

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.

THE NEW TIMES

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Chifley's Sop Not Nearly Enough

Taxation Reduction Campaign Must Go On!

(Radio Talk by ERIC D. BUTLER over 3CS, Colac.)

The Victorian League of Rights, in a large advertisement in the Melbourne "Herald" last Saturday evening, states that electoral pressure upon individual Members of Parliament has been responsible for the Federal Government promising to make some tax reductions, but warns electors not to cease their activities because the Government has offered them a sop.

There is no doubt that the tax-reduction promises of the Government are designed to appease taxpayers who have been rapidly getting behind the electoral campaign for tax reductions, now under way in all parts of Australia. The tax-reduction promises of the Government, which will not be made effective until next July, should stimulate electors to continue demanding worthwhile results until they get them.

The people's policy is a drastic reduction, at least 40 per cent, for a start, in all taxation, without any increase in prices. It is merely trickery for the Government to suggest that it is making a worthwhile reduction in taxation while at the same time it pursues a deliberate policy of increasing prices. Further, it can easily be shown that while the Federal Government continues to implement the policies of the economic advisers controlling the bureaucratic army of over 400,000 officials, there can be no permanent reduction in taxation.

One of the major policies of the economic advisers, who do everything that furthers the plotting of the international gangsters threatening the British Empire, is the extension of what they term the social service State. The extension of the social service State can only mean the compulsory acquisition of more and more of the people's money and the control of that money by officials who decide the conditions under which the people may get some of their own money back.

For example, we are soon to have the first instalment of the much-boosted "free" medicine scheme. It is estimated

that this scheme will cost £15,000,000 for the first year alone. Listeners can no doubt guess where this money will come from—out of their pockets. Taxpayers can rest assured that the scheme will, like all such schemes, cost more and more as time goes on.

When it is pointed out to some people that the present social services will soon be costing £100,000,000 a year, they ask: "Well, how can the people get their social services if taxation is drastically reduced?" It is really amazing how many people do not appreciate the fact that social services are merely some of their own taxes back. If the £100,000,000 for social services were left in the people's pockets, they could obviously make their own arrangements for the spending of it, and get much better value for their money.

At this stage some listeners may suggest that, even with a drastic reduction in all taxation, there would still be some people who would not be able to afford their own doctor or dentist and, of course, there is always held up the fear of unemployment. As far as the exploitation of the fear of unemployment is concerned, even the meanest intelligence should be able to under-

stand that taking a person's money while he is in work, putting it in a fund, and then offering him some of it back if he loses his work, solves nothing. It is not meant to; it is meant to enforce increasing control upon the individual.

Australians have the skill and resources to provide themselves with a very high standard of living, a standard of living sufficient to provide every family with all the basic requirements of a civilised community without the introduction of any form of serfdom or the taxing of some people to help other people. High taxation can have no other effect but the prevention of the obtaining of a high standard of living, a standard which will permit all people to make their own arrangements about their own affairs without submitting to control by an army of officials. If we have the skill and physical resources to give ourselves an increasing standard of living, then the taxation, financial and other systems should be altered in order that we can accomplish what is physically possible. Or is it considered that taxation and financial systems are more important than real things? They certainly are so regarded at present.

No observant person can deny that high taxation, both direct and indirect, is one of the major causes of our troubles in this country at present. We all know that we want greatly increased production urgently and we know that the promised tax-cuts by the Government—probably about a mere 11 per cent, of total taxation—will not help to any worthwhile extent to get this increased production. High prices, resulting mostly from high taxation, are the basic cause of the grievances of the workers, grievances which the Communists are exploiting for their own ends. Probably realising that it would eventually have to give way, or make the pretence of giving way, to the growing pressure for tax-reduction, the Government first took steps to have some of the subsidies lifted. This policy automatically resulted in increased prices. The consumer should not think that, for example, the increase in prices for clothes will benefit the clothing manufacturers, although the exponents of class warfare are desperately trying to create this impression.

Those optimistic people who, in spite of what has happened since the war finished, believe that taxation will eventually be substantially reduced, should examine the history of taxation after the First World War. Taxation continued to grow year by year irrespective of whether there was a



MR. CHIFLEY

Labour Government or a non-Labour Government. By 1939 the Australian people were paying an average of over £17 per year per head of the population in all taxation, or £68 for the average family of four. This taxation was outrageous, and was imposed by a non-Labour Government in which Mr. Menzies was very prominent. Although pre-war taxation was too high, most politicians, irrespective of their Party label, tell us that we can never even return to pre-war taxation levels. This absurd and dangerous nonsense has got to be challenged.

We hear the parrot-cry about having to pay for the war. The war was obviously paid for in the real sense as it was fought. If there are some who do not believe this, let them consider the following story:

Once upon a time there were two primitive tribes living on separate islands some few miles apart. Neither had heard about money or financial systems. One tribe started to make preparations for war against the other tribe, which soon made preparations for defending itself. Each tribe's war effort was governed merely by physical considerations. We repeat: neither had heard of money. Finally the war started and, for the purpose of our story, the tribe defending itself against the aggressor tribe

(Continued on page 3)

Significant Political Pointers

After Mr. Lang's attack upon Dr. Coombs at Canberra last week, Mr. Chifley announced that the Government had every confidence in Dr. Coombs. This confirms that the present Government is firmly under the domination of London School of Economics products.

Mr. Chifley also said that he had no knowledge of Dr. Coombs saying that the Empire Trade Preference system was doomed—"using so many words." Irrespective of the actual words used by Dr. Coombs at the private address he gave to Government and Opposition Members on Bretton Woods and the International Trade Organisation, some of those who actually heard him had no doubt that Dr. Coombs meant that the Preference system was doomed.

Mr. Lang's attack upon the Government, in which he charged that Australia was being sold to international financiers, was obviously so severe that he was not permitted an extension of time to conclude his address. It is surprising how many woolly-minded money reformers still think that the present Labor Government is challenging the Money Power.

Sir Howard Lloyd, Chairman of Directors of the Bank of Adelaide, in his address to the annual meeting of shareholders late last year, suggested that Australia should become a party to the Bretton Woods Financial Agreement. He mentioned what Mr. Hugh Dalton had to say: "Mr. Hugh Dalton, Chancellor of the British Exchequer, who has been appointed Chairman of both the International Bank and the Monetary Fund, has declared that they will do great things for the peoples of the world and bring greater security and better living to every home."

What a pity that Sir Howard did not emphasise the fact that Mr. Dalton is a rabid Socialist with past connections with the notorious Socialist institution, the London School of Economics.

