

# THE NEW TIMES

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SIXPENCE WEEKLY.

## The Federal Government's Budget

**The Federal Government's Budget provides further evidence of its determination to continue a policy of Socialism. If there are any Liberal Party supporters who object to our statement, we ask them to obtain copies of Federal "Hansard" and study the speeches of Mr. Menzies and Sir Arthur Fadden when they were in the Opposition. When the Labor Party was in office, Sir Arthur Fadden in particular made numerous speeches, both inside and outside Parliament, in which he said that high taxation was an essential part of Socialist strategy. If they are honest, Members of the present Government must admit that if the Budget they are attempting to support had been introduced by the Labor Government, they would be bitterly attacking it and saying many of the things now said by Dr. Evatt and his associates.**

The results of the Budget are easy to foresee. They will provide further evidence of the dangerous futility of paying the slightest attention to the advice of financial "experts" like Sir Douglas Copland. So far from removing the causes of inflation, the Budget will intensify them. Apparently the Federal Treasurer himself is not too confident about the advice, which the "experts" have persuaded him to accept. The Melbourne "Age" of September 28 reports Sir Arthur as having told a joint meeting of the Government Parties that it might be twelve months before the Budget would have any effect upon inflation.

Sir Arthur Fadden has already been proved wrong. The Budget has directly increased the price of beer and other items. Price increases on a wide range of goods will take place as soon as the increased sales tax is applied. Increased taxes on land and industry must increase production costs, which will be passed on in increased prices. These increases will in turn help force the basic wage higher, thus increasing wage costs. These also will have to be recovered from the consumer through further price increases.

The most dishonest aspect of the Federal Budget is the insistence that by balancing for a surplus, the "inflationary pressure" will be stopped. It is claimed that every section of the community has a "surplus" of spending power—this is the only inference of the taxation increases on all sections—and that when deprived of this "surplus" all will be well. This argument would be fallacious even if the Government took the "surplus" and "froze" it. But the Government does not propose to do this at all. It is going to take the individual's money and then spend it itself. Sir Arthur Fadden made this very clear in his Budget address at Canberra. He said that it was

proposed to pay the "surplus" into the National Debt sinking fund, which will be empowered to invest this "surplus" in loans raised for either State or Commonwealth purposes. The Government is, in effect, saying that the individual is not prepared voluntarily to subscribe his money for the development of capital works of various types, and that therefore he must be compelled to hand it over under the guise of dealing with inflation. This is, of course, pure Socialism. It furthers the doctrine that "the State" should take the individual's money and spend it for him. It denies the individual the right to say just how his money shall be spent. We agree that we require certain capital development for the purpose of ultimately providing a higher standard of living. But it is an obvious fact that all capital development means an immediate lowering of the present or potential standard of living. In a genuine economic democracy, the rate of capital development should be determined freely by the individual, not by the Government and its economic planners. Not only has the Menzies Government moved further along the Socialist road; it has made a mockery of its promises to defeat Communism. The general president of the Australian Workers' Union made a most important comment on the Budget when he said "the budget would arouse widespread discontent and would give the Communist Party its greatest opening in Australia since the depression". It can be predicted now that the results of the Budget are going to create the ideal environment in which an attempt can be made to panic the people into accepting more controls and more hardships. Apologists for the Government claim that although they do not like the Budget, it has been made inevitable by a crisis. Exactly. And the Socialist

planners will ensure that we have one crisis after another until we completely submit to the centrally Planned State. And when all countries have been centralised in this way, it will be easy—under the threat of further crises—to merge all the centrally Planned States into the one big World State. Those who accept the theory that the Budget was "inevitable" have succumbed to the Socialists' propaganda. This inevitability theory must be challenged by all those who accept the Christian conception of individuals being responsible for policy. If enough people have the will to stem the present drive towards centralism, then nothing can prevent it from being stemmed.

