

THE NEW TIMES

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SIXPENCE WEEKLY

Federal Election Comment Disaster Threatens

Now that he has a Senate majority, Mr. Menzies can no longer plead that an obstructive Upper House prevents him from implementing the promises made in 1949. It is important to bear in mind that the central theme of most of Mr. Menzies' pre-election speeches last month, was that he was seeking a mandate to implement his 1949 policy. An important part of that policy was a definite promise "to put shillings back into the pound." In order to achieve this objective of a lower cost of living, it was stressed that the burdens of Government had to be reduced.

No genuine effort was made to reduce the burden of Government, but more and more it was emphasised that nothing effective could be done about rising prices until the Communists were dealt with. No doubt believing that perhaps the destruction of the Communists might not produce the lower cost of living desired by the electors, in recent months Government spokesmen have carefully been stressing the fact that prices are rising in every country in the world, and claiming that Australia cannot expect to escape the effects of this "trend". Little attempt has been made to try and demonstrate why rising prices in, say, the U.S.A., should force prices to rise in Australia. It is true that references have been made to the high price of wool, but surely anyone who uses his common sense should be able to understand that, if Government import controls were abolished, high prices for Australian wool abroad should permit Australians to obtain in return a bigger, supply of goods desired by individual Australians.

Rising prices in every country in the world are the result of the financial rules followed in every country. While these rules are followed, disaster is inevitable. If credit supplies are restricted, as they were during the Great Depression of the thirties, it is true that prices will be reduced. As we have explained on countless occasions, while present financial rules are maintained, the economic system can only be kept functioning by a continuous expansion of credit for capital production of one type or another, production that makes available increased money supplies without an immediate increase in consumer goods. But this in turn intensifies inflation and, if continued, must lead to totalitarianism. Any effort to deal with inflation while present financial rules are continued, can have no other ending but complete totalitarianism, irrespective of the label of the Government,

Having made this vital point clear, we now desire to go "on the record" as saying

that, if Mr. Menzies continues as he proposes, he can only attempt to prevent prices from rising by the adoption of more and more of the Socialist legislation he claims that he asked for a mandate to oppose. It may prove that "the threat of war", which, as we explained in our editorial last week, saved the American economy from disaster when the Korean incident occurred, will help Mr. Menzies temporarily to maintain political power. But it is the very "threat of war" which the Communist conspirators and their backers are exploiting to force the Western Nations to succumb internally to Communist policies. If Mr. Menzies continues with a policy of credit monopoly, he, like all other Western leaders, will be doing exactly what the enemies of this country desire. Mr. Menzies may believe that he can

Special Series of Anti-Communist Booklets

The Victorian League of Rights has launched a special educational campaign to bring to the attention of all responsible members of the community all aspects of the Communist conspiracy. The first of a How-To-Defeat-Communism Series of booklets has been published. This booklet, by the League's Campaign Director, Mr. Eric D. Butler, is entitled *The Truth About Communist China*, and is an excellent introduction to the frightening subject of Communist influence in high places in Western countries.

The League appeals to all *New Times* supporters to co-operate fully in ensuring that this important booklet is widely read. The price is 8d. per copy, post free. Orders of one dozen or more at 4/6 dozen, post-free. Order now from The Victorian League of Rights, Box 1052J, G.P.O., Melbourne.

accomplish what he says he will. But we repeat that all the facts are against him, and that at the end of another six months, he will have demonstrated the truth of what we are saying. We are quite satisfied that nothing but the shock of realities will demesmerise the majority of the people of this country. Whether or not the shock will kill them is something that only the future can prove. In the meantime we appeal to all our supporters to close up the ranks and to continue believing in the age-old truth that, eventually, only the truth can make them free.

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 the 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

Mr. Menzies and Taxation

A press report states that there was a note of bitterness in Mr. Menzies' commentary on how the wool vote had gone against the Government. Mr. Menzies is, of course, quite wrong if he thinks the woolgrowers had much faith in the Labor Party's promises. They were so outraged by Mr. Menzies' socialistic taxing methods that they took the only action they felt possible for them: they voted negatively against Government members. However, Mr. Menzies states that "that when those people who voted against us get their next income tax assessments, they will pass a vote of thanks to us." We will bear this remark in mind for the future when we anticipate that if present financial policies are pursued, taxation will be even higher than it is now.

* * * *

Mr. Casey On Prices

The Melbourne *Sun* of April 6 reported Mr. E. G. Casey as having said at a public meeting in Cheltenham, Victoria, that "We will attack rising prices if we get a majority in both Houses. We will use every means that the banking system can provide. We will use the taxation powers properly; we will do our utmost to increase production; and we will give all possible encouragement to the importation of all essential goods in short supply."

