

# THE NEW TIMES

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SIXPENCE WEEKLY

## THE BANK BOARD

### Liberals Appoint Socialist Planners

When Mr. Chifley said at Canberra that his Party had decided to resist to the utmost the re-introduction of Board Control of the Commonwealth Bank, he added a proviso which the Menzies Government proposes to exploit. Mr. Chifley said that Labor would oppose the establishment of a Board representing "vested interests." Almost as if this proviso were part of a pre-arranged plan agreed to by both Government and Opposition, the Government has decided to appoint a Board of ten members, none of whom will have any interest in private banks. And further, half of the members of the proposed new Board will be individuals appointed by the Labor-Socialists to act as an advisory committee for the present Governor of the Commonwealth Bank, Dr. H. C. Coombs! Dr. Coombs is to be the Chairman of the new Bank Board. If it were not so tragic, the situation would be most humorous.

While Mr. Menzies, the man who has claimed that he is a "practical Socialist," and Mr. R. G. Casey, the open admirer of Socialist large-scale planning, may think it merely part of the political game to forestall the Labor-Socialists' probable criticism and action by appointing all their Socialist economists and "advisers" to the proposed Bank Board, it is difficult to believe that the Federal Treasurer, Mr. A. Fadden, can be very happy about the appointments. While in the Opposition, Mr. Fadden was not only a most trenchant critic of Socialism generally, but he specifically attacked the Socialist economic planners, even mentioned Dr. Coombs by name. Now he finds himself in the position where, as Federal Treasurer, he will be advised on financial matters by the very Socialist planners he has rightly claimed were trying to introduce totalitarianism into Australia.

#### Dr. Coombs

Always remembering that he was highly regarded by the Socialist training centre, the London School of Economics, it is instructive to recall that Dr. Coombs was first appointed as an economic adviser by the Menzies Government just prior to the war.

He became a prominent member of the old Commonwealth Bank Board. When the Labor-Socialists were elected, they abolished the Board and established an "Advisory Council." Dr. Coombs was a "key" man on this Council for several years before being appointed as Governor of the Commonwealth Bank by Mr. Chifley. Dr. Coombs was an advocate of bank nationalisation and played a most important role in shaping Mr. Chifley's financial policies. And now this important Socialist is to advise a so-called anti-Socialist Government on its financial policies! It will be most interesting to learn how members of the Liberal

and Country Parties justify this appointment. If rank and file members of the non-Socialist Parties are prepared to accept without protest the appointment of Socialist planners like Dr. Coombs, they stand self-condemned as guilty men who, having denounced these planners and their totalitarian policies for years, now consciously condone the policies which Dr. Coombs and his associates will undoubtedly continue. The very suggestion that the new Bank Board will be subject to effective Parliamentary control is so contrary to all commonsense and experience, that any politician who seriously suggests that there can or will be any such control, is either a knave or a simpleton.

#### A Credit Monopoly

We must, of course, now make it clear that controversies concerning Bank Boards, Advisory Councils, or any other method of controlling the Commonwealth Bank, and through it the whole banking system, merely obscure the real issue to be faced. That issue is whether the individual is to have effective control of his own financial credit as a right, or whether some central group—it doesn't matter whether they are bankers, politicians, or Socialist planners—are to control it and the individual. There is a Monopoly of Credit, a Monopoly that Dr. Coombs and his associates are working to extend. There is no hope for our civilization until this Monopoly is broken.

#### The Sole Function of Government

Our viewpoint concerning the money system can be stated briefly and simply: We believe that the money system should merely be a system of accountancy automatically governed by the facts of production and consumption. The sole function of the Government should be to ensure that present financial policies are so modified that every advance in the industrial arts is passed directly and automatically to the

individual in the form of increased purchasing power, which the individual can decide how he is going to spend. There were various ways in which this could be accomplished, and we will be happy to supply suggestions to any individual who agrees that our conception of the object of a money system is the only alternative to totalitarianism.

#### "Guns Before Butter"

A controlled money system, which is what we have now, means that there must be controllers—i.e. Bank Boards or "Advisory Councils"—who decide the terms and conditions under which the individual can get access to money which should be his as a

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### OUR POLICY

1. The preservation of Australia's sovereignty as a part of the British Empire, and the exposure of all internal and external groups which attack that sovereignty.
2. The preservation and extension of genuine local government.
3. The preservation and strengthening of all Constitutional safeguards for the purpose of protecting fundamental individual rights.
4. The encouragement of all activities designed to bring Governments under more effective control by the electors.
5. The preservation and extension of genuine free, competitive enterprise and private ownership, and opposition to all Monopoly, whether it be "private" or State.
6. The support of a financial policy which will (a) permit free enterprise to make available to all individuals an increasing standard of living and greater leisure for cultural pursuits; (b) result in no further increase in the community's indebtedness and the sound business practice of gradually reducing existing debt.
7. Recognising that the basis of any sound economy is agriculture the encouragement of agricultural policies which will ensure the preservation and building up of soil fertility by organic farming and gardening; and the prevention of soil erosion and are protection of forests and watersheds.

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.

# TO THE POINT

## Importance of Local Government

Federal and State Governments were encroaching on local body affairs, the Lord Mayor of Brisbane (Alderman J. B. Chandler) said yesterday.

He was speaking at a luncheon attended by members of the City Council and mayors visiting Melbourne for the Lord Mayors' conference.

Alderman Chandler said that the authority of local governments was decreasing, but their responsibilities were increasing.

"There should be a trinity of government—Federal, State and local," he said.

"At the moment the Federal Government is expanding at the expense of State Governments, and they in turn at the expense of local governments.

"Unless the city fathers of the Commonwealth are careful, the rights and importance of local government will disappear and will be replaced by the rule of appointed boards and bureaucrats."

—Melbourne *Sun*, February 10.

