

The "New Times" is a really independent, non-party, non-class, non-sectarian weekly newspaper, advocating political and economic democracy, and opposing totalitarianism in all its forms.

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).

# THE NEW TIMES

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## "NEW TIMES" SUBSCRIPTION RATES

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## Smoke Screen for Internationalist Moves?

### Wrangle on Bank-Nationalisation

By ERIC D. BUTLER

The present short session of the Federal Parliament is likely to be one of the most important legislative periods in Australian history. It is probable that during this session certain international agreements will be ratified unless Canberra is IMMEDIATELY deluged with letters of protest from aroused electors.

Although there is no doubt about the importance of defeating the International Monetary Plan, I would also like to stress the fact that both the U.N.R.R.A. and the Food and Agricultural Bills, if passed, could pave the way for the loss of sovereign control over vital domestic policies. Dr. Evatt made this very clear in the Federal House on September 9 of this year.

It was recently suggested to me that the Federal Government would, during this session, create a public discussion on the question of nationalisation of banking while the above Bills were quietly passed. Whether this proposition concedes some of the people's "representatives," and the various interests associated with them, even more cunning than is generally admitted, it does seem a strange thing that just before the Federal Parliament met, the press should contain a lengthy statement by Mr. L. J. McConnan on behalf of the National Bank, and that Mr. Lazzarini should be given considerable space to reply to Mr. McConnan (Melbourne "Herald," November 14). Mr. McConnan's statement deals with the threat of nationalisation of banking by the Federal Labour Government, and, according to reports, is being widely circulated. The Melbourne "Argus" of November 14 gives the statement considerable prominence alongside a lengthy leading article dealing with the matter.

Why this sudden outburst? There has been little in the press prior to this to suggest that the Labor Party was about to implement nationalisation within the im-

mediate future. In fact, the press of November 14 reports that the Labor Caucus is not going to discuss financial policies until next year. The Federal Labor Party has issued a pamphlet, "Effective Control of the Banks," but this only states that the Government is "considering" financial reform.

As I mentioned in these columns last week, there is evidence of a deliberate attempt to sabotage the work of social creditors by inspired talk on money reform; the all-important question of control of monetary policy by the individual being carefully neglected. In case some readers think I am over-emphasising this point, I would like to bring to their notice the fact that Mr. A. A. Berle, prominent Jewish member in President Roosevelt's administration, and certainly in close contact with the inner circle of German-Jewish finance in New York, was responsible for a series of articles on monetary reform which were, as far as I can learn, distributed to papers in most English-speaking countries, some of them appearing in journals in this country early this year. While Mr. Berle's articles certainly advocated monetary reform, it was clearly obvious that they proposed a policy under which the individual citizen could only obtain his share of money by submitting to the plans of a centralised Government bureaucracy. This is exactly what our Labor-socialist money reformers are advocating. And, unfortunately, the real issue confronting the people is clouded by the fact that Mr. McConnan makes this point

A timely rebuke was administered by the Melbourne "Sun" of November 9, to Judge Foster, who has been publicly eulogising the revolution in Russia in 1917, thus fostering the idea of overthrowing by force our Government institutions. The article says: "As a layman, Judge Foster was free to preach Communist philosophy, but it is against all precedent that within a fortnight of his elevation to the Arbitration Court Bench he should descend to stir up dust in the political arena." In any case, the Judge has only Communist-inspired propaganda to guide him in his devotion to revolution in preference to democratic principles.

**COHEN'S CONFESSION:** Following the murder of Lord Moyne, British Resident Minister in the Middle East, by the assassins Salzman and Cohen, the Melbourne "Age" of November 9 reports that they have confessed that they belong to the notorious "Stern Gang," which is a Jewish terrorist organisation, and that they killed Lord Moyne because he was "carrying out a policy contrary to Jewish national interests." Other murders have been carried out recently by Jewish terrorists in furtherance of the plan to dispossess the Arabs of Palestine.

**MODERN MATRIARCHS:** A new group formed in U.S.A. is described as the "Matriots," the term signifying love of all humanity, as distinct from "Patriots," signifying love of a restricted area and a small portion of humanity. The idea behind the movement is that men have made a mess of running the world, and therefore their destructive energies should be directed from politics, into such tasks as levelling mountains, building mighty dams, and digging up treasures from the earth, while the women correct the economic and cultural balance. When this is accomplished men may return on a 50-50-control basis. The authoress of the scheme thinks it's sure to work. (It will be bad luck if the many thousands of women now engaged in the

military and other forces desist from their destructive operations!)

**CONTROL CURTAILED:** Our local bureaucratic-control maniacs will be interested to read the following statement by the Chairman of the U.S. Manpower Commission (Mr. McNutt), as reported in the Melbourne "Herald" of September 28, viz.: "The Manpower Commission had already exempted 1,500,000 veterans of this war from manpower control as a means to hasten their re-employment. They could take jobs essential or otherwise without reference to the U.S. employment service." This is a decided contrast to the fate of our own war heroes, who are seized and manpowered even after years of military service. It is just as well for the local manpower chaplains that the returned soldiers have been disarmed.

**IRANIAN INTRIGUE:** The Iranian oil fields are stated to be the testing ground for United Nations' policy, says the Melbourne "Sun" of November 9, which reports that "American officials are hoping for the best and preparing for the worst in the crisis which is developing over oil concessions. In addition, Iranians appear to be at the end of the road in 'appeasing' Russia." Significantly enough, Iran is the only country in which there are troops from each of the big three countries. It is further stated "Britain will never compromise her position in Iran." This situation may or may not have a bearing on the recent mysterious discovery of oil in Great Britain, but the stage seems all set for friction despite the presence of lubricating oil.

**STRETTON'S SENSE:** In an Education Week address reported in the Melbourne "Sun" of October 31, Judge Stretton pointed out that so-called "community centres" would become centres for the propagation of Communism, and it "would be to the credit of Australians to make them a failure." He pointed out that "to be of value, the community centres must be something the people desired and worked to create; the people did not want hand-outs." This

(Continued on page 2.)

very clear in his latest "defence" of the banks. He says:

"Each borrower on overdraft is advised that permanent rigid control of the banks may mean that never again could a borrower obtain a loan from a bank unless the Government or its nominee investigated each proposal to borrow and gave its approval . . . Without consideration of the views of those who wish to borrow, it now appears possible that the Government may assume the right for all time to investigate and veto each borrowing proposal. . . In such event, if any industrial concern, primary producer, or individual desires to borrow in post-war days with the object of developing production or business, or for any other legitimate purpose, the fate of each proposal would depend entirely upon the decision of the Government or its nominee."

Ironically enough, the controllers of the banks in this country are doing exactly what Mr. McConnan charges the Labor Party with proposing to do. The press is helping to confuse the real issue by arguing that the people have only two alternatives: control by the men dictating banking policy today, or control by a Government bureaucracy determined to use the banking system to implement socialism. THERE IS A THIRD ALTERNATIVE, A POLITICAL AND ECONOMIC DEMOCRACY, AS OUTLINED IN THIS JOURNAL SINCE ITS INCEPTION. Unless social creditors watch the present situation very closely they may find themselves manoeuvred into a false position in controversies on the banking question. In spite of what Mr. Lazzarini has said since I wrote on this matter last week, I notice that the Labor Party leaflet, "Effective Control of the Banks," which (Continued on page 3.)