Noting that "the price peak, apparently, has been reached," the "Wall-street Journal's" staff correspondent in Washington states that, though the official price indexes "have not yet begun to show any startling drops," the prices of "a number of significant commodities, normally trend-makers, have fallen sharply." The rest of the year is expected to see "a marked decline in prices for cost-of-living items as well as special luxury goods," though prices "on heavy durables, where the production

lag is greater, are expected to hold up better; this is particularly true of automobiles." The writer states that "as a result, the cost of living is going down," the more cautious estimating a drop of from 5 to 8 per cent, by the end of the year and others putting it at from 10 to 12 per cent.

—From Sydney "Bulletin," February 26.

Mr. R. G. Casey, in a special article in the Australian press, says that he does not believe that the British Government has taken an irresponsible and unnecessary step in getting out of India: "... the sooner we hand over political power to the Indians the better." For whom? Only a fraction of one per cent, of Indians vote, so how can it be said that political power is being given to all the Indians. The British re-



MR. BEVIN

tirement from India will place the great majority of Indians at the mercy of a fanatical minority with totalitarian views. (Continued on Page 4)

The Rosella Preserving Company, subject to a continuance of Empire Preferences, plans to spend £250,000 on establishing a tomato processing plant at Tatura (Victoria). Later it is intended to process fruit, also. This would be a valuable contribution to decentralising industries, but it will not materialise if, as Dr. Coombs says, "Empire Preferences are doomed."

Doubtless there are many other industries similarly placed. It is odd indeed when a civil servant without any direction or ministerial authority makes a statement such as that made by Dr. Coombs; and it becomes alarming when, with his mind made up on this point, he is allowed to act on behalf of Australia. He should be dismissed instantly for his insolence.

A.N.A. & ALBERTA: A motion seeking "an investigation of the Albertan system of increasing purchasing power without increasing the cost of living" is on the A.N.A. agenda for its Conference in March. This interesting information appeared in the Melbourne "Age" of February 22, and it indicates that an alternative to our present inflationary wage system is being sought by many thinking people. The existing industrial chaos provides an opportunity for suggestions to be put forward by those who understand the fundamental flaw in the financial-industrial system. It should be fairly easy to demonstrate that extra income can be distributed to individuals in such a way that it does not go through industry as a cost.

WORLD-GOVERNMENT WILES: On Saturday, February 22, an address by William Winter was featured over 3LO. He attacked national loyalties and sovereignty. This was a prelude to "World Government" propaganda. Fear of the atomic bomb was played up strongly and extended to the proposition that "new forms of atomic bombs could be projected into the stratosphere and directed to any country by pressing a button," and that "nobody would know from where or whom they came." It was a wicked

play on fear to stampede listeners into supporting the surrender of their own affairs to an uncontrollable international cabal. Strong protests should be made to Mr. Moses, General Manager of the A.B.C., for allowing a national station to be used for such blatant propaganda.

PRODUCTION PROPAGANDA: The Sound Finance Association has issued a review dealing with "How To Raise Wages And Not Prices." The title is promising, but that's all that can be said for it. The "how to do it" is the much publicised trite "more production"—not a word about **how** to obtain more production. Even if more production was achieved, it does not follow that consumers would have access to it. It does not follow that real wages would be increased, or that prices would be stable. It must be made clear to the consumer that a sufficiency of money votes is required to obtain the extra production. It must also be demonstrated to him that, apart from the necessity of eliminating high taxation, additional income (i.e., other than wages, salaries, etc.), will have to be paid to him outside of industry. This can be paid to all consumers, through the banking system, thus avoiding the extra income received being charged into prices. When the Sound Finance Association evolves such a formula, it will have made a worthwhile contribution to society—but not until then.

HAPPY HEBREWS: Recent pictures in the press featured large numbers of happy and prosperous Jews landing in Australia—all of them with accommodation guaranteed. Shortly after this, further press pictures showed multitudes of houseless Australians bidding for an auctioned home. (Continued on page 2)

"PRIVATE VIEW" FOR INDUSTRIALISTS

Under this heading, "The Social Creditor," England, of January 4, contains a most important article, which gives a startling revelation of how far the New Despotism, as applied to those engaged in agriculture, has advanced in that country. Industrialists are, of course, marked down for a similar fate and are well on the way toward it.

The article's special value to Australians is that it provides a warning which they may heed before the onrush of tyranny has gone quite so far in this country. The article reads as follows:—

A decision, which governs Magistrates and Judges, is that embodied in the Judgment, Minister of Agriculture and "Fisheries v. Price: Viscount Caldecote, L.C.J.:—

"In this case, a case has been stated by the magistrates who have dismissed a charge of non-compliance with an order given by a War Agricultural Executive Committee under powers delegated to them by the Minister of Agriculture and Fisheries. The Minister has power under the Defence (General) Regulation 1939, Regulation 62, to give directions by notice relating to the agricultural land specified therein served upon the person, or body of persons by whom the directions are to be complied with.

"Regulation 66 enables the Minister of Agriculture to delegate to any person or body of persons appointed or approved by him his functions under Regulation 62, and in accordance with these powers, a War Agricultural Executive Committee gave a direction, dated July 24, 1940, to the respondent requiring the cultivation of field No. 35 in a manner described in the directions, and directing also field No. 41 to be dealt with by having the docks cut, gathered, burnt or otherwise destroyed. By Regulation 92, any person who fails to comply with any order made under any of these regulations is guilty of an offence under the regulations. In this case, the respondent failed to comply with the directions of the War Agricultural Executive Committee, and, that fact being found by the special case, the question arises as to whether an offence has been committed. The magistrates took the view that the directions were not the right directions. They based their decision to dismiss the case upon the opinion which they held, in that respect differing from those whom they called the experts, who were witnesses called by the committee to prove the notice, the service of it, and so on.

"In my Judgment, the only matter which the Magistrates ought to have considered was, not the correctness of the view held by the Agricultural Committee, but the facts as to the giving of the directions and the failure of the respondent to comply with the directions. The directions were proved, and the failure to comply with them was proved, and, in my opinion, an offence was committed. Therefore, the answer to the questions submitted should be, I think, that the offence was proved. The order which I think is the proper one is that the case should be remitted to the magistrates with an expression of the opinion of the court that an offence had been committed, and that is the order we propose to make."

A committee may give a farmer any order whatsoever. Annoyed, they may give an order to plough up highly productive food crops. They may give an order to grow a certain crop on land where the farmer knows that it will not grow. They may order him to part with his cattle, and then later to buy cattle again. They may give him orders that cannot be fulfilled without new equipment such as tractors, etc., and then refuse him the permit to purchase such equipment. They may give him a spate of orders to be done within a short time knowing and expecting that he cannot carry out those orders without equipment and labour, which he will not get.

They can order him off his farm even with so little as 24 hours' notice. They may or may not also take his livestock, equipment and feeding stuffs. For this he has no compensation, and there is no compensation for all the years thus far off the farm. But if owner he still remains liable for rates, tithes, etc.