We are interested to note that the banking system has got some connection with rising prices. But neither Mr. Casey nor Mr. Menzies has stated just what they propose to do concerning banking policies. Can it be that a dose of deflation via credit restriction is contemplated? It would, of course, have been politically unwise to admit this before an election.

* * * *

Social Engineering

The Commonwealth Statistician reveals that for the two years 1949-50, non-British migrants arriving in Australia far out numbered British migrants. British migrants were just over one-third of the total number of migrants. If the present policy of immigration is continued, the predominantly British character of the Australian people will be altered. This suits the plans of the anti-British international plotters.

* * * *

Socialist Support for Mr. Menzies

Mr. Cosgrove, Labor Premier of Tasmania, lost no time in announcing immediately after the Federal Elections, that he "was prepared to give the Federal Government more power to stabilise the economy of the country and place production on a footing to meet defence needs". Mr. Menzies and the Canberra planners should be delighted.

* * * *

A Little Realism?

The rest of U.N. should expel Russia and wage cold war against her in Communist dominated countries, said a former Spanish Ambassador to Washington and Paris, recently.

He is Senor Salvador de Madariaga, who has been brought to Australia by the Aus-

tralian Institute of International Affairs as this year's Dyason lecturer.

Once director of the Secretariat of the League of Nations, he now lives in England.

Small, voluble, and white-haired, he looks like Professor Einstein.

"As Russian aggression in international affairs has already been proved, the rest of U.N. should expel her," Senor Madariaga said recently.

"The U.N. is an organisation to stop aggression. How then can the U.N. work with a branded aggressor still permitted to belong to it?"

Senor Madariaga discounted the possibility of appeasing Russia, but thought war unlikely if the Western nations united and armed.

"We have been passive too long," he said. "If we wage cold war against Russia, we could win a positive victory for democracy."

—Melbourne *Argus*, April 26, 1951.

* * * *

Robert Blatchford's Warning

The Socialism of Hardie, William Morris and Robert Blatchford was something very different to that of Marx and the Fabians. It was Robert Blatchford, the author of *Merrie England*, who rather prophetically made the following observation: "In the Socialist State we might be governed too much. My experience of Socialists and Labourists is that they lack toleration. It would be a sad sequel to the great Labour movement if the people enslaved themselves by their own laws. This danger seems to me a very real one . . . The people will be wise to see that their brakes are in order".

* * * *

Mao the Marxist

Reports of punitive re-postings in the higher Chinese command, as well as of a Chinese military delegation, including possibly Mao Tse-tung himself, going to Moscow, indicate some revision of Soviet policy. The phantom of Wladimir Clementis, as Francois Mauriac wrote in the *Figaro* on Tuesday, will have a place behind M. Gromyko in Paris, and it may also appear in the Far East. The Chinese Communist radio and Press continue to emphasize the "everlasting friendship between the Chinese and Soviet peoples and the further strengthening of their armed forces in the defence of world peace." It continues to be proclaimed that the "Western aggressors" must be defeated, but it is possible that the enormous losses of the Communist forces may speak a more forceful language than the jargon of their propaganda.

It is not without interest that a philosophical thesis which Mao Tse-tung wrote in 1937, *Concerning Praxis: On the relation between Epistemology and Praxis, knowing and acting*, has been published in a Russian translation in *Bolshevik*, the review of the Central Committee of the Russian Communist Party, and has been the subject of a review in *Pravda*, and in the periodical *Kultura i Shisnj*. The central idea in this work is that the nature of Marx-Leninist theory is not dogmatic but open to revision and adaptable to "reality" and "necessity." This attitude is identical with Stalin's own views, forming the basis of Soviet science

and internal and foreign policy, which underwent a transition from "Socialism in one country" (1925) to "Communism in one country" (1939), and to the now avowed imperialist and nationalist doctrine of the "Revolution from above." —*The Tablet* (England), March 10, 1951

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A modern society can only function with reasonable smoothness over any length of time when the majority of its members recognise, respect and conform to certain principles of behaviour; without this homogeneity of behaviour conformity to any rules can only be achieved by force, or threat of force, applied by some form of military organisation.

The apparent simplicity of this form of organisation, and the promptness with which certain jobs are done, regardless of cost, fascinates certain ambitious young architects, engineers and medical men who often admire the ease and speed with which jobs otherwise considered impossible are done during the emergency of war, and under the direction of war-time organisations. Socialists cater for these young men in a hurry when they dangle before their eyes schemes for "economic planning," centralisation of control, and the elimination of ancient laws and customs.

The intelligentsia of the Left classifies the first type of society as "laissez-faire," and the second as "planned economy"; both statements, as one would suspect, are very deceiving. Present conditions are described by Hayek as "interventionist chaos"; Social Crediters go further than this, and describe them as "planned chaos."

