

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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## "NEWTIMES" SUBSCRIPTION RATES

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## Is the Security Service a Political Tool?

### A Revealing Letter to Dr. Evatt

Further to correspondence about the "Dean Case" Inquiry between Mr. Eric Butler and the Attorney-General (Dr. Evatt) appearing in recent issues of the "New Times," we publish hereunder the latest letter to Dr. Evatt, which Mr. Butler wrote in Melbourne while on leave from the A.I.F.

In this letter some remarkable and very significant circumstances are now made public for the first time, and its subject matter is such that we feel sure it will be of intense interest to all our readers. Therefore, despite its length, we are publishing the whole of the letter in this issue:—

22 Bellevue Avenue,  
Rosanna, N.22, Vic.  
21/11/1944.

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.

Dear Dr. Evatt, —Your failure to answer my letter of October 4, in which I repeated six questions put to you in my first letter dealing with the "Dean Case" Inquiry, compels me to write again. You will recall that, in my letter of October 4, I asked you to supply me with the name of the Federal Minister responsible for the administration of the Commonwealth Security Service. This request was the result of your statement in your letter of September 20, that the Commonwealth Security Service instigated the "Dean Case" Inquiry. Having received no reply from you, I was forced to make enquiries, eventually discovering that you are the Minister responsible for Security. You are on record as having stated in December of last year that you decided that an investigation into matters connected with the "Dean Case" was necessary "in view of many enquiries and representations . . ." Now you say that the Inquiry was the result of requests by

Security Service, which, in view of what took place at the Inquiry in Melbourne, confirms my suspicion that there was something far more sinister behind the Inquiry than has been generally admitted. In answer to Mr. Hutchinson's representations in the Federal House on September 22, you said:

"Dean sought a declaration that the taxation assessment which set out his liability was simply waste paper, and that the attempt to levy taxation was illegal and unconstitutional. Of course, his action, being obviously frivolous legally, was dismissed by, I think, the Chief Justice of the High Court. Thereupon, Dean brought an action against the Chief Justice charging him with conspiracy to defy the laws of the Commonwealth by not deciding the case in his, Dean's, favour . . . Security Service reported that this type of agitation was snowballing. Similar actions were brought in the Queensland Court, legally indefensible, but giving rise to an agitation from one end of Australia to another. It appeared to be designed to prevent the ordinary enforcement in the courts of the law of the taxation laws of the Commonwealth, which every lawyer knows are perfectly valid. I should add that the law has nothing to do with the theory of Social Credit, for that is a matter for Parliament. Subse-

quently, circulars were sent to many people, including members of Parliament, attacking meat rationing and other war-time regulations. Finally, Security Service asked for an enquiry as to whether this was merely a genuine desire to test the law or represented something more sinister and serious from the point of view of the security of the country . . ."

In view of your statements above, I now desire to make some observations concerning Security Service and its connection with the "Dean Case" Inquiry. In previous correspondence I outlined the outrageous insinuations made by Mr. Alderman, K.C., at the Inquiry in Melbourne. You appear to be very loath to answer any questions concerning this legal gentleman, but it is essential that his position in relationship to Security and the Inquiry be immediately clarified for the benefit of all concerned. We are asked to believe that Security was concerned with the possibility of social crediters being used by enemy agents to sabotage the war effort. I hope that you realise the serious implications of this suggestion. The Attorney General asks the public to believe that the people charged with the security of the Commonwealth suspect that I and others may be being used by enemy agents, but that they are so incompetent that they can discover nothing unless they first get a legal luminary to ask me and others insulting questions at an Inquiry! I trust that matters relating to security are not dealt with in this remarkable manner. If Security knows so much about me as was claimed at the Inquiry, then they know that I had no con-

nection with the "Dean Case" nor the opposition to meat rationing. During the time that events leading up to the "Dean Case" Inquiry were taking place and meat rationing was introduced, I was serving my country at a northern battle station. Security Service undoubtedly know this, and yet a member or members of that Service collaborated with Mr. Alderman in attempting to prepare a case to use against me at the "Dean Case" Inquiry in Melbourne. I am concerned, with discovering who asked Security to prepare a case against me for Mr. Alderman. Did Mr. Alderman take it upon himself to prepare a case against me, or was he so directed? Surely we are not asked to believe that Mr. Alderman, a busy K.C., paid up to fifteen guineas a day by your Government for many jobs, and probably previously unaware of my existence, simply said to himself: "This Butler is sure to know something about the 'Dean Case' and meat rationing. I will therefore prepare a case attempting to prove that he is anti-British, anti-the war, and wants a peace with Japan." No; Mr. Alderman was either directed by a member of your department or by Security. As the responsible Minister, I am asking you who is going to accept the responsibility. I have my own ideas as to why I was called before the Inquiry. It appears to me, Sir, that members of Security, acting on their own initiative, or under pressure from outside Security, have been guilty of outrageous action designed to discredit social crediters, and, under cover of an Inquiry, attempt to obtain information which would (Continued on page 4)

**Labor members of Federal Parliament are reported to be embarrassed by a flood of letters and telegrams protesting against the Federal Government's anticipated banking legislation. Why they should be embarrassed by their electorate telling them what they require is difficult to understand. The press reports did not make it clear whether the protests are mainly directed against the dangerous international monetary proposal or against local "political" control of banking. The important point, however, is that the people are becoming articulate and appreciative of Electoral Campaign strategy. When Australian bankers themselves encourage electors to use it, they, too, are helping to educate the people to use their power; the fact that the bankers are merely doing this to serve their own immediate ends is of little ultimate consequence, the important point is that the people are being rapidly educated to control their political servants.**

## Facing Up to the Coal Problem

We publish hereunder and commend to our readers an exemplary letter sent to his Federal Member by a Sydney social creditor. When so much is being done and said to aggravate the problem and obscure its causes, this letter offers a welcome contrast of realism, and it should serve to remind other electors to take up their pens and imitate such constructive democratic action:—

69 Lucas Road, Burwood, N.S.W.  
27/11/44

Mr. F. M. Daly, M.H.R.,  
Parliament House, Canberra.

Dear Mr. Daly, —I have read with interest an article in the "S.M. Herald" of 25/11/44 relating to COAL. This article emphasises what everyone already knows: i.e., that an abundance of coal supply is essential to our war effort. The article referred to advises constituents to write to their representatives, so as to direct social force through them upon Ministers, to compel them to revise their policies with a view to the elimination of all that tends to obstruct the winning of coal.

There has been a consistent effort to throw the whole onus for the failure of our coal-supplies upon the miner. It is obvious that in the ranks of the miners there are the usual proportion of "hot-heads," such as will be found in any large body of men. But it is equally obvious that the miners as a whole are as loyal as any other section of the community, and are just as anxious to win the war quickly as we all are. The miners have suffered as many war-casualties as any other section—they have lost to the enemy as many sons, brothers and fathers. To antagonise

the miners by indulging in propaganda, charging the miners with disloyalty, is a senseless crime.