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## Mr. Menzies and the Socialists

A number of press reporters state that Mr. Menzies has become a close personal friend of Mr. McKell. Mr. Menzies appears to be settling in very well with all the leading Socialists at Canberra, most of who look like retaining their positions of power and influence under the new Federal Government.

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## "Excess Money"

Writing in the Brisbane *Sunday Mail* of February 5, 1950, Professor J. K. Gifford, of the Brisbane University, provides some classical examples of the gibberish for which most Professors of Economics are famous. Here is one gem: "Unless... something is done to neutralise some of the excess money in existence, we are faced with a rise in the price level in the next few years of between 30 and 40 percent even if no additional money is created."

It would be most difficult at present to find many Australians who would admit that they had "excess money." Surely Professor Gifford is not suggesting the disastrous policy of deflation in order to try and prevent inflation? He and his fellow economists tried that policy during the Great Depression. The fact must be faced that there is no solution of the inflation problem within the framework of present financial rules. No Professor of Economics ever criticises these rules. The few who have done so in the past soon found themselves out of the Universities.

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## Irresponsibility

Since Major Douglas drew attention to the swindle of the secret ballot, we are unable to record, unfortunately, much progress in the diffusion of this comprehension. The big guns of the Press have been hammering out the theme, almost daily, of the desirability of a secret ballot—but not, of course, of a secret ballot in Parliament, where of all places it might do some good. It is hardly too much to say that the success of "democracy" as a cover for the machinations of world

policy-makers depends on a secret public ballot, and an open, recorded ballot in Parliament.

The Liberals have been returned, largely on the slogan of "put the shillings back in the pound." They haven't done it; inflation has proceeded just as before; and there is not much sign that they will stop it, let alone reverse it. Again, the Government is alleged to be seeing "if it is possible" to reduce taxation by about one percent, — a derisory figure.

Well, now, suppose the Liberals don't stop inflation, and don't reduce taxation, and don't stop Communist sabotage, and don't reduce the bureaucracy in power or extent—where are we?

The situation is that a Party can (and does) promise anything that is likely to give it power, but the responsibility for its failure to carry out its promises is effectively borne by nobody. And, until somebody, or some group, is responsible, and bears the real consequences of that responsibility, we really will go from bad to worse. It can get a lot worse yet.

—*Australian Social Crediter*.

February 18, 1950.

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## Monopoly

The following letter by Mr. Eric D. Butler, Campaign Director of the Victorian League of Rights, appeared in the Melbourne *Age* of February 21:—

Although all genuine democrats will welcome the Federal Government's stated intention of giving the electors the opportunity of strengthening the Constitution, they would be well advised to ask whether the proposed constitutional amendment goes far enough.

The essence of nationalisation is monopoly. A constitutional amendment making it impossible for Federal Government to nationalise an industry would not prevent the Government from indirectly creating a Government monopoly. For example, various policies could be imposed, making it impossible for existing industries to continue.

What is required is a constitutional amendment preventing any Federal Government from pursuing policies tending to create a monopoly in any industry. If the present Federal Government is genuinely desirous of restricting all monopolistic practices, it could make an excellent start by abolishing uniform taxation and thus help to restore the financial sovereignty of the States.

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## The "Melting Pot"

"The duty of every Australian is to prove that the 'melting pot' theory could work, according to Mr. Calwell, M.P. Mr. Calwell said this at a special meeting last night of the International Club of Victoria . . . Mr. Calwell said America had shown how problems of migrant assimilation could be overcome by tolerance. Australians had this experiment to guide them."

—Melbourne *Age*, February 28, 1950.

The "melting pot" theory is advanced by many soft-headed idealists on the assumption that a number of excellent individual soups when mixed together will revolt in a

super-soup. The result is inevitably a swill. And when there is a swill the scum comes to the top. The "melting pot" theory in America has resulted in the American people being used by internationalists who have no genuine local loyalties.

The duty of every genuine Australian who understands and appreciates his British heritage is to be true to his own way of life. "To thine own self be true, and thou canst not be false to any man," as that great Englishman, William Shakespeare said.

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## Alger Hiss

The American journal, *Not Merely Gossip*, of January 25, 1950, comments as follows on the strange case of Alger Hiss, the Kremlin agent who advised President Roosevelt:

Senator Bridges on January 24 asked Congress if a Kremlin conspiracy is still operating in the State Department. Naturally, many commentators, even Conservatives, will brush this off as extravagant talk. They never learn, apparently; for many took the same attitude towards the Hiss affair when it was first broken by the House Un-American Activities Committee. It can be now revealed that most of the members of that committee, including the chief counsel, took a similar sceptical view the evening of the day when they first listened to Hiss' story. How could such a high former official be guilty? However, there was one member of the staff, Mr. Benjamin Mandel, who reportedly opposed this view. He—aided by Representative Clarence Brown—prevailed on the Committee to go ahead with the probe; and he staged a secret interrogation of Chambers which brought out very persuasive evidence of the latter's relations with Hiss.

Where is the memorandum, which Premier Mackenzie King of Canada gave to President Truman in 1948? This column was the first to report the existence of the document; and by now many papers accept the fact of its transmission to the White House. The memo is said to have contained a list of the principal Soviet agents in key places in the U.S. Government. The list was compiled by Igor Gouzenko, the Soviet coding clerk who broke the Canadian spy case.

Whom did Chambers refer to in an interview with the *Baltimore Sun* last Saturday? He said, "Actually there are five or six people—some of them holding important positions in American life—who saw us (Hiss and Chambers) together on a number of occasions and were with us. These people were, and presumably still are, members of the Communist Party." Chambers added that the name of one had been mentioned during the course of the recent trial.