The socialist monotonously asserts that those people who object to the socialist idea of a "planned economy" are thereby objecting to any interference whatever in man's economic activities; but economic activities have nearly always operated within a legal framework—that is, have been controlled by society, or its government. For centuries there have been laws governing contracts, land, imports, currency and taxation; and municipal governments have always had powers of control, which were very far reaching.

"PLANNING," which demands continuous interference, requires a great deal of policing, and a multiplicity of laws and regulations and restrictions does not indicate planning; it indicates lack of planning. A mechanism which requires a great deal of pampering and tinkering and continuous alterations is a bad mechanism indicating bad design; the design of a smooth-running, self-regulating mechanism requires a knowledge of the fundamental principles of mechanics, and a rigid conformity to the laws of mechanics.

In the political and economic spheres we are not so much in need of governmental planning in the socialist sense as of a clear recognition of sound general principles, in conformity with which intelligent men and women can plan their own lives, look ahead and work in harmony with others, moving in the same direction.

Any economic or political system, if it is to function without a succession of crises, must conform to certain principles; it must not frustrate the aspirations of the majority of men and women; it must take cognisance of the modern industrial era; it must make it profitable for the majority of men and women to contribute the maximum effort; it must leave scope for the talent and genius of a large variety of men and women.

The socialist slogans, socialist planning, the socialist bureaucracy, socialist taxation, the operation of the financial system, ballot box democracy, the large monopolies, these

run counter to all chances of building a permanent and stable society. This is so because socialist ideas are not inherent in the nature of life; they do not conform to realities; they are theories, which have nothing behind them except malice.

Neither Karl Marx nor his followers have given any clear idea how the socialist state could be operated, nor have they done anything but discourage such discussions. Practically the whole of Man's economic activities can be arrested, accelerated or distorted by those who operate the financial system, yet nowhere have the socialists given any indication that they know how the system works, nor have they made any serious attempt to find out; I will go further and say that if it had not been for the socialists much of the tragedy we face today would have been impossible.

When we come to the financial and industrial monopolies—one of the most disturbing features of modern life, the most undemocratic and anti-social — the socialist leaves no doubt as to where he stands; he is a hundred percent for them, but he would like them bigger and much more impregnable; he would like them nationalised and then internationalised. Here we see how, by the use of words which so few understand, the socialist is able to introduce one by one schemes which, if they were understood, would be met with universal opposition.

When we come to examine the aims of the Leftist groups we find an equal lack of principle or of any clear definition of what they intend; we find, too, that the English language has become so distorted in their hands that many of our most useful words have lost their meaning. We learn, for example, that profit is an evil thing; that people who profit by their labour are doing something wrong. For those who have come under socialist indoctrination I would remind them that profit means the natural regard of successful effort, and people who do not work for profit are usually found in lunatic asylums. That men find profit in different activities shows how fundamental it is, and that it cannot be debased in meaning just to fit the socialist theories. The people in socialist Britain are beginning to find that working for "Export Only" is singularly without profit, and there is likely to be quite a lot of trouble over it. Socialist Russia is also finding little profit in working for the commissars, and a very much bigger police force will be required to persuade the people that profitable labour is undesirable.

The socialist objective of "Full Employment" I have discussed at length in previous articles. Any objective more unscientific, more out of harmony with human aspirations, more incompatible with all the implications of a modern industrial era, and more contrary to all Christian beliefs, would be hard to imagine. This idea of "Full Employment" which, being interpreted, means

employment for purposes of export, or for purposes of war, or for any purpose whatever provided, and always provided, that the employment is not for profit to the individual or to his family or to his country. But it is when we come to the question of majority rule we meet the socialist at his acrobatic best. On the one hand we find the Leftists, as a prelude to the installation of the Dictatorship of the Proletariat (by the commissars) elevate the idea of the ballot box majority into something semi-divine—something one does not even question; on the other hand, when the dictatorship has been installed, we find the erstwhile advocates of majority rule supremely contemptuous of the ordinary man and woman, and taking extraordinary steps to see that they not only have no say in the government of the country, but are left with very little discretionary powers in their private lives.

The franchise at present operating in most "democratic" countries is probably one of the greatest fakes of the century and conceals an almost unlimited and ruthless power operated under the name of the "Majority." No more cruel and effective method could be found to eliminate and defranchise the responsible and politically intelligent section of the community than the ballot box democracy. The vast majority of the people is not politically conscious, nor have the faintest idea what is at stake when they record their votes; normally they would not go to the polling booth unless shepherded there by various instruments of coercion. Yet this irresponsible majority vote is used by those in control of parliament to victimise each minority in turn. An unrestricted parliament and a ballot box democracy contain enough political dynamite to blow this civilisation to pieces. I think it is much more dangerous than the atomic bomb, and I cannot see that we can have any worthwhile future under the present franchise.

The majority vote was never intended to be used as a bulldozer to wipe aside the conscientious beliefs and habits of large and important minorities. In the limited spheres where it can be used it can only be used amongst a homogeneous people who accept full responsibility for their decisions. To use a secret vote to destroy your neighbour when you haven't the courage to meet him face-to-face is the work of a cad, and the sooner this is made publicly known the better.