It is an opinion that is widely held, and is fast growing, that the principal obstacle to the winning of coal is the obstinacy of Ministers in adhering to false policies. These Ministerial policies strengthen the hands of the few malcontents in the ranks of the miners and spread disaffection.

The time is long overdue for Ministers to give themselves careful self-scrutiny, to discover, if they may, whether the beam is not in their own eye. It is common belief that the cancer, which is destroying the root of our industrial organisation, is closely related to taxation. There can be no industrial efficiency in the mines or elsewhere while Ministers stubbornly refuse to see what everyone else sees, i.e., the languishing of industrial effort, which is induced and promoted by taxation. Nothing can be permitted to stand in the way of our war effort. If taxation thus offends, it must be revised. Ministers who refuse to make the necessary adjustments must be removed. The winning of the war is more important even than Ministers.

There are two ways, and only two ways, of stimulating human effort, i.e., by inducement or by compulsion. Inducement is the British method. It is more efficient than compulsion. Taxation, by drying up wages, withers the sap of inducement, and compels us to the alternative of compulsion. Compulsion may work with Germans. With British people it has never worked, and this is not the time to experiment with new and doubtful methods.

Victory depends upon the winning of coal, and general industrial efficiency. All that impedes industrial efficiency, even if it includes taxation, must be weighed in the balance with a view to its elimination. As my representative, I wish you to urge that the whole system of taxation be carefully revised, with a view to the elimination of all that impedes the winning of coal, or in any way interferes with industrial efficiency.

—Yours faithfully, JOHN M. MACARA.  
P.S.—I am giving wide distribution to this letter.

## Champion Extractor

We do not vouch for the truth of the following story, but, such as it is, here it is:—

A certain professional "strong man" was travelling the country giving exhibitions of his prowess. His manager would come out on the stage and announce that he would squeeze a lemon with one hand until not a drop of juice remained, and offered £100 to anyone who could get another drop out of the lemon.

Nobody ever could until they came to a town named Canberra. There, following the usual challenge, a lean-faced, slightly-built man stepped up and, to the amazement of the audience, managed to squeeze just as much out of the lemon as the "strong man" had already done. After the applause had died down and he had received his reward, he was asked his name, and is reported as giving it as—J. B. Chifley.

**CANTEEN CAPERS:** As a result of batten- ing on soldiers. Army Canteens have taken from them in total profits something like £5,000,000 ("Smith's Weekly," 5/11/44). Inspired by this mulcting of our 6/6 per day heroes, the Navy Canteen is starting to join in this racket. This from a Government that pretends to object to the "profit motive!" Theoretically, all profits revert to welfare funds; it would never do to let the underpaid men have price benefits—new! Some effects of this practice can be judged by the following examples: On one ship, cigarette papers jumped from 1d to 3d, tobacco from 1/3 to 2/10, cigarettes from 7d to 1/7. Thus the men are robbed by overcharging, and the proceeds are supposed to go into a "fund," perhaps for the next war. Is this the way the Labor Party prevents exploitation?

**BROADCASTING BOMBSHELL:** Evidence tendered to the Parliamentary Committee on Broadcasting (vide Melbourne "Sun," 30/11/44), reveals political interference with the A.B.C. from both political parties. Mr. Beasley is reported to have demanded that a play in the national programme be interrupted in order to "broadcast his comments on the Washington declaration (1942). Later, the A.B.C.'s general manager (Mr. Bearup) and chairman (Mr. Cleary) had to face an attack by Mr. Beasley in the presence of Dr. Evatt and Senator Ashley. Another illustration of interference concerning Mr. Cameron (U.A.P.) was given; also an account of how Mr. Thorby objected to alleged "Douglas Credit" broadcasts and threatened to recommend to Cabinet the Commission's abolition if the broadcasts did not cease. It is in matters such as these that political integrity is seen to be at very low ebb.

**PEACE PRELUDES:** Press reports indicate that the rebirth of democracy has been proving a difficult task in Belgium. As elsewhere, the "resistance movement" is causing the problems; its members are said to be paying off old scores under the guise of liquidating alleged "collaborators." That sounds mighty like the Communist technique. So far the Allies have not intervened, but the position is critical and they may have to do so; it is a situation fraught with danger, one that suits revolutionary Communists very well and doubtless they would like to use it to obtain power in order to impose their form of tyranny in the peace period. Fortunately, no such opportunity has presented itself in Australia,

but if the local Communists could stir up enough industrial strife through strikes that would do just as well for them. This is something that must be watched in Australia.

**SABOTAGE:** "It looks as though the whole incidence of taxation requires reviewing from a new angle. When the majority of people in a nation do not want overtime, when traders only want a small turnover, and when manufacturers are only too happy to close portions of their factory down, it must be apparent to nearly everybody except the professors that something is wrong with the works." That realistic statement, dear reader, is not culled from an article in the "New Times." Believe it or not, it appeared in the "Labor Call," Melbourne, of November 9. The writer deserves to be congratulated.

**HOSPITAL HELP:** Good progress is reported on the plans for municipal hospitals, seven of them being well under way. They are to be financed by local contributions, government grants and loans. Since in the last analysis additional government loans and grants involve more taxation, obviously the whole amount will be provided by the people—not the government, or the politicians constituting the government. This being the case, it is to be hoped that the (Continued on page 3.)

## Warning Suppressed

From the Canadian weekly, "Today and Tomorrow":—

The statement published in "Today and Tomorrow" last week, by the Hon. S. E. Low, national leader of the Social Credit Assn. of Canada, warning Canadians against the sinister proposals for international control of finance, of air transportation, and of armed forces of overwhelming strength, was given to the press at the same time as it was handed to this paper.

That statement was not published in a single newspaper in Canada. WHY?

Mr. Coldwell (Socialist Leader) can get columns of publicity for his statements on cartels, the weather, or any other subject. So can Mr. Bracken, and the leaders of any other political party.

But when Mr. Low issues a warning that has momentous implications, it is boycotted by the press. WHY?

There is one, and only one, conclusion that can be drawn. The conspiracy goes deeper than we even suspected.

## MR. CALWELL & AUSTRALIAN BABIES

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

Dear Sir, —A smile could not be restrained when I read the special article in the Melbourne "Argus" of December 7 contributed by Mr. A. A. Calwell, M.P., Minister for Information, asking for more Australian babies.

The importance of the subject of the falling birthrate is, of course, is great for levity but the spectacle of men with small families or no families at all pointing the warning finger at others does tickle me somewhat. This is all the more so when those selfsame gentlemen have ridiculed the only proposals yet formulated which would remove the removable CAUSES of the unsatisfactory and alarming position in regard to population.