## What Is the Real Objective of U.N.R.R.A.?

As it becomes clear that the British Commonwealth of Nations will not be defeated by armed force, the anti-British forces are endeavouring to destroy us more effectively than any army could do, by taking away from us our freedom and our sovereign rights.

To gain their objective the anti-British are cunningly playing on the people's desire for peace, their good will and charitable nature.

So cunningly are they attacking us, so cunningly do they camouflage their intentions, that Ministers of the Crown and people whose probity is undoubted, support their dastardly anti-British plans. The objective of the anti-British forces is centralised control, of all nations, and they know that the strength of the British Commonwealth of Nations lies in decentralisation.

The League of Nations, with its facade of high ideals (as have all the anti-British schemes), was the first attack on our sovereignty. When it was realised that they could not gain control over us through the League, the anti-British forces changed the name and wording of their scheme and called it Federal Union. This, it was hoped, would submerge the British Commonwealth of Nations in the mire of "planning" and internationalism. But as Mr. Israel Moses Sieff wrote in the journal of Political and Economic Planning (P.E.P.), 4/10/38: "We have started from the position that only in war, or under the threat of war, will a British Government embark on large-scale planning."

Israel Moses Sieff is right. The people of Britain and Australia have never been as regimented or their activities planned as much as they are today. But, given the chance, when this war is over, the people of this great Commonwealth of Nations will revert to their former and even greater freedom than was theirs before the war. For this reason the anti-British forces are anxious to shackle us to their latest scheme for world control before the war is over.

Part of their latest scheme to induce us to give up our freedom and sovereign rights is hidden under the nice, respectable sounding name of "United Nations' Relief and Rehabilitation Administration."

This U.N.R.R.A., with the International Monetary Agreement, would effectively take away from us our right to decide what and how much we are to produce, and control our internal and external monetary policy.

An international air force is planned to ensure that we do not regain our freedom, by bombing us into submission if we should question the policy of the U.N.R.R.A. dictatorship.

True, we are to have "representation" in this U.N.R.R.A., but we would be under-estimating the strength and cunning of the anti-British forces if we think them incapable of promoting a gauletier to "represent" us.

From behind the scenes, the anti-British are using their tools and dupes to confuse the thoughts of the people. It is essential that we see the issue clearly if we want to keep faith with the men who are giving their lives for our freedom.

The people of the British Commonwealth of Nations can produce more than sufficient for their own use, and the war has increased our productive capacity considerably. If we want to give "Relief or Rehabilitation" other nations, we can do so without "uniting" with other nations under an international dictatorship.

The British Commonwealth of Nations can also, by its example—by its peoples' love of freedom, their ability to face and overcome overwhelming odds, their generosity and good-will—do far more for world peace and understanding than any bombs released by the international air force

Professor Arnold Toynbee, Director of the Royal Institute for International Affairs, and son-in-law of Professor Murray (President of the League of Nations Union, 1923-1938), said in Copenhagen in 1931:—

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

The League of Nations and Federal Union having failed, U.N.R.R.A. is the scheme by which the anti-British hope to rob us of our sovereignty.

Strange as it may seem, but obvious if we recognise the anti-British forces behind this U.N.R.R.A. scheme, there is no suggestion that we, the people, should be consulted.

The recent Referendum result, and, for example, the opposition to a "Greater Sydney," show clearly that the people of this Commonwealth do not want to hand over control of their affairs to a centralised body within the Commonwealth.

Can it be assumed that they are prepared to forfeit their sovereignty and freedom to a centralised world dictatorship?

Hundreds of thousands of Australians are today in the Forces and are not in a position to find out for themselves the real object of this preposterous U.N.R.R.A. scheme. Australians are giving their lives for their birthright. Do not let anyone sell this right for a mess of pottage in their absence.

## Guard Australia's Independence

SEND THIS LETTER TO YOUR FEDERAL M.P.

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

Parliament House, Canberra, A.C.T.

Dear Sir,—I respectfully request you, as my representative in the Commonwealth Parliament, to OPPOSE by all means in your power ANY move that might, in the slightest degree, hand over Australia's sovereignty, freedom-of-action and independence, in regard to financial or other matters, domestic or external, to ANY sort of international authority.

I have in mind, particularly, recently-announced proposals for an International Monetary Scheme (possibly based on gold), the U.N.R.R.A. Bill, and proposals for an international "police force."

Yours faithfully,

(Signature).....  
(Address).....

## Conditional Burial

The last stage in trades-union tyranny has seemingly been reached when, in addition to attempting to force 100% unionism on cemetery and undertakers' assistants, it is also proposed that graves shall not be opened for the last rites if the undertakers' assistants are not members of the appropriate union.

But wait! There is still one more move that union bosses can make in the direction of discrediting unionism. They can descend to still lower depths of grotesque gangsterism by refusing to allow burial of non-unionists!

# THE TENNESSEE VALLEY AUTHORITY

By GEOFFREY DOBBS, in the "Social Creditor," England.

Now that the Tennessee Valley Authority has been held up in Parliament (by Mr. Ellis Smith, on May 11, 1944) as an example to be followed in this country, it may be as well for us to look at the main outlines of this project.

As with so large a proportion of the matters with which Parliament is concerning itself during war time, this was first brought to light here, well before the war, by Political and Economic Planning (P.E.P.), which published an issue of its broadsheet, "Planning" (No. 76), devoted to the Tennessee Valley Authority as long ago as June 2, 1936. The account is useful, for it claims to have been "carefully checked with the aid of those interested on both sides of the Atlantic." Clearly those interested on this side are associated with P.E.P., and on the other side with President Roosevelt, on whose proposal the Authority was created.

"It is to be hoped," says the broadsheet, "that the experience gained will not be lost in Whitehall, nor in Delhi and other capitals within and outside the Empire."

Since the matter goes down to the terms of our existence on the surface of this planet, it is important that the fundamentals, rather than the local details, should be correctly appreciated.

Briefly, the conditions in the Tennessee Valley area in 1933 are depicted as follows:—the region is four-fifths the size of England, with ample rainfall, with every variety of country, soil and mineral wealth, sparsely populated (the Valley itself holds only 2,000,000 people). The soil is eroding rapidly, washing down into the rivers, which in turn suffer seasonal floods and droughts, and the whole area is poverty-stricken and depressed, losing its young men to the towns, and becoming a burden on the more prosperous parts of the country.

Since this was the picture also presented by other areas all over the world, and since it is incontestable that the physical destruction of the soil was brought about by mismanagement, including over-felling of timber, over-grazing of grasslands, and over-cropping of arable, without adequate return, there are but two general assumptions as to its cause, upon which anyone setting out to improve matters can proceed. The first rests upon the reasonable belief that large numbers of people living on the land all over the world would not simultaneously behave in this suicidal way unless they had been subjected to some very powerful interfering force tending to induce them so to act.

Any attempt at rectification would therefore have to start with the identifying of this force, which at the time in question was not very far to seek, and with counteracting it. Agricultural communities all over the world were complaining of debt and of the operation of a money system, which made the progressive growth of debt to the issuers inevitable. The first appearance of a Social Credit Government in North America a few months before the issue of "Planning" (No. 76), can scarcely have escaped the notice of "those interested on both sides of the Atlantic," although the questions thus raised in clamant form, and then undergoing urgent discussion everywhere, are not noticed in their broadsheet, which, nevertheless claims to be a "fairly balanced statement" and finds room on its front page for the following sentences:

"Operating in a part of the United States which has been made a byword for backwardness through the notorious 'monkey trial' at Dayton, Tennessee, and the more recent repeated trials of the Scottsboro Negroes, the Authority has evidently had an uphill job, and its achievements are all the more remarkable when viewed against this setting. They show what a group of men with trained minds and a social outlook can do when given adequate resources and freed from some of the more onerous of current restrictions on development in the interests of the community."

