considered trade agreements, political interference, droughts, and, so far, the war and its general effects. This while other land industries like wheat and fruit-growing have been reduced by political "control" and the effect of the war on export and home markets to chaos and a terrific burden on the public purse. In the war years wool has maintained its value to the nation because of two things, the wool-growers' own ability to carry on and the British Government's determination to keep a priceless Empire asset in British hands. And, left alone, it will be a priceless asset to Australia after the war. But somebody at Canberra wants to "rationalise" the industry from paddock to store. If somebody has his way the only land industry not "controlled" by politicians and their never-ending boards and commissions will fall into their clutches. If the Opposition has any fight in it, "rationalisation" should be fought to the limit. Great as it is, the industry could not stand a Dedman "rationalisation" plan.

—Sydney "Bulletin."

than one would think possible, in view of all that has been published in the last few years to reveal the falsities of our community life, and to indicate how we can rid ourselves of these falsities.

It seems as if we must make it a fairly general rule to sceptically analyse the utterances of most people in "exalted" positions. There are signs that there has been a process going on for years by means of which those who have been promoted in rank have also been so conditioned as never to question the overlordship of the financial plutocrats, or to note the falsities of their accountancy figures.—Yours, etc., C. H. ALLEN, Millswood S.A.

SOUTH AUSTRALIAN NOTES

(From United Democrats, 17 Waymouth street Adelaide.)

Application is due for the excellent work due to Mr. Harkness, of Western Australia who has been in this State for some time. Mr. Harkness is one of the individuals mentioned previously.

He works because he cannot help it, and— from us; nevertheless, for the enlightenment and encouragement of others we desire to mention his efforts for the—. Our friend has distributed 250 "Victory Road" booklets in a great many—he has the opportunity to meet a great number of men. With every book—or two—a challenge in every—. Mr Harkness has also used "The Enemy Within the Empire," "Banks and—" "New Eras" and "New Times to some purpose. He has given us a number of new contacts. Though we are losing the support of Mr. Harkness temporarily, we hope to see him back in this State before—. It is a pleasure to report this kind of determined individual activity, and we hope some readers may be able to— of similar work. It is— of these individual efforts— national effort.

—M. R. W. Lee Hon. Secretary.

A REMINDER

In February two Canadian visitors to Australian the Reverend Dr. Robertson Orr and the Reverend Dr. McMaster Kerr, attended a gathering of social crediters at Sydney. Dr. Orr referred to the disallowance of the Albertan legislation by the Canadian Federal Government. The disallowed legislation had been designed to—to the people of Alberta the— an aim to which no rea— or intelligent person could raise— direction. It had been declared "ultra vires." It then went on: "The Canadian Government disallowed legislation that which had been passed by the Supreme Court which it knew the court would— 'ultra vires'! In Canada the judiciary is far more under Government control than it is here. There is not a person who has been appointed to the Canadian judiciary whose resignation was not in the hands of the Minister for Justice on the day of his appointment.

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