### 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.

# Sydney Press Attacks Federal Budget

Our survey of the Australian daily papers' reaction to the Federal Budget reveals that the Sydney press has alone offered any strong criticism. While this criticism has not touched upon the fundamental cause of inflation and high taxation, it is at least indicative that one section of the Australian press has not tamely accepted the fantastic argument that higher taxation is a genuine alternative to inflation.

For the benefit of our readers residing in States other than N.S.W., we republish the following editorial from "The Sydney Morning Herald" of September 27:

Yesterday's Budget has delivered a staggering blow to the nation.

It will depress industry, lessen the incentive to work, undermine public confidence, and help to raise costs to a pitch that may well cause sectional unemployment.

The Government has reversed the principles, which it put forward so forcibly when first asking the people for a mandate. It is now asserting that high taxation is a cure for the ills that beset a community struggling to meet rising inflation. This will shock its most earnest supporters.

The fall in wool prices had already induced a general feeling of caution in business circles, and among the public. This will now deepen into pessimism.

By swinging tax increases the Treasurer is building up his revenue to show an enormous surplus over current expenditure.

This surplus, estimated at £115 million, is vastly larger even than he admits.

In addition, he is stockpiling another £48 million in the National Welfare Fund. He is paying for £102 million of capital works and services out of revenue, apart from defence works.

Thus taxation is to provide £265 million more than current needs. The actual amount may be rather more. Last year, the Government "spent" £57 million on a reserve of strategic stores and equipment. But it really got through no more than £9 million. The remaining £48 million must be added to its 1950-51 surplus.

This year's defence estimate has been raised from £148 million to £182 million. Will so much really be spent?

The answer depends very largely on the improvement of production from basic industries. This Budget is calculated not to stimulate but to depress it.

The true surplus may be £300 million. What good will it do?

Sir Arthur Fadden speaks about "drawing off" a part of excess spending power in circulation, and "putting it for the time being where it can do least harm".

But he is not true to his own theory. The money will be spent just the same, as the Government's commitments, on its own and the States' account, have grown beyond all reason. The Treasurer indicates that he will apply the surplus to make up for lack of loan funds.

But the Government is not trimming its spending plans to meet the situation. Instead, it is going to force the taxpayer to do all the economising.

A huge surplus is to be raised by sharp tax increases. Then the surplus will be "borrowed" to pay for State works.

Such taxation, coming at this stage, will undermine the strength of the economy. The general increase of 10 percent in income tax will reduce the incentive to work. The effect will be particularly noticeable on overtime and spare-time work.

The indirect taxes—sales tax and excise—fall heavily on articles of popular consumption. This will arouse resentment and drive up living costs still further.

Company taxation is suddenly raised to excessive heights. The effective rate this year will be 10/- in the pound.

Industry is already feeling the shortage of working capital, resulting from tighter bank credit.

Plans of expansion and development will be cut short, and firms will have difficulty even in carrying on. Some loss of employment is likely.

Companies are also being called on to make an advance payment of 10 percent of their taxation.

It is clear that the Government has no understanding of the blow the Budget must give to public confidence.

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By George-Henri Levesque, O.P. Professor of Economics, Laval and Montreal Universities, Dominican House of Studies, Ottawa.

Because of the rapid progress of Social Credit ideas in the French-Canadian Province of Quebec, which Major Douglas has described as having "probably the most genuine Catholic culture under the British flag," this booklet is particularly important. Mr. Eric Butler has written an excellent introduction. There is also an Appendix outlining the structure and methods of the non-Party Union of Electors in Quebec.

The author of *Social Credit and Catholicism* finishes his booklet with the following: "... if you want neither Socialism nor Communism, bring Social Credit in array against them. It will be in your hands a powerful weapon with which to fight these enemies."

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**Because the credit-restriction policy now being imposed in Australia is resulting in a renewal of interest in Social Credit financial principles, we feel it is opportune to re-publish Major C. H. Douglas's famous Swanwick address, given in November, 1924. Major Douglas said:**

The financial system is the works or factory system of the world, considered as an economic unit, just as the planning department of a modern factory is of that factory.