Apparently the special article from our Minister for Information was inspired by the publicity given two days before to the results of an investigation conducted by the Director-General of Health. This investigation had produced 1400 letters from Australian women, and these letters had shown that there are four prime reasons for the limitation of families—viz.:

"No security, no home, no help, and no hope of better things."

The report also states that our women wish for the complete elimination of fear of war and of want."

Now the plain truth is that all these things are appropriate to or part of the realm of economics, and that economics have hitherto been controlled by finance. If this is a true statement, then LACK OF FINANCE is responsible for the conditions in which our womenfolk have no security, no home, no help, and no hope of better things.

In his "special" for the press Mr. Calwell says this:

"Racial suicide confronts us unless we do something about it, and do it quickly. The danger is just as great as that which faced us from the Japanese in 1942; the arresting of the drop in our birth rate will call for as great an effort in every way as we put forth to check the Japanese. . . . Australian mothers are not bearing enough children today to replace us in the next generation, let alone increase our numbers. In order to replace a generation each marriage should have an average of two and a half children."

He then proceeds to give some illuminating figures, and these are well worth recording in the columns of "The New Times" as follows:

Year	Average size of families (in children)
1875.....	6
1905.....	4
1925.....	3
1930.....	2.5
1942.....	2.2

The first question that enters one's mind is, "Well, Arthur, what have YOU done about it?" I understand Mr. Calwell has a family of two children and it is no business of mine or anyone else to inquire why he has limited it thus. There may be excellent and compelling reasons, which are the concern of himself and his wife only. The same applies to ourselves. We had a family of three, which, unfortunately, has been reduced to two. The boy we lost did not die from natural causes, and this is an aspect, which receives far too little attention. The figures quoted by Mr. Calwell emphasise it.

It will be noticed that, between 1875 and 1905, the average number of children per family dropped from 6 to 4. That was serious. During that period the people suffered from the effects of the bank smashes of 1893, which ruined thousands and brought about acute suffering.

**FINANCE was responsible for that.**

Between 1905 and 1925, we had the First World War, during which so many of our very best young men were brought to their deaths through unnatural causes. And believe it or not, we cannot have babies without fathers. (No doubt it would be possible for a few selected men to be used as sires, but we haven't come to that YET.) But actual and potential fathers were wiped out in great numbers.

**And the men behind FINANCE were responsible for that.**

From 1925 to 1930 we had the emasculation of the Commonwealth Bank and the imposition of conditions of depression. These conditions crucified the people and placed a tremendous strain on parents. So much so, that the fathers and mothers were forced into the position of having to review whether they could accept the responsibility of bringing more children into such conditions. The depression was officially described by the Prime Minister in the House of Representatives as a "financial emergency."

**The men behind FINANCE were also responsible for that situation.**

And now, since 1930, the potential fathers are again being wiped out by other than natural causes. This means that potential mothers are being denied the opportunity to fulfill their natural purpose. During this period, too, the Labor Party preferred U.A.P. candidates to Social Credit candidates for second preferences at elections.

**This, perhaps, had been influenced by the fact that there was no fundamental difference between Labor's financial policy and the financial policy of the U.A.P.—both being based on the intention to continue the system under which money is brought into existence only as an interest-bearing debt.**

Social Credit, on the other hand, would have money originally produced as the property of the people, not as a debt owing by them to financial institutions. As pointed

out previously in these columns, the official opposition of the Labor Party to Social Credit apparently springs from the report of a special committee in England, whose deliberations were greatly influenced by a representative of World Jewry.

Mr. Calwell could reasonably claim that he knows nothing of this and was in no way responsible for it, and such a claim would have to be conceded. But that could not excuse him for publicly attempting to ridicule Social Credit and those who advocate it as he did in the course of his last election campaign. He will recall that I challenged him on the point at this meeting in the Catholic Hall at East Melbourne, and that when asked to name any recognised Social Creditor who had ever suggested the unlimited creation of credit, as he had stated, he admitted that he could not do so. I then asked him not to repeat such a misrepresentation, and I would be

## AN AMERICAN REPORT ON PALESTINE

By FREDERICK C. PAINTON, in the "Reader's Digest."

(The bitter, long-standing and complicated quarrel between the Jews and the Arabs in Palestine is flaring up again on the front pages of the world's newspapers. The "Reader's Digest" assigned Frederick C. Painton, its correspondent in the Near Eastern theatre, to try to get the facts about the situation, which is so thoroughly obscured by passion and by politics. He revisited Palestine, interviewed leaders of both factions, sought out impartial observers, inspected the cities, the factories, the groves and the farms. This is his report. "It is as honest and objective as it is in my power to write," he said. It was intended solely as a memorandum to the editors, that they might intelligently appraise current articles on the subject. It seems to us, however, so informative and so important as to warrant publication. —Editors, "Reader's Digest.")

The hub of the Jewish-Arab problem in Palestine is, of course, immigration. The Jews want unrestricted Jewish immigration up to a total of 4,000,000. The Arabs say they will not tolerate any more Jewish immigration, but agree not to oppose or hinder the 550,000 Jews now in Palestine. The British White Paper, which is now in force, provides for:

(1) The stabilisation of Palestine's population in the proportion of one-third Jews and two-thirds Arabs; (2) the sale of land to Jews to be restricted to certain specified areas; (3) no Jewish immigration after March, 1944, but this restriction does not include some 33,000 still to arrive; (4) within ten years the British Government will re-examine the Palestinian question with a view to granting local autonomy.

The Arabs, for the moment at least, are content to stand on the White Paper. The Jews are vigorously and even violently opposing it, but because of the war a sort of armistice has been set up which, except for the extremists, has been reasonably well observed.

The Arabs look around them and see autonomy in Lebanon, Iraq, Trans-Jordan and Saudi Arabia. The Palestinian Arab would like that autonomy, too, but does not see how he can get it. For the moment the Arabs are afraid of the Jews. This for two reasons:

First, the Jews are more articulate and have a world press and vast wealth; second, the Jews have been smuggling in arms on a rather astonishing scale—not only rifles, but also machine guns and mortars; and are getting good, I'm told, at making grenades.

The Arab is unorganised, he has no spokesmen, and he has few arms.

I was told that if it came to a showdown the Jews, despite their inferior numbers, could shoot it out with the Arabs and probably win. Hence the Arab is leaning on the British to protect him.

The Jews have begun a campaign in the United States to persuade the Government to use influence or pressure to get Britain to rescind the immigration clause. The British believe they have lived up to the letter of the Balfour Declaration, which said only that His Majesty's Government views with favour the establishment of a home for the Jews in Palestine. There IS a home, they say, and Britain is absolved.

The Arab looks at the past decade and his own strides forward in civilisation and wants the present (White Paper) situation continued, unless it be changed to admit Palestine to a Pan-Arab State including Iraq, Syria, Trans-Jordan, and so on.