This picture of a noble elite struggling with the inherent depravity of human nature which has not yet been cured by "progress" clearly indicates that the Tennessee Valley Authority and its sponsors are working upon the second assumption, namely, that the trouble is due to the free operation of "private enterprise," and hence that it must be the nature of human beings in general, unless curbed by the socially minded elite, to destroy the soil and their own livelihood with it.

This assumption has only to be stated to be disproved. On Christian grounds it is heretical and leads logically to Satanism. Biologically, it is ridiculous, and makes the survival of the human race inexplicable. Historically it is inaccurate, and ignores the fact that the man-made deserts of the world have all been created by the great empires in which the mass of mankind has been centrally controlled by an oligarchy. Politically, it is the essential basic assumption of totalitarianism.

Just what the farmers of Tennessee, or indeed the rest of us, could do with adequate resources and freedom from restrictions is not enquired into. To allow them such opportunities would clearly be unthinkable. The greed, selfishness, and obstinate stupidity of all who live upon the land, as compared with the enlightened selflessness of the better paid administrative grades is, of course, axiomatic, and has been made a byword by someone or other. I have not, however, seen it suggested that it is the glutinous of sparse rural populations, which has denuded the earth. Nor does their presumed greed for money adequately explain their poverty, or the fact

that their primary wants "are satisfied quite frequently without money at all."

"Grainger County, which is purely rural, . . . may be cited as an example of the rest in 1932 the State and Federal Governments sent tax money into the County 91,000 dollars in excess of the revenue collected there. . . . To the U.S.A. administration such countries are a debit . . ."

The cure for this shocking state of financial parasitism was to create the Tennessee Valley Authority, and provide it, up to July 1, 1936, with 110,000,000 dollars!

The Plan, we understand, was a success. Readers will be staggered to hear that there was more money about in Tennessee, which proves, of course, the necessity for Planning! Furthermore, even in June 1935, the Authority employed over 16,000 persons, and, believe it or not, Unemployment was actually lower! We do not, however, hear about anyone being a debit to the administration.

Clearly then, as for war, so for other forms of Planning, when the money is needed, it is forthcoming. Since the Authority is cited by our own Planners as an example to be followed, it is important for us to note how they started in Tennessee. It is significant that they began with the control of water.

Water, being a liquid, is an easily centralised essential of life; and yet one of the first conditions on which we live upon this earth is that it should be to a large extent decentralised.

Rain is decentralised water, charged with oxygen. To the extent that it is retained in the soil where it falls, plant and animal and human life becomes possible. Where plant growth is established the rain enters the soil gently; the soil being broken up by roots into a crumbly texture, and containing a good deal of absorbent organic matter, retains both air and water, and any surplus of water supplies the underground reservoirs, where porous rock is present and oozes out steadily in springs, which maintain a relatively even flow all the year round, as do the rivers into which they flow. With the destruction of plant growth by the clear-felling of forests, over-grazing, over-cropping, or the destruction of soil organisms by the use of chemical fertilisers, or other forms of mismanagement imposed upon the modern farmer by centralised

forces, the conditions for life cease. The rain runs off the surface, carrying the soil particles with it. The underground water level sinks. The flow of springs becomes irregular. Floods and droughts characterise the river system. Soil, which has taken centuries to grow, is swept away in a few years, silting up the riverbeds (thus causing floods) and eventually finding its way into the sea. Deprived of its binding organic matter, the soil on the plains crumbles into dust and is blown away on the winds. Thus we have to realise that floods, such as those on the Mississippi and the Yellow River, droughts, dust storms, dust bowls and deserts, such as those of North China, Libya and Arabia, are largely man-made, albeit hitherto probably for the most part unconsciously so, and not "acts of God" as commonly supposed. The unconscious stage, however, is now over.

Without centralised control over human beings such massive interference with nature on a large scale is impossible, but the vast sanction involved in the control of these natural forces, particularly water, has not escaped the notice of our Planners.

It has been noted that the rain falls upon the just and the unjust, but such an arrangement is not regarded as fair by our Planners, who would prefer that the rain should be gathered into one place, and then "delegated" under strict control through sluices to the people in strict proportion to the "justice" of their claim, as determined by an impartial Committee. In case this should be thought far-fetched, the following quotation from "The Rape of the Earth; a World Survey of Soil Erosion," by G. V. Jacks and R. O. Whyte, p. 289, will illustrate my point:

"The Russian plan is magnificent in conception. . . . It consists in bringing the principal rivers and water resources of the Soviet Union into one interlocking system under complete human control. . . . Flood and drought will be disciplinary measures which Man and not Nature, will exercise on those who do not toe the line."

According to Elliott Smith's "Human History," the first centralised State arose on the banks of the Nile on a basis of water control. It is symbolised for us by the vast slave-built pyramid tombs of its rulers. An attempt, it seems, is being made to return to that system under the ironical name of "progress." It is not enough to believe that our Planners, and the American Planners, have not yet reached this stage; since they are obviously travelling the same path as the Russians, and we shall be fools indeed if we allow them to gain control of the first necessity of life.

(To be continued.)

## POST-WAR RECONSTRUCTION POLICIES

### Valuable Report by Vancouver Board of Trade

(Continued from last issue.)

Hereunder we publish a sixth instalment from the Report of the Post-War Policy Committee of the Vancouver Board of Trade. This continues the analytical section entitled, "Defects of the Economic System":—

#### THE MONETARY SYSTEM

In order to assess the merits or otherwise of the manner in which our present monetary system operates, it is necessary to consider its place and function within the national economy. For instance, reference has been made earlier to the primary function of the monetary system as being "an economic voting mechanism." While this may be readily conceded, its full significance cannot be appreciated unless this comparatively novel concept is related to the accepted ideas of finance.

It has been shown that the basis of organised society is the belief of the individuals concerned that by association they will obtain the results they want and which otherwise they would not be able to attain. This belief (credo) is the basis of the community's credit; and the extent to which they can realise that "belief," in the goods and services they want, is the measure of their credit.

In other words, the measure of a nation's credit is a correct measure of its capacity to produce wanted goods and services for the use of its citizens.

The next questions which arise are, how can the production of these goods be organised under a system which will give the individual the greatest possible scope for freely associating with others in the common effort, how will a correct accounting be kept of the goods produced, and how will their distribution on an equitable basis be organised? Without going into its evolutionary development, it can be shown that these important functions come within the scope of the monetary system.

At this point your Committee, found it necessary to lay down a very clear definition of "money" in the following terms:

"Money is any medium which has reached such a degree of acceptability that no matter what it is made of, nor why people want it, no one will refuse it in exchange for his product—if he is a willing seller."

From this definition it will be readily seen that money is essentially a generally accepted claim to goods and services. It is a ticket system, which entitles the holder to obtain the goods and services he wants from the supply available for distribution.