No discussion of the financial system can serve any useful purpose, which does not recognise:—

(a) That a works system must have a definite objective.

(b) That when that objective has been decided upon it is a technical matter to fit methods of human psychology and physical facts, so that the objective will be most easily obtained.

In regard to (a) the policy of the world economic system amounts to a philosophy of life. There are really only three alternative policies in respect to a world economic organisation:—

The first is that it is an end in itself for which man exists.

The second is that while not an end in itself, it is the most powerful means of constraining the individual to do things he does not want to do; e.g., it is a system of Government. This implies a fixed ideal of what the world ought to be.

And the third is that the economic activity is simply a functional activity of men and women in the world; that the end of man, while unknown, is something towards which most rapid progress is made by the free expansion of individuality, and that, therefore, economic organisation is most efficient when it most easily and rapidly supplies economic wants without encroaching on other functional activities.

You cannot spend too much time in making these issues clear to your minds, because until they are clear you are not in a position to offer an opinion on any economic proposal whatever.

In regard to (b) certain factors require to be taken into consideration.

(1) That money has no reality in itself. That in itself it is either gold, silver, copper, paper, cowrie shells, or broken teacups. The thing which makes it money, no matter of what it is made, is purely psychological, and consequently there is no limit to the amount of money except a psychological limit.

(2) That economic production is simply a conversion of one thing into another, and is primarily a matter of energy. It seems highly probable that both energy and production are only limited by our knowledge of how to apply them.

(3) That in the present world unrest two entirely separate factors are confused. The cry for the democratisation of industry obtains at least 90 percent of its force from the desire for the democratisation of the proceeds of industry, which is, of course, a totally different thing. This confusion is assisted by the objective fact that the chief controllers of industry get rich out of their control.

I do not, myself, believe in the democratic control of industry any more than I should believe in the democratic control of a cricket team, while actually playing, and I believe that the idea that the average individual demands a share in the administrative control of industry is a pure myth.

The present world financial system is a Government based on the theory that men should be made to work, and this theory is considerably intermixed with the even stronger contention that the end of man is work. I want you to realise that this is a statement of fact, not a theory. More than 95 percent of the purchasing power actually expended in consumption is wages and salaries.

It will therefore be seen that there are two standpoints from which to examine its mechanism. The first considered as a method of achieving its political end of universal work, and the second as a means of achieving some other political end—for instance, the third alternative already mentioned.

Considered as a means of making people work (an aim which is common both to the Capitalist and Socialist Party Politics) the existing financial system, as a system, is probably near perfect.

Its banking system, methods of taxation and accountancy counter every development of applied science, organisation, and machinery, so that the individual, instead of obtaining the benefit of these advances in the form of a higher civilisation and greater leisure, is merely enabled to do more work. Every other factor in the situation is ultimately sacrificed to this end of providing him with work, and at this moment the world in general, and Europe in particular, is undoubtedly settling down to a policy of intensive production for export, which must quite inevitably result in a world cataclysm, urged thereto by what is known as the Unemployment Problem.

To blame the present financial system for failing to provide employment is most unfair; if left alone it will continue to provide employment in the face of all scientific progress, even at the cost of a universal world-war, in which not only all possible production would be destroyed, but such remnants of the world's population as are left will probably be reduced to the meagre production of the Middle Ages.

Considered as a mechanism for distributing goods, however, the existing financial system is radically defective. In the first place, it does not provide enough purchasing power to buy the goods that are produced.

I do not wish to enter at any great length into the analysis of why this is so, because it is always a matter of some heated controversy. I have, however, no hesitation whatever in asserting not only that it is so, but that the fact that it is so is the central fact of the existing economic system, and that unless it is dealt with no other reforms are of any use whatever.

And the second feature of equal importance is that considerably less than the available number of individuals, working with modern tools and processes, can produce everything that the total population of the world, as individuals, can use and consume, and that this situation is progressive, that is to say, that year by year a smaller number of individuals can usefully be employed in economic production.