It is claimed that if and when he ever gets the farm back he will be required to repay the Committee all losses they have made in operating the farm. There is no indication that if and when he does get the farm back he will be in any way repaid for dilapidations such as is usual with tenants.

Alternatively, once he is put off the land it may be handed over to a committeeman, relative or friend to operate. There have been such cases.

Or if ownership of the land is desired, the farmer may be given a host of impossible orders, and then quietly told that if he does not sell his farm within a certain short time, the Committee will take it over. In such cases he may expect an offer, usually through an agent, within a day or two, and at a price very much less than he could obtain if permitted time to sell in the usual way. There have been such cases.

If an evicted farmer declines to move, the Committee may call in the police to remove him. This has been done, and in one case in Hampshire the farmer was shot and killed.

In all this the farmer has no appeal to the Courts. The Courts may only confirm the orders of the Committee.

But the Committees also often wish to fine or imprison. Not having as yet anything equivalent to the old Ecclesiastical Courts and gaols, the Committee can hale the farmer before the usual Courts.

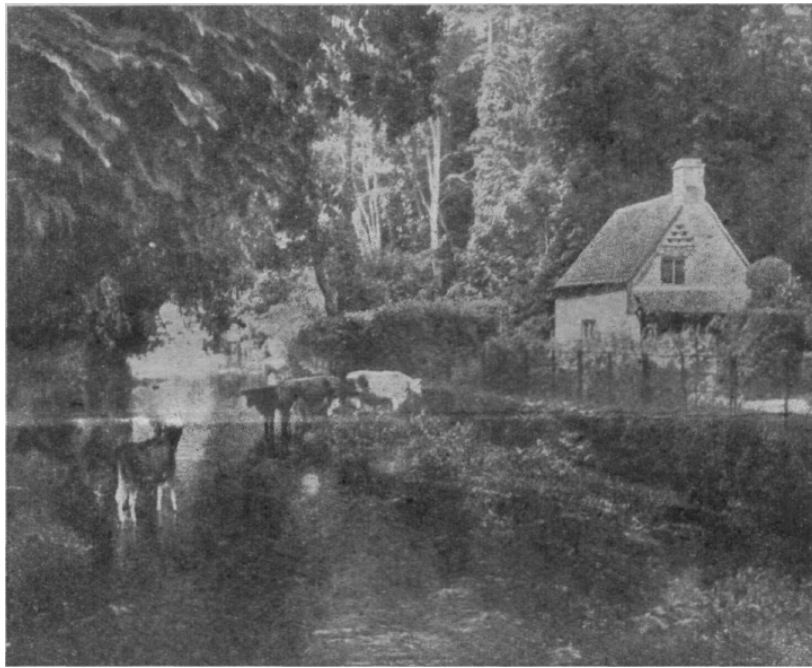
The Courts take the view that they must follow the Committees' request to fine or imprison and do so.

While the farmer has no appeal to the Courts or protection of the police, the Courts and the police become agents of the Committee.

Having worked out the methods and system with the farmer, and found that most men are moral cowards, and that thus controls and even the worst forms of direction can be enforced, sometimes when linked with corruption, they are now ready to extend the same methods to all industry. It is announced that 80 per cent. of industries must soon be brought under equivalent controls.

When this is done it would be something equivalent to some orders given to farmers, if a steel mill were told to make cotton cloth; or, given an order for a large production within a certain date, were not permitted coal; or thrown out over night, to discover perhaps that one of the Committee men engaged in the same business had a relative who suddenly became in control of the mill; or having frightened the owners to sell at a loss, that a relative or friend of the Committeeman had become the owner.

Control always finds it necessary to control everything that the controlled must have. The War Agricultural Executive Committees control permits for tractors, nearly all farm equipment, fertilisers, etc., and thus could favour



A GLIMPSE OF RURAL ENGLAND

some, while ruining others. We may assume that the same kind of thing will happen in any industry controlled. One man will get the plant and material, and another man will be kept short of plant and material. And the man who is kept short will be punished or evicted for being unable to carry out orders, orders often designed to put him in a hole.

In agriculture the farmer could only sell most of his produce to or through certain people named—not where he wished to sell or could sell. If because of orders some surplus exists over market requirements (for instance potatoes) he may have no market at all. This has happened. Or favoured men may be permitted to sell potatoes in the autumn and save the expense of keeping, which involves loss as well, while others are ordered to keep until the next June, when apart from the expense, half of them may be rotten. This has happened. We may expect similar things in any controlled industry.

Farmers in a district have been told to buy in immediately dairy cows. At the very time the local Committeemen have been selling all their cows, getting good prices on the market that they have created. This has happened. Something equivalent may well happen in other controlled industries.

In Agriculture many of the officials who were given vast powers had no knowledge whatsoever regarding farming. In one area one had been selling ladies' underwear, another was an ex-ship's officer, another a merchant, another a youngster taken from the Navy on the score of being essential to agriculture, who apparently had never seen a farm, and when later made Pests Officer quickly disclosed that he did not know a hare from a rabbit. Men have inspected farms, who quickly disclosed that they could not distinguish young grass from young grain. They have ordered wheat sown on lands always flooded in winter, where wheat would be destroyed.

They have destroyed highly valuable mature productive orchards to grow wheat on soil unsuitable for wheat, and which they had to abandon. But the orchard was gone.

And it was obvious to many that a large part of the officials of Agricultural Committees were in age and health very suitable for the Army; but, of course,

they could not go because of their great value to agriculture. But, curiously enough, more elderly men did not seem to have much chance of such jobs. If there ever was a hiding out place during the war, it was in these Committees.

Actually all members of Committees were not alike. But the tendency was for the Committees to be dominated by a few self-seekers, and for some of the members to be mere "dittos," and sometimes not aware of what was happening.

With the usual results of unrestrained power so evident, it is a relief to mention, that here and there, some local committee-man has shepherded the group of farmers under his charge, and protected them from suffering in consequence of the dictator complex of the committees' paid officials, and has procured for such men their share in equipment, without seeking preference for himself. Some of these men have been very annoyed by what they knew was happening, but did not see their way to withdraw from committee work, without risking that their own sub-district suffered in consequence.

Even today nearly all farmers who suffered are afraid to say a word. Even where off their farms and without a source of livelihood, they fear that in some way they could be followed and punished if they spoke. They feel that all the other controls exerted by many departments could be used in some way against them. Perhaps they could be. They are afraid to associate with any man who in any way exposes the Committees. If they meet him they wish to do so in secret. Very few would dare to put on paper their story.

Of course the same thing will happen in all controlled industries. This in turn will permit the control method to prepare the country for the obvious result. People must first be taught to obey, be frightened to express an opinion, or even tell a fact. Then there can be no organised resistance later to anything.