This means that money can be issued only against goods and services; further, that the money must be related to such goods and services both in regard to the number of "money tickets" issued and the relative relation of each ticket to the different types of goods and services.

Bearing these points in mind, it is necessary to revert to the questions raised earlier, namely, as to how production and distribu-

tion can be effectively and equitably organised.

The system which has been evolved and which is in use at present is basically sound. In order to induce individuals to co-operate in the production of goods, money is created and issued to them as incomes for their services. The sum total of all money paid out in all stages of the production of an article constitutes its price. In this way units of money are related to goods and the other material wealth of a community.

Thus the individual is provided with an inducement to join in the co-operative effort of production, being left free as to what part he takes in this according to ability and so forth.

As prices are created in the process of production, so an accurate record can be kept. The individual then has a claim on any of the available goods and services he may choose.

However, it will be apparent that this arrangement necessitates the issue of money incomes before the goods are actually available. The money is distributed against the ability of the community to produce goods for their use. It is a monetary reflection of the community's "credit." Thus the monetary system is essentially a "credit system."

From the foregoing it will be plain that money should be issued as goods are produced, and it should be withdrawn as goods are consumed, for it would be a falsification of the records if "tickets to goods" were in the hands of the people when the goods were no longer in existence.

The efficacy and simplicity of such an arrangement in the organisation of a democracy would be valid provided that:

(a) The amount of money issued to finance production was controlled by the extent to which the people wished to use their productive resources in supplying themselves with the goods and services they wanted.

(b) The total amount of money in the hands of the people at any time was sufficient to enable them to buy all the available goods and services.

These considerations in turn necessitate that:

i.—The people, as the supreme authority in a democracy, shall control monetary policy—i.e., control the results they obtain from the operation of the monetary system, their economic voting system.

ii.—Money should be issued in the volume and for the purposes required to provide the people with goods and services they want, up to their collective productive capacity—i.e., within the limitations of their

## Notes On The News

(Continued from page 1)

indicates that the Judge is alert to the carefully veiled moves of the Communists. He also described the policy of the Housing Commission as "creating slums, and one of the greatest social blunders he knew." If these evils have been impressed on the minds of his listeners, Education Week will not have been in vain.

**WORKERS' WAGES:** The Australian Council of Trades Unions is attempting to have the National Security Regulations used to impose payment of 6/- per week above basic wage rates in a vain attempt to catch up with the increasing living costs. These chaps never seem to learn from experience that all additional wages are costed into prices, and therefore defeat the purpose. Fortunately, there are a few men in the Labor movement who realise the futility of increased incomes through industry. These men are doing their utmost to educate workers to the need for supplementary direct incomes, which are not costed into prices.

**BALKAN BAULK:** Although as usual official silence has been maintained on the Churchill-Stalin Moscow talks, the following "Herald" comment of October, 16 is rather interesting: "Recent events, especially in the Balkans, suggested that the Russians were mainly concerned in politico-strategic positions in south and east Europe instead of a direct assault on the Reich coinciding with the western Allied attack." It would be a great pity if through the actions of their political leaders the gallant Russian soldiers lost the opportunity made possible by the Allies to deal a swift, decisive blow at the socialistic Hitlerites.

**BETTING BAN:** In order to safeguard (?) the morals of the people and to ensure that all moneys wagered on horses provide a rake-off for the Government, the democratic New Zealand Labor Government has created a complete monopoly by making it illegal to bet other than on the totalisator; so Mr. Justice Northcroft recently sentenced an alleged bookmaker to 12 months' imprisonment. The lights of liberty continue to be extinguished! If the Government desires to be in the betting racket there's no reason why it should not, but when it advances the safeguarding of morals as an excuse for doing so, that's where hypocrisy starts. Many race goers do not like queuing up like donkeys at totalisators when they can bet in comfort with the bookmaker, while others fancy a flutter with the local starting-price bookie, and there is no valid reason why each of these groups cannot have freedom-of-choice, which is the basis of democracy. —O.B.H.

credit resources computed in terms of money.

There remains an important factor to which reference has already been made:

To an increasing extent human labour is being displaced by power-driven machinery in the field of production.

If money is distributed as purchasing-power for the goods and services produced only in return for work in the productive field (using the term in its broad sense, covering production and distribution to markets), then it will inevitably follow that as a country's productive capacity expands, and the potential security and freedom available to the people increases, so the people will be able to buy less and less, thereby being rendered increasingly insecure. In other words, industrial progress must be reflected in the operation of the monetary system or the results will be disastrous.

#### A FAULTY SYSTEM

Applying these conclusions to the operation of our present monetary system, we find that, because no fundamental change in this system was made to meet the revolutionary changes in the field of production as industrialisation progressed, serious and glaring faults now exist in its organisation.

A great deal of criticism is directed against our banking institutions because of the profits they make. This would appear to be a feature of the existing monetary arrangements against which there are the least grounds for criticism.

In the first place it is necessary to outline briefly the manner in which Canada's money is issued. For purposes of brevity, these are summarised:

(a) There are three kinds of money in use—namely, paper tokens which we term "bills" [called "notes" in Australia. —Ed., "N.T."], metal tokens which we term "coins," and "financial credit" which does

(Continued at foot of next column.)

#### ERIC BUTLER'S BOOKS

(Obtainable from New Times Limited, Box 1226, G.P.O., Melbourne.)

"THE ENEMY WITHIN THE EMPIRE," A short history of the Bank of England. Price 9d. Postage 1d (6/- per dozen, post free.)

"THE MONEY POWER VERSUS DEMOCRACY." The best "hand-book" for Australian democrats. Price 9d. Postage 1d (6/- per dozen, post free.)

#### BOOKLETS BY C. H. DOUGLAS

Now on sale: "Programme for the Third World War." Price: 2/-, plus 1d postage.

Also available: "The Land for the (Chosen) People Racket." Price: 2/-, plus 1d postage.

And: "The Big Idea" (Second Edition). Price: 2/6, plus 1d postage.

Obtainable from: The Democratic Federation of Youth, 3rd Floor, 296a Pitt Street, Sydney.

# FINANCIAL SERFDOM & THE WAY OUT

(An Electoral Campaign Broadcast by JAMES GUTHRIE, B.Sc., over 7HO, Hobart)

Last Sunday we issued an appeal to responsible people in this State to help to put this State of Tasmania on solid foundations so that people willing to co-operate would be given an opportunity to do so. We tried to show how developments within the State destroyed co-operation, and, in particular, we showed how every asset that is created upon this earth starts its career as a liability because the few who issue our money-coupons claim our assets, built by ourselves, as their own. We explained, too, how ridiculous it was that Hobart Town Hall, built 80 years ago, was still being paid for, although the men who built it and those who financed it are long since dead.

The fact that the majority of people only get access to the world's wealth through possessing tickets we call money, justifies in itself a great deal of serious thought about the financial structure of this country, and more especially of this State of Tasmania.

The fact, too, that most people only use what is termed cash, and seldom see cheques, blinds them to the essential nature of our money system. But the fact remains that over 90 per cent, of the business transactions are made by cheques, which have only a small backing of cash. And these cheque transactions enter into the prices of all goods.

