

THE NEW TIMES

Registered at the G.P.O. Melbourne for transmission by Post as a Newspaper

VOL. 17, No. 35

MELBOURNE, FRIDAY, AUGUST 24, 1951.

SIXPENCE WEEKLY

The Basic Cause of Inflation

False Financial Accounting

Prior to the Sydney Conference on inflation, Mr. Bruce H. Brown prepared the following material and had it circulated amongst a number of responsible members of the community:

It is not a bit of use getting hot and bothered about inflation, and any drastic action inspired by panic can lend only to needless suffering without even touching the cause of the trouble. Honest examination of the FACTS is the first necessity, and so far we have not had it. Anyone refusing to face up straightforwardly to the facts should have no place at all in the counsels of authority.

To the present day, all official pronouncements on the subject of inflation have merely parroted the advice of some anonymous authorities and been in line with false ideas which were exploded years ago. If we search the records (as I have been doing for 20 years) we will find that none of these advisers has ever put forward anything to make living conditions any easier for the people in general.

There are three important facts which should be borne in mind at the very start of any honest examination of the present so-called "crisis". The first is that the present situation is neither accidental, natural, nor unexpected. It was planned. The second is that, under the existing financial rules the only alternative to Inflation is Deflation (Depression). The third is that no disease was ever eradicated by attacking its effects.

A brief comment on each of these important facts. Only a few days ago it was publicly admitted that the Federal Government has been FORCED to do unpleasant things by the "International Situation", and that these unpleasant things were actually discussed in Washington and London long before they were even mentioned here! In 1938 a group of "planners" with close affiliations between government circles in London and Washington (known as P.E.P. meaning Political and Economic Planning) issued a pamphlet in which it was laid down that "only in war or under threat of war would any British Government embark on large-scale planning." Large-scale planning is the very thing that is now being imposed upon English-speaking people everywhere, and to make it acceptable we have to have a war or a serious threat of war. Hence the "International Situation", and the proposals for more controls and more regimentation. On the second fact, the simple position is that our present finan-

cial system is a succession of alternating periods of inflation and deflation. When we are in a period of inflation, money is increased in quantity and decreased in purchasing value. When we are in a period of deflation, money is decreased in quantity and increased in purchasing value. Variations in the quantity of money are not made by the men and women who produce the wealth of the nation, but by the controllers of the banking system. These variations are not related to the production of goods, but are influenced by rising costs and capital expansion.

There is nothing sacred or difficult about the production of money, but those connected with it seek to maintain the lie that it is a complicated process to be understood only by superman specially selected and trained in the mystery. Actually, money is the easiest thing in the world to produce, but, for the multitude, the most difficult thing in the world to get.

Regarding the third fact, it is regrettable that the new plan as announced by the Prime Minister relates only to some of the effects of inflation, and the proposed attack on those effects can only intensify the distress of the people. There is no proposal to alter any of our financial practices, even though our difficulties are the inevitable result of those practices. Not one of the "authorities" who have had the ear of the people (and in this I include newspaper editorials) has even mentioned the fundamental cause of Inflation or given a true definition of it.

Inflation means a rise in prices followed by an increase in the money supply. Put in another way, inflation of costs necessitates inflation of the money supply. Costs are the crux of the matter and they receive little attention.

The actual cause of inflation is the fact that under existing financial practice costs are generated faster than purchasing power is produced . . . it is a physical impossibility to liquidate current costs with current money. Any businessman who cannot liquidate his costs goes bankrupt, and the proposed reduction in the supply of money will inevitably cause an increase in insolvencies and a greater number, of suicides. What is urgently needed is a supplementary system for the more effective liquidation of costs.

If further proof of this is required it may be seen in the general debt position. As a community we are burdened with two lots of debts—the National Debt and Private Debts. Those together total roughly ten thousand millions. But the Australian money in existence totals only about two thousand millions, made up roughly as follows:—

Legal Tender (notes and coin)	£350 mil.
Bank Deposits	1650 mil.

The legal tender is held by the people and the banking houses in the proportion of 300 to 50 and the whole of the bank deposits

(Continued on page 2)

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

THE BASIC CAUSE OF INFLATION

(Continued from page 1)

exist only as credit entries in bank ledgers.

Now consider this very carefully: If the Commonwealth Government confiscated all the Australian money (including the bank deposits) it would leave the whole community penniless, but would not have enough money to pay even half the National Debt, to say nothing of the five thousand millions or so owing by business houses, hospitals, churches, and individuals for which there would be no money in existence at all!

And imagine the absurdity of the situation—In using the money to pay part of the National Debt the Government would hand it to the bond holders (85 per cent, to financial institutions and 15 per cent, to individuals), leaving itself without as much as a penny piece and 99 out of every 100 people absolutely broke! Then, before the supposedly Sovereign Government could do a thing in the country it is supposed to control it would have to reborrow from the financial institutions or the few individuals holding all the money! Could anything be more insane? And yet that is what we are being ordered to accept as an unalterable controlling condition of life. How does this line up with Mr. Menzie's solemn declaration that the world's problems are mostly moral? Why does he refuse to see that the world's problems are mostly financial and do NOT come from any shortcomings on the part of the ordinary man and woman?