And the Courts will not forever escape from control. Control of Courts has al-

Notes on the News

(Continued from page 1)

and hundreds more queuing up for the right to enrol for a "Myer" house. But there's worse to come. In the Melbourne "Herald" of February 21, Mr. Chambers, the Minister for the Army, stated, "at least 6000 people were living in Army huts." These herded Christians will surely join Mr. Calwell in welcoming the refugees.

RED REVOLUTION: Strange as it may seem, the Melbourne "Herald" of February 2 informed us "Capitalists backed the Russian revolution." The article naively described this ancient history as a perplexing feature. Savva Morosov and Maxim Gorki, with the help of other Russian millionaires, were mentioned as the instigators; but no mention was made of the Jewish promoters in the U.S.A. The writer mentioned the part played by banks and certain publicity magazines, and also stated that, on Lenin's orders, Savva Morosov, like other dupes of Socialism, later drank the cup of bitterness to the dregs.

SPECIAL SERMONS: High-lights from the

Sunday sermons of various denominations usually appear in the daily press on the following day. Generally speaking, the usual theme is an attack on the humble, trusting citizen and seldom, if ever, on the economic system under which we vainly endeavour to live a Christian life. Clergymen such as Revs. J. Arthur Lewis, Irving Benson and Roscoe Wilson, who receive most publicity, offend most with these inane and platitudinous sermons. This should be pointed out to them by those in their congregations who recognise that the real problem is the controllers of our un-Christian financial, political and industrial system. To be quite fair, one hears an occasional warning about the menace of the deification of the "State" (socialisation)—but only very occasionally.

FIXING FASHION: Along with the other things, sport, in particular, is now being "fixed" in New York in a big way. According to the District Attorney (Mr. F. Hogan), "gunmen and hoodlums have put all ten fingers into boxing, baseball, racing, wrestling, water polo, ice hockey and maybe croquet." This is symptomatic of this Age of Gangsterism. The same thing is observable in politics, finance and industry. It is especially true of Australian politics and unionism; the only difference is that the latter forms of rackets are legalised. If one looks into the records of men now in positions of power in these spheres, it will be clear that integrity is a missing quality. This lack seems to be an almost inevitable by-product of Party Politics.

—O.B.H.

ERIC BUTLER'S ACTIVITIES

Mr. Eric Butler arrived in Melbourne from South Australia last Saturday morning and left for Sydney last Monday evening. Reports of Sydney and Brisbane meetings held this week will appear in our next issue.

Speaking under the auspices of the South Australian League of Rights, Mr. Butler gave 21 addresses in 14 days in South Australia. Lunch-hour addresses to workers proved very successful. The South Australian League of Rights has initiated a tax-reduction campaign that is gradually gaining momentum. The hon. organiser of the League, Mr. E. C. Finn, well known to our regular South Australian readers, is doing a splendid job and was able to form groups in nearly every centre where a public meeting was held. An interesting feature of the first League of Rights meeting in South Australia, at Burnside, was the presence of the Federal Labor Member, Mr. T. Sheehy, M.H.R., who, in spite of Mr. Butler's trenchant criticism of what was happening at Canberra at the instigation of the local representatives of the international plotters, did not say a word.

On his way back to Melbourne, Mr. Butler addressed a meeting in Horsham, Victoria. This meeting was arranged by the Horsham Voters' Policy Association, and was an outstanding success. The work started in Horsham is a credit to members of the Voters' Policy Association, Mr. Lawrence Rudolph, President, and the secretary, Mr. Ron Fisher, are worthy of special mention.

BALLARAT TAX-CUT CAMPAIGN

The Ballarat (Vic.) Voters' Policy Association, formed as a result of Mr. Eric Butler's meeting in Ballarat late in January, reports that its tax-reduction campaign has started in a most encouraging manner. The initial response to the campaign was so enthusiastic that 5000 demand forms were printed locally. Most of these have been distributed and a further 2500 have been ordered.

At a meeting of Ballarat actionists on February 20, it was estimated that already 800 signed letters had been forwarded to the Federal Member, Mr. R. T. Pollard, M.H.R. Progress reports of the campaign are being submitted to the local press.

Two depots for the collection of signatures have been established. They are: Gullan's Newsagency, Bridge-street, and Perkins' Newsagency, Sturt-street West.

"New Times" readers in the Ballarat Federal Electorate who desire to help the Voters' Policy Association should contact Mr. J. Lannen, Collard-street, Ballarat.

DON'T MISS THIS

Extra copies of the January 31 special anti-taxation issue of the "New Times" are available at the "New Times" Office, McEwan House, 343 Little Collins Street, Melbourne. (Postal address: Box 1226L, G.P.O., Melbourne.)

The price to you, for a parcel of these extra copies, is 2/- per dozen, post free.

A supply of them will help you to further the tax-reduction campaign, so write or call for your parcel without delay.

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THE SITUATION AND THE OUTLOOK

By C. H. Douglas, in "The Social Crediter," England.

(Concluded from last issue.)

The situation, then, is that the philosophy of Hegel and Marx, to use the names to which it is generally attached; a philosophy which appears to be fundamentally Jewish with a modifying strain of Prussianism, is now temporarily triumphant in a policy of State Socialism directed under cover of a bureaucracy by a small group of international money kings, perhaps not entirely Jewish at the moment, but intending to become so.

Control of propaganda in all its forms has imposed a false mental picture on the group mind which facilitates the acceptance of such patent absurdities as "full employment" in a power-production economy, centralised direction in a universal literacy, and, in fact, general stultification in the name of "the common good."

No refinements on this policy hold any prospect of salvation. It is fundamentally false and vicious, and events are the outcome of it. The greater dominance it acquires, the more events must follow the pattern of its philosophy. We are therefore driven to consider how it can be arrested, what can be substituted for it, and how that substitution can be accomplished.

To say that Social Credit is the only policy which offers any hope to a distracted world would savour of quackery unless accompanied by a definition which is not delimited by a plan, financial or otherwise. The very essence of a plan is that it is static, not organic; and the very essence of the necessity under which we labour is that we have to recognise that life is organic, not static. The conception of Social Credit which first has to be established, so that the error of a static conception shall not stultify tactical plans, is that we must aim at liberating reality; and to liberate anything you must first be able to recognise it. A good deal of the so-called philanthropic sentiment in the world is not reality, and has no relation to reality. Who are the prime beneficiaries of U.N.R.R.A. and the "Save Europe Now" rackets?

Before touching upon immediate necessities two simple propositions require enunciation. The first is that no one has ever been able to conceive of a stick with one end, still less to make one. When someone says (and there is a steady propaganda to induce people to say) that a policy is negative, they are talking the same kind of nonsense as those who say that what is wanted is a positive policy. No one has yet found a way to travel nearer to Carlisle without getting further from Crewe, if you start from Crewe.