The Hobart Tramways, for example, pay out in wages only about half the amount they collect from the passengers. The Hydro-Electric Commission pays out in wages probably less than 30 per cent, of what they collect from the public. In more highly mechanised industries the position is much worse. The result is that the people find themselves collectively in the position of having produced £100 worth of goods for which they only have perhaps £60 purchasing money. In these circumstances we are forced to do, and we have done, any one, or all, of the following:—

1. We can destroy the "surplus" goods—as we do with the apples in the Huon, or with the oranges in Queensland, or with the coffee in Brazil, or the meat in the Argentine, or the ships in England;

2. Or we can sell some goods below cost by bankruptcies;

3. Or we can borrow new cheque-money from the banks to make up the deficiency of money paid out by industry;

4. Or we can go to war and give "surplus" goods (bombs, etc.), to the enemy for nothing.

It seems to me ridiculous for men to complain about taxation, and at the same time to ignore the great debt industry. If the State and Municipal Governments did not go regularly to the Banks for fresh loans, and the Banks did not create new money for them, then the life of the community would stagnate, as it did in the last depression, when the Commonwealth Government stopped the supply of fresh loan monies.

It is realised now by an ever-increasing body of expert opinion that the stream of money entering the community in the process of paying wages, salaries and dividends, through production of goods, is not sufficient to pay the prices of the goods produced. And an increase in wages does not help this position in the slightest, nor does the re-distribution of the national income by taxation.

It is recognised that an additional stream of money must be created and paid to the people over and above what they obtain from industry. The crisis of the Depression was overcome by the banks creating new money and lending it to the Government; the Government spent this money on public works, thus augmenting the incomes of the people. As the roads and buildings were not for sale, the money issued for their construction was available to buy the goods, which could not previously be bought.

This new loan money was but a temporary expedient which only helped to bring on another crisis because interest on these new loans was added to the taxes.

Some of you will remember that the whole of the pre-war State Income Tax was required to pay interest on Tasmanian loans. You will realise that instead of liquidating these loans, we have raised fur-

ther loans. And we shall have to raise still further loans to pay the interest on these new loans.

Now, we hold that this extra stream of money, which is essential for the proper exchange of goods and services on an equitable basis, should come to us not as a debt, but as a right; that it should come to us interest-free and debt-free. And we hold that as the creation of fresh money can be done at practically no cost, there is no ethical or economic justification for holding this essential national "commodity" up to auction to the highest bidder.

A community, which produces a million pounds' worth of goods each week should be in the position to buy that million pounds' worth of goods each week. And surely that is reasonable enough! On what economic or religious basis can we demand that the people should not be permitted to buy back the results of their own labour? Why should we still be paying for the Town Hall when the people who built it are dead? And why should we have to pay three times its original value before we can call it our own?

**The Commonwealth Bank, by its stranglehold over the money of this country, has become a menace, and those who look for any solution in that direction are due to suffer sad disillusionment. Money-power is too centralised now, and it has to be decentralised.**

And unless the citizens of this town are prepared to get together to do something they are going to see their children stagger from one crisis to another into complete and irredeemable servitude.

Many, especially in this town, are horrified at the idea of getting money at low rates of interest, but it is ridiculous for these speculators to say they are getting 3½ or 5 per cent, on their money; when they have paid their rates and taxes, and when they have paid for services at inflated values, they are not getting 2 per cent, on their money. A man who pays £500 in taxes is losing the value of £10,000 of investments—unless he is a Government official who has free motor car, free travelling expenses, etc., etc.

In order to build a stable and co-operative community on equitable and scientific lines, on lines, which face up to the facts of this modern world, then four things are essential:

First, that the prices in the shops should reflect as exactly as possible the money in our pockets; secondly, that wages and salaries should offer a chance for men and women to reach some kind of economic independence; thirdly, that every man and woman who is prepared to co-operate with the community should have a dividend from the National Estate—a dividend which cannot be taken from him or her, a dividend payable as part of his or her inheritance from generations of workers who have given us this community as a going concern.

And, fourthly, that those families who

wish to should be able to own their own houses with a reasonable plot of ground attached and free from ruinous interest payments. Payment should be based on the cost of the building only, and made possible by money issued by the community for that purpose.

**No man who exists entirely on a wage can be called free in the modern world; he must have some other source of income, and he must have a home, which cannot be taken from him.**

Fewer and fewer men are able to leave a home to their families with the knowledge that it will remain in their keeping. In time that home will be destroyed by the very men we have elected to protect our homes. Mr. Soundy and Mr. Beck will send the rate collectors round to collect interest for their new loans! Mr. Cosgrove and Mr. Curtin will send their tax collectors round to collect interest on their loans. Mr. McLean, of the Hydro-Electric Commission, will send his collectors round in order to meet interest charges on his loans. The bank manager will send his collectors round to collect interest on the unpaid house. And the taxpayer's widow will have to sell her furniture and her house to satisfy these protectors of public property!

These are the men who are going to build for us the Brave New World of the Future—a world in which we can prepare for the Third World War!

If this is the kind of world you are going to hand over to your children, then I think they have little to thank you for. If this is what you call Progress, then I have another name for it. You are not going to stop this debt racket by handing your affairs over to the usual Party Yes-men; you are not going to improve things by going to Canberra for help.

**The job will have to be done by the men here; we shall have to drive home the blame to those who are quite happy to carry on the same old game. If the Commonwealth Bank will not co-operate with this community, then we shall have to carry on without it.**

The liquid cash in this community passes through the hands of the Tramways, and the Hydro-Electric Commission, and the shops; the people have control over all these, and on this cash the credit structure of loans is built—loans for which you and your children have to sell their souls.

In the province of Alberta, in Canada, the banks refused to co-operate with the people; the Central Bank refused to co-operate, the Central Government refused to co-operate, the High Court of Canada refused to co-operate. Every law on debt and finance passed by the Government of the province of Alberta was declared ultra vires by the central Government of Canada; the Albertan Government was refused permission to run its own banks. So look what happened:

In 1920 there was 424 bank branches in Alberta; today there are less than 180. And today the people of Alberta run their own agencies for saving and Lending money; there are about 300 of them, and the result—Alberta has decreased its interest payments by half; its debt has been reduced, while the debts of all other provinces have increased. Roads, bridges, schools have been built all over the province; social services have been extended to every remote part; homes are protected, new industries are opened up. Alberta is one of the richest spots in the world.

## MORE ABOUT "DEAN CASE" INQUIRY

Further to the correspondence on this subject between Mr. Eric Butler and Dr. Evatt published in previous issues, we publish hereunder a subsequent letter from Mr. Butler, which should prove of interest to readers. Dr. Evatt has not answered this letter as yet, nor the previous letter.

22 Bellevue Avenue, Rosanna, N.22, Victoria.

The Rt. Hon. H. V. Evatt, LL.D.,

D.Litt., K.C., M.P., Attorney-General and Minister for

External Affairs,

Canberra, A.C.T.

Sir,—An official copy of the transcript of my "evidence" before the Board of Inquiry at Melbourne on 30th August, 1944, has now been received. The pages are numbered from 158-171 inclusive.

It has been stated repeatedly that Mr. Alderman, K.C., was appointed to assist the Board, whereas it seems to me that his whole activity can more truthfully be described as the Prosecutor for the Security Service. On Page 163 of the transcript the following appears:—

**Mr. Alderman:** "You have told us a lot of the criticism you offer about the war effort. Have you ever said anything in favour of it?"

"If you read all my writings you will find it there."

"Having read them all I made a note in the margin to ask you whether it does not appear from your writings that it is always the British who are wrong and the Germans and Japanese who are right as regards every matter you have dealt with?"