How much influence did Hiss wield at Yalta, in shaping our policy there? He is on record, expressing pride in the work he did at the conference. Did he sway the decisions, which may have cost us so much? And what did he do at the San Francisco Conference when the U.N. was set up? Did he play a decisive role in establishing the U.N. veto? Should not an extensive investigation of his papers in the State Department archives be made? These matters require careful investigation, for those who have vested interest in minimising Hiss' role in these affairs are many.

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## TO THE POINT

(Continued from page 2)

### Boyd-Orr and Food Supplies

Just after Christmas, Lord Boyd-Orr told a meeting of over 3,000 boys and girls in London, under the auspices of Unesco, that before they were middle aged they would in all probability witness a starving world. Population was increasing at a greater rate than food supply.

According to the Irish Press of 21/12/49, United States farmers have just harvested the biggest maize supply in history. Cotton output was the largest in twelve years, and the wheat crop the fourth largest in history.

AS A RESULT, WIDESPREAD GOVERNMENT PRODUCTION CONTROLS WILL GO INTO FORCE NEXT YEAR, IN AN EFFORT TO HOLD DOWN SURPLUSES, and limit the dollar drain which price supports have imposed on the American Treasury. What has Lord Boyd-Orr to say to that? How dare he frighten our children with lies about the niggardliness of Nature?

And how dare he continue to support with his name international controls, which support the dollar racket, and prevent farmers from feeding the hungry, NOW?

—From *Housewives Today* (Feb., 1950), the official organ of the British Housewives' League.

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### Migration Policy Criticised

The following report from the Melbourne *Sun* of February 28 provides a pleasing contrast with Mr. Calwell's statements:

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"Large-scale admission of non-British migrants was questioned by the Federal president of the Australian Legion of Ex-Service Men and Women (Mr. B. J. McDonald) in his annual report to the conference of the legion yesterday.

"Possibility of assimilating them and the extent of their loyalty to Australia were doubtful, he said.

"Nowhere had it been clearly shown that numbers of these persons would have any benefit from the defence point of view.

In particular, introduction of large numbers of non-British married migrants with families was open to serious objection."

Mr. McDonald is to be heartily congratulated on his forthright advocacy of genuine patriotism.

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### Increased Production and Prices

In a recent review prepared by the Division of Industrial Development, it is stated that prices of some locally produced electrical appliances have been increased by more than 100 percent, since 1939. The general price increase in electric appliances since 1939 is between 60 and 80 percent.

In spite of the fact that the manufacture of electrical equipment is an industry which lends itself to mass-production techniques, that many manufacturers of electrical equipment have incentive and profit-sharing schemes, and that it is claimed that local output and imports are more than 25 per cent, higher than the present consumer market, progressive price increases provide further striking evidence of the fact that present financial rules are inherently inflationary. Increased production cannot and will not by itself reduce prices—unless, of course, there is a depression.

## Remote Control

The following, which appeared in a Belfast newspaper, has been referred to by the *Sunday Dispatch*: —

"Sir, —After Belfast, Derry, and Limavady, Randalstown was the earliest area in Northern Ireland to have electricity. Since its inauguration in 1900, 50 years ago, there has not been one single major breakdown. That is not a bad record, and it has been equalled and beaten by hundreds of thousands of small, comprehensively sized and individual undertakings of every kind all over the world.

"I sit, framing this letter to you, on a cold January morning, appropriately enough, by the light of a candle, and without heating. Beyond my window, my native village lies black as the inside of Jonah's whale. This is the second failure of such feeble trickle of current as the community has had since the Electricity Board assumed control of the Randalstown supply a little over three weeks ago.

"I am not exercising my numbed fingers this morning in order to boast of past achievements, nor to precipitate a slanging match with the immediately responsible executives of the Electricity Board. I am as aware of their present difficulties as I am of failure always to reach one hundred percent, efficiency in the bad old times that have been so successfully blotted out in the blackness of this morning. I want to use the occasion rather to try and stir your readers to wake up to the danger of listening to the Socialist parrot-cry of public ownership. There is no such thing as the public when it comes to the executive control of any functional activity; some individual, or effectively small group of individuals, always controls an undertaking. The healthy and sane community is that which disperses its productive economy in small units where the effective controllers are amenable to public opinion, and, where possible, the threat of a transfer of custom.

"Nationalisation, in effect, is just one phase of the Big-Business-Socialist ramp, to avoid all that proper control by the consuming public on the sort of goods and services it wants and has a right to have. And the method adopted is to remove control to some more remote spot, where the controllers cannot be got at. None-the-less, we still have the remnant of our Parliamentary institutions, and I cannot think why the ratepayers of Randalstown don't get together and demand, through their M.P., that the current be improved at once.

"It is terribly difficult to undo what has been accomplished by way of centralisation. The only way to stop the trend is to stop it on the principle that 'the best way to cut down a tree is to cut it down.' Electors must tell their representatives that they will have no more centralisation of control, and refuse to argue any individual case, threatening to throw him out if he lets any go through. Failing that, the individual's control over the circumstances of his life will become less and less, as the effective authority becomes more and more centralised and remote. And all the time real efficiency — that is, the actual supply to the consumer; not grandiose titles, and administrative buildings, and propaganda — will steadily decline. —Yours, etc.,

"NORMAN F. WEBB."

## Price Subsidy

Following a recent dried fruit growers' meeting in Red Cliffs, Victoria, at which it was demanded that the price of dried fruit to consumers be increased (a policy supported by Mr. Winton Turnbull, M.H.R.); the "Sunraysia Daily" of February 1 featured comment made by Mr. S. W. Butler, Hon. Secretary of the Red Cliffs Voters' Policy Association. Mr. Butler's statement read as follows:

"We were very much perturbed to hear Mr. Turnbull supporting this policy of inflation and would urge him to examine more closely the price subsidy question.

"It should be quite obvious to all those who are prepared to think a little that there are some very serious defects in our present financial system.

"The proposal put forward at the dried fruits growers meeting held at Red Cliffs last Friday for an increase in the price of dried fruits to the consumer was not only detrimental to the consumer, but to the grower himself, through higher costs.

