

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

Vol. 11. No. 1. MELBOURNE, FRIDAY, JAN. 12, 1945

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Three months, 5/-; Six months, 10/-; Twelve months, £1. HALF Rates for Members of the A.I.F., C.M.F., R.A.N., R.A.A.F.

Payments must be made in advance and sent direct to New Times Limited, Box 1226, G.P.O., Melbourne.

The Ever-Growing Burden of Public Debts

M.L.A. Gives Some Striking Facts

Mr. L. H. Hollins (Hawthorn) gave his fellow-members of the Victorian Legislative Assembly much food for serious thought recently when he spoke on the Commonwealth and States Financial Agreement Bill. The following extracts from his speech are taken from Victorian "Hansard," No. 20, issued December 2, 1944:—

MR. HOLLINS.—We are making a valiant effort to repay our debts, but the extraordinary thing is that we never get out of debt . . .

. . . At the inception of responsible government in this State in 1855 the public debt was £1,180,000, and it included outstanding liabilities of the Melbourne and Geelong Corporations in the form of guarantee loans, as well as other loan liabilities. The amount I have just mentioned equalled £3 4s. 9d. a head of the population, while the interest charges amounted to 3s 11d a head. I am sure that the present Treasurer would be delighted if the State was in that position today, because it would render the financing of Victoria's services and other activities much less of a burden.

. . . The latest "Victorian Year-Book"—that relating to 1940-41—shows a debt of £181,219,188 as at June, 1941, which equals £93 9s 1d a head of the population, while the interest charges amounted to £3 11s 2d a head as compared with the total debt of £3 4s 9d a head in 1855. The public debt, despite energetic efforts to liquidate it, is always increasing. The first Dunstan Ministry acceded to office in 1935, and the public debt as at the 30th of June of that year was £174,132,749. The Treasurer is apt to boast of the sound financial methods adopted by his Government, but I do not know that an analysis of the figures would justify any boasting.

Mr. Dunstan.—I have always been noted for my modesty!

MR. HOLLINS.—The honourable gentleman has been noted only sometimes for his modesty. In the first seven years of the Dunstan Government's regime the debt increased by more than £1,000,000 a year, and by June, 1941, it had reached £181,219,188.

Mr. Dunstan.—That money was expended for developmental works.

MR. HOLLINS.—But it is necessary to examine the average per head of population to ascertain what is occurring in the direction of placing a burden on the people.

Mr. Dunstan.—It does not matter, so long as assets are created.

MR. HOLLINS.—It does, because the burden of taxation and interest and so on is becoming intolerable. Assets should cer-

tainly be created, but not at the expense of tremendous increases in the public debt. The increase in the debt for the period of seven years was £7,086,339.

. . . In the years between the first and second world wars the State public debt increased enormously. In June, 1920, it amounted to £87,647,739, but in June, 1939, it had increased to £179,698,118—an advance of more than 100 per cent, in nineteen years . . .

The situation is that so long as we use debt finance for Government purposes an intolerable burden is inevitably placed on the people. It must be borne in mind that the prosperity of the States largely depends on new money released by State or Commonwealth instrumentalities. If that be so, we are dependent on borrowed money for any degree of prosperity in this State or the Commonwealth. This, money has no real cost because it is advanced on Treasury bills. It costs nothing whatever to create, but it carries a tremendous burden of interest—and that is an extraordinary state of affairs . . .

. . . There is a crushing burden of interest on this costless credit; that is the real issue today. The Budget papers for 1944-45 make it very clear just how serious this burden of interest is. On page 55 of those papers there is a statement dealing with the public debt [of Victoria] for the last ten years, the total interest payable, and the average rate percent on the 30th of June in each year. That shows that from the 30th of June 1935, to the 30th of June 1944, the interest paid amounted to £66,693,435.

Mr. Dodgshun.—Sufficient to keep the State for two years!

MR. HOLLINS.—Yes. . . New money leaves the bank as a debt on which interest must be paid. If £1,000,000 is borrowed by the State at 5 per cent, the yearly interest would amount to £50,000. We hear of businessmen making money; as a matter of fact they do not—they manufacture goods and render services, but only banks make money. The banks create money "out of the blue" by writing figures in a book, and now the State must find £50,000 from a community, which has never received that extra amount . . .

. . . The point I desire to make is that if £1,000,000 is borrowed on Treasury bills it is new money that comes into existence, and if £50,000 has to be found to meet the interest charge at the end of the year, there is no way of paying that interest charge unless the money is collected from moneys previously borrowed or raised by means of a new loan . . .

If it had not been for new loans, Victoria would not have been able to meet the interest charges, but that is the way in which the State has been staggering on. It is extraordinary to find that in time of war, when every conceivable unit of man power and material is being devoted to the war effort, the States can enjoy a measure of prosperity; but it is a fact, and it is because of the Commonwealth Government's expenditure on war.

. . . I wish to (refer to an article appearing in the Melbourne "Herald" on the 19th of July last. It is as follows:—

"STEEP RISE IN PUBLIC DEBT."
"Canberra.—It was learned today that at June 30 last, 'the national debt had reached £2,390,000,000, and that the increase during the year slightly exceeded £380,000,000. Thus, the next two Budgets will bring the national debt above £3,000,000,000, unless there is a sharp decrease in the total level of borrowing . . . 'It now seems certain that the national debt will be nearly three times as great at the end of the war as it was before the war, and it will have grown so large that the annual commitments for interest and sinking fund will approach £100,000,000."

I repeat that the States are enjoying a measure of prosperity because the Commonwealth Government is going into debt to an enormous extent.

Mr. Dunstan.—That is about it.
MR. HOLLINS.— . . . How shall we be able to pay debts incurred during the war from current income after the war when one income of every member of the com-

munity is a cost in the production of goods and services at the time? If the State takes portion of the current incomes at any time after the war to pay for a debt incurred during the war, then it must leave on the market goods or services of an equivalent value. These goods or services cannot be sold to the community [under the present system] unless Governments in turn are borrowing more money and distributing it through their State instrumentalities for public works and the like. . . . As I said before, the State public debt at the 30th of June, 1941 amounted to £181,219,188. According to the Budget papers for 1944-45, at pages 61 and 62, at the 30th June, 1944, the public debt had been reduced to £173,414,834 . . . reduction in the public debt, amounting to £7,804,353, has taken place in Victoria during the last three years. It is an absurd system if the solvency of the State—and with the State, the individual—is dependent upon tremendous increases in the Commonwealth public debt. It seems imperative that some solution of the problem should be found . . .

. . . I feel that we do not want private control of banking, and I have given my reasons. Still, I think equally we do not want political control of banking. If we are to make the Commonwealth Bank the plaything of politics we shall take a grave risk indeed. The power to create money should be vested in a national credit authority, after a referendum of the people has been held . . .