Most of those who have offered advice to us on the "crisis" question have stressed the need for greater production, and have even put this forward as a cause of inflation. The hollowness of this contention is shown clearly by the fact that inflation is an equal menace in the United States where production has reached an all-time high! It is so high in fact that a war or a continuing threat of war is necessary to absorb the surplus or transfer labor to armament manufacture instead of allowing it to continue the production of goods for human consumption. The hollowness of the contention is also clearly shown by our own experience in the years 1929 et seq., when a great increase in production was followed by a devastating depression put upon us by the agents of Satan. Some of the "advisers" then are the advisers now, and they still talk of giving us more of the same sort of "medicine" but even more "bitter". As before, they are again calling for "sacrifices" but they never mention what or for whom!

Another false cry is that the hire-purchase system is a cause of inflation, whereas in truth it is merely further proof that current wages, salaries, and dividends are not sufficient to pay for current production of the things required in the homes of the people. In other words it, shows that current costs are partly met by calling upon future incomes. If the hire-purchase facilities are seriously curtailed it will simply mean further deterioration of domestic conditions without benefit to anyone.

Further evidence of confused thinking

is to be seen in the statement of the Prime Minister that "the basic cause of inflation is the fact that the supply of purchasing power far exceeds the supply of goods." What caused the increase in the supply of purchasing power to make it exceed the supply of goods, and who was responsible for the increase? It did not increase itself and the Commonwealth Government did not do it. Has it been forgotten that we have a great number of local Boards set up to ensure that goods will NOT become plentiful enough to prevent high prices? The shortage of goods is part of the result of the large-scale planning.

Apart from this, however, and even accepting the statement that purchasing power far exceeds the supply of goods, the more important thing is that the supply of purchasing power does not exceed the costs incurred. Indeed it does not even equal them. If costs cannot be liquidated with money then the only alternative is to write them off, and if the money supply is to be reduced as now proposed, a lot of costs will have to be written off as dead loss, with very serious consequences to the losers.

Local bankers, economists, and imported advisers keep telling us the excessive spending power must be "drained off" from the people through taxation or compulsory loans. Who of the working men and women has too much spending power? None of my family or of the hundreds with whom I work has too much and everyone I approach says that their spending power is quite insufficient to meet the galloping prices. Where then is this so-called excessive spending power located? If the bankers, economists and imported advisors have too much then there is no reason whatever why they should keep it. They could pay it into the Treasury or give it to the "money starved" hospitals.

And how can the suggested heavier taxation possibly help to improve matters? All our incomes are already included in costs and prices, and if taxation rates on companies are increased they will inevitably pass into prices and cannot possibly assist in increasing production or in reducing prices. All that such a course can do is to leave more costs uncovered and the community worse off. Taxation on goods causes inflation of costs, and inflation of costs causes inflation of money. The urgent need is for less and less taxation so that the people will have more of their own incomes to spend on normal purchases, thus enabling business men and primary producers to keep out of insolvency courts. The extent of the taxation we accept is the measure of our service to hypnotic symbols, and no community can progress on a balanced budget. It is only when governments are spending huge sums on public works or armaments that industry can possibly survive financially. Taxation does not liquidate costs—it increases them. This is a fact, not an opinion.

What the ordinary men and women of Australia strive for is the maintenance of their present incomes with a lower cost of living. They do not want to be bombarded with a lot of confusing talk about spirals, trends, sacrifices, and the like. They want an improving standard of living which

NEW TIMES BOOK SERVICE

Reconstruction on Christian Principles 8d.

R. G. Menzies and the Socialist Menace 1/6 per dozen

FEDERAL UNION EXPOSED
By C. Barclay Smith 2/9
A complete expose of Federal Union and its promoters.

THE ROAD FROM TAXATION AND NATIONALISATION
By F. J. Tuckfield 1/8
The solution to our present ills, written in simple question and answer form.

STOP THAT THIEF
By Stanley F. Allen 1/9
This book illustrates how the financial system has been used in the plan to enslave the peoples of the world.

THE ANSWER TO TAX SLAVERY
By C. Barclay Smith 1/8
Facts and figures on the Taxation System, its Use in destroying the Independence of the Individual, and some practical suggestions for dealing with this menace.

The Life of a Policeman 2/3
By A. W. Noakes. A hand story of conditions in the Inland. Plenty of good humour. Also much factual information.

Water For The Inland 1/8
By A. W. Noakes. A vivid outline of conditions in the out-back of Queensland, in which is embodied the Reid and Dr. Bradfield water schemes.

A survey of the first ten years of the Albertan Social Credit Government.

OUR MONEY, THE WAY TO FREEDOM
By Peta 7/9
A remarkably well documented and indexed book showing the domination of humanity by those who manipulate the Money System. A "must" for every student.

Obtainable from
NEW TIMES LTD.
Box 1226L, G.P.O., Melbourne.

comes only with rising incomes and falling prices, and it is quite possible to give it to them without taking from anyone else, without injustice of any kind, without detriment to ourselves or connections, or without any ill-effect on our national economy.

To anyone who may feel doubtful about this I would put this simple question. Would you really be worried about the volume of money in the community provided there was no interference with your income and prices did not rise? No one could truthfully deny that the volume of Australian money could be multiplied five times without providing the people with

(Continued on page 3)

THE BASIC CAUSE OF INFLATION

(Continued from page 2)

sufficient to pay their existing Australian debts, and it would not matter two hoots how much more money we had so long as production was maintained and prices did not rise.

Prices do not rise of their own accord. Someone puts them up, and it cannot be gainsaid that in most cases they are put up because costs have gone up. It is true that in a few instances there has been profiteering, but the generality of businessmen should not be judged by the unfair conduct of a few unscrupulous ones.