**The Jews say they will never consent to autonomy for Palestine.**

With 1,200,000 Arabs against 550,000 Jews, declares Harry Beilin of the Jewish Agency, "we become again as elsewhere a minority race, and the very ends for which a Palestine homeland was asked for are destroyed." The Jews would accept, Beilin says, a Jewish Crown Colony of Palestine—with the Jews in the majority, of course.

What are the facts in the Jewish case? **The Jews have poured millions of dollars into Palestine.**

New Jerusalem is a modern city. Tel Aviv, swamped by the influx of refugees, is a city of 200,000. Refugees have brought

surprised if he has not done the right thing in that regard.

The reasoning for my mentioning this is to record the fact that it is hardly honourable for a public man to call attention to the alleged failure of Australian women to bear sufficient children when he himself has ridiculed and opposed those who would relieve our womenfolk of the conditions which make child-bearing and child-rearing more burdensome than need be the case.

Obviously, I cannot speak for our mothers, but I think it true to say that they are among the best in the world, and that while a percentage of women will always endeavour to suppress the child-bearing instinct, the great majority of them will continue to be willing, and even anxious, to be the centre of happy families. I myself was the ninth of twelve children, and my father was an invalid for many years before he died. The conditions of struggle, which were inseparable from those circumstances, left an indelible impression on my mind, and I admit frankly that I was not prepared to repeat them in the case of my own family. Had Social Credit been operating in the time of my parents the rearing of the family would not have been the burden it was, and for that reason I consider it improper to chide our women about the birthrate until we at least have done what we ought to do to make family-rearing less difficult for parents.

—Yours faithfully, BRUCE H. BROWN.

189 Hotham Street, East Melbourne, C.2.  
December 10, 1944.

a settlement that was doing an amazing thing.

The land there is 17 per cent salt and is hideously barren. Some young Jews of high calibre parentage went to work in the potash works there and established a settlement not far away. From the Jordan they piped sweet water on to the land and let it soak down through, so that it carried off the salt. They did this 80 times in eight months, washed the salt out of the topsoil, and got a yield of tomatoes twice as great per acre as elsewhere.

The settlement is completely communal; men take turnabout at washing and tilling the soil and labouring in the potash works. It is incredible drudgery; in the summer the temperature reaches 160. But they carry on. I had only admiration for such dogged endurance and courage.

**But common sense told me that if a normal charge for labour were made, the tomatoes produced would cost perhaps 60 cents [more than 2/-] each.**

It shows that the desire to own and farm land in their own homeland is a driving obsession with many Jews.

I visited a collective farm not far from Jerusalem, which I had first seen in 1932. Then it was nothing, a few poor little farmsteads that provided a bare existence. Now there are new buildings; a pine forest planted on the hills is tall and green, and is holding some water. The collective is at last self-supporting, and has grown from 40 persons to more than 300.

The psychological aspects are important. Harry Beilin summed it up:

**"Here, I have no inferiority complex. I have something that belongs to me and my people, and I walk with my head high. Here, I never see a sign 'Restricted clientele' or 'Jews not allowed.' Here we have our national songs and our national dance, and Hebrew is a living tongue."**

The Jews have raised the standard of living in Palestine. An unskilled labourer now gets 40 piasters (1.60 dollars) a day; skilled labourers, such as plasterers and stonemasons, get as high as 4 dollars. Attracted by such wages, about 500,000 Arabs have come to Palestine in 12 years. In Egypt the payment for unskilled labour is ten piasters a day.

What is the Arabs' case?

One of the Jews' original arguments for the establishment of the Jewish homeland was that the Jew should go back to the soil—cease to be urban and go rural.

**By the Jews' own figures today, however, only 113,000—23 percent, of Palestine's 550,000 Jews—are on the land; the other 77 percent, are in the cities.**

The Jews declared in 1923 that the Palestine homeland would eventually be self-supporting. Two decades later it is still an enormous philanthropic venture. The British say it is 40 percent, self-supporting; the Jews say 60 per cent.

**The United States alone, according to official documents, sends 5,500,000 dollars into Palestine each year (of which 500,000 dollars is donated by Christians).**

(To be concluded.)

## THE TENNESSEE VALLEY AUTHORITY AND SIMILAR PLANS

By GEOFFREY DOBBS, in the "Social Creditor," England. (Continued from last issue.)

**Despite the immense efforts openly being made to bring it about, the establishment of a World Empire is commonly represented as "inevitable" and due to the "trend" of evolution, or the operation of mechanical or other impersonal forces. This, of course, is no more than the propagandist use of suggestion calculated to destroy the will to act.**

The attainment of this goal is regarded as so far from inevitable by well-informed persons deeply committed to its pursuit, that among themselves they often frankly reveal their despair of reaching it in the face of the incorrigible natural instincts of ordinary people. Thus they also admit that they are engaged in a battle in which their wills are pitted against the will of the majority of mankind.

The acute danger arises from the widespread ignorance of the power already obtained by these plan-imposers to create, through their control of monetary and governmental mechanisms, a state of affairs compared to which a surrender to their will seems preferable, and to consolidate the ground so gained for their policy by a massive reconstruction of our material environment.

**In every case the alternative presented has been a false one. Preparation for war was not the only way out of the Slump, and a New World Order is not the only possible outcome of a war against Hitler's New Order in Europe.**

It might be supposed that in the face of the War danger, no other emergency could be of comparative gravity. But for all the death, misery and destruction which they bring in their train, the great wars do not, as advertised in advance, destroy the human race, or even the material basis of our livelihood, which, so far as technical resources go, is usually on balance greatly increased by wars. They seem to be carefully controlled emergencies, the chief function of which is to enforce the surrender of rights and liberties by the use of fear on a large scale.

**The worldwide emergency brought about by the impoverishment and destruction of the soil is of a different nature, and menaces the very means of our existence on the planet.**

At the very least we are threatened with a return to that state of scarcity which the

economists, who have a vested interest in it, were forced grudgingly to admit we had escaped from in the Poverty-in-Plenty days of the 1930s. As usual, we are being told that the surrender of further freedom of action to centralised control is the only cure, and that the situation is so grave that the "correct" measures must be taken, whatever the cost, even if it should include a return to serfdom—a probability clearly envisaged, at least for the African native, by Jacks and Whyte in their book, "The Rape of the Earth."

The affair is being represented as another War Crisis: Mankind is waging and losing a desperate battle against Nature, and is in dire need of an efficient General Staff if disaster is to be avoided. This picture is, of course, entirely false, except in so far as we have been forced into the position of waging war on Nature, and particularly on the soil, by the operations of this same would-be General Staff. We are faced with poverty and starvation only to the extent that we persist in this course.