"I object to that question. Its inference is that my loyalty is in doubt."

"Is it your view that the British and the British Empire are to blame for everything in connection with this war and that the Japanese and Germans are not at all to blame?"

"No, it is not."

As Mr. Alderman said this as an employee of the Attorney General's Department and said it at a public hearing, I respectfully ask you, as the Minister responsible, to quote the portion or portions of what I have

written which provide justification for the offensive suggestion contained in the questions quoted. I particularly ask to be informed of the publication in which Mr. Alderman made "the note in the margin" and the precise portion of the publication against which the "note in the margin" was made.

If Mr. Alderman is not able to produce evidence from my writings that I am anti-British, then I expect you to require an apology from him and to have the extract quoted above deleted from the Official Records.

Yours faithfully, ERIC D. BUTLER.

## SMOKESCREEN FOR INTERNATIONALIST MOVES

(Continued from page 1.)

is quoted at length in the Melbourne "Herald" of November 14, says that the Federal Government, in order to finance the war, "had to resort to high taxation, public loans and credit expansion to the limits of safety." Mr. McConnan couldn't have said better himself!

Social creditors have a duty to ensure that the real issues concerning financial policy are not camouflaged by arguments on matters of secondary importance while vital legislation is passed at Canberra. I have seen replies to a correspondent from Ministers in the Federal Labor Government saying in effect that the proposed International Monetary Plan is a good scheme. What hypocrisy for such men to talk about monetary reform! We cannot trust them.

There is not a moment to be lost. Readers who have not already done so should take up their pens and write to their Federal Members of Parliament immediately, urging them to oppose the International Monetary Plan, U.N.R.R.A., and the Food and Agricultural Bills. They should then get all their friends to do likewise.

## THE INTERNATIONAL MONETARY PLAN

By D. J. AMOS, F.A.I.S.

(Concluded from last issue.)

**Article X. Relations with Other International Organisations. (Page 17):**

The Fund shall co-operate with other International Bodies, apparently such as the International Bank, The World Security Organisation, with its International Air Force (when formed), and also any international body formed to control food and agriculture. Article XI. Relation with Non-Member

**Countries. (Page 17):**

Transactions with non-member countries are not to be to the prejudice of the Fund.

**Article XII. Organisation and Management. (Page 17):**

The Fund is governed by a Board of Governors consisting of a Representative from each country. He serves for five years and his voting power depends upon the amount of the quota his country pays. This Board of Governors meets annually and appoints 12 Executive Directors, who need not be Governors at all. Any big Banker, or Commercial or Industrial Magnate can be appointed a Director. These Directors hold office for two years and sit in continuous session. They appoint a Managing Director, who is neither a Governor nor an Executive Director, who appoints and controls the staff. The voting power of the Executive Directors is complicated, and depends sometimes on the voting power of those who appointed them, and sometimes on whether their nations are debtors or creditors to the Fund. The important things about them are:—

(1) It is they, not the Governors, who in practice will control the Fund and through it the member countries.

(2) They are not likely to be national representatives, and so will not be responsible to any body but the Fund.

(3) They are immune from legal process with respect to acts performed by them in their official capacity.

**Article XIII. Offices and Depositories. (Page 19):**

The Funds Head Office will be in the U.S.A., but its deposits may be in any country and must be guaranteed by the country in which they are situated.

**Article XIV. Transitional Period. (Page 19):**

The Fund expressly states that it is not intended to provide facilities for relief or reconstruction or to deal with international indebtedness after the war (this assurance was hardly needed), and it gives member nations five years to get rid of war-time exchange restrictions and join up.

**Article XV. Withdrawal from Membership. (Page 19):**

On paper this looks easy enough, but as the Fund cannot be sued, or its documents examined, or its property requisitioned or taxed, or any of its officials held accountable for their official acts, withdrawals from the Fund, once you are in it may be a very painful, expensive process for a member nation—especially for a small one.

**Article XVI. Emergency Provisions. (Page 20):**

Many important provisions of these articles can be suspended by the Board of Directors and by the Board of Governors.

**Articles XVII. and XVIII. (Page 20): No comments. Article XIX. Explanation of Terms. (Pages 20 and 21):**

Notice the Fund's definition of "Currency": "Currency includes coins, paper money, bank balances, bank acceptances, and Government obligations issued with a maturity not exceeding 12 months" (i.e., Treasury Bills).

**Article XX. Final Provisions. (Pages 21 and 22):**

Section 4 leaves no doubt at all as to who shall fix the initial value of a nation's currency:—"If the Fund and the member do not agree—the member shall be deemed to have withdrawn from the Fund."

## SOCIAL CREDIT SECRETARIAT

(Lectures and Studies Section)

An examination for the Diploma of Associate in connection with the above will be held in Australia in March 1945.

Candidates who desire to sit for this examination should make application now for particulars from Miss G. Marsden, B.A., 6 Harden Road, Artarmon, N.S.W.

## NEW WORLD MOVEMENT'S MEETINGS

Hawthorn Town Hall: Tuesday, November 21, 8 p.m. Chairman: Mr. L. Hollins, M.L.A. Speakers: Mr. E. Lyall Williams, M.A., and Mr. C. K. Cutting.

Box Hill Town Hall: Thursday, November 30, 8 p.m. Chairman: Mr. R. Gray, M.L.A. Speakers: Mr. E. Lyall Williams, M.A., and Mr. C. K. Cutting.

Essendon Town Hall: December 5, 8 p.m. Chairman: Cr. G. Tait, Mayor. Speakers: Mr. Bruce H. Brown and Mr. C. K. Cutting.

Northcote Town Hall: Monday, December 11, 8 p.m. Chairman: The Mayor. Speakers: Mr. Bruce H. Brown and Mr. C. K. Cutting.

For Effective Post-War Reconstruction, join the COMMONWEALTH BANK CRU SADE: Sign the Petition and Demand-Forms obtainable from New World Movement, 300 Little Collins St., Melbourne. (Phone: Central 1444.) —ADVT.

# PEOPLE'S ENEMIES AT WORK AGAIN!

(A letter to the Editor from Bruce H. Brown.)

Sir, —Enemies of the people are again at work to bring about conditions of hardship. Government spending is being decreased, bank deposits are falling, and organised cries for "economy" have begun.

In the "Argus" of 10th November, it is reported that:

"Bank deposits continue to decline . . . probably the fall of £54,648,000 during the last five weeks has been caused mainly by withdrawals for war loan subscriptions. This week, deposits show a further drop of £9,133,000. . ."

As bank deposits fall, so the people's purchasing power falls; and this is a matter, which is of the gravest concern to every section of the community. It is vital to our progress that bank deposits remain at a high and increasing level, and that if it is possible, every family should have its own credit account. The primary error under the existing financial arrangements is the PREMATURE CANCELLATION OF MONEY, which happens at the bank; whereas the primary function of money is the CANCELLATION OF COSTS, as expressed in prices, which happens at the retail counter. If consumers have the money to cancel prices, then the goods pass over the counter for consumption and thus fulfill the only aim of industry. When the supply of money is shut off, or seriously reduced, then the people are denied the money with which to cancel prices and the aim of industry cannot be fulfilled.