No Prices Commissioner ever grants an application for a price increase until after he is fully convinced that costs demand it. Professor Copland could not stop prices from rising when he was the price controller, even though subsidies were operating to a much greater extent than at present, and he could not stop them from rising now under the influence of the "bitter medicine" he thinks we ought to take. No government would have sanctioned an increase in postal charges unless such increase was forced upon it by costs. Gas increases were dictated by costs, not by any anxiety on the part of consumers to pay more because of their alleged excessive purchasing power. Tram fares did not rise because of any shortage of trams or because fathers and mothers were anxious to get rid of their heaps of money. The fares were put up because an increase of costs forced the managers of the system to put them up.

Obviously, at this stage, it is much more important to think about costs and their effective liquidation than about goods and working hours. This being so, the pressing question is how can we maintain incomes and at the same time reduce prices? The answer to this question is that it can be done quite easily provided men of ability, understanding, and character are selected to do it. Such men must be of unquestionable integrity, of undoubted loyalty to the ordinary men and women of Australia, of unfaltering determination to overcome artificial obstacles and of unwavering fidelity to the policy of giving the people the maximum access to their own resources and the maximum benefit of their own productive efforts...

Flight From The City

By Ralph Borsodi

"Men and women who desire to escape from dependence upon the present industrial system and who have no desire to substitute for it dependence upon a state-controlled system are beginning to experiment with a way of life which is neither city life nor farm life, but which is an effort to combine the advantages and to escape the disadvantages of both."

Flight from the City is the story of an experiment which will stimulate the reader. Price 2/9, post free.

Order from New Times Ltd., Box 1226L, G.P.O., Melbourne.

All that is necessary is for the people to demand from the Federal Government that incomes be maintained and prices reduced, with a clear indication to the Government that if the men now employed as experts do not know how to do it they shall be the first of the ten thousand to be dismissed. In which event, better informed and more worthy men are available for consultation.

Briefly, the changes required may be stated as follows:—

1. Subsidies to be extended immediately to all main items governing the basic wage calculations.
2. Subsidies to be conditional on the goods being sold to the community at 5 per cent, less than cost.
3. Amount of the subsidy to be sufficient to cover the difference between selling price and an agreed margin of profit.
4. Finance for the subsidies to be obtained by the Federal Treasury from a special overdraft with the Commonwealth Bank created for the purpose, and to be provided without any charge.
5. Sales Tax to be abolished.
6. When the effect of the extended subsidies brings a reduction in the Basic Wage, Income Tax to be reduced to correspond with the fall in wages.

Finance for industrial activities would continue to be obtained as at present.

Before long, the tremendous benefits of these changes would be so widespread and so obvious that the special overdraft would be extended to cover pensions and superannuation, thus permitting justice to be done to the invalids, the aged, and those retired on small fixed incomes, and taxation to be further reduced. This would mean increased purchasing power for the whole community with more and more incentive to producers and manufacturers to increase their output. The special subsidies would constitute a supplementary cost liquidator and would be continued indefinitely.

There would be no need for any increase in the Note Issue and more and more families would come to enjoy the benefits of the cheque system. The re-arrangement would be confined to internal activities within Australia. International transactions would continue unaltered, with this important difference, that if we wished to help the people of any other country we could do so without any haggling about payment for it.

If we are a sovereign people then we can arrange our domestic affairs as we like, and there is nothing difficult in improving the living conditions in the directions indicated. As a responsible citizen I would not put forward proposals which are impracticable or dangerous, or make claims which cannot be fully substantiated. If our Prime Minister is sincere in the announcement that he desires those invited to attend the special conference on 30th July to approach the "crisis" with open minds, then he should require his advisers, if they show reluctance to accept the foregoing, to set out clearly why, and to come out into the open for straightforward examination of their objections in public.

In the meantime it is to be hoped that

the Premiers will not be stampeded into reaching an early decision on such far-reaching and drastic proposals as those to be put before them in the name of the Federal Government on 30th July. Melbourne, 27/7/61.

When We Were Young

When we were young, a little show of strength

By Britain made the naughty people pause;

The Lion seldom had to go the length

Of standing up, or opening his jaws;
A cruiser was a gesture that could make marauders quail;

A calm, grey-coated cruiser — just a flick of Leo's tail.

The pallid little worshippers of Marx
Had not thrown dust in British workmen's eyes;

Or poisoned all the air in public parks

With multitudes of miserable lies;

And navvies and their children slept more happily at night,

From knowledge that the Lion could display a Lion's might.

The lovers of the Empire and the Flag
Were not despised as jingoists and Tories,

And every soldier's knapsack was a bag

Designed to hold the baton of the stories:

And every child of Britain stood by Mother

Britain's side,

In filial affection and a decent British pride

The cruiser was a symbol of the Fleet,

The Fleet the silent symbol of the Land,

The Land a limb of Empire — whole,

complete,

From Rajahs to a Bobby in the Strand;

And over all serenely shone the Sceptre

and the Crown;

And none but fools would twist the Lion's tail to make him frown.

Important Books And Pamphlets

PROGRAMME FOR THE THIRD WORLD WAR

By C. H. Douglas 2/3

A masterly survey of the situation, describing in detail how the world is being manoeuvred into a war.

REVIEW OF THE CRISIS 1/3

Shows the Socialist influence in world events.

PREPARE NOW

Issued by The Social Credit Board of Alberta 1/3

A suggested policy for Post-War Reconstruction.