**The destruction of the soil has not been brought about by the innate errors of free individuals, who naturally tend to cooperate with their environment, but by bad farming enforced by the dictates of the remote holders of agricultural debt, and more recently, by Government Departments.**

The worst effects have been caused by extensive farming with low yields, e.g., yields of the order of 12 bushels of wheat to the acre have destroyed the prairies of North America, whereas 32 bushels is a fair average for this country, and is quite compatible with the maintenance of a high level of fertility. It is worth noting, in passing that "the average term of farm tenancy in the United States is under two years." (Jacks and Whyte: "The Rape of the Earth," p. 232.)

It is now being said and realised that large part of the "glut" of the pre-war (Continued on page 3)

(Continued from last issue.)  
**POST-WAR RECONSTRUCTION POLICIES**  
Hereunder we publish a tenth instalment from the Report of the Post-War Policy Committee of the Vancouver Board of Trade. This is the first constructive section, dealing with economic reconstruction:

## PART II CONSTRUCTIVE

### (I) ECONOMIC DEMOCRACY

#### BASIC PRINCIPLES:

(a) The economic system should function to deliver goods and services as, when and where required in accordance with the wishes of the people, up to the productive capacity of the nation, with the maximum of efficiency in a manner, which is to confer upon individuals, the greatest possible measure of freedom.

(b) This entails the absolute sovereignty of the people in being able to obtain the results they want from the management of their affairs:

i.—The people must control the nature and volume of production.

ii.—The people must control the delegation and withdrawal of administrative authority.

(c) Administrative functions should be entrusted to those with the necessary qualifications and who are prepared to accept all the responsibilities entailed, including the penalties for failure as well as the rewards for success.

(d) The monetary system being the essential mechanism for organising the economic structure and the means by which the people can exercise effective economic voting power, it must function to:

i.—Provide the people with full access to their productive resources. That is to say, adequate monetary facilities should be available to finance all wanted production.

ii.—Give the people collectively sufficient purchasing power to enable them to buy the goods and services available for their use, give the individual the basic economic security with freedom which is rendered possible by modern production methods, and ensure that the distribution of the national income is made on an equitable basis.

iii.—Enable the people to exercise effective control over the nature and volume of production, and to delegate or withdraw administrative authority.

#### THE PRODUCTIVE SYSTEM:

(a) Free enterprise is fundamental to a proper Democratic Administrative System. Only under a system of free enterprise can an individual or a number of persons, freely of their own accord, back their judgment and ability to finance an undertaking, which they consider will provide a service which people want. If their judgment is wrong and the people do not buy their products, they are penalised by losing their investment. If they are right and the people want their products, they receive a reward (for their public service in the form of a "profit." Moreover, financing capital development by means of savings and investment ensures that such development takes place in accordance with the will of the people—it is subject to the control of their economic voting power. However, it must be borne in mind that this system of financing capital production creates a shortage of purchasing power, which has to be corrected.

(b) While the money to finance capital production can be properly provided by savings and investment under a system of free enterprise, the working capital of industry should be made available in the form of adequate monetary drafts against the country's credit resources—i.e., its ability to produce goods and services—to the full extent that orders are received from the consumer market.

(c) While a system of free enterprise is an essential feature of economic democracy safeguards must exist against its abuse, particularly by means of monopolies, institutional control and land control by vested interests, to the detriment of the people's sovereignty.

(d) Land being the basis of the economic structure, its proper allocation and use should be adequately safeguarded. In the case of agriculture in particular, security of tenure should be assured to those farming the land properly in producing the nation's food supply.

(e) In the case of capital development, or the acquisition of capital goods by individuals, of a nature which cannot be financed adequately under a system of savings and investment (e.g., the acquisition of farming land, the purchase of homes, etc.) full provision should be made for the necessary credit facilities.

(f) Producers should be able to recover, through prices sufficient to meet their costs of production, and give them a fair reward for their services. Likewise, all workers in the productive system should receive a comparable reward (or profit) for their services. These matters should be under the effective control of the people as a whole.

#### THE DISTRIBUTIVE SYSTEM:

(a) Similar facilities to those stated above should exist, both in respect of capital development and operating costs, for financing the transfer of goods to the consumers' market.

(b) Consumers should be assured adequate purchasing power to enable them to buy the goods and services on the market at economic prices. Safeguards should exist to ensure that the people are not exploited through inflated prices.

However, merchants should be assured of being able to obtain a just reward for their services. (c) Adequate provision should be made to ensure economic security, with the maximum freedom, for every citizen—with the best possible services in health and education being available to all.

#### RECOMMENDATIONS:

The broad proposals which your Committee recommend for effecting a smooth transition to a properly functioning economic democracy as the basis of a reconstructed post-war economy, follow organically from the foregoing considerations, and the defects brought to light in the preceding analytical examination of our social structure.

1. Control of the monetary system, including control of the issue and withdrawal of money being a sovereign power, should be exercised by a competent authority appointed by and responsible to a Parliament under the effective control of the people, as hereinafter provided.

2. The foregoing monetary authority should be required to institute a proper accounting of the national economy, which shall include a record of all production and the volume of purchasing power available to buy the goods on the market. Any deficiency of purchasing power must

## TREASURY BRANCHES IN ALBERTA

(Continued from last issue.)

In response to many requests for information on the Treasury Branches system in Alberta, we are reprinting part of a report issued by the Social Credit Board, Legislative Buildings, Edmonton, Alberta, dealing with The Treasury Branches, "their purpose and their place in the Provincial economy":—

The system of bookkeeping designed to overcome the difficulties involved has since become familiar. In the first place, provision was made for those who wished to deposit money, withdraw money or to transfer money to another person. This was a simple deposit and withdrawal service. However, facilities were provided for those who wished to co-operate in establishing a new system of exchanging goods and services by merely transferring claims to them from one account to another account in the books of the Provincial Treasury. These persons deposited money (Canadian currency or claims an Canadian currency) in the first instance.

Against these deposits they issued transfers of claims on goods to other depositors having accounts with the Treasury Branch only. These transfer vouchers were non-negotiable and were deposited by the recipient to the credit of his account, and he in turn could transfer them by the same means to another person with a Treasury Branch account from whom he had received goods and services.

The original deposit of money remained immobilised as a reserve to meet all demands for cash in respect to transactions with persons not having accounts with the Treasury Branches.

As a means of stimulating the development of the Provincial economy, and providing an inducement for persons to use transfer vouchers, a bonus of 3 per cent, was paid to all ultimate consumers on goods obtained from co-operating retail merchants for transfer vouchers, provided that at least one-third of such purchases were goods made in Alberta.

Concurrently a publicity campaign was organised to encourage the purchase of Alberta-made goods.

It will be apparent that to the extent that consumers could be induced to ask for Alberta-made products, the demand for such goods would increase, resulting in increased production for Alberta industries, more jobs for Alberta workers and increased pay rolls for the people—thereby stimulating the development of Provincial resources and benefiting the business of the entire Province. Proof of this was subsequently provided by the reports obtained from a number of manufacturers.