No government has the right, nor should be given the right, to wage war on a large section of industrious and law-abiding people, and no government would demand that right unless it were completely alien to the genius and character of the people it was destroying. Wherever you find a socialist government destroying and victimising minorities, and destroying the structure of the country, there you will find, without exception, aliens in control of the country. (To be continued.)

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No. 19.

The Next Assault on the Constitution

In the Melbourne "Herald" of April 24, Sir Keith Murdoch, whose Australia-wide chain of newspapers did all in their power to ensure Mr. Menzies' victory on April 28, wrote an article entitled, "The Way to Sound Government". In this article, Sir Keith wrote:

"On his programme for more Government control, Mr. Chifley is on more arguable ground. He says he will seek the transfer of power over prices and capital issues from the States to the Commonwealth. He will put again the referendum upon the defeat of which, in 1948, he removed the Federal subsidies and let prices 'go hang'. Personally, I am a Federal control man." Sir Keith goes on to infer that he would favour Federal control of wage pegging as a major ingredient of a price control system.

Any individual who is "a Federal control man" is a Socialist, even if he verbally says he is opposed to Socialism. Socialism is the centralisation of power, and it should soon be clear to even the most politically illiterate that Mr. Menzies and his Government are going to make every endeavour to increase their powers at the expense of the States and the individual. All Governments tend towards Socialism because they all tend to centralise power. In Australia the most effective barrier to the centralisation of power has been the Federal Constitution. The Labour-Socialists found it a major obstruction, although they did successfully devise ways and means of bypassing it. The Liberal-Socialists continued the programme, and now, under the guise of dealing with Communism, both externally and internally, have already since their re-election made it clear that they are going to make another major assault upon the Constitution.

The really dangerous Socialists, the permanent economic and other "advisers", must be smiling quietly to themselves as they contemplate the prospect of an "anti-Socialist" Government weakening the Federal Constitution in a way that was beyond the Labor-Socialists. No doubt Mr. Menzies, Sir Keith Murdoch, and all other "Federal control" men confidently anticipate that an electorate which returned the Government on the Communist issue, will automatically permit that Government to use the Communist threat to destroy Constitutional safeguards. We desire to make it clear now that we will do all in our power to defeat any proposals for further totalitarianism, even if it is termed "anti-Communist". Readers should immediately contact their Federal Liberal and Country Party Members and suggest to them that their support for any more Federal controls will help hasten their political extinction. They should not be permitted to overlook the fact that, in spite of the Communist issue, the Menzies Government lost considerable electoral support during its first eighteen months in office, and a further small swing against it would mean political disaster for it at the next elections.

The Budget Surplus

The Editor, *The Social Crediter*,

Sir, —The following letter was sent to *The Scotsman* on the appearance of a paragraph in that distinguished journal referring to Mr. Gaitskell's "nest egg," represented by the Budget surplus. It was not published, and I have been obliged to write twice, with stamped envelope for reply, in order to obtain its return. No letter on the important issue involved has appeared in *The Scotsman* or any other newspaper seen by me. There would seem to be only two explanations possible, neither of which is complimentary to the British Press, and either of which renders the considerable comment on the suppression of the Argentine *La Prensa* unpleasantly hypocritical.

I am, etc.,
C. H. DOUGLAS

April 19, 1951.

(Copy)
The Editor, *The Scotsman*,

Sir, —Your usually well-informed London Correspondent appears to have fallen into the very general misapprehension as to the workings of the Higher Piracy as they concern over-taxation and consequent surplus balances. The disbursements of the Treasury to the spending Departments are made through the agency of drafts on the Ways and Means Account—a device of the Bank of England not dissimilar to the overdraft mechanism of an ordinary bank. This overdraft is the receptacle for all taxation. The Departments have no permanent deposit balances and any surplus such as that, to which your correspondent refers, is cancelled against the floating Debt. The practical effect of this, since the cost of living is prices plus taxes, is to raise the price-level unnecessarily by the amount of the surplus. Next year's Budget will not benefit by one penny from it.

I am, etc.,
C. H. DOUGLAS.
Fearnan, Perthshire, April 2, 1951.

"What Voice Will Give Command?"

A frank and lively correspondence has been appearing in "The Scotsman," of a kind not common in English newspapers, under the above heading. The following, from Lady Glen-Coats, dated February 27, is an example:

"Sir, —Perplexed. On a point of order.

"... In view of the transference of the British Navy from control of H.M. Government to that of the United States, is it still in order to fly the Union Jack, or in the case of Scotland, the St. Andrew's Cross?"

"Should we not fly the Stars and Stripes with, of course, the added star, although a somewhat dimmed and diminished one?"