THE WORK OF A PROGRESS ASSOCIATION

By A. W. Noakes 1/3

How a Progress Association can be used to implement the will of the people.

The New Times

Established 1935.

Published every Friday by New Times Limited, McEwan House,
343 Little Collins Street, Melbourne, C.I.

Postal Address: Box 122GL, G.P.O., Melbourne. Telephone: MU 2834

Subscription Rates: 25/- Yearly; 13/- Half-Yearly; 7/- Quarter.

VOL. 17.

FRIDAY, AUGUST 24, 1951.

No. 35.

"Power Tends to Corrupt"

An increasing number of Liberal and Country Party supporters are becoming extremely concerned about the policies of the Menzies-Fadden Government. This is a good thing. But there is still not enough understanding of the truth so ably expressed by the great Lord Acton: "All power tends to corrupt, and absolute power corrupts absolutely." No individual can be trusted with too much power, particularly when that power is divorced from responsibility. Many still apologise for the Menzies-Fadden Government by claiming that its leaders "are victims of circumstances"; that they do not really understand what they are doing. We cannot accept this viewpoint.

In last week's editorial we quoted what Mr. Menzies had said about the inflationary effects of high taxation when he was Leader of the Federal Opposition. We could fill several issues of this journal with strong attacks upon high taxation and centralised controls made by both Mr. Menzies and Mr. Fadden right up until December, 1949. Only a few months ago these two men said before the last Federal Elections that they sought "a fair go" to implement their 1949 policy. That policy was one of reduced taxation and less controls. It is impossible to resist the conclusion now that the Government leaders were deliberately deceitful when they promised this policy; that they were primarily concerned with retaining political power and could not jeopardise this objective by honestly stating that they were proposing more controls, more taxation, and a reversal of the 1949 policy.

What the electors must face up to is the fact that the corrupting influence of irresponsible power has become so great that politicians have no other principles than expediency. Dr. Evatt is attacking centralised power and controls at present, not because he really loathes power, but because he is not wielding the power. He also believes in political expediency. But he has nothing to learn from Mr. Menzies on this matter.

Speaking in the Federal Parliament in 1944, when Dr. Evatt was attempting under the guise of "post-war reconstruction" to increase Canberra's powers, Mr. Menzies said: "Power always seeks to add to itself. Under a Federation, the central power is always seeking to add to itself. That is perhaps not a bad thing. But the view is so commonly held that central power is always wiser and more efficient than local Government, that I must point out that it is not sound doctrine. Why is the central Government more efficient or wiser than local Government?" Well might Mr. Menzies have also asked: And why is any type of Government more efficient or wiser than individuals of the community?

It is clear from the above statement by Mr. Menzies, that he understood in 1944 that centralism is dangerous. But going back over the years it is significant that Mr. Menzies' views on centralism, like those of Dr. Evatt, change according to his political status: whether he is in office or in Opposition. The views of the most important section of Government, the economic planners, never change. They always seek more power confident in the knowledge that the politicians, irrespective of label, become so corrupted by power that they support as a Government what they opposed as the Opposition. There is no answer to this menace until the power of Governments is drastically reduced. The growing revolt of Liberal and Country Party supporters may well prove a step in the right direction. We make a special appeal to our supporters to assist developments with appropriate action.

ANTI-TAXATION CAMPAIGN

"The outcry against more drastic taxation, a rise in Government revenue and carry over of unexpended defence funds may modify Cabinet's budget plans,"—Melbourne "Sun", August 11. Although the Federal Treasurer, Sir Arthur Fadden, has said that the people must take some "bitter medicine", the public reaction has been so hostile that Mr. Menzies has been compelled to ask critics to refrain from further comment until the detailed budget proposals have been drafted.

We feel that Mr. Menzies is gravely concerned about the loss of electoral support and that now is the appropriate time for a short, intensive campaign before the budget is brought down in September. This campaign would, we believe, have a big impact upon the rank and file of the Government Parties. Electors should write opposing any increase in taxation and suggesting that the principle of paying consumer subsidies on basic items in the economy, be extended.

SOCIALIST TRAINING CENTRE

The Australian National University looks like being an effective branch office of the London School of Economics. The teaching staff is comprised of many Socialists like Professor Arndt, London School of Economics, and now Sir Douglas Copland announces that Professor E. C. Mills and Dr. H. C. Coombs are to be members of the new Council. Both were trained at the L.S.E.

"NEW TIMES" ANNUAL DINNER

We draw our readers' attention to the fact that the "New Times" Annual Dinner for this year will be held on Friday, September 21, at the Victoria Palace, Little Collins Street, Melbourne. As the Dinner is being held during Show Week, we anticipate that our country friends who are down for the Show will avail themselves of the opportunity of meeting one another and their Melbourne colleagues. Last year's Dinner was an outstanding success, with "New Times" supporters from nearly all States present. We anticipate that this year's Dinner will be even better.

In order that catering and other important arrangements can be made well in advance, all those desirous of attending the Dinner are urged to communicate with Mr. R. H. Weller, c/o Box 1226L., immediately. Please help us to make this important event a success by booking a seat early. If any supporters desire to sit together as a party at the Dinner, appropriate arrangements can be made.

Printed by W. and J. Barr, 105-7 Brunswick Street Fitzroy, N.6, for New Times, Ltd., McEwan House Melbourne, on whose authority these articles appear.