Prices to the consumer will force the cost of living up, so in turn must the basic wage go up, and also the cost of all other goods.

"If the subsidies were applied with new financial credit, and not with money taken from the people by the Socialist method of taxation, we would check inflation and have a higher standard of living for all sections of the community.

"Our expert economists who have contributed largely to the present intolerable position will no doubt advise the Government that it is impossible.

"But unless Mr. Menzies is prepared to face up to this problem, then I feel certain that his Government will fail just as others have," Mr. Butler concludes.

## Industrial Socialists

"But the fact is that British industrialists have become indistinguishable from British Socialists. Both believe in organising industry, both believe in protecting it when organised, either from foreigners or from native newcomers."—*The Economist*.

In fact, all three (inclusive of *The Economist*) know everything about industry except what it is for.

—*The Social Creditor*, February 4.

## THE BANK BOARD

(Continued from page 1)

right. The controllers decide whether John Smith's money is to be spent on big resource planning schemes or whether John Smith may be permitted to build himself a home. The late Hermann Goering, whose only virtue was probably his frankness, enunciated his support of a controlled money system in his classic statement concerning guns before butter. If the German people had been free to spend their own money, they would no doubt have "voted" for butter in preference to guns.

Australians can never defeat the ever-increasing threat of complete totalitarianism until they insist that they as individuals want a financial policy which will enable them to control their own money system in preference to having it controlled by Dr. Coombs and other monopolists.

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## THE BRITISH ELECTIONS

*In spite of the fact that the British Elections resulted in a big swing against the Labor-Socialists, it is a sobering and disturbing fact that nearly half the electors who voted were prepared to support a Government whose policies have been leading the individual Briton towards increased regimentation. The major reason for this vote is obvious: The British electors vividly remember the failure of the Conservatives during the pre-war years and, in spite of uneasiness about their future under the Labor-Socialists, were repelled by the general bankruptcy of a Conservative Party which offered no constructive alternative to Socialist policies.*

*The one bright feature of the British Elections is the fact that the Labor-Socialists, although proposing to carry on the Government, are in a most precarious position. The Socialist programme will most certainly have to be slowed down, thus providing a breathing period for the British people in which their native spirit of independence may start to reassert itself. If the Conservatives are really determined to defeat the menace of the Servile State, they are now in a powerful position to challenge the Labor-Socialists. Unfortunately, however, the British Conservatives, like their counterparts in Australia, have become infected with the very totalitarian virus they allegedly oppose. Much of the legislation of the Churchill wartime Coalition Government provided the foundations upon which the Labor-Socialists have built. There is no evidence to suggest that, having taken control of the power centralised by their predecessors, the British Conservatives would, of their own volition, start decentralising power. Ex-Communist Lloyd Ross, in an article in the Melbourne "Herald" of February 28, makes some very specious comments upon the British Election results. But he does make one observation, which should be carefully noted by every genuine anti-Socialist:*

*"Not only did British Labor nationalise key industries like coal, transport, the Bank of England, and land, but Mr. Attlee indicated that the process of socialisation would be continuous. Even, therefore, had Labor lost by only a slight majority, the importance of the main support is a great historic event. Britain can never be the same again. No Conservative Government would dare to destroy Labor's achievements; the pattern of a Socialist Britain is fixed."*

*Well, there it is. Socialism is inevitable. The "trend" cannot be reversed. But Lloyd Ross's assertion strikes a blow at the basic idea underlying Western Christian Civilization; that all policies are the responsibilities of individuals, who consciously or unconsciously will them. There is no such thing as an inevitable policy. The sooner this truth is clearly recognised and acted upon, the greater will be the chances of defeating the threat of serfdom which modern elections only serve to intensify.*

## Protocols

"Henry H. Klein, a Jew of some importance, former District Attorney for New York City, and a candidate for the office of Mayor of that city in 1933, wrote as follows in the Chicago *Women's Voice* in 1946:—

"The Protocols are both true and authentic, and the heads of World Zionism compose the Grand Sanhedrin which desires to seize world control. The Jews have driven me from the tribe . . . because I have denounced these sinister plans . . ."

"In 1946, *The American Hebrew* presented the following to its readers:—

"The sacrifice of Poland is quite as insignificant as the loss of thousands of American and British soldiers, inasmuch as it assures the triumph of world Jewry . . . Once it is established, chaotic misery will prepare the earth for Bolshevism, which in its turn will lead to the Supremacy of the Jewish world."

And in his quite recent book, *The Jews*, the Jewish Professor T. Hosmer writes, in chapter 21, page 355:—

"The time has almost come when the Jew . . . will not tolerate any contact whatever between himself and those whom he has subjected, except when his scornful foot crushes the neck of a Gentile."

## NEW ZEALAND, AUSTRALIA . . . ?

Yes, very nice, and doubtless a step in the Right direction. But remember, we've had some, and tell your Member that "leave it to George" went out with George.

It is with deep regret that we must record the death of Sir. Errol Knox, the distinguished Managing Editor of the Melbourne *Argus* until it came under the control of a London Group, apparently alarmed (and, as the elections show, with reason) at the effective exposure of the World Plot in the *Argus*.

Sir Errol developed heart trouble (?) during a flight back from England, and died a few days later.

—*The Social Crediter*, Dec. 24/1949.

## Social Credit Action Group's 1950 Financial Appeal

The Social Credit Action Group is seeking £1,000 for its 1950 campaign funds. All Action Group supporters have received a report of progress made last year and an outline of the big programme proposed for 1950.

All supporters are requested to forward their donations immediately to the Hon. Secretary, Social Credit Action Group, c/o Box 1226L, G.P.O., Melbourne.