. . . The first step is to show that this Parliament is vitally interested in monetary reform. All the States should combine and submit an alternative instead of leaving the Commonwealth Bank under either private control or political control. There is an alternative and we should transfer that control to a national credit authority functioning under powers given to it by a (Continued on page 4).

When the new U.S. Congress meets this month it is to debate the question of whether or not U.S. for the first time in history will adopt compulsory peacetime military training. Top-ranking Army and Navy officers and others with a vested interest in military matters are working very hard 'to obtain a "Yes" decision. However, on this occasion the Churches are upholding the principles of freedom; both Catholic and Protestant leaders oppose peacetime conscription on the grounds that "it is a symbol of militarism and part of a war-minded philosophy, and that the existence of trained armies has been an inducement to the use of force." One would surely expect that such an allegedly progressive and free country, as U.S.A. would permit each individual the right to choose or refuse.

ASHLEY'S ARROGANCE: The Melbourne "Sun" of December 20 reported that three M.P.s—Messrs. D. Mulcahy, J. I. Langtry and L. C. Haylen—had received batches of telegrams protesting against the proposed socialisation of banking. The report also quoted Senator Ashley (Postmaster-General) as saying that "he instituted inquiries in this matter"; that is to say, this arrogant person saw fit to intrude himself between electors and their political representatives. It will be remembered that another would-be dictator, in the person of Senator Keane, did likewise in the matter of meat rationing. As a result of this some N.S.W. residents were fined, but an appeal to a higher court followed and the judge upheld the appeal and pointed out that such electoral action was the prerogative of the people—in other words, he upheld Electoral Campaign strategy as being proper and constitutional. It would be an important New Year gift if Senator Ashley received a few reminders in this matter.

PULLING PUNCHES: Press reports of December 22 inform us that recent statements by Churchill were designed to primarily hasten a direct offensive against Germany, and also that "Stalin is withholding his expected offensive on the Polish Front pending acceptance of his Polish demands." This latter report coincided with the German large-scale counter-attack on the Western front, which caused such loss of British and American lives. Germany has obviously used the Russians' resting period to throw in reserves against the Western front.

DUNSTAN'S DICTUM: Premier Dunstan, although sometimes difficult to follow, often strikes a realistic note; this is especially true of his opposition to the proposed conference to discuss "uniform town planning." In this connection he is more interested in Victorian development than in what other States should do, which, he said, "is their own affair, and it was for them to say whether they desired the Commonwealth to duplicate their efforts." He also wisely pointed out that "it seemed obvious that the requirements of all States were not the same." He also thought "it was time the Commonwealth realised that the States were capable of planning their own programmes."

It is to be hoped that other Premiers oppose the Federal mania of uniformity. Incidentally, it might be a good idea to bring Alberta's experiments before Mr. Dunstan—it may provide him with some constructive ideas.

CANCELLED CONTRACTS: A New York report (prior to the recent U.S. war loan) stated that "it would appear that a large reserve of munitions had been accumulated . . . and that the extensive cancellation of contracts now taking place, suggests a considerable increase in civilian goods before long, otherwise a good deal of unemployment will result." (Melb. "Herald," 3/11/44.) Continuing, the report pointed out that "it hardly will be possible for industry to use all its machinery and employees for a while after the war, unless we are going to have a vast programme of manufacturing in excess of our domestic needs, that will be shipped abroad, in effect, to countries unable or unwilling to pay for them." That's just precisely what the Yanks were doing before the war.

EVATT'S STRATEGY: Dr. Evatt, addressing the N.S.W. Teachers' Annual Conference, expressed a strong dislike for Communistic philosophic doctrine, and advocated the study of social and political "science" instead of being swayed by emotional slogans or "isms." So much for mere words. Now, Dr. Evatt, in accepting Lab-

(Continued on page 2.)

Christmas in the Counting House

By "FOOTLE"

"It doesn't seem like Christmas, does it?" said the banker's youngest son.
"Not like the times you read about when the people are simply marvellous to one another."

The rest of the juniors assented to this. They agreed that the business of providing presents was getting beyond a joke. Either you had to take some silly contraption nobody wanted or else fork out some fantastic quantity of coupons the Mater would never agree to.

In days gone by you simply dug up last year's list and re-shuffled everything so that no one got the same thing often enough to notice—at any rate from the same source. Those were the days! It seemed to be somebody's business to produce stacks of things nobody would bother about at any other time.

"I think Pa should do something about it," said Secundus. "After all, it isn't much good being a banker unless you get a bit of your own way sometimes instead of always having to do what a wicked Government says."

"Or what a wicked Government is thought to be about to say," amended Tertius.

Primus agreed. "I'll speak to the Pater about it."
The Pater listened with his usual kindly attention. His smile was at once benevolent and condescending. He said: "I have already given this matter some thought. I must confess, however, to a certain amount of disappointment that the members of my

family should appeal to me for a solution of what is, after all, a very elementary problem. You will find some relevant matter on page nine hundred and something of my little booklet entitled "Hide-and-Seek With Prosperity"—in the chapter on "Velocity of Currency."

He inspected the faces of his offspring hopefully. They registered inscrutable blanks. He proceeded patiently:

"What I want you to see, children, is that this is your opportunity. There are few commodities to distract your attention from a solution which will allow you to gratify your natural desires on a more munificent scale than you could normally permit yourselves. I will elucidate: It is almost impossible, as you say, to purchase gifts. But what is to prevent you from each making the other a present of £1? And why stop at £1? You can really spread yourselves: make it £50, because it won't cost any of you a penny-piece. And when have any of you ever had a present of £50 from anyone? The scheme enjoys the advantages of all contributory schemes: it encourages the independence of the individual; it is entirely self-liquidating; it . . . but, doubtless, you can think of other things to say yourselves."

* * *
"Merry Christmas!" said Primus.
"Merry Christmas!" said Secundus.
"Merry Christmas!" said Tertius.

Junior sighed, his yearning brain filled with visions of clockwork trains and dates stuffed with chocolate and other material nonsense. "I wish we could have Christmas like they do at the Orphans' Home," he said.

Economic Efficiency

As a gleam of sanity in a mad world, we welcome the pronouncement of the London Chamber of Commerce that "no community can long survive which is prepared to sacrifice all other considerations to theoretical economic efficiency."

EDUCATION OR MENTAL CONDITIONING?

During the latter part of last year the daily newspapers and the radio stations gave an unusual amount of publicity to the subject of "Education." There were plenty of pronouncements by "leading educationists" and other prominent personages, and numerous newspaper articles and radio talks. These reached a crescendo during "Education Week."

But most of those whose views received such publicity were not really discussing Education at all; they were discussing Mental Conditioning! A rare exception was a talk given by Mr. H. T. Parker, of the Tasmanian Education Department, and broadcast by the A.B.C. This talk, which was entitled "Rods In Pickle," is published by permission hereunder:

I've no doubt that as soon as you read or heard the title of this talk your first comment to yourself was, "Hmm! Another talk on education!" "Well, I may as well admit it at the outset, that's just what it is. But before you switch off the set, just answer me this question—if you can. What was it that made you think of punishment as being naturally associated with education? Is it really true that your strongest memories of your school days are bitter ones? Was it the cane—or the imposition—that made the deepest impression on you? Maybe they tried to teach you Euclid or compound interest by means of the stick. If they did, what is it you remember—Euclid, compound interest—or the stick?"