Non-Essential Industry Myth Exploded

It is unfortunate so many politicians indulge in "heresy hunts" on matters about which they know **very** little. This fashionable pastime may be designed to attract public attention or to draw attention away from reality. It is equally regrettable the general public does not take the trouble to check the veracity of statements made by political leaders and economists; consequently, all manner of theories which have no truth whatever become accepted as factual.

A striking example is the attack on "non-essential" industries which, it is said, should be stripped of their money, raw materials and manpower in the interests of defence and inflation.

But what are the facts?

The "non-essential" industries produce the cultural goods and labour saving appliances that modern society rightly demands. According to the present politically popular view, however, the current inflation is due largely to the expansion that has taken place in non-essential industries as this has allegedly prevented the development of basic industries.

No one with practical knowledge of industry will accept this specious argument.

Unfortunately, some of our politicians and practically all back-room planners are theorists without practical knowledge of industrial matters. But in the circumstances it is surprising that these spokesmen do not examine the official Statistics before giving voice to their reckless theories.

A study of the past 5 year's employment figures shows that there has been a steady growth in basic industry whereas there has been little expansion on the non-essential side, and indeed in some instances a falling off in numbers employed. The table below will illustrate the position:

Industry			Increase or Decrease
	March, 1946	March, 1951	
Bricks, Pottery, Glass.....	14,217	19,731	+5,514
Industrial and Heavy Chemicals.....	8,519	10,988	+2,469
Paints and Varnish.....	3,430	5,150	+1,720
Iron and Steel Smelting etc.,.....	17,352	21,113	+3,761
Plant and Machinery.....	56,672	70,781	+14,109
Electrical Cables and Installations.....	23,381	33,366	+10,985
Motor Vehicles, Construction ..	3,512	11,749	+8,237
Non-ferrous Metals, Rolling, etc.	2,871	3,945	+1,074
Galvanised Iron, etc.....	13,800	24,199	+10,399
Stoves and Ovens.....	3,746	4,976	+1,230
Cotton Textiles.....	7,338	9,453	+2,115
Ready-made Clothing.....	30,084	36,018	+5,934
Boots and Shoes.....	19,002	23,945	+4,943
Butter and Cheese Factories.....	8,502	10,233	+1,731
Sawmills and Joinery	26,434	32,656	+6,222
Heat, Light and Power.....	10,729	13,870	+3,141
Furniture, Cabinets, etc.,.....	10,138	14,371	+4,233
Pharmaceutical and Toilet Preparations ..	5,506	5,912	+406
Wireless Apparatus, including Radios. . .	8,359	10,870	+2,511
Jewellery, Plate, Watches and Clocks .. .	3,230	5,671	+2,441
Millinery.....	3,065	3,029	-36
Silk, Rayon and Nylon Fibres	998	1,933	+935
Jams and Canned Fruits.....	16,422	14,462	-1,960
Aerated Waters.....	4,376	5,065	+689
Breweries	4,134	5,664	+1,530
Tobacco.....	5,255	4,755	-500
Ice Cream.....	999	1,433	+434
Surgical and Optical Goods.....	2,910	2,660	-250
Photographic Goods ..	1,577	2,039	+462
Toys, Games etc.,.....	3,051	3,040	-11
(N.B.: Federal & State Gov. Employment)	525,000	680,100	+155,100
Persons			

Latham Withall in the *Canberra Letter*, August 10.

Secret Societies and Communism

On May 1st, 1776 (May day significantly is the day when the military might of Communism parades at Moscow), Adam Weishaupt founded his secret society called the Illuminati, after receiving instruction into the arts of mystery by one Kolmer, who it is suggested by Mrs. Webster in her book, "Secret Societies and Subversive Movements," may possibly have been a Cabalistic Jew.

Officially, Illuminism ceased to exist after 1786 when the Bavarian Government suppressed it, following the accidental disclosure of the secrets of the order. The following year the directions of the order were published.

170 years later the Canadian Royal Commission report on the disclosure of secret and confidential information to a Foreign Power stated, "We are analysing with some care the question of motivation, and the highly organised methods, employed to

develop an appropriate moral and mental state among Canadian recruits before they are informed of what has been planned for them."

And one of the accused, "Lunan" testified, "I would like to say that I had no idea of the scope and extent of this work": "I was amazed when it first became clear to me during my interrogation"; "I never thought of myself as being more than one person in a small group of five people." In a report to Lt. Col Rogov of the Russian Embassy, he wrote, "It would be unwise to approach them (new recruits to the espionage cell) point blank with all the tasks assigned . . . also for the time being not to characterise the work for what it is."

One can almost believe it was Weishaupt himself testifying, for in a letter to one of his associates (Zwack) he wrote, "you should proceed gradually in a roundabout way by means of suspense and expectations, so as first to arouse indefinite, vague curiosity, and then when the candidate declares himself present the objective," and again, "I cannot use men as they are but I must first form them," a characteristic of Communistic procedure noted by the Canadian Commissioners who reported, "The (Communist recruits) have been led step by step along the ingenious psychological development courses we have outlined until, under the influence of sophisticated and unscrupulous leaders they have been persuaded to engage in illegal activities directed against the safety and interests of their own society."

The similarity in technique between Communism and Illuminism is readily apparent. It is further confirmed when it is realised that both are conspiracies. Both present themselves as acting for the benefit of a suffering world, whereas their true activities are concerned with intensifying and perpetuating the discords they have raised.

Dr. Mesmer, the hypnotist, was an inner member of the Illuminati which may explain to some degree the success that has attended the methods of the present day sorcerers who follow so closely the path set down by Weishaupt.