# 'Full Employment'

By BRYAN W. MONAHAN

**In view of the fact that the new Liberal Federal Government is committed to a policy of full employment, particularly through national development a la Mr. Casey, we republish this statement from *The Australian Social Crediter*. We suggest that readers draw the attention of Liberal Party supporters to it.**

It is perfectly clear to everybody, and nobody ever tries to dispute the fact, that war is a costly business. Modern war begins, it is true, with a flush of prosperity. All of a sudden, money is plentiful, and the old reasons for saving it against a rainy day have gone; for the rainy day has come, the continuity of life and the expectation of the future are broken: "Let us be gay, for tomorrow we may die." There is the keynote of the psychology of war, and it is expressed in careless spending on the accumulated stores of the shops. Everyone knows that those stores will not be replaced perhaps for years to come, and that is a good reason for getting in before they are gone. Again everyone knows that taxation will increase; and many know that the value of money will fall.

War is costly for quite obvious reasons. Modern war is a major effort by the whole community and effort always has to be paid for. The most obvious feature is that a considerable fraction of the community is in the armed forces, and has to be supported by the rest of the community—just as if, for example, they were old-age pensioners, contributing nothing, but requiring their sustenance. But unlike the old-age pensioners on their pittance, they are comparatively well paid. In addition they must be provided with an enormous amount beyond their keep. Their whole personal outfit is at the public expense; they are fed at public expense; and over and above that, they are paid, and paid more than the pension of the aged, which has to provide everything. Still, those are the least of the expenses. Their service equipment costs fantastically more. That equipment ranges from revolvers to—atom bombs. It includes Jeeps, tanks, aircraft, ships, and the free maintenance and replacement of those. It includes vast quantities of petrol, ammunition, and auxiliaries—scientific instruments of the utmost precision—radar, range calculators, wireless communications. The cost of all those things might quite properly be shown as income for each sailor, soldier and airman—an income that, fundamentally, must be paid by the taxation of the rest of the community. Certainly, servicemen are taxed. But the operation is basically meaningless; it is only a swindle, a unilateral variation of contract, for the community apart from the Services must provide what the Services require; what the Services expend comes from what the rest produce. Every rifle represents perhaps an icebox, every tank two or three cars, every aircraft several luxurious homes. Taxation represents deprivation of those things. War is a re-direction of economic effort from the production of goods, which individuals want, to production of goods, which subserve the function of war.

The support of a standing Army, Navy, and Air Force in time of peace is just such an expense as war, merely on a smaller scale. Everyone knows that the defence estimates are a burden that they represent

a body of men "eating their heads off for no reason better than a precaution against an eventuality which everyone hopes will never arise, and something to be dispensed with at the earliest hope of a permanent peace. The Services are a luxury far more expensive than a permanent body of unemployed, but in principle much the same thing. Their employment is only a great game, "playing soldiers," but their toys are extravagant. It is employment merely against a contingency, visualised as anything but remote only by 'far-sighted' Statesmen. If this contingency could be obviated, the taxpayer would certainly and rightly expect the fact to be reflected in the amelioration of his own lot—less tax, more money, a higher standard of living.

A rising standard of living properly means an increasing return from a given effort. An elementary example is in the use of the spade. Man must work the soil to live. He digs, plants, and reaps. It is quite possible to do the digging with the bare hands; but that will require almost a whole-time effort, for the return of bare maintenance. The same physical effort employed in the use of a spade, however, will produce a much greater return. That is an elementary fact, which anyone may verify in his own vegetable garden.

Now since, so far as we can ascertain—and the whole weight of probability lies that way—Man existed, and supported himself, before ever he had tools of any sort, the invention and construction of tools must have raised his standard of living. And up to a point, every additional tool must have meant an increase in the standard of living—a greater return from a given effort. The limiting point is the construction of redundant tools. One man cannot do more with two spades than with one.

But at this point another factor enters in. Man makes a large spade, and calls it a plough, and attaches it to a horse; he puts several spades together, and one horse draws the lot. Thereby he multiplies the effect of his own bare hands by perhaps a hundred. He increases his standard of living up to the point of making redundant ploughs.

Again another factor enters in. When Man has made all the ploughs that can be drawn by all the horses that can be bred and fed, he makes a tractor—a mechanical horse equivalent to ten horses.

Behind this whole process lies, to an ever-increasing degree, the division of labour. One man tills the soil, another makes ploughs, another tractors. But all eat the product of the soil. The example chosen symbolises the nature of modern economy. There are the producers of ultimate goods, and the toolmakers.

The validity of the idea of toolmakers rests entirely on the proposition that as the result of his efforts, both he and the maker of ultimate goods will benefit. That both do, *up to a point*, is beyond dispute. The point in question is just the point that emerged previously, the point where the

construction of tools is redundant. At that point, the toolmaker becomes the precise equivalent of the unused Armed Forces except that he is without even a contingent value. He would be much less expensive unemployed, even if fully paid, because employed he draws off resources as the Army draws off munitions.

This is a primary and immensely important fact. The existence of an Army depresses the standard of living. Similarly, the existence of an army of workers engaged on tool making depresses the standard of living. The ultimate effect of the tools *may* be to raise the standard of living, but the immediate effect is to depress it.

This great reality is almost entirely obscured by current orthodox economic theory. This theory is as follows: If there is a condition of Full Employment, prosperity is automatic. Full Employment means that everyone capable of working is employed, and paid wages. The greater the employment, the greater the total of wages, and consequently the greater the National Income. Conversely, of course, the more Unemployment, the less prosperity.

But a community, which was fully employed building ploughs, would very shortly starve to death, however great its National Income. And it would die more slowly if it became fully unemployed, because it would require less food to sustain it.