And the second proposition is that a Government is inherently and inevitably re-



MAJOR C. H. DOUGLAS

strictive and therefore that the amount of Government which a community can stand without collapsing is definitely limited, and if Governments are competitive, the most governed community will collapse first. And therefore, the first policy to be applied to over-Government, i.e., Socialism, is and must be, a negative policy—a retreat from Government; less Government.

JUST APATHETIC OR SCARED STIFF?

By C. H. ALLEN.

The commentator on foreign affairs in "World Review" (London) of December 1946 suggests that the Socialistic policies implemented by Roosevelt in the "depression" crisis were adopted, not because of responsible radical backing, but because of the behaviour of a "flock of frightened sheep."

Such an assessment of the factors involved is inadequate for several reasons. The depression, like the world wars and other disastrous happenings, can be traced to the bandit-like actions of a few internationalists who control world affairs, and it is an unfortunate fact that citizens seem to lack even sheep-like mobility; they act more as if they are scared stiff.

Even today, when so much more is known of the causes of the unsatisfactory conditions, and the ways by which the bandits can be outwitted, it is not easy to locate live-wire people willing to use their own initiative in starting, or widening the effect of, some worthwhile activity.

By visiting people in their homes it is fairly easy to get verbal agreement to the explanatory propositions one may make, and to induce those who are contacted personally to sign formal demand forms addressed to Parliamentarians; but one feels generally that most people remain essentially apathetic except when the canvasser is at their heels.

FEELING OF HELPLESSNESS

Perhaps the most extensive of the factors, which inhibit continuous effective activity

This characteristic of Government is inherent, but is little understood. Government is of necessity hierarchical and cannot stimulate or even tolerate independent, responsible action. Anyone who has contact with Government officials knows the impossibility of getting a genuine decision out of any of them. At the best, what you get is the assurance of a precedent.

In its place (quite a minor place) and with strict limitations, this state of affairs is necessary and useful. But not when elevated to a scheme of life. Governments are not proper mechanisms to which to entrust policy. The result never varies; the world becomes progressively less pleasant to live in. As at present organised, there is no essential difference involved in "Big Business."

I am coming to believe that an extraneous code of principles is in the nature of reality. Given that, individual responsibility for the interpretation of the code follows logically. And the first consequence of this, which leaps to the eye, is that the miscalled democratic system, as generally understood, even if it had any genuine existence, is a dangerous mistake. It postulates Group Responsibility. In the mundane sense, there is no such thing. Groups are psychic constructions, probably sub-human; and the current endeavour to, e.g., identify every individual who happens to have a German passport with "Germany" is voodooism, and proceeds from a source in which the identity of the individual with the group is an atavistic survival.

Individual responsibility inescapably implies inequality, and inequality inescapably implies that an individual can (not, with the aid of Miss Ellen Wilkinson, necessarily does, at the present time) know his own business best.

These observations are not intended to be an introduction to the subject with which they deal, and I have therefore no doubt that anyone sufficiently interested to read them will be able to follow the connection with the general principles involved, of the following tactical implications:

(1) Rationing is economic ("household management") centralisation. It is diametrically opposed to Social Credit, and should be fought consistently and bitterly.

(2) Money (which comprises prices) should derive from the individual and be contributed, without coercion; to such state functions as are necessary. (N.B., This is not a scheme). "Coupons" are simply a "Russian" trick.

(3) An individual has no more right, moral or pragmatic, to indiscriminate and unlimited voting power than he has to unlimited and indiscriminate purchasing power. Anyone who is in favour of a secret ballot franchise on an unrestricted agenda prefers to make his purchases at a thieves' receiver. What is not for sale, ought not to be buyable.

No one has ever produced the slightest evidence to support the "Gentle Jesus, meek and mild" conception of Christianity (except by quoting a mistranslation). It appears probable that Christianity has many aspects; the one immediately important is depicted in the adjuration, "Ye generation of vipers," and in the scourging of the moneychangers from the Temple. A firing squad may be necessary.

(Concluded.)

be able to vote, by adequate money or by other forms of franchise, for what they want. For so long have we been familiar with perverted forms of franchise that it may take a deal of effort to awaken in people a sufficiently potent desire to combine in the proper way to control policy.

HESITANT HIGHER-UPS

Again, one does not need much experience in contacting the more responsible people in executive positions in politics, commerce and industry to discover a scared-stiffness of another sort. Such people are placed mid-way in position, and are in a way to understand to some extent the processes supposedly designed to get the people what they want. But the people are not getting what they want in any adequate measure, and many executives will



MR. JAS. GUTHRIE, B.SC.

Author of "Our Sham Democracy"

agree with the partial explanations one can make in a short interview (with busy people) about the gritty material in the wheels of industry which make for friction in a most disconcerting and alarming manner.

Sentimentally these people are in agreement with the ideas, which can be put to them regarding concerted action to get rid of the gritty nuisance stuff. On the other hand, seldom will they show willingness to break from conventional ways, and to help gather sufficient weight to tip the beam of the scales against the bandits.

Shrewd guesses can be put forward in suggesting reasons for the attitude of those placed in important official positions.

MUST CALL BANDITS' BLUFF

The bandits are in control also of many lines of communication, overt and covert, by which warnings can be disseminated. Somehow or other the fiat goes forth that a rap on the knuckles awaits those who show any adequate sign of revolt, or any adequate determination to put up a real fight for essential freedom.

Eventually, such bluff can and will be ignored.

At present, patient work must be done to spread a knowledge of the real situation.

A perusal of the booklet, "Our Sham Democracy," by Jas. Guthrie, B.Sc.,* will be found to be invaluable in this respect.

It must be remembered that the bandits are in control of the atomic bomb preparations, with the intention of putting us all into the scared-stiff category. Careful attention to the suggestions set out above will put us in a position to thwart the intentions of the bandits in this realm also.

*Obtainable from The United Electors of Australia, 343 Little Collins Street, Melbourne, and from other such movements in all States. Price, 1/1d per copy, including postage.

"ONE WORLD" SALESMEN FROM U.S.A.

By MARY H GRAY

In the good old days before we had heard of the World Government Plot or the sinister Hidden Hand that dominates and directs events in world affairs, we accepted every visitor to Australia at his face value or on the strength of his reputation.

Nowadays, when a visitor from another country is much boosted, it is a warning that we should watch his activities, particularly his public utterances. We shall then probably find a marked discrepancy between the ostensible purpose of his visit and his real mission.

During the past few weeks two "distinguished" Americans have favoured us with a passing visit in their trip around the globe; one a writer of plays, Norman Corwin; the other the wartime radio commentator, William Winter. Both have condescendingly handed us advice over the wireless much in the manner of the schoolmaster talking to ignorant and wayward children.