To summarise the matter, the principles, which must govern any reform of the financial system, which will at one and the same time avoid catastrophe, and re-orientate

World economic policy along the lines of the third alternative, are three in number: 1. That the cash credits of the population of any country shall at any moment be collectively equal to the collective cash prices for consumable goods for sale in that country, and such cash credits shall be cancelled on the purchase of goods for consumption.

2. That the credits required to finance production shall be supplied, not from savings, but by new credits relating to new production.

3. That the distribution of cash credits to individuals shall be progressively less dependent upon employment. That is to say, that the dividend shall progressively displace the wage and salary.

I may conclude by a few remarks on the position of the banks, in respect of this situation. It is becoming fairly well understood that the banks have the control of the issue of purchasing power to a very large extent in their hands. The complaint, which is levelled at the banks, is generally that they pay too large a dividend. Now curiously enough, in my opinion, almost the only thing, which is not open to destructive criticism about the banks, is their dividend. Their dividend goes to shareholders and is purchasing power, but their enormous concealed profits, a small portion of which goes in immensely redundant bank premises etc., do not provide purchasing power for anyone, and merely aggrandise banks as banks.

But the essential point in the position of banks, which is so hard to explain, and which is grasped by so few people, is that their true assets are not represented by anything actual at all, but are represented by the difference between a society functioning under centralised and restricted credit and a free society unfettered by financial restrictions.

To bring that perhaps somewhat vague generalisation into a more concrete form, the true assets of banks collectively consist of the difference between the total amount of legal tender, or Government money, which exists, and the total amount of bank credit money, not only which does exist, but which might exist, and which is kept out of existence by the fiat of the banking executive.

### **"THE REAL COMMUNIST MENACE"**

**by Eric D. Butler**

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## Another Step Towards Slavery

*The severity of the Federal Government's Budget did not take us by surprise. We have repeatedly pointed out over the years that while present financial rules are maintained, increasing debt and taxation are inevitable. We predict now that the Budget proposals will result in greater hardships for the great majority of the people. They will not produce stability of any kind. Unless drastic deflation is imposed, prices must continue to increase. Although Government spokesmen are trying to protect themselves by claiming that it may be twelve months before the "benefits" of the Budget start to be realised, we believe that it is more probable that the next Budget introduced will impose even heavier taxation. Those who doubt this should look back over the history of taxation, and they will find that there have been no permanent reductions. Taxation has become progressively heavier.*

*The results of increased taxation are certain. In his attack upon the Government, Dr. Evatt has outlined many of the most dangerous results. But let no one believe that the critical speech on the Budget made by Dr. Evatt was either genuine or original. Only a few years ago Dr. Evatt and his Labor-Socialist colleagues were defending the high taxation they were imposing upon the people. So far from Dr. Evatt's criticism of Sir Arthur Fadden's Budget being original, it was in reality a repetition of many speeches made by Sir Arthur when he was a member of the Opposition. The most vital weakness in the Labor Party's opposition to the Menzies-Fadden Budget has been the lack of any constructive alternative proposals.*

*If the Labor Party was returned to office at the next elections — and unless the Government ceases its attacks upon the individual, it certainly will be — it would on present indications continue the same financial rules now being followed by its "opponents". This could only mean still heavier taxation. We agree with all those who claim that a great many Federal Government activities are completely unnecessary, and that savings could be affected which would result in a considerable reduction in taxation. But we point out that under present financial rules there is one financial demand on the Government, which gets progressively heavier. While the public debt increases, so must the interest bill. Present financial rules make it essential that debt, both private and public, increases progressively. This is a fact, which can easily be verified by anyone who doubts it.*

*No matter how genuine the Government's intentions to defeat Socialism may be — we have no faith in them — they can never be realised while it refuses to challenge present financial practices. The results of these practices mean increasing centralisation of power in every sphere. This means less independence for the individual. The end of this process must be complete slavery. The Budget is a major step towards slavery. We make a special appeal to all our supporters to be "up and doing" as they did in the years gone by. If we do not fight now, we will soon be unable to fight. We can all do something to make it clear to those who would enslave us, that we have not lost the will to fight. And we believe that a great number of frightened taxpayers are at present looking for some advice on how they can defend themselves against further tax robbery.*

## PROF. COPLAND'S "ABRACADABRA"

The "Abracadabra" of Professor Sir Douglas Copland's analysis of the Federal budget is as easy to comprehend as his views during the depression of 1931—the most shameful misfortune in the history of the Australian economy.