On the other hand, a community which possessed a reasonable equipment of factories and other tools, and did only so much work on them as was required to maintain them in a state of efficiency, and devoted the rest of its efforts to the production of ultimate (consumers') goods, might easily find that no more than an hour or two of work by the employable population would produce all the goods which could be consumed. This situation might equally be expressed by a quarter of the employable population working eight hours a day, and three-quarters being 'unemployed.' Providing these three quarters receive their share of the goods produced, the community as a whole is just as well off as if the unemployed were employed in building more factories. The *amount* of employment is irrelevant in comparison with the *kind* of employment.

Now unless the use of tools is founded on a delusion, the addition of every tool to the general stock (and providing that there is a real use for it, that it is not redundant) should raise the potential standard of living. If we assume Full Employment and, over a limited period (a few years), a standard working-week (say forty hours) and a fixed standard of living over the same period (conditions which are approximately true at the present time), the potential increase in the standard of living must be absorbed either in waste or in the increase of tools. So far as this potential increase is absorbed in the increase of tools, an acceleration is involved. The use of tools sets free a proportion of the community, which also becomes engaged on the production of tools. The use of the new tools sets free a further proportion, which in turn increases the rate at which tools can be produced. Under these conditions, 'Full Employment' for a standard working period must necessarily involve a decrease

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# Stone Mulching For Better Fruit and Vegetables

by "GOBBETT."

**There is an old saying that there is nothing new under the sun. Two thousand years ago, stone mulching was widely practised in the vineyard and orchard. Virgil and other classical writers deal extensively with the subject.**

In recent years, particularly in the U.S.A., there has been a growing interest in an agricultural principle forgotten early Roman times. The benefits of stone mulching are many and inter-related, but the most important is the effective preservation of soil moisture. Every observant person has no doubt noticed how, even during the hottest and driest period of the year, the earth under a stone is usually moist. Conditions under stones are ideal for bacteria, earthworms and various burrowing insects. One American experimenter has claimed that so ideal are the conditions under rocks for earthworms, that supplied with a leaf mulch under the stone mulch, they will produce a much greater quantity of their castings in a shorter period of time than is the case when there is no stone mulch. The importance of this will be realised when it is pointed out that earthworm castings contain 300 percent, more magnesium, 500 percent, more nitrogen, 700 percent, more available phosphates, and 1,100 percent, more potassium than the soil from which they come.

## Excellent Results

In his book, *Stone Mulching in the Garden*, J. I. Rodale, an American authority on organic farming and gardening, provides impressive evidence of the excellent results he has obtained by extensive stone mulching of fruit trees and vegetables. Photos show all types of vegetables flourishing between pavements of stones laid with their flat surfaces uppermost. The flat surfaces enable the stones to be walked on without difficulty.

Mr. Rodale writes in his book: "This stone vegetable garden is ideal for Mr. Lazyman (that is, once the stones are set), for weeding is pared down to a minimum. It is amazing how little time is needed to keep *this* garden weeded, and by putting a weed mulch between the stones the weeding there can be eliminated entirely. You can go away for a few weeks without fear of coming back to an overgrown and riotous jungle.

## Conservation of Moisture

"One of the principal advantages is the conservation of moisture under the rocks, and for this reason such a garden should

be ideal for the country. Moving air over ordinary soil tends to dry it out easily. In a rain more of the water is caught, due to the presence of the stones. Less of it washes away. The stones also precipitate more dew, as well as prevent the hot sun from reaching the roots.

"The stones create a temperature underneath of at least 10 degrees higher than the outside surface, which is an extremely important factor in early spring and late fall, *thus* adding to the growing season . . . You needn't stake the peas up as they will not rot if they rest on the rocks . . . It is a pleasure to have a stone vegetable garden in rainy weather. We had a steady rain of three days duration, and when it stopped I went into the garden immediately and began weeding . . . This method is a great time-saver. You do not have to cultivate three feet of ground. You limit yourself to working in only eight or nine inches of row. This gives you extra time for other duties such as gathering green matter for making compost. It is in the row that you put most of your compost so that as the years pass, it will become extremely rich and it will be in the place where it will do the most good . . . Some finely ground-up compost can be placed in between the stones and rains will wash it in . . . Of course, if the compost is placed in the dirt rows only, the earthworms will eventually distribute it judiciously throughout the ground."

## In the Orchard

A large number of vegetable growers in the U.S.A. all report, like Mr. Rodale, that they are obtaining astonishing results with stone mulching. However, even more impressive are the results of stone mulching in orchards. It has been proved that trees that have been stone mulched not only grow more rapidly, but bear bigger and better quality fruit. One stone-mulching enthusiast in the U.S.A. has produced oranges far superior to the best Californian oranges. Not only does stone mulching in the orchard conserve moisture and encourage worms and bacteria; the stones enable poultry to run in the orchard without any fear of surface roots being uncovered by scratching.

## Rock Dust

In examining the advantages of stone mulching, it is important to remember that all soil originally derived from rocks of

various types. Different soils are the result of different rock parents. Stones used for mulching, particularly the softer types, are always breaking down, even if almost imperceptibly, and making available increased mineral supplies for plants and trees. Those who desire to obtain increased mineral supplies for their soils can do so by applying very finely ground rock dust. Anyone who doubts the effectiveness of this should notice the manner in which the grass alongside a road of crushed stone of any description, is always very deep in colour and is eagerly grazed by cows allowed on the roads. The road traffic results in rock dust being consistently spread on either side of the road. Where stones have been slightly dug into the ground in making a stone mulch, it has been often found that small plant roots actually feed on the stones.

The old Proverb says:

"The nearer the stone,  
The sweeter the grass."

Like many other sayings that have come down to us from the past, this Proverb is much truer than most moderns realise.

## In Scotland

In his well-known work, *The Expedition of Humphrey Clinker*, Tobias I. Smollett dealt with the value of stone mulching as a sound agricultural principle. In this novel comprised of letters, the Welshman Bramble comments as follows on stone mulching in Scotland.