"The 'Stripe' follows as a matter of course.

"But what is all this talk and timidity about offending America? Surely the boot is on the other foot! Can America afford in the long run to offend us? —I am, etc.,

"LOUISE GLEN-COATS."
— "English Social Crediter," March 24, 1951.

THE USE OF SOCIAL CREDIT

By C. H. Douglas

The main objective in republishing the following article which appeared in "The Rotarian" in 1935, is to provide a standard of reference by which readers may judge the likelihood of a policy of rising prices, increased exports, and immense bureaucratic and administrative wastes and costs culminating in anything but the catastrophe which its analysis suggests.

An economist is in some sense a professing doctor — sometimes, perhaps, a witch doctor — of the Body Politic. If I were asked to define the difference between a witch doctor and a modern physician, I should say that, fundamentally, a witch doctor accepts the diagnosis of his patient as the description of the disease from which he suffers, and the modern physician does not. Since the patient, though suffering from heart disease, quite possibly states that a "Devil" has bewitched his breathing, the Witch Doctor resorts to spells, frequently of an alphabetical nature, while exhorting his victim to exertions, which a physician would condemn. Much the same distinction may be drawn in regard to the diagnosis and treatment of trade depression. The idea that unemployment is a defect of the economic system and that the present distresses of society flow from it, and can only be cured by its elimination, is both unscientific and incorrect. The sound economist observes that the best scientific engineering, organising and administrative brains are continuously endeavouring to achieve a given amount of work with a diminishing amount of human labour, and that, therefore, an increase of leisure is both certain, and, from their point of view, highly desirable.

When he hears that the prime requisite for a restoration of prosperity is a restoration of confidence, he examines the nature of confidence, and finds that it grows from the experience that an intelligent line of action will always lead to a desired result, and he concludes, therefore, that confidence follows experience, and does not precede it. When he observes that the modern production system produces more than is sold, although there are still numbers of the population of modern producing countries in drastic poverty, he does not conclude that the output of the production system should be reduced in order that it may correspond with the amount that can be bought, but he says that the amount that can be bought should be increased.

Proposals for the use of Social Credit as a remedy for the present ills are not primarily concerned with the production side of business. Probably the greatest body of expert knowledge in the world is concentrated in the production system in one form or another, and this body of opinion may be left to continue its undoubted success in the past. But when we come to consider the distribution of the product, we are met with a less satisfactory situation. The phrase of "Poverty amidst plenty" has become enshrined amongst the clichés of the English language. Social Credit, in consequence, is primarily concerned with the distribution, and not with the administration or technique of production. Its problem is poverty, not plenty, and poverty consists of lack of money, the essence of money

being credit — the belief that money will do what it is supposed to do.

Economic production is interlocked with the distribution of money through the agency of wages, salary and dividend. The existing financial system stands or falls by the perfectly simple proposition that the production of every article distributes enough money to the general public to buy that article. The orthodox economist says it does, the Social Engineer says it does not. The Socialist complaint against so-called capitalism is that money has been distributed inequitably, that is to say, that some people, the Capitalists, get too much and some, the "Workers," get too little. Hence the Socialist is permanently committed to a policy of "soak the Rich." It is a primary tenet of Social Credit theory that, though this inequitable distribution may exist, it is a secondary consideration to the fact that not enough money is distributed to buy the goods that are for sale, and that, in consequence, redistribution is not an economic remedy, whilst being a political irritant of a high order.

The first point which may raise in our minds a legitimate doubt as to whether the orthodox economist is quite right in regard to this matter is that the business of making money, and the business of making goods or growing food, have no ascertainable relation to each other. Of course, the manufacturer, the trader, or even the farmer, sometimes talks about "making money." They never make money. They merely scramble for the money, which is provided for them in varying quantities and under varying conditions, by the bankers, with or without the assistance of the State. It is a little difficult to pin the banker down as to his own conception as to his position in the community. If he is accused of providing an unsuitable amount of money, and thus causing business depressions, or, to a less degree, frantic booms, he retorts that he is merely a business man and knows nothing about economics, a claim that he can generally substantiate. If, on the other hand, he is accused of missing a business opportunity, which he does not wish to pursue, he is a little apt to retire behind a high moral obligation to the community. The point on which he is quite firm is that the initiative of decreasing or increasing the amount of money in circulation is his prerogative, and that, if production or consumption are out of step with it, that is just too bad.

Now, the fact that the banker can increase or decrease the amount of money in circulation with results which, though they may be satisfactory to himself, are somewhat tragic to the community, has tended to obscure the fact that we have no record anywhere of a satisfactory distribution of consumable goods to the extent that they can be produced, except in a time of

expanding capital production. To put the matter in its shortest possible form, we have no evidence that in modern times the price-system is self-liquidating and every evidence to show that it is not.