Why does the rod symbolise the school? It does. I don't need to tell you—you know it does. You've only got to watch a group of young children playing school to see the idea showing out. You can't play school without a cane—every child knows that.

But why? Now, if you think this is a foolish question, or a frivolous one, you'd better twist that knob and find a station more to your liking. For my part, I think the question really important—vital, almost. This everyday association between learning and punishment strikes at the very heart of educational philosophy. Or, if you don't like the word "philosophy," let me put it this way: If we could work out what underlies this association of ideas—pain and proficiency—we would go a long way towards finding out what is the matter with our schools. I think we are almost unanimously of the opinion that there is something the matter with them, and something very serious.

That good old word, "discipline" has fallen on rather evil times. Originally it meant just learning—education—studies. But because it frequently happened that education was imposed on a student—as a task instead of a natural activity—the discipline came to mean the impression of force upon a student to make him do what was required of him. And you know—or do you?—that when the qualities of a young teacher are being assessed, one of the questions invariably asked—usually the most pertinent question—is: "What is his discipline like?"

Now, what I want to point out to you in all this is: that the idea of education as an imposition or an impression upon the mind of a child, a routine of learning and study that a child needs to go through for the good of his intelligence, or his soul, is as stupid as it is inhuman. As for it being good either for the child's mind or his soul, its effect might easily be to stultify the one and dwarf the other. To endeavour to form character through repression is about as sensible as to endeavour to develop a fine physique with a straitjacket.

I am not talking about constraint or correction (rightly so termed). I am talking about the imposition of a course of action through what we call discipline. It is in practice the very opposite of the theories and principles which we have supposed to be the basis of educational practice. I know you can point to scores—thousands of subjects who have not suffered the dire consequences that my words suggest. In other words, they've escaped, and it says a great deal for the resiliency and initiative of human nature that they have been able to escape. But they haven't all escaped, and now and then you come across an example of a perfect victim of our educational system at its worst and most effective.

Can I draw a picture of him? His character has been moulded by his teachers. He acts, thinks and feels just as they would have him do. His mind is filled with the facts and beliefs that have been imparted to him because they were regarded as desirable mental furniture. He conforms precisely and at all times to the canons of taste, manners and conduct as they are accepted and prescribed by the conventions of what we call good society. He has an admiration for those samples of art, literature and music, which are stamped with the approval of the orthodox. He is receptive to the suggestions and responsive to the behests of authority, whether social, legal or cultural.

In short, he is the perfect instrument for expressing the will of those who are, by social, economic or intellectual prestige, his admitted "superiors." And, of course, when his teachers have done with him he is turned out into a world where he can become perfectly adjusted—provided he can find someone who will direct him what to think, what to believe, what to love and hate, and what to do.

Don't tell me he doesn't exist, this model school graduate. He does—scores of him—thousands of him. He is good meat for bullying employers or designing salesmen or glib politicians. And the number and activity of such gentry is proof of the constant supply of these tragic products of efficient educational discipline.

And if there are teachers who can't realise at least the danger of such perversion of education—and I'm afraid there are—it is because social sanction and the effect of long years of teaching routine has so affected their imagination that their vision is limited to the myopic range of their own class-rooms.

I don't suppose teachers as a class are more inclined to talk humbug than other people. In fact, if there's one feature that makes me rather proud of my profession it is that its members can be candidly critical of themselves individually and as a body. But teachers no less than others are often the victims of their own shibboleths, and I know of no more dangerous doctrine than the oft-parroted one that teachers are responsible for moulding the characters of their pupils.

Nothing of the kind! There never was man or woman born who was fit to stand up to such tremendous responsibility.

Shall we presume to prescribe what the next generation should do, say or believe? With all our own limitations, ignorance and prejudice on the one hand, and with all the uncertainty of the future on the other? In a world, which is evolving socially and economically at a rate that leaves us breathless? To mould the character of the future generation? It is a most vicious and evil doctrine! Train up a child in the way he should go—so the old proverb runs—and when he is old he will not depart from it. It is true enough. But which way should he go? In practice, the proverb becomes: Train up a child in the way you think he should go, and when he is old he will not be able to depart from it.

What then? Are we to give up the idea of education for character and come back to teaching him just spelling and geography? I don't think so. On the contrary, I am convinced that education must be for character if it's to be worth anything at all.

The educators of a generation ago used to make great play with the word "education," contrasting it with the word "instruction." Education, they said, and quite rightly, meant drawing out, and instruction meant building in. The educative process, they said, was one of mental stimulation, and not merely one of absorbing facts.

But the mistake they made was to apply this quite vital distinction to intellectual processes, and not to realise that it applied equally—no, more forcibly still—to moral and emotional ones.

What do I mean? I mean that we as educators have no more a title to build up a child's character than we have to build up his system of facts or mental habits. Of course, there are conventions and customs, manners and methods that generations of experience have established as contributing to the economy and harmony of human living. But they are only the outward forms of life and character. And when we talk about character building we don't mean these, anyway.

To come back to the point. Just as edu-

cation means drawing out the intellectual qualities that make for independence and originality of thought, it means also drawing out the moral qualities that make for integrity, purpose and humaneness.

Now, I'm not one of those who believe that children are by nature little angels. But neither are they little devils, however exasperating their conduct may be at times. They are, in fact, born with the capacity for becoming either. If the doctrine of original sin is true—and I'm not one to deny it—so is the doctrine of original virtue. But we neither eliminate the one, nor develop the other, by a discipline of repression—by trying to mould or build character according to some pattern we think is a desirable one. Character develops through purpose—and purpose is confirmed through achievement - - and achievement comes through endeavour—and endeavour is only another word for conflict. If it is the child's character we are concerned with, then it must be the child's purpose—the child's achievement—the child's endeavour—the child's conflict. And by the child's conflict I don't mean the child's conflict with the teacher, but his conflict with himself.

And that means—if it means anything at all, and is not just words—that means that if we educate for character we do it by GIVING PLAY to those forces that are in the child's nature, not by fettering them. "Well, that's a dangerous doctrine." Of course it's a dangerous doctrine. But then—life is a dangerous business. A world entirely safe would have no room in it for democracy—and no room for individuality. You can't have freedom without having freedom to go wrong. But in a world of infinite possibilities—for good and for evil—you can prepare youth to seek good in the face of evil. But you can't do it by shielding him from evil. In fact, you can't shield him from evil, for in the very attempt to do so you must arbitrarily oppose your will to his, and that in itself is evil. Of course, the alternative is not to leave him alone. Only a person wholly lacking in imagination would say that. The teacher has knowledge, experience and prestige, and he must place these at the service of the child. But he must not make the mistake of supposing that his knowledge and experience can be engrafted upon the child, nor must he make the still more serious mistake of using his prestige to enchain the child when he should be helping him to work out his own salvation—to develop the power of freedom born in him.