"The soil of this district produces scarce any other grain but oats and barley; perhaps, because it is poorly cultivated and altogether unenclosed. The few enclosures they have consist of paltry walls of loose stones gathered from the fields, which indeed they cover as if they had been scattered on purpose. When I expressed my surprise that the peasants did not disencumber their grounds of stone, a gentleman, well acquainted with the theory as well as practice of farming, assured me that the stones far from being prejudicial, were serviceable to the crop. This philosopher had ordered a field of his own to be cleared, manured, and sown with barley, and the produce was more scanty than before. He caused the stones to be replaced, and next year the crop was as good as ever. The stones were removed a second time and the harvest failed; they were brought back and the ground retrieved its fertility.

"The same experiment has been tried in different parts of Scotland with the same success. Astonished at this information, I desired to know in what manner he accounted for this strange phenomenon; and he said, there were three ways in which the stones might be serviceable. They might possibly restrain an excess in the perspiration of the earth, analogous to colligative sweats, by which the body is sometimes wasted and consumed. They might act as so many fences to protect the tender blade

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## STONE MULCHING

from the piercing winds of the spring; or, by multiplying the reflection of the sun, they might increase the warmth, so as to mitigate the natural chillness of the soil and climate."

### *In China*

Students of organic farming and gardening methods are familiar with the general principles, which, for more than forty centuries, have enabled the Chinese to use their land intensely without reducing its fertility. As the Chinese have a comparatively low rainfall, the results they have achieved prove the success of their methods. It is interesting to note that the stone mulching principle is used to conserve moisture.

An American agricultural authority, Dr. Walter C. Lowdermilk, who went to China to teach American methods for combating soil erosion, writes in the June, 1945 issue of *National Geographic*: "About Lanchow we were introduced to pebble mulching as a means of conserving moisture in farmlands. This practice is old. It consists of the heavy task of digging out river gravels and spreading them over fields to a depth of three to four inches . . . The effect of this remarkable farming practice is now being studied at the Kansu Agricultural Experiment Station. The layer of pebbles causes all the rain to soak into the soil and reduces evaporation loss, thus increasing effectiveness of a scanty rainfall of about twelve inches."

Two American investigators, Lamb and Chapman, after experimenting with stone mulches on farm fields, made a report, which appeared in the *American Society of Agronomy Journal* of July 1943. The report stated: "The removal of surface stones above two inches largest dimension on field plots approximately doubled the water runoff and increased soil loss as much as six fold . . ."

"A 65 percent, stone cover on field plots increased soil temperatures . . . Areas under the larger stones frequently show worm and insect action, with the soil moist and granular, and probably, absorptive . . ."

Although stone mulching has been successfully tried on a large scale in different parts of the world, the principle is best suited for small orchards, the vegetable garden, and the flower garden. The writer of this article has already tried stone mulching in a small way, on lemon trees and tomato plants, and can report that this type of mulching conserves moisture excellently.

Orchardists and gardeners need worry no longer about the problem of how to get rid of stones and rocks. They can use them to help produce better fruit and vegetables. The initial work in collecting and placing stones will be later compensated for, not only by better production, but by a tremendous reduction in the amount of weeding and soil cultivation necessary. Stone mulching would appear to be ideal for most Australian conditions.

## Farmers Threatened

The misgivings of Victorian farmers that Labour's socialisation platform does, in truth, include land as a "means of production," are given sinister confirmation by a report in a recent issue of the "London Times."

Under the heading, "Farmers under

Supervision," the report states, "that in England and Wales, 939 farmers have been placed under the Minister of Agriculture's supervision for not complying with the rules of good husbandry. If their farming does not, after twelve months, show satisfactory improvement, the Minister may dispossess them on grounds of bad husbandry."

This is land nationalisation without equivocation.

There has been no fanfare of trumpets heralding this socialisation of the land in Britain. It is an instance of how socialisation can be quietly forced on to those sections of the community selected for regimentation. Control and direction was accepted by British primary producers during the war years as a necessary adjunct of total mobilisation. Now the legislation is on the statute book it is being used against them to enforce total socialism in Britain itself.

A feature of this latest move by the British Socialist Government is that apparently it has been taken in response to agitation from the National Union of Agriculture Workers which had recently called for "clever supervision of farmers and the general use of cropping directions under the Act to ensure 'a planned industry and properly supervised acts of husbandry.'"

Thus, under Labour Socialism the farm workers have become Government spies to advise what action should be taken against the landholders who are actually their employers.

This report is a warning to farmers who might be tempted to regard Labour policy in Australia as one of paternal benevolence. Past experience shows that Labour here is closely following the pattern of socialist planning in Britain; there is no grounds for belief that nationalisation of the land will be omitted in the development of that pattern in this country.

—Camperdown Chronicle.

## Killing the Soil with Copper

By Hugh V. Corley, Pucketty Farm, Farringdon, Berks.  
From *The Farmer* (England).

When I was at school and learning biology, my form master would never allow us to use distilled water for pond life specimens. He said that as most distilled water came from copper distilling apparatus it contained very minute traces of copper and was injurious to living organisms, especially to delicate protozoa.

In my part of the world, near to the Cotswolds, there are a great many old stone roofs made with "stonesfield slats." On these grow various greyish lichens, etc., which give them their dark colour. But where a copper wire (a wireless aerial or a power cable or telephone wire) crosses such a roof there is always a clear strip of roof underneath, barren of any plant growth and showing up pale, stone-coloured against the dark of the lichen-covered parts. The reason for this is that fungi are, of all living organisms, some of the most sensitive to copper poisoning. A fungus and an alga living symbiotically together make a lichen, and a minute dose of copper is enough to destroy them.

Enough copper to be lethal to fungi reaches the roof in raindrops, which have hit the copper wire in falling. When you consider how long a thin copper wire will last as a wireless aerial, there must be very little dissolved in each raindrop. Yet, it is

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## FULL EMPLOYMENT

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in the ratio of those engaged in ultimate production to those engaged on tool production—or else the sort of unemployment often referred to as "technological" unemployment. The avoidance of 'technological' unemployment is one of the major aspects of the modern theory of Full Employment; and the solution favoured is the increasing development of so-called public works.