The theory of this proposition is somewhat complex and highly controversial, but the inductive proofs of it are endless. One of the more obvious is contained in the constant rise of debt, stated by the Technocracy Group to be at the rate of the fourth power of Time, one hundred years being taken as a unit. Another equally conclusive indication of the immense excess of price values over purchasing power may be derived from examining assessments for Death Duties in Great Britain and elsewhere, in which it will invariably be found that an estate alleged to be worth, let us say £100,000 and taxed in money upon that sum, consists only to the extent of two or three percent in purchasing power, the remainder of the estate being assets of one kind or another which have price values attached to them, and require purchasing power to buy them. It is significant that in England eight years are allowed in which to pay Death Duties. It should be noticed that this confusion between assets having a price value placed upon them and purchasing power which is required to meet those price values as if these, instead of being exactly opposite in nature, were similar is one of the commonest sources of confusion in discussions of the money problem.

Now, just as a man is taxed upon his assets and has to pay the tax in money, which is purchasing power, although those assets do not grow money, just so do the price values of industrial assets enter into the price of the goods, which are sold. And the first objective of Social Credit is to provide sufficient money to meet these charges, which occur in ultimate products as the result of the existence of industrial assets. One of the methods by which it is proposed to do this is to take the charge for industrial assets out of prices and pay it direct to the owner of the assets. Instead of taxing him in money for the possession of industrial assets, we should, on behalf of the consumer, pay him for the use of them. That is not essential to the theory, but it is a quite possible way of dealing with the situation. The real beneficiary, it should be noted, is the consumer, who gets lower prices.

While a scientific regulation of the price level, so that goods can be taken off the market by the available purchasing power as fast as they are produced is an essential component of a scientific money system, it does not deal with the second aspect of the problem, which fundamentally is related to the change over from manual production to power production. Probably over 80 percent of the total number of issues of purchasing power distributed in our existing financial system, is distributed through the agency of wages and salaries, and it is obvious that this assumes that 80 percent at least of the population will be maintained on a wage or salary basis. But there is no ground for the common assumption that such a percentage can, or will be maintained in normal times, and

(Continued on page 8)



Myxomatosis and the Rabbit Menace

In recent months there has been a great deal of discussion concerning the use of the virus myxomatosis to kill rabbits. It is understandable that farmers, who have had to wage a persistent battle against the rabbit menace, are inclined to accept with enthusiasm the prospect of wholesale destruction of rabbits by the introduction of disease, without stopping to consider what the long-term results may be. While maintaining an open mind on the subject, we must confess that we have some misgivings concerning the use of disease of any description to destroy animals. We fear that this policy may lead to a further unbalancing of nature, of which the rabbit menace in Australia is already one aspect.

Because of our misgivings about the use of myxomatosis to eliminate the rabbit menace, we were interested to receive from Mr. W. Prescott of Sutherland, N.S.W., the following letter which he has addressed "To All Persons In Authority":

I wish to bring under notice certain facts connected with the release by the C.S.I.R.O. of the rabbit-killing virus—Myxomatosis—and the brain disease—Encephalitis—that afflicts humans.

It need hardly be stressed—you will have seen the daily papers—that there has been much misgiving as to whether the latter complaint is not connected with the former (perhaps because of the incidence of both in the one area) but as Mr. Casey, M.H.R. (*vide the Sydney Morning Herald*, March 9th) gives his assurance that there is no connection I must accept that and rely not only upon the veracity of the few who advise Mr. Casey, but upon their competence and sense of responsibility as well. Being under the disadvantage that, like the majority, I can distinguish a sheep from a goat, but wouldn't know a virus if it bit me, I think Mr. Casey's assurance is a doubtful safeguard in view of the fact that not only is the information unverifiable by any but the trained few, but in addition is privately centralised in Departmental hands, so that no uninvited enquirer, however great his competence, may have such access as would constitute a check on the administration.

I know not what, or who, may shelter behind the initials C.S.I.R.O. (reminiscent of a Post Office Box number)—accommodation addresses are always suspect to the Police—but according to press reports (which are not in any way a satisfactory substitute for a properly authorised and duly considered official announcement), the virus was said, when reports began first to appear, to be harmless to animals other than the rabbit and to be transmitted by mosquitoes, but is now thought to be carried also by sandflies and to be killing birds,

fish, and wallabies, to be water borne and most prevalent near streams.

Regarding the sandfly theory, the Chief Veterinary Research Officer of the Department of Agriculture's Research Station at Glenfield said (*vide the Herald* of 6th inst.) that to test this theory, virus was being sent to places where the disease was not prevalent.

"Today we sent virus to Tenterfield and Glen Innes . . . Rabbits will be inoculated with it . . . in the morning.' Mosquitoes were not prevalent from Walcha north and it was hoped that other insects would spread myxomatosis in that area . . . He had been conferring for a week (please note that it was only a week) with scientists of the C.S.I.R.O. who have been experimenting (may I emphasise the word EXPERIMENTING?) with Myxomatosis in the Murray River Valley. The scientists were now *convinced* (my emphasis) that the small sandfly and *probably* other insects were . . . carriers."