If I am right, the teacher's chief asset is the pupil's own will to goodness. If the pupil has that, then the rod may as well remain in pickle. If he has not, the teacher is helpless, and the rod is only an instrument of torture. But I don't believe any child is as hopeless as that, though some may have been so shamefully maltreated that it is a miracle if they have more than a spark of goodness left. For the—shall I say?—ordinary pupil, goodwill is to be had for the asking.

Does this all conflict with the traditional idea of a school, with its rows and rows of boys or girls sitting open-mouthed and openeared to absorb the words of wisdom that fall from the lips of the teacher? If it does, then so much the worse for the traditional idea.

A school is—well, what is it?—a place—an environment—in which the child is allowed and encouraged to exercise those qualities of mind and heart which make for character. If we add that it is the teacher's responsibility to see that the environment includes all those influences and all that material which will be of service to the child in his supreme task of self-development, we will have a definition to guide us in our educational planning. We need such schools.

Notes On The News

(Continued from page 1)

our political "isms" (Socialism), belies his words by his actions. Admittedly, Socialists claim to implement their policy of State Monopoly constitutionally, whereas Communists pursue any means, including armed force; yet the same Dr. Evatt in actual practice is a party to defying the people's decision at the Referendum by advocating and supporting socialisation of the airlines and other undertakings. Now, which are we to believe—his words, or his actions? Socialism is essentially centralised power, Communism is the same, and the whole purpose of the Referendum was to obtain this power. Fortunately, the people voted "No" and avoided the peril of complete slavery; but they still have to keep a wary eye on Evatt and his ilk—despite his disarming objection to Communism.

LOAN LIMITS: The U.S. Secretary of State (Mr. Acheson) urged the repeal of the "Johnson Act," which prohibits loans to Britain and other countries, which had not paid their last war debts (Melb. "Herald," 1/12/44). This provided a reason for Lease-Lend, because it overcomes the Johnson Act, thus making it possible to wage war. Mr. Acheson also regards the Johnson Act as a barrier to U.S. rehabilitation and international trade, because if America cannot lend the necessary credits or funds to foreign countries, such countries cannot buy American goods. It's much the same as storekeeper lending money to would-be buyers to buy his goods! Of course, no sensible storekeeper would do that; but then you see that "countries" are quite different to individuals!

EROSION ECONOMICS: The criticism of the political appointment of Ex-Premier Hogan to the Soil Erosion Board, and the proposal to appoint disgruntled academic planners, will not prevent the displacement of one speck of dust. This problem has its basic cause in the fact that farmers have been compelled to over-stock, and to work the soil to death, in a vain attempt to meet financial commitments—in short, it is mainly a money problem. Of course, the situation is being used to foist more compulsions on the primary producer; this in turn will only dishearten them and drive them off the land. Correcting the position depends on correct diagnosis of the cause. Millions will be necessary to subsidise the farmer so that he can spell and grass the land. None of the present theoretical economists or leaders responsible for the mess are likely to solve the problem.

REBELLION REMINDER: A bulletin issued by the Associated Chambers of Manufacturers (vide Melb. "Herald," 22/11/44) warns of extremists secreted in practically every industry, for a definite purpose. The bulletin recalls that the secretary of the National Union of Railwaymen of N.S.W. had said that open rebellion was the next step planned by the extremists. It also gives the following obvious conclusions: "Australians might any day expect a knock on the door by an agent of a New Order to tell them that the Government of Australia was under entirely new management—and they may not have long to wait for that knock." That at least is a timely warning which should not go unheeded if we are to avoid the fate of Germany, Italy and other countries that swallowed the socialistic poison.

SENATE SECRETS: Prior to the mere formality of bringing the Bill to ratify U.N.R.R.A. before Parliament, many Members advised their constituents that Australia was not committed in any way to the proposal. "Hansard" for December 22 (p. 1936) quotes Senator Ashley as saying, "the purpose of this measure is to enable the Government to carry out its obligations to the U.N.R.R.A.," so he let the cat out of the bag. The same "Hansard" (p. 2017) also quotes Senator McLachlan as saying, "the agreement was signed in October, 1943, at Atlantic City, by Sir Owen Dixon." So it was all cut-and-dried long before it came before Parliament! These underhand tactics will probably be applied to other international agreements yet to come. Those Members who tendered incorrect advice (even if in good faith) should be reminded of these facts.

—OB.H.

U.S.A. UNEMPLOYED: 1940

"In March, 1940, Mr. Roosevelt had been in office seven years. Yet the depression was still with us. We still had 10,000,000 Americans unemployed. These are the figures of the American Federation of Labour. Is that fraud or falsehood? If so, let Mr. Roosevelt tell it to the American Federation of Labour."

—Mr. Dewey, Republican Presidential Candidate.

LIBERATION NOT ENOUGH?

"I have talked here with a number of Roumanian Jews and found that all of them are building their own hopes for the future on Anglo-American understanding of their problems.

"They admit that they are no longer persecuted; they no longer live in terror; they breathe as free men and women; they don't starve. But still—when will the Allies occupy Roumania and make it possible for Jews to emigrate to Britain and America?"

—"The Russians Take Over In Roumania," by Edgar Snow. (Quoted in the "Social Creditor," England, Oct. 21, 1944.)

LIVING FOR A CENTURY AND A HALF

Reprinted from "ON SERVICE" (official journal of Tasmanian R.S.S.A.I.L.A.), Nov., 1944

In the last issue of "On Service" an article by a famous Russian scientist, Dr. Bogomoletz, considers the question seriously as to why man should not live to be much older than the "normal" age. The three-score-year-and-ten accepted as the standard of human life has so often been flouted by facts that Dr. Bogomoletz has been led into research concerning the causes of senile decay. It is his opinion that life should last much longer than it does.

In this connection an interesting record exists, going back several centuries. Some remarkable evidence is to be found proving that in 1670 a man, Henry Jenkins, died aged at least 160 years. Wild as this may seem, the carefully compiled statistical evidence leaves small room for doubt.

A certain Mrs. Ann Saville, writing to Dr. Tancred Robinson, who later became physician to George I. —that is, in the period 1714 to 1727, stated:

"Being in my sister's kitchen at Bolton (Lancashire), Henry Jenkins came in to beg, and I desired him to tell me how old he was. He said, after a pause, that he

THE NEW ENCLOSURES

"The annual report of the Friends of the Lake District is a record of battle not against the greedy rich or the too-careless poor, but against the public authorities and the State. The latter, for example, has even dug up the ancient bones of the Defence Acts of 1842 and 1854 in order to buy common lands secretly and under compulsion and then to extinguish commoners' rights. In one case, says the report, 20,000 acres of common land were abolished at a stroke. The Acts should be at once repealed and the situation cleared up between the Ministry of Agriculture, responsible for the commons and innocent of their loss, and the Service Ministries, which strike and seize in the night."