But what of objectives? The historian Henri Martin writes of Weishaupt's Illuminism thus, "he proposed as the end of Illuminism the abolition of property, Social Authority, of nationality, and the return of the human race to the happy state in which it formed only a single family without artificial needs, without useless sciences, every father being priest and magistrate," from which point any Communist could continue without difficulty.

Secret societies have, of course, existed from the dawn of recorded history, and especially among the Jewish race have they been most active. Western European culture has, over the centuries, been infiltrated by what must be called the artists of an eastern cult, and although Christian thought and practice provided a bulwark against the schemes of corruption introduced, the continual pressure on established forms of society, not, by their nature, accustomed to intrigue, has weakened that structure. *The Social Creditor* has

(Continued on page 8)



The Importance of Lime

In recent years in Australia there has been a growing recognition of the value of lime in building a fertile, healthy soil. Liming is most necessary in high rainfall areas, like Southern Victoria, where there is considerable leaching.

It is true, of course, that little leaching takes place in a soil which has a high humus content. But liming can help build humus. The importance of liming has not been generally appreciated because it rarely produces those immediate and spectacular results associated with top-dressing with superphosphate. But there is no doubt that animals always show their preference for a pasture which is growing upon a soil containing adequate lime. Many farmers claim, that they have noticed a big improvement in the health of their stock since they started liming.

The term lime is used rather loosely by most people. It generally refers to any of the following calcium compounds: Calcium carbonate (limestone), calcium oxide (quicklime), and calcium hydroxide (hydrated lime). Ground limestone is the best form of lime for a number of reasons. Its benefits last longer, it is much easier to handle and it does not deteriorate or change, in storage. Ground limestone usually contains only about half the percentage of lime contained in the average calcium oxide (quicklime). The ground limestone acts much more slowly and does not create the same intense chemical disturbance. Although it is true that quicklime does lessen acidity, one of the major virtues of lime, any surplus left after the neutralising of acidity has taken place reverts to calcium carbonate. It is thus a waste of money to use the more expensive quicklime.

Lime is what might be best described as a pioneer manure. It not only counteracts soil acidity, but also creates favourable conditions for the effective rotting down of organic material. It is most essential for the promotion of vigorous growth by the soil building leguminous plants like the clovers. The use of lime is, of course, most important in the compost heap, where it acts mainly as a base to neutralise the acid reactions set up by the activities of the micro-organisms in the decomposition of organic materials. It is important that quicklime be kept out of compost heap. In the farmyard manure heap there is usually a great waste of nitrogen because there is insufficient straw or other waste materials. If these materials come in contact with quick lime, they will give off ammonia, thus losing valuable nitrogen.

Ground limestone enables the fungi to build up the nitrogenous wastes into mycelium where the nitrogen is kept safely stored.

Another great virtue of lime is its power to act as a catalyst to make available to crops and pastures other minerals and elements of fertility. In sour soils the minerals and elements go into chemical combination with aluminium and iron, the chief elements of most soils, in which form they become, locked up and unavailable to crops. Nearly all elements and minerals have a much greater chemical affinity for calcium than they have for iron and aluminium, and once lime is added, they go into a chemical compound with the calcium, in which form they are highly available to all crops and pastures.

Although no hard and fast rule can be laid down for what quantity of lime should be applied, up to two tons to the acre can in all high rainfall areas be applied with great benefit.

THE WAR ON NATURE

The Americans had declared war on nature, and had come away with many spoils and triumphs. Then nature declared war on them; already by 1936, when the red snow fell in New England, it could be calculated that the dust offensive and the water offensive had taken away one-half of the original fertility of the continent; and in 1948 we are assured by the Soil Association that its annual loss of production soil by erosion is 3,000,000,000,000 tons — enough to fill a train of freight cars girdling the earth 18 times, and the equivalent of 73,000 forty-acre farms washed or blown away.

The trees had fallen. Nine-tenths of the trees had fallen from all that mighty host. They were dead, and, since their carcasses are much more useful than dead men, they were marvellously transformed into a thousand implements. But, suddenly, it was found that they were even more useful when alive. They were the only police force that could protect man himself from the ravages of tempest and of flood. God was, after all, on the side of the green battalions, and man must retreat before the mockery of this Moscow.

~"The Triumph of the Tree," by John Stewart Collis.

A Selected List Of Books On Organic Farming And Gardening

- "The Minerals in Plant and Animal Nutrition" .. 4/-
- "Soil & Health" 8/2
Howard Memorial Issue. A number of writers deal with the effects of Sir Albert Howard's work on agricultural practice, and its relationship to health and disease.
- "The Green Leaf" 2/-
Extracts from Sir Albert Howard's Works.
- "Organic Surface Cultivation" 13/7
- "The Earth's Green Carpet" 15/5
By Louise E. Howard. In part 1 of this important book the widow of the late Sir Albert Howard deals with the wheel of life, the growth of the plant, and the agricultural effort and its reward. In part 2 the application of the principles outlined in part 1 are studied. Part 3 outlines the new approach to the problem of health and disease.
- "Vegetable Seeds for the Ordinary Man" 6/7
By David Harris.
- "Simple Pruning" 13/7
By N. Catchpole. A very practical book which covers a wide range of plants.
- "The Fruit, the Seed and the Soil" 6/8
Collected leaflets of the John Innes Horticultural Institution.
- "Gardening without Digging" 3/11
By A. Guest.
- "Vegetables in the Home Garden" 1/7
By George Hyam.
- Prices Subject to Alteration without notice.