In the first instance five Treasury Branches were established at those rural and urban points which were considered suitable for the purpose of indicating any modification which might be necessary in the initial stage to meet the wishes of the people as a whole in regard to the new service.

Thereafter the number of Branches was steadily increased in response to public demands, until a network of Branches and agencies were established throughout the Province.

The first stage of the Interim Programme was devoted mainly to familiarising the public with the alternative bookkeeping system involving the transfer of claims on goods and services without using money, building up the organisation necessary to provide this public service, and at the same time directing its operation to stimulate the development of the Provincial economy. Owing to the opposition, which was anticipated, and the other obstacles inherent in the situation, it was found that many manufacturers and producers who were not co-operating in the operation of the Interim Programme were obtaining as much benefit directly from it as those who were co-operating enthusiastically. Another weakness revealed was that the cycle in

be rectified by the issue of new purchasing power direct to consumers through:

(a) Tax reduction as set forth in the next ensuing paragraph.

(b) Family allowances to supplement wages and salaries.

(c) Other measures to ensure the economic security of individual citizens in unemployment, illness and retirement from work.

(d) Price subsidies for the purpose of an equitable adjustment in the price structure.

3. All money required by the Government to finance public services, including social security measures, should be issued by the national monetary authority, and taxation should be abolished except for the purpose of withdrawing surplus purchasing power, if any.

4. Productive enterprises, including agriculture, should have access to adequate credit facilities for the production of wanted goods.

5. Agricultural and other uneconomic prices to producers should be raised to economic levels and wages raised to adequate scales, the price level for consumers being maintained at the lowest possible level by means of subsidies as provided in 2 (d) and in accordance with the stabilising price subsidies being used under war-time conditions.

6. Competition should be encouraged to break the control of monopolies and combines; proper safeguards provided for the use and care of land and for the effective control of policy in every sphere of the economy in response to the demand for goods and services by the people as expressed through their economic votes.

(To be continued.)

## Notes On The News

(Continued from page 1)

locals will insist on complete control of policy and management. The municipal councillors should enlist the aid of electors and seek to ensure that the centralised hospitals and the Charities Board do not meddle with these local hospitals. This is a very important matter in so far as it can provide an effective working model of democracy.

**INTERNATIONAL INTRIGUES:** Although Australia was supposed not to be committed to U.N.R.R.A. by its delegates to Hot Springs, the following statement by Mr. Corser M.P. ("Hansard," Nov. 15, p. 1826), is illuminating: "It is only natural for us to support this Bill. In any case, the Bill cannot be amended, for it has been framed in accordance with an international agreement." From this it will be clear that bringing the Bill before Parliament, except for outright rejection or ratification, was a mere sham. In the same "Hansard" (p. 1846) Dr. Evatt is on record, as saying that the Australian Government would not elect the Australian U.N.R.R.A. personnel; this would be done by Messrs. Osborne and Nugent of U.N.R.R.A. What a menace these international intrigues are! The same procedure would apply to the impending sections of the master plot: the World Bank, etc. Meanwhile electoral campaigners must maintain the pressure on Federal and State Members to defeat such treachery.

**REFERENDUM REACTIONS:** In reply to accusations, Dr. Evatt says that the people's verdict at the Referendum will be accepted, but he also says significantly that the verdict does not prevent existing powers being used. Of course, this chap had a lot to say about the inability of Government to carry on satisfactorily if additional powers for Canberra were refused. The position is that the States have those powers, but the Federal Government sought to override the States, and it was this centralisation, which people rejected; therefore, any nationalisation of undertakings within State jurisdiction can only be regarded as a defiance

of the people's verdict. That is the issue involved, and all attempts made by the Federal Government to evade this issue must be sternly resisted. Evatt's legal guile needs special attention. —O. B. H.

## THE TENNESSEE VALLEY

### AUTHORITY AND SIMILAR PLANS

(Continued from page 2.)

period was due to the exploitations of soil capital; but those who go on to conclude that there was, and can be, no plenty from the soil except at the cost of its fertility, lose sight of the fact that the "glut" was, produced, not by good farming with high yields, but by bad farming with low yields, and also, that the product was often not consumed, but destroyed and wasted. The squandering of the world's capital resources on destruction, whether of coal, petroleum or soil, is the hallmark of that unnatural power which alone can coerce men into such suicidal behaviour.

**Debt, insecurity of tenure, extensive farming, low yields, and the destruction of soil capital all go together, bringing in their train the reduction of the land worker to the status of a serf.**

The examples are not only to be found in all the new countries of the world in which soil erosion is now a dominant factor, but very strikingly in the history of the decline of Imperial Rome, in which the concentration of the money power was accompanied by the replacement of small owner-farming by the "latifundia" (large slave-worked estates), and the creation of the Libyan desert by extensive over cropping to provide bread doles for the city proletariat.

**On the other hand, a free flow of credit, security of tenure, high yields, intensive farming with an adequate return to the soil and the maintenance or even increase of soil fertility also go together.**

The examples are Lombardy in the tenth, eleventh, twelfth and thirteenth centuries, the Netherlands in the fourteenth, fifteenth and sixteenth centuries, and England in the seventeenth, eighteenth and nineteenth centuries.

It can be no accident that all these countries are small and densely populated, and that at the height of its agricultural prosperity each in turn was the financial centre of the world. It is not to the credit of the modern financial system that in its earlier stages only one country at a time was enabled to till its soil properly, and in its later stages, none; but the fact provides some evidence that before the accumulation of irredeemable debt had counterbalanced it, easy access to money had something to do with the maintenance of soil fertility.

(To be concluded.)

## THE DOUGLAS SOCIAL CREDIT MOVEMENT OF VICTORIA

REV. C. DOUGLAS BROCK, Adelaide Electoral Campaign Director, will give an interesting talk on South Australian Activities, WEDNESDAY, DEC. 20, AT 8 P.M., at Room 8, First Floor, "The Block," Elizabeth Street, Melbourne.

"New Times," December 15 1944—Page 3

## IS THE SECURITY SERVICE A POLITICAL TOOL?

(Continued from page 1.)

prove very useful to those concerned about social credit activities. Whether you were one of those concerned or not I do not know, but you will recall how you sought interviews with two prominent Sydney social crediters prior to the Referendum campaign.