—"The Observer," London, Oct. 22, 1944.

DR. FEATONBY'S PATHETIC MENTALITY

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

Sir, —Some strange things appeared in our daily newspapers during the Christmas season, but perhaps nothing stranger than the hopeless utterance of Dr. H. N. Featonby, Chairman of the Health Commission, regarding the conditions into which our hospitals have been allowed to drift. According to the Melbourne "Argus" of 27/12/44, this is what he said:

"What else can we do that we haven't already done about the shortage of woman-power for hospitals? We now feel it is up to every able-bodied woman to go to their rescue. We have had conference after conference on the hospital staff problem, and we know that people who should be in hospitals are dying in their homes because of the lack of nursing care. Can anyone suggest what we can do about it? If we could supply the hospitals with all the domestics they need we would be solving the nursing problem. At present the nursing profession is a most unattractive one. Even matrons have had to be chief cooks and bottle-washers."

Could anything be more pathetically discreditable in a supposedly civilised community? These things do not just happen. Someone is responsible for them. Who is that someone and why is there no punishment?

The position seems to have been brought somewhat to a head by the action of five nurses in leaving the Greendale Sanatorium at what is described as "short notice." We were not given the nurses' own version of the affair, just as we are not given the true version of the coal miners, but the secretary of the Public Service Association (Mr. S. Keon) said that "the shortage of nurses at Greendale Sanatorium was the responsibility of the State Government, despite its attempt to 'pass the buck' to Manpower authorities. No improvement of any description had been made in nurses' conditions since the Government had succeeded in getting manpower protection for the institution. A recent application by the association for a bonus to bring salaries up to somewhere near the award rates had been refused." He went on to say this: "Apparently nothing short of a complete collapse of service in hospitals and mental institutions would force the Government to treat staffs with the urgency warranted by their unfair working conditions." ("Argus," 26/12/44.)

If what Mr. Keon said is true, then there has been criminal negligence in high places, and those responsible for it should be sought out and dealt with. If Mr. Keon has not been truthful in the matter, then he should be called to account for his action.

It seems to me that he did speak the truth, and that for practical purposes the Health Commission is mostly make-believe. Dr. J. Bell Ferguson, State Director of Tuberculosis, has to some extent confirmed this view. He is reported to have said that the nurses had given staff shortage, lack of accommodation, and the continued admittance of patients as the reasons for their "walking out." No attempt was made to deny the accuracy of the position as thus stated.

And so it comes to this: Our nurses are UNDERPAID, OVERWORKED, and UNCARED FOR, and all three conditions are the product of unsatisfactory financial arrangements. Nurses salaries, we are told, are not even "somewhere near" the amount declared to be fair by Arbitration Award, and "the State" has refused to rectify the injustice. Clearly that is a matter which could be immediately put right if the MONEY were available, but as "the State" has no control over the money supply, the Health Commission, a State instrumentality, is forced to be a party to sweating.

Overworking comes about because of shortage of staff. Shortage of staff comes about because insufficient INDUCEMENT is offered to attract more of the available womenfolk.

Insufficient inducement is offered because the hospital authorities "can't afford" to offer more; and what the hospitals can "afford" is determined by the FUNDS available to them, not by the needs of the institutions or by our physical ability to meet them. The Health Commission, having said nothing against the financial system, which spoils their plans and thwarts their purpose, is therefore a party to putting the nurses on the level of slaves.

Accommodation and other amenities for the nurses provide no problem whatever on the basis of our material resources, but the joke is that these resources can only be utilised according to the FUNDS available. No funds, no accommodation or amenities! The absence of buildings and other necessary things is not peculiar to the war period either. My records indicate that the position was acute several years ago when there was not even a semblance of manpower difficulties. Indeed, we had hundreds of thousands of idle men, and they were idle only because there was no money to "pay" them for working!

Instead of tackling the real obstacle—FINANCE—the Chairman of the Health Commission has been content to hold conferences. He has given us the impression that he thought the hospital needs of the community could be met by talking about them, even though before his very eyes the results have been disastrous. Surely a strange mentality for a highly qualified man.

Would it be fair to ask Dr. Featonby whether he believes that if a thing is physically possible it ought to be financially possible? Would he deny that everything

the nurses have asked for is physically possible and entirely reasonable? If he cannot conscientiously deny this, what has prevented him and his colleagues of the Health Commission from satisfying those requests for conditions, which are reasonable, desirable, and physically possible? If it is lack of finance, why has he not publicly said so, and joined with us in seeking to expose this bogus obstacle for what it is—namely, a swindling confidence trick? Has he ever heard of Social Credit or of what is being accomplished in the Canadian Province of Alberta? If not, what excuse does he offer for such inexcusable ignorance on the part of a responsible public official? Has he ever heard of the Southampton Chamber of Commerce? Did he know that after specially investigating the conditions of depression it issued a report declaring that the troubles were caused by the financial system? Did he know that even the editor of the London "Times" was forced by events to admit that, by taking the advice of the so-called economic experts, we have merely gone from one calamity to another? Here is an

WHAT WE OWE TO LITTLE NATIONS

Some are inclined to measure greatness by size, and this applies particularly to our estimate of nations: they look on the giant Russia as the solver of all world problems; they scan Germany—with dislike, it is true—but also with respect for her size; China bulks in their estimate as one of the future great ones of the earth. And so it goes on; size and numbers create their standard of value.

It is interesting to recall that the world owes most of its intellectual and art possessions to the little nations.

Was it not Greece, in that ancient past that reaches back some 3000 years or more, that gave to the world priceless literature, matchless architecture, superb sculpture? Was it not Greece that laid the foundations of modern science, medicine, mathematics, philosophy, drama, and art? Yet ancient Greece, at her zenith of fame and prosperity, probably never carried a population of more than 10,000,000, if as large.

What of Switzerland, one of the smallest countries of Europe, which has built a record of freedom unsurpassed, a country which defied the might of tyrants and conquerors for centuries to emerge at last free for ever? England, in the beginning of Queen Anne's reign, only boasted a population of about 6,000,000, yet consider what was done by her small armies under Maryborough.

To round off the story, here is an extract

extract from an editorial which should be given the widest possible circulation:

"The professed authorities on these questions have expressed many conflicting opinions and have given such contradictory advice that the best hope of success seems, indeed, to lie in candid examination of the facts by men not professing to be experts, and consequently unhampered by preconceived theories.