(To be continued.)

enough.

It behoves all organic farmers and gardeners to be very careful to avoid contaminating their soils with copper salts or with copper in metallic form, as in copper nails or rifle and shotgun cartridge cases. For each lump of copper must sterilize, more or less indefinitely, a tiny patch of soil. And fungi, as we all know, are vital to a healthy soil.

The fungitidal properties of copper compounds have been made use of by the scientists who wanted to control fungus pests. Diseases of vines, potatoes, roses, etc., caused by a fungus (and bad husbandry) are treated with sprays or dusts containing copper compounds. Seed wheat used to be dressed with copper sulphate to prevent bunt, until the more dangerous mercury compounds came along. I leave my readers to think of all the other ways in which copper is allowed to contaminate the soil. I also leave them to judge what the chances of healthy soil are where, in addition to a good dose of artificials, a potato crop has been sprayed as many as six times in a single summer with copper fungicides.

## The Three Estates

Writing in the English *Social Crediter* of February 4, 1950, Mr. Hewlett Edwards makes the following penetrating comment on the Constitutional issue:

Christian theology converged with the nature of reality in the Trinitarian constitution; the three Estates of the Realm. The King—"the fountain of honour and justice"—was executive as to the power entrusted to him by his subjects the Commons, and Lords Temporal. Authority was represented by The Lords Spiritual; the Lord Chancellor, invariably a Churchman, was recognised as "the King's Conscience." So far as humanity has yet experienced, it is this balance between Authority, Power, and the Executive which alone can stand against relapse by human frailty into pagan totalitarianism.

A clear distinction was drawn between matters mundane dealt with by the King's Courts and those spiritual which fell to the Courts Christian. Among the latter was usury, "the taking from a borrower of a payment solely for the use of money lent to him to be applied by him in the normal way as a means of exchange." This was prohibited. In this sphere Church law was met by enactment in the King's Court concerning the "just price." Whereas Roman law sanctioned the idea that each man had the right to outreach others as far as he could, a Statute of Edward III clearly envisaged the conception that price should be reasonably related to cost. The wrong use of money was recognised as a source of corruption, and these measures had a profound effect upon the whole range of economic life, embodying the injunction "whatsoever ye would that men should do unto you, do ye also unto them."

This age of Chivalry, and of the Builders of Cathedrals and of the Constitution had its darker side—departures from the conditions of its growth. Throughout there was in the life of those days a certain clarity, which has been lost. A man knew where he stood and the mark at which he aimed. His responsibilities were clear, he needed none to tell him when he was evading them; he knew what freedom was and when he lost it. Well-understood provisions protected him where he was weakest, and for the rest he was able and willing to fend for himself. Out of constitutional practice the serf emerged a free man.

## More Socialism

Potato growers in the Singleton and Hawkesbury River districts, N.S.W., are up in arms against the high-handed action of the Potato Board. Recently, inspectors visited the district and condemned valuable crops. Yet when these same crops were marketed (in defiance of the Board), they were passed Grade A potatoes, and realised top market prices. Local growers, who face ruin if the Board's policy continues, have decided to ignore the controls and market their own produce. —H.G.

## Kiewa "Efficiency"

We have found gross inefficiency everywhere here, in spite of being assured by Australia House that the standard and quality of work and workmanship here was very high — in fact, far superior to that in England. We thought it might be so, but I know that my husband would challenge any Australian to do as good a job as he. He went to Kiewa for a while, and there did in four days, without any effort, what it has been taking four men five days to complete, and he had not even handled tools for the last 12 years, having worked himself from apprentice to managing director of his firm. Extracted from a letter to *The Age*, Melbourne. February 21.

Allowing for some exaggeration, the above confirms reports of colossal waste of labour on this project. Wait until you get the final bill, dear taxpayer.

## How Not to Find a Job

A reader of this journal who finished his University course last year decided to have a working holiday during the Christmas period in Victoria's wheat belt.

He rang the Department of Labour and National Service to see if any wheat harvest jobs were offering. He was switched through to an official who suggested he contact another official in a different branch. Official No. 2 advised our reader to contact the Federated Wheat growers' Association.

This organisation, however, could not assist, but suggested that the Wheat Board should be contacted. The Wheat Board advised, at this stage a very perplexed New Times reader, to contact the Department of Labour and National Service.

Feeling that another attempt might bring more satisfactory results, our friend hopefully rang this Department for the second time. He was put through the same circuit—firstly to Official No. 1, and then to Official No. 2, who passed the buck back to the girl on the switchboard.

The switch girl, on hearing that our friend wanted a job, said, "Oh! You haven't a job at the moment? What you want is unemployment and sickness benefits."

Our friend eventually found a job without the aid of any Government department.

## Fowl Manuring May Help Seed Setting

A correspondent from the Mornington Peninsula, Victoria, forwards an observation on the effects of fowl manure, which may be of great value. It is stated that where fowls have been run on one pasture, 95 percent, of the red clover flowers had set seed. There was nothing like that percentage in the portions of the pasture not fowl manured. Our correspondent suggests that the fowl manured red clover produced flowers very attractive to the insects capable of fertilising red clover flowers.

In its native state in the British Isles, red clover is fertilised by the bumblebee. But attempts to introduce the bumblebee into Australia for this purpose have not been successful.

## Are You An Organic Farmer or Gardener?

If so, the Editor of *Rural Review* would be pleased to hear from you at any time. All over Australia increasing numbers of people are applying organic farming and gardening methods. Readers who have any interesting information concerning the results they are achieving are requested to write in so that other readers can obtain the benefit of their experiences.

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[Regd]

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