Strange as it may seem, many of the leading businessmen have not yet realised that heavy Government spending is absolutely essential to their commercial success under the present system; consequently, they are allowing themselves to be blindly led into supporting a financial policy which is inimical to their interests. If continued, this policy will lead to depression—with increasing "unemployment," pressure on the bankruptcy courts, more suicides, widespread personal suffering, and much general hardship.

As expected by those who understand the working of the present system, the newspapers, as mouthpieces for the financial dictators, have commenced to call out for Government economy. As usual, the so-called "Taxpayers' Association" is in the forefront of the clamourers. True to its form of the previous depression period (when it supported the claims of overseas financiers in preference to the urgent needs of the Australian people) this Association, through its Secretary, Mr. M. J. Pettigrove, is advocating the very thing that will help to bring ruin to the business men whose interests are supposed to be protected by his organisation. Under the heading, "Need for Government Economy," the "Argus" of 8/11/44 published the following:—

"After a meeting of the council of the Taxpayers' Association, Mr. M. J. Pettigrove, Secretary, issued a statement embodying a resolution calling upon the Federal Government to introduce economy in all departments. The Association will urge the Government to appoint a business board to make a thorough investigation of all spending departments."

This is the sort of thing that has been coming from this particular body for years, and it seems to be little more than a gramophone for the Chamber of Commerce, whose leaders are prominently and beneficially connected with the financial system.

When Government spending falls, business activity declines. This is an inevitable result of reducing public expenditure, for the simple reason that heavy Government disbursements are indispensable to make up the difference between the costs generated by industry and the money distributed by it. The prices of the goods for sale must include interest, depreciation, taxation, and profit; all of which must be collected before it can be distributed. Government spending provides the means from which the collection can be made.

Away back in 1936, the press gave prominence to the utterances of certain gentlemen who had been meeting as an inter-State Conference of Taxpayers, and the reports were put up to give the impression that these men had been speaking for the electors in general. Before this great Conference assembled, there was a specially stage-managed deputation to the Prime Minister urging a reduction in Federal taxation. The Melbourne Chamber of Commerce was the active agent in this, and had been preparing for it during the preceding six months. The press of 19/9/35, informed us that—

"With the object of seeking means of bringing about a reduction of Federal taxation, a representative gathering of business men attended a conference called by the Melbourne Chamber of Commerce yesterday."

The names of 21 organisations were given as having been represented at the Conference, and the following resolution was passed:—

"That this Conference of representative business and trade associations of Melbourne is seized with the urgent need for a reduction of Federal expenditure, and, having regard to the fact that much of the existing taxation was imposed to meet emergency requirements and that full expenditure is increasing, calls upon the Government to give immediate consideration to a reduction of taxation."

How laughable that is in the light of what has happened since, and how little those great businessmen understood of the real cause of the thing about which they were complaining.

At that time I sent a letter to each of the associations represented, containing the following:—

"Reference to official publications will show that when Government expenditure WAS reduced between 1930 and 1932, bankruptcies increased by more than 100 per cent, suicides increased from 700 to 900, unemployment increased from 14 per cent, to 30 per cent, marriages declined from 7.5 per thousand to 5.9 per thousand, and poverty, misery, said destitution spread in all directions. When Government expenditure was resumed, it had the immediate effect of improving all these things. I therefore respectfully submit to you that unless additional money is being circulated in the community from Government sources it is not possible for industry to survive, because otherwise there is no fund from which interest and profit may be drawn. In these circumstances may I suggest for your earnest consideration that instead of agitating for a reduction of Government expenditure, you should be demanding a change of method by which Governments OBTAIN money to spend."

Only three of the organisations acknowledged the letter.

What a pity these fellows are so slow to take notice of the findings of the Southampton Chamber of Commerce in connection with the last depression. These words from the report adopted by that body should be given the widest possible publicity, viz.:—

"Thus, from whatever angle it is viewed, we have the situation of widespread industrial trade stagnation with producers capable of production and millions in want of the very things which can be produced in abundance. In the prima facie evidence, the fault in the economic system lies in the machinery responsible for the transfer of the goods from productive industry to individuals of the community. This link between production and consumption is MONEY. In order that it should function smoothly, the quantity of money should

always be sufficient to provide the community with purchasing power to have access to the goods available. As the creation of money by the banking system can be effected as and for any purpose they consider desirable, it would seem that a power NOTHING LESS THAN THE CONTROL OF THE ENTIRE ECONOMIC ACTIVITY OF THE NATION IS VESTED IN A PRIVATE MONOPOLY."

No one can truthfully deny the accuracy of that statement. Control of the entire economic activity of the nation is vested in a private monopoly. No one can truthfully deny that the economic sufferings of the people are brought about by the activities of that private monopoly. No one can truthfully deny that that monopoly is the MONEY monopoly. And yet the Chamber of Commerce in Melbourne, consisting of men who claim to be honourable, not only fail to tell the people the truth about that monopoly, but actually assist in concealing or misrepresenting the FACTS relating to it.

In 1932, the chairman of the largest trading bank in the world (Rt. Hon. Reginald McKenna, Midland Bank Ltd.), said this:

"The Bank of England, AND NO OTHER POWER IN HEAVEN ABOVE OR EARTH BENEATH, is the ultimate arbiter of what our supply of money shall be."

He also said: "The regular EXPANSION of money supplies, which MUST be undertaken if trade is to be active and the price level stable, has not been PERMITTED." He was speaking, of course, about the situation in the United Kingdom; but the same applies absolutely to the position in Australia, where the Commonwealth Bank takes its cue from the Bank of England.

It is high time the Taxpayers' Association and businessmen in general ceased talking mainly about Government EXPENDITURE and began to look into the way in which they are being swindled by the present method of money production and money cancellation. The way in which the Government OBTAINS money is more important than the way in which it spends money. In the meantime, we should tell our members of Parliament that the "advice" of the so-called "Taxpayers' Association" should be summarily rejected.

—Yours faithfully, BRUCE H. BROWN, 189 Hotham Street, East Melbourne, C.2. 12th November 1944.

## "THE BRIEF FOR THE PROSECUTION"

By C. H. DOUGLAS. (Continued from last issue.)

(In view of the urgency of the situation with which they deal, chapters from Major Douglas's forthcoming book are being printed in abridged form in the "Social Creditor," whose publisher's Australian representative has given us special permission to reprint them in this country.)

It has been remarked in many quarters, and the argument is receiving more attention daily, that the present political chaos is directly and consciously connected with the doctrine and popularisation of the unproved theory of the origin of species, and its corollary, the survival of the "fittest."

There is also much evidence to connect the ideas, which Darwin expounded with Malthus and Rousseau and so with the French Revolution. "Progress" as an automatic feature of nature is inherent in this doctrine, which has been termed a theological, rather than a scientific dogma. The present vogue of geopolitics, relating wars to a specialised form of dialectical materialism, clearly belongs to the evolutionary blind-force school of thought.

It is a curious fact, which may or may not be coincidental, that the type of society which is induced or produced by this type of thinking, bears marks resembling the workings of the thermo-dynamic principle of entropy—the tendency of energy to deteriorate from, a potential to a latent and unavailable state—to "run down."