"This medley of opinions among those who profess to know would itself seem to tell in favour on the view that mass production, rationalisation, the displacement of labour by machinery, scientific inventions increasing the productivity of the agricultural as well as of the manufacturing industries, and, not least, the wonderful improvement in the facilities of communication, are creating a new world in which the old canons of orthodox economics and finance may not perhaps be applicable without adjustment. There is plenty of material here for searching study by men not obsessed by any theory or dogma, but anxious to get at the facts and to frame policies to meet them."

In view of the foregoing, it is suggested that instead of displaying helplessness in the face of an artificial difficulty, Dr. Featonby, and all other supposedly qualified men in high places, should begin to acquire some understanding of the money question and join in to help those who are exposing the fraudulent nature of the financial policy which has been imposed upon us and trying to show the community the way of escape from it.

—Yours faithfully, BRUCE H. BROWN.
189 Hotham Street, East Melbourne, C.2.
January 7, 1945.

CHESTERTON ON DEMOCRACY

In a letter to the editor of "The Nation" (England), published in 1911, G. K. Chesterton made the following excellent points concerning real democracy:

"(1) I say a democracy means a State where the citizens first desire something and then get it. That is surely simple.

"(2) I say that where this is deflected by the disadvantage of representation, it means that the citizens desire a thing and tell the representatives to get it. I trust I make myself clear.

"(3) The representatives, in order to get it at all, must have some control over detail; but the design must come from popular desire. Have we got that down?

"(4) You, I understand, hold that English M.P.'s today do thus obey the public in design, varying only in detail. That is a quite clear contention.

"(5) I say they don't Tell me if I am getting too abstruse.

"(6) I say our representatives accept designs and desires almost entirely from the Cabinet class above them; and practically not at all from the constituents below them. I say the people does not wield a Parliament, which wields a Cabinet.

"(7) I say the Cabinet bullies a timid Parliament which bullies a bewildered people. Is that plain? . . .

"(8) If you ask why we have thus lost democracy, I say from two causes: (a) The omnipotence of an unelected body, the Cabinet; (b) the Party system, which turns all politics into a game like the Boat Race. Is that all right?"

—Gilbert Keith Chesterton," by Maisie Ward.

Although the late G. K. Chesterton, together with Hilaire Belloc, provided the inspiration and ideas for many Catholic social reformers in all parts of the world, it is disappointing to notice that two major subjects mentioned with considerable emphasis by both Chesterton and Belloc have been comparatively ignored: namely, the menace of German-Jewish international finance and the necessity of making democracy work by non-party electoral pressure on individual Members of Parliament.

"DREAM WAR OF 1946"

"The Free English forces had not long to wait before the enemy's secret weapon was used. The Bureaucrats' threat to control the citizen from Crèche to Crematorium was no idle boast, and the blow was struck during the hours of darkness.

"Next morning all England awoke to the sound of clanging metal and chipping stone. An army of workmen were busy restoring the railings which had been requisitioned during the war. But the new railings were 30 ft. high, and there were no gates at any point.

"An announcement from the Ministry of National Servitude stated that under the Railings (Compulsory Restoration) Order, 1946, after all railings had been restored civilians would require permits to leave their houses at any time laid down by the Ministry.

"People who had protested loudly when their railings were taken during the war, bellowed louder when they were put back."

—Sunday Dispatch," London, Oct. 22, 1944.

OUT OF THE FRYING PAN

Late last year it was reported that Mr. William C. Bullitt, American Ambassador to Moscow from 1933 to 1936, had written, from Rome, an article in "Life," which we have not seen. In it he was reported to have said:

"Rome sees again approaching from the East a wave of conquerors . . . the talk of all men throughout Italy is the question, will the result of this war be the subjugation of Europe by Moscow instead of by Berlin?"

their efforts within a reasonable time. © To enable persons qualified by previous experience or by Vocational Training to become established in business or for becoming established in any remunerative undertaking requiring capital.

4. Dependants of persons who have been killed in action, and of persons who have died while serving in the Armed Forces or Merchant Marine, shall be provided with a pension equivalent to not less than the full benefits under Clause 1 (a) during the life time of the mother or widow, and, in the case of children until they reach the age of 18, when they shall be eligible for a special allowance to complete their education.

5. All residents in Canada who have served in the Canadian Armed Forces or Merchant Marine shall be provided with Medical and Hospitalisation Service free, without deduction from the benefits being received under Clauses 1 and 2.

6. Adequate provision to be made for the dependants of persons who have served in the Armed Forces or Merchant Marine, and have died since their discharge.

7. In applying above benefits, preferential treatment should be accorded to all persons who volunteered for General Service.

8. Members of the Merchant Marine who have operated in active war zones to be eligible for above benefits.

9. Veterans of former wars who have served in the Veterans' Guard or other units during the present war to be accorded full benefits under Veterans' Allowance Act, because of their age and their probable inability to obtain civilian employment.

(To be continued.)

POST-WAR RECONSTRUCTION POLICIES

(Continued from last issue)

Hereunder we publish a twelfth instalment from the Report of the Post-War Policy Committee of the Vancouver Board of Trade. This is the beginning of Part III, in which specific proposals are suggested: —

PART III.

A NATIONAL POLICY

In the following resolutions your Committee has endeavoured to indicate the manner in which the foregoing principles and proposals may be applied to various aspects of Post-War Reconstruction.

THE RETURN OF OUR ARMED FORCES:

Democracy is an ideal, which has never been fully achieved by this or any other nation. The men in our fighting forces wish to return to a democratic Canada much closer to that ideal than it was when they left it. The democracy to which they return must not only assure them of the freedoms of speech and of worship but also a full measure of economic security with freedom. It is a privilege as well as the duty of the people of Canada to see to it that the ideal of a functioning democracy is established. Only in this way can we hope to compensate them for the sacrifices they have made.

Our soldiers, sailors and airmen are fighting to safeguard our democratic ideals and to preserve the sovereign integrity of this nation. Let us, then, assure them that, upon their return, they may have the opportunity to own a share of the land they fought to save, and to share in the wealth they saved from the greedy clutches of aggressor nations. Moreover, let us guarantee them their right to share in the heritage of culture and scientific progress, which they have saved from destruction.

At the present time, Canada is diverting economic effort equivalent to more than 3000 dollars a year for every man serving in the fighting forces, as a "gift" to the enemy in the form of high explosives and the implements to deliver them in the proper quantities. Therefore, we have proof that there is no physical impossibility about providing for our fighting forces to the extent of less than this amount.

Another approach to this question is that the men of our fighting forces are now being provided for, in the aggregate, on a much more generous scale than that suggested above, in spite of the vast production of non-consumer war requirements. With industry geared to full peacetime production, such a scale of "security income" would make a very modest demand on the supply of goods and services.

from a speech made by Mr. Lloyd George in 1917, when he was Prime Minister of Great Britain:

"The world owes much to little nations—and to little men. (Laughter and applause.) This theory of bigness, this theory that you must have a big empire, and a big nation, and a big man—well, long legs have their advantages in a retreat. (Laughter and applause.) The Kaiser's ancestors chose his warriors for their height, and that tradition has become a policy in Germany.