You didn't invite those two men along in order to have a pleasant chat. Mr. W. H. Hand was one of the men you interviewed, subsequent to his home being searched by Security officials for correspondence and his being fined for opposing meat rationing. Worse still, national security regulations were invoked to prevent him from engaging in further political activities. But, unfortunately for these people whom you say were concerned about Mr. Hand and others possibly being enemy agents, Mr. Hand appealed against his conviction, and his appeal was upheld. I trust that whoever was responsible in Security for the outrageous action against social crediters on the meat rationing issue, are informed that a member of the Judiciary has ruled that such social crediters' activities were lawful. While on this point, it would be very interesting to know why Mr. J. T. Lang, who repeatedly and bitterly opposed meat rationing in his "Century," was not treated as were social crediters. The "Catholic Worker" also opposed meat rationing. And we are asked to believe that it was only the social crediters who might be being used by the enemy! Thinking citizens will have their own ideas about that. Bearing in mind what I have written so far, I ask you to consider carefully the following:

You have so far displayed such a lack of frankness concerning the matters I have raised with you, that I am forced to suggest that Security has possibly been used as a political instrument. This is no novel or irresponsible suggestion, because two of your Ministerial colleagues, namely, Mr. Ward and Mr. Calwell, are on record in "Hansard" as having made similar charges about Security when they were members of the Opposition early in the war. I would be very glad to have your assurance that Security has not been used against me and other social crediters for political reasons. But I think the following sequence of events, leading up to my being attacked by Mr. Alderman at the "Dean Case" Inquiry in Melbourne, is very significant. You will realise upon reading the following facts, that I have some sound reasons for my above suggestion.

Back in 1942 the Deputy-Director of Security Service, Melbourne, suggested to the Secretary of the New World Reconstruction Movement that his movement was being infiltrated by people connected with the "New Times," who, according to the Deputy-Director, were not desirable people to have in any movement. As a result of this incident, Mr. Bruce H. Brown, in a letter dated November 19, 1942, asked you the following: "If it (the advocacy of monetary reform) is not contrary to any Commonwealth law, will you please inform me at whose instigation the National Security Authorities have adopted such an antagonistic attitude to financial reform, and on what grounds such attitude is based." You refused to reply to Mr. Brown's letter, an unfortunate policy you appear to adopt with people who ask that you accept some responsibility in matters of Government administration, which concern your Department.

In the Melbourne Communist "Guardian" of July 3, 1942, at a time when the paper was being illegally printed, the following statement appeared: "The Fascist sympathies of the 'New Times' stand clearly revealed. The censor should immediately stop the circulation of Fascist propaganda through the 'New Times.' . . ." It was obvious that the Communists had at least one good friend in the Melbourne Censorship who was prepared to do as they demanded. This censor, known to have pro-Communist sympathies and associates, not only used his official position to engage in an obstructive campaign against the "New Times," then submitting copy for censorship, but he also broke his official oath of secrecy by making to at least one member of the public certain charges concerning myself, which charges he claimed were based on information he had obtained in his official capacity. These charges were outrageous. He attacked my honesty, loyalty and integrity. He stated that I was anti-British and pro-Fascist, and that he was only waiting for me to go a little further before the "New Times" would be suppressed and I would be interned. He also stated that I had criticised the Americans in an article in the "New Times," and that General MacArthur had demanded action against me; that he had a dossier of over 300 pages in his office regarding my activities; that the "New Times" or myself were operating a secret radio station to give information to the enemy; that a public disclosure of all these subversive activities would be made within a fortnight, and that the public would be shocked and astounded to learn what had been taking place. The fact that this censor was making the above charges was brought to the attention of Security by my father, Mr. C. H. Butler, Head Teacher at Newport State School. Security investigated the matter and found that the information given by my father was correct in every detail, that this censor had broken his oath of secrecy and had made allegations based on what purported to be official information. It was at this critical period in the war that the Federal Government was threaten-

ing to deal drastically with rumour-mongers, and yet here was an official committing this most serious crime. The charges made by my father were proved conclusively, but, strangely enough, no action was being taken against this man. After two months my father wrote to Security informing them that he would have the story concerning the censor made public and political action taken unless something was done. Security assured my father that action would be taken immediately. It subsequently transpired that this censor was merely relieved of his official position. As Attorney General, you might inquire why this man was not appropriately punished. Undoubtedly this man had some influential friends in Security. There appears to be little doubt that some of the outrageous charges made were taken seriously by some members of Security, because, at the very time the censor was making his attacks on my character, two Army Intelligence officers visited my C.O. at Royal Park camp, Melbourne, and made alarming suggestions similar to some of those already made by the censor. As you know, Security and Army Intelligence work together, and it would be interesting to know how these Army Intelligence officers came to visit my C.O. I might say that my C.O. thought the suggestions made to him so fantastic that he treated them in the nature of a good joke.

When I went up North the vicious campaign against me continued. At the time when the Labor Government was treating the Communists with every consideration, the following outrageous statement appeared in the "Communist Review" of March, 1943: "Butler must be exposed and fought. It is the duty of the Labor Movement to see that he meets the fate due to enemies of the people: at the very least, internment." It would be interesting to know whether Security took any action concerning the above statement. If I were such a dangerous character, then surely Security should have taken action concerning me. But if the statement made was merely a baseless and outrageous charge by political opponents, then I submit that Security should have taken action to prevent such alarming statements being published. But perhaps Security officials were too busy trying to find out all they could about money reformers, in order that a case might be built up against them if ever the opportunity presented itself. Apparently the opportunity presented itself this year.

Just prior to my coming down on leave from the North, a member of Security, Melbourne, went out to Newport to see my father at his school. He went out in official time and travelled in an official car to warn my father that another attack was to be made upon me. It was not stated how the attack was to be made. I discussed this matter with my father,

we were unable to decide whether this official had given his warning as an act of friendship, or whether there was more behind it. It was about this time that an investigation into censorship and security matters was taking place, and we thought it possible that someone in Security may have been concerned as to whether my father would come forward and give evidence concerning Security's strange leniency towards an official who broke oath of secrecy and spread malicious lies. Incidentally, I had to smile ironically when I read how Labor leaders hailed the "investigation" into security and censorship matters as proving the complete integrity of those engaged in assuring that citizens do not assist the enemy in any way. It now appears obvious that the Security official who warned my father had learnt that our Friend, Mr. Alderman, was having his brief prepared for him by Security. And what a "coincidence" that Mr. Alderman, at the "Dean Case" Inquiry, made charges against me similar to those made two years earlier! The A.W.A.S. officer from Security who was present at the Inquiry kept bringing various material to Mr. Alderman's notice, and it was evident that Security had gone to some trouble to prepare the material used. I desire to know why this case was prepared against me, a case which, I repeat, had nothing to do with the matters Security are alleged to have been concerned about. As stated in previous correspondence, I consider the compelling of me to attend the Inquiry, and Mr. Alderman's attack on me, prepared by or in collaboration with Security Service, an outrage demanding some explanation by yourself. Fears that Security has been used as a political instrument have been supported by the reported statement of a former member of Army Intelligence, Captain Blood, who alleged at the Australia First Inquiry, that there was Ministerial direction back in 1942 that Communists were not to be interned. I might also add that, during an interview early in 1943, Mr. H. F. Allsop, editor of the "New Times," was told by the Officer-in-Charge of Security, Melbourne, that people connected with the "New Times" had enemies who would like to use Security for their own ends.