Order now from
NEW TIMES LIMITED,

The Small Farm

"The small farm is regarded as an anachronism. On the other hand, my offer made some years ago, of a substantial sum to charity if any large-scale farmer, on similar land, could produce properly analysed accounts to show greater output per acre, per person employed, and capital involved, over a longer period, than it has been possible to achieve here, at Oathill Farm, has never been seriously challenged. . . Every practical farmer knows, and economists figures prove, that the economy of the small farm intensively stocked and cultivated can beat, and always will beat, the large mechanised farm in output per acre and per person employed; for any advantage gained in organisation and mechanisation is outweighed by the difficulties of labour control, transport of machines and produce, and adapting production to changing demands."

—George Henderson in *Farmers' Progress*.

Husbandry

"To live in harmony with the land the farmer must first understand it, not only as a practical business but as a way of life. The scientist still tell us that farming is a constant fight against nature, for left to itself any farm would revert to primeval forest, but that comes from being concerned with pulling it apart and studying some small detail which makes his conception of the whole no more satisfying than a wireless comedian's description of married life. Just as marriage is a partnership in the business of living, as in farming a unison between man's labour and the soil. Quite rightly, it is called husbandry, which implies loving care. Science of course, has its price in farming but while the scientist should stick to science, the farmer should concentrate on the art of farming, for science merely explains the ancient methods and proves their efficiency."

—George Henderson in *Farmer's Progress*.

THE FARM EXCHANGE

(J. E. Harding & A. E. Webb)

If you should think of coming to Central Queensland to live we shall be glad to advise upon, and assist you to find Farming, Grazing, Business or House Property. We are Farm Specialists, both having had extensive practical farm experience. Write to us about your needs. Social Crediters will be very welcome. Central Queensland has much to commend it.

THE FARM EXCHANGE

Real Estate Agents, Auctioneers, Valuers.
DENHAM ST., ROCKHAMPTON C.Q.

Phone 3762

After Hours 3199 and 2161

The Philosophy of Inexhaustibility

The philosophy of the invaders of this huge and bountiful (North American) continent was the philosophy of inexhaustibility. The idea was simple; there is no limit to the wealth in this country. The doctrine was pure; we are the masters and lords of this land, and may do as we please. The command was clear; pillage and pass on! — there is more beyond.

This philosophy seemed particularly applicable in relation to the soil itself. Here was richness. Here was fertility. Here in the forest clearings was loam which harboured the unpublished virtue of accumulated centuries, and had received into itself year after year the tribute of fallen leaves charged with the chemical elixirs of the air. It was natural that when they grew crops in such places, or in the ashes of forest fires, very good results were achieved. It was considered unnecessary to husband such resources. In many cases there was little thought of husbandry at all. For the first time in history fields began to be thought of as growth-factories. Step up production where such remarkable crops are possible. Repeat this again and yet again. Consider the plants as "plants" in the industrial sense. Regard the idea of humus as humourous. Defy the laws of rotation and return. Take no notice of nature's rule of variety, and spread monocultures over large areas. The results will be good for some time at any rate, and if eventually the plant shows diminishing returns, why then we can move on to fresh pastures, for this is the land of space, and we are the children of speed—symbolised by our automobiles. . . . And if they did not move forward in their cars, it would not matter to them; they would have cashed their crops and filled their pockets sufficiently to set up in the towns. That was the general philosophy of agriculture.

— John Stewart Collis in *The Triumph of the Tree*.

CONSERVATISM

They (the Americans) came to two billion acres, half in forest; forty per cent in strong grasses; only two per cent in desert. From the Atlantic to well beyond the Mississippi stretched unbroken primeval forest. That was the wealth they took over, the deposit they found in the earthly bank. They broke into the chest and rifled its contents, calling their action "sturdy individualism" or "ameliorative improvements," or simply the "enterprise of capitalism." What is the opposite to that kind of capitalism? It is not socialism. It is not communism. It is conservatism. . . . But, up till this century, the idea of conserving anything never entered the American mind. The fantastic towers of the speediest growth in history rested upon the swift plundering of nature's hoarded wealth. That was the foundation upon which they built their house. Was it built on sand? And is it writ in water?

—John Stewart Collis, in "The Triumph of the Tree."

AGENE IN BREAD

The following is from "The Scotsman" of July 7:—

48 Manor Place, Edinburgh,

June 30, 1951.

Sir,—The Scottish Soil and Health Society supports Mrs. Pattullo and the Housewives' Association in this matter of agene poisoning of bread. Agene has been proved to be poisonous to some of the higher animals, and the Medical Research Council has condemned its continued use.

Why does the flour trade continue to use it?

The reason is that the commercial white flour has had most of the protein extracted from it—and sold to feed poultry and pigs. The remaining flour has not enough binding material to help the dough to stand up and make an open texture bread. Agene stiffens the flour, besides bleaching it. That is all.

"The true remedy is to leave the nutritious proteins in the flour, along with the valuable minerals and vitamins that go with it. This means 95 per cent whole wheat or more; in other words, wholemeal bread, on which our forefathers lived and thrived. Any other solution, such as substituting adage (another poison) for agene spells continued National ill-health. I am, etc.,

ROBERT L. STUART, Vice-Chairman,
Scottish Soil and Health Society,
A. GUTHRIE BADENOCH, Member of
Council.