"Germany applies that ideal to nations, and will only allow six-foot-two nations in the ranks. (Laughter.) But, ah! the world owes much to the little five-foot-five nations.

"The greatest art in the world was the work of little nations; the most enduring literature of England came when she was a nation of the size of Belgium fighting a great Empire. The heroic deeds that thrill humanity were the deeds of little nations fighting for their freedom."

A VERY REVEALING BOOK BY A JEW

Under the heading "Demon EST Deus Inversus," the English "Social Creditor" has published the following review of "Why I Am a Jew" by Edmund Fleg, a book, which was first, published in French in 1927, and has been published in English during the present war: —

"Action results not only from clear reasoning, capable of intellectual exposition, but from an impulse as strong as its origin is obscure," says the author. Certainly no book of recent years has revealed more strikingly the nature and origin of those impulses which move members of the Jewish race to action. It is well known that there can be no action without a policy, governing the purpose of that action, just as there can be no policy without a philosophy, governing the justification of that policy. It is the especial value of this book that it does disclose, most graphically and convincingly, both the policy and the philosophy by which the actions of the Jewish race are governed.

Among those impulses, the "Messiah-complex" looms large. It is, indeed, the sine qua non of the Jewish race itself. . . . that the Messiah may reign on earth . . . it is necessary that Israel, who is the hope of the Messiah, should remain Israel to the end of her days. Her special law, then, must be eternal, like the universal law."

Hence her priestly function: "A nation of priests . . . a holy people not for herself alone, but also for her mission . . . to make of herself, as the Talmud says, 'a cement' between the peoples . . . identifying, alone among all, her destiny with the destiny of all, she wishes to become a people of priests that she may become the priests of humanity."

This "mission" is the realisation of what the Jews call Unity, and the Gentiles perhaps Monopoly. . . . a base and wretched people, loaded with sins and for ever backsliding. God chose this mire only to show what he can do with mire. . . . he is the God whom Israel must reveal to all mankind . . . Israel separates herself from others only to unite them . . . to work for the reign of justice and peace on earth with the coming of the Messiah . . . Now God is One, man ought to be One. By his divisions here on earth he shatters the divine Unity . . . greater and greater human groups create greater and greater images of the divine unity . . . Human Unity is, for Israel, a revealed truth, a divine truth, which the people that proclaim it must make, down the ages, and with the other peoples, a human reality. Human Unity is for the Jew an article of faith, like the divine Unity . . . another Promised Land, the Land that will be when One Man will be . . . God following his people on their bloody road to human Unity."

To achieve this Unity, New Men and New Orders are, of course, essential. The work of God's hand is found wanting. "That the Kingdom of God may come, man, created by God, must be re-created by man, until human Unity reflects and reconstructs in this world the Unity of God . . . Belief in the progress of mankind . . . in moral, social and international progress . . . that is the faith of Israel."

World War I had been "billed" as the "War to End War." To Fleg such words could only mean that the Unity of man had been achieved, the Mission of Israel fulfilled, and the Messiah of the prophets was at hand. "We were told; this is the last war . . . and I would see in imagination all the countries, all (he continents and everywhere, anxious confident men, all men, hoping, waiting . . . for the peace" of the whole world, the Unity of man . . . And I said to myself: Then it did not cry in the wilderness, the voice of the prophets? . . . All men, then, are awaiting the Messiah of Israel? How is that possible? . . . Might it be the mission of Israel?"

The Unity of man was not achieved, and disillusionment resulted: "And I was already writing in my thoughts the last song of the Jewish epic, 'Le Mur Des Pleurs.' The Wandering Jew stopped before the old wall where the Jews were lamenting over the ruins of the Temple; but they were not bewailing the Temple that had been destroyed; they were bewailing the Temple of the One Man, which man has not yet built. The Wandering Jew slept . . . And now, breaking in on the dream, come distant chants. Future generations are building the long awaited Temple, for from fratricide is born fraternity. . . The Holy Supper of humanity begins, the limbs of Adam, scattered over the earth, are joined once more; the blood of all men flows in his veins; in his heart beat all human hearts; as God, Man is One . . . The Wandering Jew awakes . . . the Jews are still weeping; the times are not yet come, he must wander still."

Fleg naively examines "this hatred of the Jew, which nothing appeases, which has existed ever since the Jews have existed, and which will no doubt endure as long as they endure." Judaism is not "revolutionary," except in a "progressive" sense, since the Ten Commandments forbid the Jew to covet the goods of others—but not to covet rule and dominion over others! Judaism is not "capitalist," since the Talmud exalts poverty—whilst declaring, "It is a meritorious deed to get hold of a Gentile's possessions." It cannot be that Judaism is "an international organisation, designed to conquer for the Jews material supremacy and world empire, as promised by the sacred books," since the persecutions "prove absence of an effective solidarity and lack of even a defensive organisation; and the world empire which the prophets announce, is to be built, not by a financial conspiracy but by the triumph of an effort wholly spiritual which will lead all mankind to its highest degree of development."

One fact alone explains everything: "The Jews are Jews; they wish to remain Jews . . . every minority seems suspect." It never occurs to Fleg that the Gentile may not desire "priests of humanity, separating themselves from others only to unite them." It never occurs to him that the Gentile may disagree that Bigger means Better, and Biggest an "image of the divine unity." Human Unity, the faith of the Jew, stands opposed to Sovereign Personality, the faith of the Christian; the regimented anti-State to the state of personal freedom and security; the Kingdom of God, conceived as world unity, to the Kingdom of God, conceived as within us; man in need of man's re-creation, to man redeemed by his Saviour, in need of no man's "re-creation." Fleg cares for none of

INDEPENDENCE OF ENGLISH JUDGES

Many years ago Lord Justice Cozens-Hardy of the English High Court made a comparison between the English judiciary and that found in most countries of Europe and said: "The position of an English judge is unique; on the Continent the judges are looked upon as the sure minions of the Government." This comparison inspired Judge Boucaut in South Australia on February 24, 1905, to comment:

"English judges are not in the habit of speaking rashly, and it is a fearful thing to say of a judge that he is the sure minion of a Government. Alas! many things, which you have read with regard to what has taken place on the continent of Europe, now justify what the Lord Justice said. Gentlemen, why this terrible difference between the unique position of the English judge, and the degraded position of the judge on the Continent? It is owing to the independence of the English judges which Erskine called the 'sacred independence of the English judges.' Lord Justice Bowen said there was no human being whose smile or frown, there was no government, Tory or Liberal, whose favour or disfavour, could start the pulse of an English judge upon the bench of justice, or move one hair's breadth the even equipoise of the scales of justice."