Mr. Corwin wanted to put us right in our attitude to Communism. The difference, he explained, between Communism and democracy was merely that the former stressed the economic and the latter the political aspect of society. So it appears we have nothing to worry about after all; Communism is only the obverse of Democracy!

Mr. Winter did not let us off so lightly. As Guest of Honour on Sunday evening, February 23, he seemed to think he was privileged to give Australians a whipping up on account of their narrow nationalistic outlook. Our faults were many. We boasted too much of being 98 per cent. British stock, and we would keep on referring to the Old Country as "Home." He was very aggrieved about this. Canadians didn't talk that way; it showed we hadn't grown up.

CHIFLEY'S SOP NOT NEARLY ENOUGH

(Continued from Page 1)

won in a sea battle in which it lost six canoes and 15 men killed. What was the cost of winning this battle? Think it over for yourself. Was not the real cost of the battle the expenditure of energy on the building of war equipment, some of which would even be useful for peaceful pursuits, and the lives lost. This cost had been met when the war finished.

In a modern community the financial system should merely be an accounting system. There is obviously something radically wrong with a financial system, which says that we must pay in never-ending taxation the cost of a war we already paid for in the real sense at the time we fought it.

This country and every other country in the British Empire is fighting for survival just as grimly as it was during the darkest days of the military war. Every individual Member of Parliament has got to be informed clearly by his electors that he is expected to make a real effort to help this fight. If his electors instruct him with letter forms, as they are doing at present, demanding that production policies be given priority over taxation policies, individual Members are expected to pay more than lip service to the policies of their masters, the electors.

A great number of electors in the Federal electorate of Corangamite have already sent demand letters to the sitting Member, Mr. A. McDonald, M.H.R., asking for a drastic cut of 40 per cent. in all taxation and no increase in prices. So far the attitude of Mr. McDonald has been most unsatisfactory, and the time has arrived to inform Mr. McDonald that unless he proves by action that he will make a fight on behalf of his electors, serious consideration will have to be given to working to replace him at the next Federal Elections with a representative who will make some genuine effort on behalf of his electors. The Corangamite Voters' Policy Association, of which Mr. Spencer, Murray-street, Colac, is the Secretary, is most dissatisfied with the attitude of Mr. McDonald towards public issues, and is determined to back a candidate at the next Federal Elections who will be controlled by his electors. The tax-reduction campaign initiated in the Corangamite Electorate by the Voters' Policy Association has provided Mr. McDonald with the opportunity of doing something worthwhile at Canberra. The electors of Corangamite can only speak at Canberra through their Federal Representative.

All those electors who have not yet helped the anti-taxation campaign are urged to do so immediately. An increasing stream of letterforms demanding drastic taxation cuts with no increase in prices is urgently required. Demand forms are available to all those who require them.

If electors want a 40 per cent. reduction in all taxation, they should not be satisfied with a 11 per cent. reduction, or even a 30 per cent. reduction. They should insist that their paid servants give them what they desire. And, having obtained the first drastic reduction in taxation, they should then continue to insist that further reductions take place as production increases.

THE BAD OLD DAYS

"FOR SALE: Six-roomed house, pine floors, brick dairy, three-stalled stable, pigery and fowl-house, large fruit-garden, small paddock, well fenced. Price £30."

—Advertisement in Ballarat "Courier" 70 years ago.

"ONE WORLD" SALESMEN FROM U.S.A.

By MARY H GRAY

In the good old days before we had heard of the World Government Plot or the sinister Hidden Hand that dominates and directs events in world affairs, we accepted every visitor to Australia at his face value or on the strength of his reputation.

Nowadays, when a visitor from another country is much boosted, it is a warning that we should watch his activities, particularly his public utterances. We shall then probably find a marked discrepancy between the ostensible purpose of his visit and his real mission.

Then there was our attitude to foreigners. That was very provincial. Whether a man was a Jew or a coloured didn't make any difference; he would help to solve our population problem and provide more spending power.

Our lack of interest in world affairs was deplorable; we should try and develop the international outlook.

As for our White Australia policy, it was a crying sin. Were we aware of the teeming millions of East Asia almost at our doors? Look how the United States had thrown open its gates to all and sundry, with what benefit to all and development of U.S. CULTURE! . . . (It seems to me that the U.S. have not given us much of a lead in solving the coloured problem we would certainly have should we open our sluice-gates to millions of Indians, Chinese—perhaps even Japanese.)

There is little doubt that these two gentlemen have been selected, along with certain others now in Australia, to act as high-pressure salesmen for the "One-World" New Order.

THE U.N.R.R.A. FIASCO IN YUGOSLAVIA

Condensed from "The American Mercury"

By ERIC L. PRIDONOFF, former economic analyst for the U.S. State Department at the American Embassy in Belgrade.

Marshal Tito has built up and equipped an army of 600,000, plus a huge and efficient secret police, with the purpose of maintaining in Yugoslavia a Government closely patterned after that of Soviet Russia. Where did he get the necessary material? Surely not in devastated Yugoslavia. Tito got his material through U.N.R.R.A. The facts are clear enough. Many of them I obtained myself.

How much material aid has actually been sent into Yugoslavia by U.N.R.R.A.? "Of course, we have received some help from U.N.R.R.A.," declared Tito in a speech to the Communist Youth Congress in Zagreb in June 1946. "But the principal and most substantial aid came from our great ally, the Soviet Union."

Neither I nor my colleagues in the American Embassy could find any evidence of that "substantial aid." What we did find was an army of Russian spies, political commissars and soldiers who were living off the ravaged land and shipping to Russia much of the economic wealth of the country.

The Russians removed supplies and equipment from city, farm and factory, and floated the confiscated goods down the Danube to the Black Sea. Those in charge of the Soviet barge convoys made it a regular habit, in their overnight stops at villages, to steal sheep, hogs, cows, chickens and personal belongings from the inhabitants. Numerous complaints against this spoliation reached us at the Embassy. Tito's Government never once, to my knowledge, registered a protest against the Russians. On the contrary, the people were told that they could never do too much for their Soviet ally.

When Belgrade was liberated from the Nazis the German armies had no time to destroy large stock piles of food, including 50,000 car-loads of wheat and more than 2000 car-loads of sugar. The Russians seized these vast stocks and left the citizens none at all. Later, they "generously" returned ten per cent of the wheat. This was given tremendous publicity to show the Yugoslavs the kindness of the Soviet Army.

Moreover, the Tito regime entered into secret trade agreements with the U.S.S.R., whereby for the past two years a large share of Yugoslav sugar, wine, pork, glass, hemp, leather and other products have been sold to Russia at prices which the workers and peasants claimed were below the cost of production. In return, we discovered the Soviet Union supplied Yugoslavia with matches, laundry soap, chemicals and military equipment—some of it lend-lease material sent by the United States to Russia.