That is to say, so far from this systematic penalising of minorities under the entirely unproved theory that the equalitarian state is a desirable objective and corresponds to anything we can describe as "progress," or the survival of the fittest in any cultural sense, it appears to correspond to the exact reverse. Perhaps the most complete embodiment of dialectical materialism is contemporary Russia, and it will be noticed that the rulers of Russia are living in the monuments of a different era, the Kremlin and the architectural achievements of the period of Catherine the Great, and appear to be unable to produce anything but industrial monstrosities. It would be difficult to find a clearer exposition of the principle at work, and its effect, than that of the Bait, Paul von Sokolowski. He refers directly to the agricultural aspect of land, which can be overstressed, although perhaps not at this time, but it is, "mutatis mutandis," true in regard to all real property.

"There are two processes which weaken man's hold over Nature and diminish his courage in his fight with her: they are 'MOBILISATION' of the soil and its 'SOCIALISATION'. Neither war with its ravages nor any Act of God fundamentally endangers civilisation, so long as men pursue agriculture FOR ITS OWN SAKE. But directly the land is mobilised, that is to say, when it becomes mere property, capable of transference and financial-capitalisation, directly it comes to possess only a commercial interest, it loses the inviolable permanence and security without which its care and culture are impossible. To the man whose home is on his own land, the idea that either he or his successors could ever desert the fields of their labour for the sake of any economic advantage whatsoever should be unthinkable. Nothing in the world should be able to make them will-

ing to sacrifice or exchange their inherited home."

"Socialisation of the soil is even more ruinous in its effect, for it is likely to take control and care of the land out of the most competent hands; since, regardless of the true needs of the community, it is a temporary satisfaction of the cravings or ambitions of destitute sections of the population by the distribution of landed property (e.g., parcellation of estates). Only one agrarian reform can increase the efficiency of the land: it is the commitment of its care to those best qualified for the trust. A change in agrarian tenure, which is made at the expense of the land's welfare—in the interest of no matter what group—should properly be termed destruction of the soil. Socialising land laws undermine confidence in the permanence and inviolability of property, without which proper husbandry is unthinkable; for who is to give even those directly privileged by such reforms the assurance that yet further reforms will not expropriate them from the fields they have just acquired? The faintest recollection of such changes must pass from the memory of the people before confidence, thus broken, is restored."

However this may be, the observed working of political systems does make it essential to examine the properties of a political majority, and the first characteristic requiring attention is that of homogeneity. What are the boundaries within which we can say that a uniform vote reflects a uniform opinion? To what extent and in what connection does an opinion represent a presentation of a fact? Because it must be indisputable that to base the actions of an organisation on a mass of votes which do not reflect a rational conception, is difficult to justify by the name of a system.

Most people of necessity, and especially in these days of mass propaganda, form their opinions at second hand, and a great deal of opinion formed in this way is purely passive. Little or no critical faculty is applied to it, but on occasion it is regurgitated as though it had been formed as a result of personal experience.

This is always true, but when the opinion refers to a complex or subtle problem, it is a mathematical certainty that what is registered is either a minority opinion popularised, or has no intrinsic value. Legislative action based on proposals submitted to a large electorate must, from the very nature of the case, place the population at the mercy of a trained bureaucracy, and if, as in the case of the British Civil Service, this is irremovable and, to the public, irresponsible, the result is indistinguishable from a dictatorship of a most undesirable character.

To take an example from comparatively recent history, of what value is the opinion of the average voter on Tariffs?

We may further notice, at this point, the contemporary emphasis on the virtues of the "common man" not on his uniqueness

## SOUTH AUSTRALIAN NOTES

(From the UNITED DEMOCRATS' Headquarters, 17 Waymouth Street, Adelaide.)

**MEANS-TEST ABOLITION CAMPAIGN:** An organisation by this name has recently been formed in Adelaide, and its objective is to obtain equal social service benefits for everybody.

The committee responsible for the management of the South Australian Superannuation Fund are to be congratulated upon their initiative in inaugurating the campaign for this democratic objective. The members of this committee could see that the application of the Means Test to the Federal Government's social services benefits plan would unfairly penalise contributors to the superannuation fund. Therefore it was decided that delegates should be appointed to visit Melbourne and Sydney to contact corresponding bodies in those cities with a view to obtaining their co-operation. A deputation eventually awaited upon Mr. Chifley, whose comment was to the effect that the only way to have the Means Test abolished was to arouse a public agitation for such a result.

Subsequently, the S.A. Superannuation Fund Committee convened a meeting in Adelaide of delegates from all organisations which they thought might be interested in abolishing the Means Test, with the result that there are now approximately fifty bodies in South Australia pledged to support the campaign.

At a recent meeting it was decided to hold a public meeting in the Adelaide Town Hall on a date to be fixed for the purpose of publicly launching the campaign. This meeting will be the signal for all member organisations to forward letters to the Federal Treasurer, Mr. Chifley, urging that the Means Test be abolished. Similar letters will be sent by individuals to the South Australian Members of Federal Parliament.

In order to make this campaign a Commonwealth-wide effort, all member organisations have been requested to contact corresponding organisations to their own in other States, with a view to the formation of an organisation in each State along similar lines to that in South Australia. The United Democrats therefore appeal to Social Crediters throughout Australia to do what they can to forward the objective as set out above. Electoral Campaign headquarters in each State, in particular, are requested to heed this appeal and to treat the matter as urgent in order that pressure from all States may be synchronised.

The following social service benefits are subject to the Means Test:— 1. Old-Age Pensions. 2. Invalid Pensions. 3. Widows' Pensions. 4. Sickness Allowances. 5. Unemployment Allowances. 6. University Education. (Nos. 4 and 5 have been approved by Parliament to come into operation in 1945.)

Watch these notes for further news of the campaign in South Australia. We also propose to publish a list of all organisations in South Australia who have positively identified themselves as being sympathetic to the objective of the campaign.

— F. BAWDEN, Hon. Secretary.

as an individual, but precisely the opposite; on his "common"-ness, his resemblance to a mass-produced article.

John Buchan (Lord Tweedsmuir) refers to "that degeneration of the democratic theory which imagines that there is a peculiar inspiration in the opinions of the ignorant" ("Augustus," p. 340). It would be equally legitimate to doubt the permanent virtue of a considerable body of "instructed" opinion. But we cannot have it both ways. Either minorities have obtained privileges by natural selection, or they have not.

If they have, it is a gross interference with the process to penalise it.

If they have not, then natural selection is inoperative in human beings, just as it is fashionable to deride heredity in human beings while being extremely careful not to bet on a horse, which has not a satisfactory race-winning pedigree.

The argument that the breeding of racehorses is controlled while that of human beings is not ignores factors, which are probably decisive.

The further the subject is analysed, the more evident it becomes that the primary perversion of the democratic theory is to identify it with unrestricted majority government. When Mr. Asquith announced that the will of "the people" must prevail, he probably meant that he would present a bribe to the electorate in such a way that he would get a majority. It is that situation which has to be altered. It is easy to demonstrate that minorities (not to be confused with any particular economic class) are invariably in the forefront of improvement.

And while a minority opinion is not certainly right, a right opinion on a novel problem is inevitably a minority opinion—beginning with a minority of one.

Nevertheless the democratic idea has real validity if it is separated from the idea of a collectivity. It is a legitimate corollary of the highest conception of the human individual that to the greatest extent possible, the will of all individuals shall prevail over their own affairs.

There are two essential provisions to a genuine democracy of this nature. The first is the provision of an absolute check on majority bribery of the description to which reference has been made. And the second is the provision of something, which may be called a Civil Service of Policy, as distinct from Administration. (Copyright.) (All rights reserved.)