THE SNOWY SCHEME

"Although the fact is vehemently denied in Canberra, the waste and bungling to date on the Snowy project alone would have kept a Royal Commission busily engaged for months in the days when proper value was placed on the public funds. The paradox thus exists, that, although the Federal Government is gravely worried about the price rise and the factors causing it, the weight of Canberra's policy has been directed much more towards increasing prices than to checking them."

—Melbourne *Herald's* Canberra,
correspondent, on July 11.

"THE COMPOST HEAP"

Published by the
Victorian Compost Society.

THE COMPLETE GUIDE TO COMPOST MAKING

Written by experts, and containing
results of all the latest research in
this field.

All Composters, experienced or
beginners, will find this booklet of
inestimable benefit.

Price, 1/9, including postage.

NEW TIMES LTD.,
Box 1226 L, G.P.O.
Melbourne.

"The New Times," August 24 1951—Page 7

Secret Societies and Communism

(Continued from page 5)

contained frequent references to entropy, and in the gradual decline of Christianity as an effective force in our culture, it is truly demonstrated that the flow of power deriving from a society conscious of its philosophy can be turned from its rightful destination, and used to stultify the increment of association.

It was Weishaupt and the Illuminati who co-ordinated, the previously sporadic attack and directed their force to perverting the development of a Christian culture.

Although Jews do not seem to have actually founded Illuminism, what does seem certain is that Jews used that order to their own advantage, and that, after Weishaupt had organised the system, they used it to capture the Freemasonic lodges and precipitate the French Revolution. Just as later Jews used Lenin and Communism to bring about the revolution in Russia and permeate the world of Western thought with their doctrine of internationalism.

Albeit, it is written, "know the truth and the truth will make you free", a fact that is fully recognised by the purveyors of devilment. For from it follows that, if the truth is known then it is possible to act in accordance with the truth to an end that is known and true to reality, and not to an end that is hidden and unnatural.

You cannot reach the right destination by following the wrong road, and to follow the right road you must first know where you want to go.

Illuminism and Communism act to prevent that road being known.

- E.L.W. in *The Australian Social Creditor*, August 11.

The Mysterious Protocols, 2/9

Full text of "The Protocols of the Learned Elders of Zion."

Marshal Petain, Patriot

With the passing of Marshal Petain, France has lost one of her greatest sons and a martyr in her cause. It will be remembered that he and General Weygand were called to high command when, too late, it was seen that the military policy pursued up to that time had proved fatal and the then high-command deplorably inefficient.

Marshal Petain was at once faced with some terrible problems. From a military point of view the time was past to prevent defeat. Obviously all he could do was to save as much as he could of the France he loved so dearly. Considering that he would have been forced to acquiesce had the Germans demanded unconditional surrender, he bargained with remarkable success.

It was precisely the time of these very delicate negotiations that Mr. Churchill chose to offer Marshal Petain "Union" with France. It is well to remember that Mr. Churchill asked neither the British people nor Parliament, and has been stated not even to have consulted his own cabinet before offering to give away the sovereignty of Great Britain. Marshal Petain was rightly indignant, and is reported to have said that the offer was not merely an insult to France, it was impudent. But what passes for "greatness" in Churchill is possibly impudence.

From the position he found himself in, Petain must have suddenly seen that France was being attacked from two sides. It must have looked to him, and judging by post-war events, rightly so, that whichever side won, France's sovereignty was to be abolished. He evidently was not in the plot for world domination. Whether he had heard it or not, his views coincided with the principle put so admirably by Disraeli: "Cosmopolitanism and patriotism are opposites and irreconcilable."

Had the offer of "union" never been made, it may be that the attitude of Marshal Petain and of the French people would have been different, and the course of the war changed in our favour. One wonders

whether the post-war miscarriage of justice in finding Petain guilty was not due to the emphatic manner in which he immediately rejected that disgraceful proposal. One Englishman at least salutes Henri Phillippe Petain, Marshal of France, a great Frenchman, a very great patriot!

—H.R.P.

—In "The Social Creditor" (England) August 4.

Does It Fit The facts? 5/-

C. H. Douglas's correspondence with the Rev. Dr. Sallis Daiches concerning the "authenticity" of The Protocols.

USE **ENWITE** specialities

TEXIT waterproofing compound.
 SOLVIT paint remover. No difficult neutralization.
 AQUALAC wood putty. For good class cabinet work.
 BRYNAC. The enamel for resisting water, acids and alkalis.
 FERROSOL. Rust killing paint. In all colours.
 RUSTEX. For removing rust from motor bodies and metal work.
 THERMEX. Silver paint. Can be made red hot without discolouring or coming off.

Manufactured by:
ENWITE PTY. LTD.
 84-86 Cromwell Street,
 Collingwood, Vic.
 PHONE: JA 5967

SUBSCRIPTION FORM

To THE MANAGER,
 NEW TIMES LTD.,
 Box 1226L, G.P.O., Melbourne

Please enrol me as a subscriber to "The New Times" from issue of.....
 Quarter
 for Half-Year
 Year

NAME.....

ADDRESS.....

Cheque
 I enclose Money Order to the value of.....
 Postal Note

SUBSCRIPTION RATES are:—25/- Yearly, 13/- Half-Yearly, 7/- Quarterly.
 Post Free.

CODNER BROS.
 Builders and Hardware Merchants
 CALL AND SEE US FOR YOUR HARDWARE REQUIREMENTS
 Wheatsheaf Rd.,
 GLENROY
 FX 1130