I understand that the word scientist derives from *Scientia*, meaning knowledge. Strange knowledge that needs the support of the world "probably" and learns how an infection is conveyed only after it has released it, on a large scale! And while this information is being gathered and learnedly pondered, and the Glenfield gentleman is doing his best to introduce the virus to his district, the disease has spread, without further assistance, to the South Coast.

Now, Sir, I wish as briefly as possible to point out that this Virus appears to be of the nature of an elemental force, and it is known of elemental forces that it is easier to evoke than to lay them. (Anger, for instance.) More than once have misguided persons, including "Scientists" unwittingly introduced pests, which has multiplied to the great discomfort of whole populations. (Who, for instance, introduced Paspalum?) And to cope with such pests others have been introduced which have turned out an even greater curse than the original. I feel that something of the kind may apply to this virus and that these well-known facts should be kept in mind

by any who dabble with such material; that no one engaged upon such projects should take action lightly and without sufficient knowledge and that no project should be embarked upon outside of limited and controllable areas until it has been established beyond all doubt that such project can with impunity - - subject to certain known conditions—be undertaken. If you agree, will you now consider the words of Mr. Casey, M.H.R.?

According to the *Sydney Morning Herald* (March 7th) Mr. Casey described Myxomatosis as "the best combatant to the rabbit plague yet tried . . ." He said that when announcing that Professor F. J. Fenner had gone to Melbourne to carry out research on Myxomatosis; ". . . Every effort is being made to get more information about Myxomatosis . . ." Exactly, Mr. Casey appears to be elated at the spread of the disease but not in the least concerned that more needs to be known about it than was known when it was released.

In view of the apparent lack of initial knowledge of the material handled—which appears not to worry our scientists in the slightest—I think it high time an end be put to this unbridled coupling of power with authority (little knowledge backed by vast resources and organisation, remote control amounting almost to anonymity, and no discernible semblance of responsibility to the electorate), and a more acceptable system of check or balance (accountability) be imposed upon the executive. Even though no harmful effect may accrue from the "experiments" I feel that this should be done in order that we may be preserved from future dabbling by persons perhaps even less competent and (if it be possible) less imbued with a proper sense of responsibility toward their fellows.

I trust, Sir, that within your sphere you will use whatever power is properly yours to ensure that a halt be called to the activities of the C.S.I.R.O. until such time as the effects of their activity may be examined by competent, impartial and independent judges, and that the head men of the C.S.I.R.O. may be saddled with responsibility for whatever harm they may, in due course, be proved to have set in motion.

As far as I can gather there has been no widespread demand for such work as they have undertaken, nor has majority sanction been given it by way of plank on a political platform or by way of Referendum, and I feel that they should be made to insure themselves—after the style of employers in regard to the risk of accident to their staff—against proved loss of private property and human life, and after the style of contractors made subject to forfeiture of personal assets or liberty, should harm be occasioned, by their actions, to the natural balance of the country (its ecology) via the native or other fauna, insect, or other life.

Eric Butler's Deakin Campaign

Although Mr. Eric Butler's Independent campaign in Deakin resulted in only just over 2000 first preference votes being obtained, it was most successful in revealing just what is required for the next Election, which Mr. Butler has already announced he is going to contest. Prior to starting his campaign early in April, Mr. Butler expressed the private opinion that he thought a vote of over 4,000 would be excellent.

In assessing the results of the Deakin campaign, it is important to bear in mind the following facts: Although well known generally as Campaign Director of the Victorian League of Rights, Mr. Butler was not known very well personally in Deakin. In a big electorate, it was impossible to overcome this disadvantage in a

short campaign over only three weeks. Mr. Butler's work directing the League of Rights prevented him from campaigning intensively.

Mr. Butler had no organisation of any description when he started. He had to rely upon a comparatively small number of interested individuals in various portions of the electorate. These individuals did splendid work, and all agree that with more time and greater assistance, a much bigger electoral support would have been obtained. The response to the limited amount of personal canvassing done, particularly amongst responsible citizens, was most encouraging.

Those who contributed financially to Mr. Butler's campaign need have no fear that their money was wasted. The major objective of the campaign, which cost only just £200, was educational. Through the limited avenues at his disposal, Mr. Butler contented himself in this campaign with directing attention to the necessity of applying certain fundamental political, economic, and financial principles if the twin evils of Communism and inflation were to be dealt with. A large number of Liberal and Country Party supporters—and some Labor Party supporters, too — admitted privately that there was no doubt that Eric Butler was the best candidate standing, and that the principles he was enunciating were excellent, but that they were committed to helping their Parties at this election. Many names and addresses of electors desirous of becoming contacts of the League of Rights were obtained. A number of Mr. Butler's publications were effectively distributed. All this work has created a firm basis upon which to expand.