This is the "substantial aid" given to the Yugoslavs by the Soviet Union, for which the people are told by Tito to be so thankful.

By way of contrast let us examine U.N.R.R.A.'s contributions to which the Soviet Union has contributed nothing more than administrative personnel. By the end of 1946, shipments of U.N.R.R.A. supplies into Yugoslavia totalled 2,000,000 tons with a value of nearly \$400,000,000.

In a report published in "Politika" (a leading pro-Communist daily) on April 20, 1946, Colonel Mihail Sergeichik, the Russian head of U.N.R.R.A. in Yugoslavia, stated that up to April 15 U.N.R.R.A. had brought into the country 979,339 metric tons of food, consisting chiefly of grain, meat, sugar, milk, pork fats and oils.

In other words, U.N.R.R.A. shipped in enough food to give every man, woman and child slightly more than 150 pounds of food a year.

To this must be added 58,872 metric tons of cotton, wool, finished cloth and clothing, or approximately nine pounds of textiles per person. For a man this can be computed to mean: two pairs of trousers, two shirts, three union suits, six pairs of socks, one sweater, one overcoat and six handkerchiefs.

Medical supplies totalling 8518 metric tons had reached Yugoslavia by that time, according to the same article, or enough to supply each of Yugoslavia's 15,000,000 people with 1 1/4 pounds. Nor must we forget the 28,000,000 gallons of gasoline; the more than 12,000 trucks; the 75,000 tons of coal; the tractors and other agricultural implements; the sawmills, mining equipment, railroads, and a host of other vital commodities. Tito grudgingly referred to all this as "some help from U.N.R.R.A."

The fact is that in terms of the total economy of the country Yugoslavia has received as a gift goods equal in sales value to more than ten years of its total pre-war national budget, and to three full years of its gross national income. Yugoslavia has thus been saved from complete collapse, despite Soviet depredation, only by the movement of U.N.R.R.A. supplies into the country.

Let us now analyse how Tito was able to turn the generosity of the democracies into an effective weapon for strengthening his own regime.

During the winter and spring of 1944-45 Yugoslavs were suffering intensely from starvation and cold. At that very time ships, laden with food, clothing and medicine, were in Italian ports, awaiting permission from Tito to bring in these supplies. Tito refused until he obtained complete control over their distribution. He demanded that a Soviet representative head the U.N.R.R.A. mission to Yugoslavia. Thus it was that Colonel Sergeichik, an able administrator and loyal Stalinite, took over the reins of U.N.R.R.A.

U.N.R.R.A. was, at the start, largely staffed by American and British personnel, among them a considerable sprinkling of Communists or Communist sympathisers, who viewed the entire operation of U.N.R.R.A. as a huge commissary to be dipped into as deeply as possible by the pro-Soviet forces. To these, no request from Tito or his subordinates was to be questioned.

Attempts to verify the actual need for supplies were usually met with Sergeichik's smiling refusal. "After all," he would say, "the poor Yugoslavs have suffered so much! No matter what they ask for, we should give it to them." It was pointless to remind him that not one ounce of these supplies came from Russia.

Many decent and able U.N.R.R.A. officials resigned in disgust; but as quickly as they stepped out Colonel Sergeichik replaced



MR. LA GUARDIA

This Italo-Jewish American succeeded Mr. Lehmann (German-Jewish American) as head of U.N.R.R.A.

them with Russians. Russians held the key positions in the transportation and distribution of U.N.R.R.A. supplies in Yugoslavia.

Later, when Mr. Herbert Lehmann, as international head of U.N.R.R.A., paid a two-day visit to Yugoslavia to check up on matters, the regime saw to it that he was taken only to the proper places, and introduced only to those U.N.R.R.A. workers they wanted him to meet.

During the year that I was in Yugoslavia, Tito's Government refused to permit U.N.R.R.A. inspectors to check on the textile factories rebuilt or repaired by U.N.R.R.A.-donated equipment. Nor were they allowed to check on the disposition of the finished products of those mills,

which were being fabricated from U.N.R.R.A. cotton, wool and synthetic fibres. Soon after the mills began functioning, Yugoslav army officers began strutting about the streets of Belgrade in new uniforms. But the civilian population became shabbier than ever.

There can be no doubt that the whole of the Yugoslav army and air force was maintained on U.N.R.R.A. supplies. The 12,000 trucks which U.N.R.R.A. gave Yugoslavia have, in the main, been diverted from their intended use (to improve civilian transport) to that of moving supplies and soldiers of Tito's army about the country. They were also frequently used to transport civilians and army personnel in the many forced-attendance demonstrations arranged by the Tito regime.

Tito and his high officials rode about in beautiful cars; they had plenty of gasoline; they had plenty of coal to keep themselves warm. I know that most of these supplies came from U.N.R.R.A. Next door to me lived the Communist Minister for Slovenia. I saw him get 30 tons of U.N.R.R.A. coal delivered in a U.N.R.R.A.-given truck, powered by U.N.R.R.A.-given gasoline.

Medical supplies, given to the Yugoslavs either by U.N.R.R.A. or the Red Cross, were used as a political whip. Unless a sick person was of the proper political "colour," the Government clinics brusquely refused him any medical supplies.

Many believe that U.N.R.R.A. supplies were given free to the people of the devastated countries. Such was hardly the case. U.N.R.R.A. endorsed the practice of selling these supplies to the people. But they were to be sold by the various Governments, it was assumed, at the normal cost of production. In this way people would pay for what they got, and bankrupt Governments would obtain money, which could be used for industrial rehabilitation.

What happened in Yugoslavia was that the Communists were able to do as they pleased with U.N.R.R.A. supplies. People could buy U.N.R.R.A. supplies only at Government-controlled markets, at prices, which were from three to 30 times normal prices. By thus selling at a huge profit the goods U.N.R.R.A. has been sending free to Yugoslavia, Tito's regime has obtained funds to equip and support an army, which has put every eighth man in uniform. Even a wealthy country could hardly afford to keep such vast manpower idle. Tito was able to do it on U.N.R.R.A.

With U.N.R.R.A. supplies Tito has plundered the people of Yugoslavia, forcing them to give up their belongings and their freedom to get the food and clothing they needed in order to keep alive.

And while he has been doing this, his army of propagandists has conducted a violent campaign against the democracies. When hungry people protested against the high prices they had to pay for food, clothes and medicine, his Government-controlled newspapers said, "Well, there is capitalism for you! Isn't it terrible to think that rich Americans should force us to pay such outrageous prices!"