In view of all the above facts, I think I am entitled to receive from you a straightforward answer to the following questions:

(1) Who was the person, or persons, who suggested that I be called before the "Dean Case" Inquiry?

(2) Why was I called?

(3) If Security officials believed I was possibly being used by subversive agents, even though I am a non-commissioned officer in His Majesty's Forces, why did they not make some attempt to interview me instead of waiting for an Inquiry?

I trust that I can have a reply to the above questions at your earliest convenience.

-Yours faithfully, ERIC D BUTLER.

## "THE BRIEF FOR THE PROSECUTION"

CHAPTER VI\*

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

The effect of continuous trade depression on business organisations is uniform. First profits decrease by competition in a decreasing market causing a fall, but not necessarily a heavy fall, in prices. There is no evidence to support the statement sedulously propagated, that the depression was CAUSED by a fall in prices. BEFORE the panic of October 1929, American prices were still at a profitable level.

Such fall as did in fact take place was equivalent to a rise in purchasing power, and in all probability increased for some time the volume of goods bought, and delayed the next stage—the disappearance of profits, the liquidation of reserves, and the separation of business undertakings into two classes: those which were to be supported by bank overdrafts and carried on as bank-controlled organisations; and those which were to be closed down.

In fact, it can be seen, both by the depression itself, and by the means, which were inaugurated to end it when the process was considered to have gone far enough, that elimination of competition was its primary objective.

Lord Melchett (Sir Alfred Mond), speaking at Harvard in 1928, on the Mond-Turner Conference, said:

"The high purpose of the Conference could not be more amply illustrated than by the fact that the first agreed resolution published to the world was a Joint Memorandum on the Gold Reserve and its relations with Industry. It is merely necessary for me to point out that the issue of that Memorandum to the Chancellor of the Exchequer had a definite result in the policy which he pursued. . . . when the Bank Note issue and the Treasury issue were amalgamated this year."

That is surely definite enough. There is probably not a single authority nowadays who would venture to deny that the "economic blizzard" was a monetary phenomenon arising directly out of the parallel monetary policy of the Bank "of England" and the Federal Reserve Board of the United States; that the amalgamation of the Treasury issue with the Bank was a part of it; and that the object of this policy in both countries was advance towards monopoly, then called rationalisation, and now called concentration, or "Planning."

\*The Douglas's extracts from Major are published with a view to the existing situation, not in the sequence or detail in which they will appear later.

## SOUTH AUSTRALIAN NOTES

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

**CHRISTMAS LUNCHEON:** We wish to remind members and supporters that our "Christmas Special" luncheon will be served in our rooms on Friday, December 22. Our guest speaker will be Mr. E. H. Hergstrom, whose subject will be "Action in 1945." This will commence at approximately 2.20 p.m.

Mr. Hergstrom has been appointed "Director of Action" in regard to the resolutions passed at the recent Federal Conference of The Federated Chamber of Retail Trades and Professions, which is representative of 50,000 retail stores. The aim of some of these resolutions is: 1. To secure for the demobilised members of the fighting service the same rate of pay as they were receiving while engaged with the services until they have been placed in suitable employment, and that such payment be again resumed if the ex-soldier is unemployed or incapacitated. 2. To urge the abolition of wartime and other restrictions that are no longer necessary. 3. To obtain a substantial reduction in taxation and a simplification of the present taxation system.

We can promise you a very attractive lunch and a most interesting address, so be sure to be with us on Friday, December 22.

**CHRISTMAS GREETINGS:** We wish to take this opportunity of extending seasonal greetings to all readers of these notes.

**BOOKS TO READ:** We have available and can recommend the following:—"THE ANSWER TO TAX SLAVERY," by C. Barclay-Smith. Price 1/-. "COMMUNISM—WHY NOT?" by "Advance Australia." Price, 2/6. "STOP THAT THIEF—FINANCE THE GREAT DICTATOR," by Stanley F. Allen, F.C.A. (Aust.). Price, 1/6. (All plus 1d postage.)

Will the person living at Trafalgar, Victoria, who recently ordered a Social Credit Text Book from us please let us know his name. This was omitted from his letter.

—F. BAWDEN, Hon. Secretary.

Banking (the English system) and American Banks, for the most part, outside New York, were in real and active competition with each other, not merely for customers' accounts, but for re-discount facilities. The old Scottish Banking system, which had many good features, was similar. The prohibition of Branch Banking had been a great safeguard against the mammoth Wall Street Banks, but its fatal weakness was the need to borrow for the purpose of lending. The freezing of re-discount loans by the Reserve Banks ultimately controlled by the Federal Reserve Board, had put the country banks in the position of being helpless against a—"run," which occurred in practically every case.

Hundreds of small banks, and some large (but none of the largest) banks had closed, never to re-open. The largest banks were relieved of a good deal of competition.

President Roosevelt devoted the major portion of his Inaugural Address to a castigation of Financiers—not all Financiers, but those who had been uppermost during the Hoover regime. No criticism of the credit monopoly, as such, was expressed or implied.

The new Administration, surrounded by such men as Bernard Baruch, Felix Frankfurter and other international Jews, acted with vigour, and clearly in accordance with a carefully prepared programme. Selected banks were re-opened, and the Federal Reserve Banks, until now entirely quiescent, poured out credits to them on dictated terms which removed any danger of revolt. Large contracts for public works were placed with contractors, and State Employment organisations, whose barely concealed object was the lavish spending of money, rose and expanded. At the same time "controls," which can be recognised as the groundwork of the Planned Monopolistic State, were imposed on each main industry.

Three months later, Mr. Montagu Norman took a holiday, and while he was at sea, Great Britain renounced the deflationary policy so relentlessly pursued.

The red light was replaced by green. The traffic was to be allowed to proceed—on conditions.

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## ADDING INSULT TO INJURY

We are accustomed to injury by the powers-that-be, but it is little short of amazing that we accept insult so meekly. It is only twenty-six years since the last "peace" broke out, yet the same old clichés are being handed out to us. More production, more exports; we are a poor, poor nation, and only much harder work will save us. More controls for the British, but less controls for the alien. If our house isn't big enough to accommodate our alien friends encourage or force the native-born to emigrate to make room for them; otherwise charity doesn't begin at home, as Dr. Hugh Dalton, of the Fabian Society, points out. Sell a minimum of war-produced wealth to the people who paid for it, and use the money to pay the bankers who created it out of nothing. Whiskey making is to be resumed, but only for export, so that we may get used to paying thirty shillings for a bottle of diluted spirit, which was sold, undiluted, for 3/6 within living memory.

—The Social Creditor, England.

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