Apart from the lack of time, Mr. Butler's

major obstacle was the fact that the election was the most apathetic on record. Mr. Butler had expected that his public meetings would have helped him reach a large number of thinking electors. But, like all candidates, he discovered that meetings were most poorly attended.

Both the Labor and Liberal Party candidates refused to meet Mr. Butler in public discussion and, significantly enough, made no effort to answer publicly the fundamental principles he put forward. The main argument used against Mr. Butler, and one which undoubtedly lost him thousands of votes, was that, no matter how outstanding he might be, he had no chance of winning, and that therefore it was wasting a vote to support him. There was insufficient time to overcome this "argument" which, unfortunately, had a widespread impact.

Anticipating another Federal Election within two years, Mr. Butler and his Deakin supporters have already taken steps to consolidate the valuable groundwork of the past few weeks. Needless to say, however, Mr. Butler will be continuing to devote most of his time to directing the activities of the Victorian League of Rights. All supporters who reside in Deakin, and who desire to become members of a Deakin Voters' Policy Association, may contact Mr. Butler at "Runnymede", Alma Road, Panton Hill.

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THE USE OF SOCIAL CREDIT

(Continued from page 5)

every ground for assuming that it will decrease continuously.

On the other hand, the dividend system is independent of employment, and depends fundamentally only on production. If we can arrange that, while the wage and salary pay roll becomes continually less, the dividend pay roll becomes continually greater and more widely distributed, we have dealt with the second half of the problem.

There are two ways of looking at these aspects of the matter. The first is moral or ethical, and is probably the less important, since we are less sure of our ground. Due very largely to a mistaken and mischievous Puritanism, probably having a common origin with Marxism, there is a widespread idea that no one should obtain a living without working for it, and it is noticeable that those who do, in fact, obtain a very handsome living without working for it, are most vigorous in their determination that there shall be the minimum extension of the principle. The moral or ethical justification for a National Dividend, however, rests on the same basis (a sound basis) on which those fortunate persons who do obtain a living without working for it, ground their claim, that is to say, on the possession of property. The property that is common to the individuals who make up a nation is that which has its origin in the association of individuals to a common end. It is partly tangible, but is to a great degree intangible, in the forms of scientific knowledge, character, and habits.

The extent to which this national heritage can be made to pay a dividend in money to the general population from whom it arises, merely depends on the simple

proposition that the money, if spent, shall be effective in acquiring goods without raising prices. To raise prices would reduce the purchasing power, not only of the fresh money, but also of that, which preceded it. If this provision can be met, that is to say, if there is undrawn upon productive capacity coupled with control of the general price level, then the mechanism of a National Dividend becomes fairly simple. In its simplest form, it is the issue of bonds to the general population, similar in character to those, which are issued to them in return for bank-created money during a period of national emergency, such as war. The exact conditions under which the bonds are issued are not an economic, but rather a political problem. Many factors enter into it, and it will, in all probability, be solved in various ways as the differing psychologies of peoples and their Government may direct. In combination with the regulation of the Price Level, it affords a complete flexible method of insuring that what is physically possible is financially possible. Its inauguration in a modern industrial State means the disappearance of poverty in the old sense of the word, from the population of that State.

The monopoly of credit at present held by financial interests, that is to say, banking institutions and their affiliations, is obviously so valuable that it would be too optimistic to suppose that it will be relinquished without a struggle. The primary weapon used in this war is misrepresentation. The socialisation of credit, so far from being an attack upon private property, is probably the only method by which private property can once again become reasonably secure. It is the alternative to ever-increasing taxation. It is a method by

which everyone may become richer without anyone becoming poorer. It is, so far as I am aware, the only method by which the pernicious doctrine of "a favourable balance of trade" can be exploded. In consequence, it is the primary requisite to the removal of the fundamental causes of war. You are, however, unlikely to arrive at any conclusions of this character by reading criticisms of the theory, which originate from orthodox financial circles.

In spite of the difficulty of obtaining a wide public presentation of the theory, however, the progress, which has been made by it, more particularly in the past two or three years, is remarkable. There is no portion of the English-speaking world in which it is not discussed, or in which, spontaneously, bodies for its propagation and realisation have not been formed. The Canadian Province of Alberta has the honour of having elected on August 22nd, the first Social Credit Government, but I shall be surprised if it retains this isolated position for long. New Zealand, Australia (and, in particular, Tasmania), South Africa, are all moving rapidly in this direction, more or less in the order named. Whilst in the United States other remedial measures have engaged public attention, steady education upon the subject has been proceeding.

So far as anything is certain in this world, banking dominance of credit, commerce and industry, is certainly doomed, together with poverty amidst plenty.

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