Through the democracies' own blindness, U.N.R.R.A. was allowed to help build Tito's totalitarian State.

POLITICAL POINTERS

(Continued from page 1)

The upheaval that will follow the removal of the British will, of course, provide an excellent excuse for Soviet intrigue. It appears that the present British Socialist Government is trying to appease "American" opinion by refusing to accept its responsibilities in India and elsewhere. Mr. Bevin, it is true, "has run off the rails" on the Palestine question, but further pressure from America should soon right this matter. Mr. Bevin will learn that not even Socialists are permitted to be critical of Jewish policies.

Thinking Australians would do well to remember Mr. Casey's agreement with the Socialists on the Indian question. His views were quoted with approval by Socialist Members of the British House of Lords.

Party politics in South Australia have reduced democracy to a farce. On March 8, 27 per cent, of South Australian electors will not have the opportunity of casting a vote. There are 13 unopposed Members—nine Government and four Opposition. Premier Playford and all his Ministers are unopposed. This position provides further evidence of the necessity of strong non-party Voters' Policy Groups being formed in all electorates, in order that electors can insist upon a candidate controlled by the electors, not one elected and controlled by a small party junta.

Replying to queries concerning the possibility of British motorists travelling with their own cars on the Continent, the Automobile Association, London, recently reported that "Motoring was practicable in Scandinavia, Holland, Belgium, Luxembourg, France, Switzerland, Spain and Portugal. Even Italy was open to the motorist. . . . Hotels generally were good, and food for tourists was plentiful."

It is still believed by some people that the British people won the war!

Every Policy derives from a Philosophy. Social Credit is a Policy of a Philosophy—a Philosophy of Freedom for the Individual. It has been well said that Social Credit is applied Christianity; it is in complete harmony with the fundamental principles of the Christian religion. Back in 1937, C. H. Douglas defined religion in the following terms:

"Now the word 'religion' . . . derives from a word meaning to bind back: it is related to the word ligament, and so forth, and sometimes it is used as meaning to bind. Well, it obviously would have a slightly unpleasant flavour if you define it as being to bind, but I think that the agreed definition, its original meaning, was to bind back. In the sense that I am going to use it, and I think I will be using it correctly, the word religion has to do with a conception of reality. It is the binding back either of action, or of policy . . . to reality."

Dealing with a private Enclosure Act instigated in 1818 between an English Lord and his tenants, Mr. H. J. Massingham, in "Men of Earth," writes:

"Thus the 1818 Act confirms the 1524 Indenture as evidence of a genuinely democratic England, a democracy based on small properties, acting in concert by means of elected representatives, resting on the land and possessing both security and inheritance. It is hardly surprising, then, that our modern democracy, which possesses no property and no independent rights of economic security and is a landless proletariat, ignores and despises the past. For the religious toleration it has gained is hardly of value in a world indifferent to religion, while the right to vote without choice of the candidate and to a Parliament which has lost its control over the public purse and is subject to external forces over which it has ceased to exercise any authority, is a poor substitute indeed for the little self-sufficient democracy of the local village."

—E.D.B.

dependence is definitely a thing of the past. . . .

"The final battle will be between the U.S.A. and the U.S.S.R. for the social, economic and political formation of China and Asia. . . . The greedy hands of American capitalists, aided by American imperialists, to whom the armed forces have been entirely subordinated, are attempting to penetrate Asia from two sides—through Alaska, which is a powerful assault base, and through Turkey, Persia, Afghanistan, Tibet and China.

"The U.S.S.R. must direct all her efforts towards strengthening the position of her western frontier by keeping Eastern and Southern Europe under her control, by the permanent establishment of a Slav State, in order to have a free hand in the East, where half the human race is waiting for the sign of liberation."

—"Weekly Review," London, 19/12/46.

"THE ATTACK ON CULTURE"

Hear—
MR. JOHN WELLER

on—
Thursday, March 13th, at 8 p.m.
at—

The Douglas Social Credit Movement of Victoria, "The Block" Melbourne. (Entrance through grille in Elizabeth Street.)

Printed by M. F. Canavan, 25 Cullinton-road, Hartwell, for the New Times Ltd., McEwan House, Melbourne.

A POLITICAL GUIDE FOR COMMUNISTS

A recent speech by a Communist official at a closed meeting of Polish party members sheds some light on the process of political indoctrination inside the Communist Party. We quote the following extracts:

"There is a smell of gunpowder in the air. In all capitalist countries we must have at our disposal mass organisations and parties capable of carrying out the fight on the home front. These forces must be sufficiently strong to resist the capitalist organs. Some Communists are of the opinion that the Comintern has ceased to exist. It has ceased to exist—but it has not ceased to function. The Comintern must continue to exist. And since the Communist Party sections in individual countries have been abolished—we are bringing into existence new parties, which are also centrally controlled from Moscow."

"The Communists in England committed a grave error and their influence on the Labour Party has, therefore, been eliminated. They did not know how to gain control of the workers' organisations at the lower levels by placing trusted people in them and by forming their own cells, combined in a single elastic network. Instead of quiet, fruitful work they started public discussions, proposing the formation of one workers' party with the object of strengthening the position of the workers' movement. As a result, the formation of a workers' bloc composed of the Labour Party and the Communists did not take place, and the latter lost what influence they had gained in the Labour Party. The committee appointed by the Politbureau of the Communist Party did not show sufficient interest to direct the work properly. . . ."

"The German Communist Party has also not taken advantage of the political situation and the severe conditions under which the German nation is living. The influence of Schumacher and the Nazis is growing. In the British zone we have over 5800 Party cells and 31 centres (2850 activists and 11,370 trusted workers). We have succeeded in sending across the frontier over 6000 of our activists and 3000 people from our Moscow centres. Despite these great efforts of the Communist Party in the British zone, very little has been accomplished in a year, and work has been confined to setting up secret cells. . . . In two cases our agents were discovered by the Nazis when setting up a secret party net, and were kidnapped and probably liquidated, since all contact with them has been cut

and all traces of these brave people have vanished. . . ."

"The Communist Party is now launching a big attack on the United States. Its primary task will be to increase the number of our activists and members, and simultaneously to gain control of the Trades Unions and bring all the unemployed under our influence. We expect that within the next five years our Party will lead millions of the working masses and unemployed in the United States."

"World politics have reached a decisive historical stage. The conflict between two ideologies continues; between two trends, between capitalism, which has the support of the maritime Anglo-Saxon States, and Communism, whose fatherland is the U.S.S.R. The world of today is clearly divided into two camps; the Soviet and the Anglo-Saxon. The medium States, which defend their independence, are becoming in practice increasingly subordinate to the interests of one side or the other; the small States do not count at all, since their in-



EARL BROWDER

Communist leader under a cloud in U.S., but persona grata in U.S.S.R.