"Who might not be proud of being an English judge? How came the English judges to possess that sacred independence, possessed not for themselves, but for the benefit of the people? They obtained it mainly by the efforts of the English bar—

these things. Blinded and as one possessed by the mission of his holy people, he has neither tolerance nor understanding of any philosophy other than the "mission." "From fratricide is born fraternity"—Fleg utters the phrase with all the sanctity of a beatitude, blissfully unaware that the very suspicion that such was the policy and philosophy of the Jewish race, the impulse of its actions, would itself sufficiently explain the Gentile's distrust and hatred of the Jew. Nor are we enlightened how a race, the victim of unappeasable hatred, will even be enabled to "lead all mankind to its highest degree of development," except by actions very far from spiritual.

Victor Gollancz, translator and publisher, regards this work as "the noblest exposition of Judaism and what is called 'Jewishness' that has come his way," an "urgent message of hope and obligation to the Jew, and an urgent call for understanding to the Gentile." "Understanding" is certainly provided, pressed down and overflowing. "Ipsi dixerunt." —T. V. H.

INSIDE FRANCE

From "The Tablet," London, Oct. 14, 1944:—

"Reports which there is no means of checking, but which have plainly some substance, tell of numerous local 'Soviets' established in the French provinces, and of complete Communist control in various cities, notably Marseilles and Toulouse, and perhaps Tours and Bordeaux. In the case of Toulouse the evidence is strongest, for there Communists appear to control the broadcasting station. There is no broadcasting from Tours or Bordeaux."

"The findings of an enquiry similar to the Gallup Poll published recently in the Paris newspaper, 'Libération,' include a verdict on the question, 'which nation will most help France towards recovery after the war?' More than two-thirds of those replying pinned their hopes in the United States . . ."

DANGER OF MONOPOLY

The drastic calling in of bank notes, and the "freezing" of bank deposits in Belgium ought to inject a little thought into the enthusiasts for State monopoly of currency and credit. The edict is an affirmation of the power of "the State" to ruin everyone in twenty-four hours. De facto, the power, completely uncontrolled, exists here; but de jure, bank deposits are under the control of the several banks.

—"The Social Creditor," Oct 21, 1944.

THE POOR INDIANS

The "Scots Independent," commenting on the impertinences of Mr. William Phillips (U.S.A.) on the subject of India, suggests that Sir Stafford Cripps be sent to the U.S.A. to investigate and report on the vicissitudes of the North American Indians since the arrival of the Pilgrim Fathers. Both the idea, and the selection of Sir Stafford to carry it out seem tinged with genius, if somewhat optimistic.

THE EVER-GROWING BURDEN

(Continued from page 1.)

referendum of the Australian people to issue money according to the requirements of the nation.

Mr. Dunstan. —But you have not explained how we can influence the Commonwealth to do that.

MR. HOLLINS. —As a Parliament we should take an intelligent interest in this matter and see that these reforms are urged at every Premier's conference held in Canberra and on every public platform. We should also urge the Commonwealth Government to implement these important and necessary reforms.

Mr. Dunstan. —Do you think the Commonwealth Government would do that?

MB. HOLLINS. —That Government, like the honourable gentleman, is keenly interested in the votes outside Parliament. We should realise that the present financial methods are getting us into a hopeless position and appreciate that there is the third alternative—the creation of a national credit authority. If such a board were established there could be no political control. If it were necessary to increase or reduce the power of that authority the matter could be decided at a referendum. There would be no fear of private interference with the Commonwealth Bank or of that institution being a political plaything. It would be well within the province of the Leader of the Opposition to urge the Commonwealth Labour Government to act in this matter. I am sure that such a proposal would be acceptable to hundreds of thousands of Australians.

results of such an arrangement would be an arrest in the flow of law-making.

If the world is regarded as a factory run by officials on would-be mass-production lilies, continuous works-orders camouflaged as laws are inevitable, though quite rapidly fatal. But, in a world in which it is realised that the more action is spontaneous within the limits of personal sovereignty the less the friction and the higher the general satisfaction, they are both redundant and objectionable.

There are several unofficial bodies in existence whose intentions in regard to this problem are excellent, but it is no deduction from their public spirit to say that they are wholly inadequate. We have to deal with the usurpation of powers which derive from a completely different conception of the nature of the State, and these powers require to be brought into proper relation to the world of today by measures as carefully designed and powerfully supported as those with which they have to deal.

It is often said, and with justice, that we hear too much in these days of "rights," and far too little of duties. It does not appear to occur to such critics that when rights were more stable, duties were more recognised.

**THE "NEW TIMES"
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Printed at M. F. Canavan 25 Cullinton-road, Hartwell, for the New Times Ltd. McEwan House Melbourne.

"THE BRIEF FOR THE PROSECUTION"

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

We must therefore link up the development of waterpower with the "nationalisation" of coal. A considerable proportion of the coal mined in Great Britain goes to provide the energy, which is distributed as electrical power. A good deal of careful propaganda has been devoted to the "wastefulness" of burning coal, but in fact the subject is far from being susceptible to unqualified judgment. What is obvious is that coal is the principal raw material of the chemical industry; that every ton released strengthens the chemical industry, and that the chemical industry, with its collateral, electro-metallurgy, is making preparations to take delivery of a high percentage of the electrical energy generated by Scottish water power; and that the propaganda for increased export may easily result in the export of our capital resources on an even larger scale than in the past

On the other hand, the minor vested interests, which are adversely affected are numerous. Perhaps the first in importance, although apparently the last to be considered, is the antipathy of the resident population. The Scottish highlander has never taken kindly to the industrial system. He is entirely unconvinced that "the development" of the highland areas would be to his advantage, and in fact the arguments which have been adduced to convince him, are both perfunctory and disingenuous. The natural highland waterpower is almost ideal for the utilisation of small, high-fall installations taking water from small streams at a high altitude, and returning it to its original bed several hundred feet lower down, without interfering in any way with the watershed or the local amenities. Such plants, rarely exceeding two or three hundred horsepower, under local control and possible in nearly every village, offer advantages to the local population obtainable in no other way, and are almost specifically excluded from the project.

The Commission, proposals are radically different. Whole catchment areas are to be monopolised, glens are to be flooded, villages submerged, immense dams and pipelines built, with secondary effects on climate and vegetation which are unknown but certainly considerable. (No one can say with certainty to what extent American soil erosion is affected by large power schemes.)

The electrical energy generated is transmitted at so high a voltage that its utilisation locally or en route is impracticable, and is in fact disclaimed.

After rendering lip-service to the need to arrest the depopulation of the country, the country's chief assets are to be at least damaged, and at most destroyed, and its power transmitted almost intact to selected industrial areas further South. The Severn Barrage Scheme, which is free from many of the objections to Highland industrialisation, appears to have been shelved to the detriment of our only unspoilt area.

While the project, brought forward under cover of war, when probably 75 per cent. of the individuals whose lives will be affected are prevented by absence, or other causes due to war, from expressing their opinions on it, affords a compact instance of the working of the Supreme State, it does not differ, save perhaps in magnitude, from hundreds of similar cases. The technique is always the parade of "the common good."