Surely it is the responsibility of our financial experts to apply themselves to working out a monetary formula, so that modern industry may function without periodical impoverishment of the people.

How else can the great contributions of science be given social value?

The money system worked well enough in an era of handicraft production, but in a mechanised era like our own it is as hopelessly out of date as a tip dray is for speedy transport.

It may sound fantastic to the orthodox economist, but it is a fact that the arithmetic of production and consumption needs drastic revision. This is the challenge to human intelligence in our time.

—JOHN McKELLAR, in the Melbourne "Age" of October 5.

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## Budget Criticism

From the Melbourne "Herald" of October 4:

My league is strongly opposed to the Federal Budget for the following reasons:

The Government has no moral right to reduce the individual's standard of living without at least seeking electoral support for such a policy. Statements by Government leaders before the 1949 elections convinced many electors that the non-Labor parties intended to reduce taxation not increase it.

Increased taxation will further stifle initiative and retard production. Present food shortages will become worse, resulting in more controls being imposed upon individuals.

Heavier taxation on industry will severely affect small and medium-sized businesses, thus furthering the trend towards economic centralism. The Communists and Socialists will exploit this to support their arguments.

As all taxation, both direct and indirect, must ultimately be paid by the consumer, increased taxation inevitably means higher prices. It is surely a remarkable economic theory that the menace of rising prices can be removed by forcing prices even higher.

It is dishonest for the Government to claim that its Budget seeks to prevent inflation by taking "surplus" spending power from the people, when provision is made for the Government to spend this "surplus" instead of the people.

—ERIC D. BUTLER, Campaign Director,  
Vic. League of Rights.

# How the Communists Won the War

In his diplomatic history of the second world war, famous American writer, W. H. Chamberlain, in his book, "America's Second Crusade," outlines what he describes as the ten "major blunders" which led to the present state of the world:

Looking back over the diplomatic history of the war, one can identify ten major blunders, which contributed very much to the unfavourable position in which the western powers find themselves today. These may be listed as follows:

(1) The guarantee of "all support in their power" which the British Government gave to Poland "in the event of any action which clearly threatened Polish independence". This promise, hastily given on March 31, 1939, proved impossible to keep. It was of no benefit to the Poles in their unequal struggle against the German invasion. It was not regarded as applicable against Russia when the Soviet Union invaded and occupied eastern Poland, with the full understanding and complicity of Hitler.

All this ill-advised guarantee accomplished was to put Great Britain and France into war against Germany, to the great satisfaction of Stalin, for an objective which the western powers could not win. Poland was not freed even after the United States entered the war and Hitler was crushed. It was only subjected to a new tyranny, organised and directed from Moscow. There is little proof and little probability that Hitler would have attacked the West if he had not been challenged on the Polish issue. The guarantee, more than any other single action, spoiled the best political opportunity the Western powers possessed in 1939. This was to canalize German expansion eastward and to keep war out of the West.

(2) The failure of the American Government to accept Konoye's overtures for a negotiated settlement of differences in the Far East. The futility of the crusade for China to which the American Government committed itself becomes constantly clearer.

(3) The "unconditional surrender" slogan

which Roosevelt tossed off at Casablanca in January, 1943. This was a godsend to Goebbels and a tremendous blow to the morale and effectiveness of the underground groups, which were working against Hitler. It weakened the American and British position in relation to Russia, since Stalin did not associate himself with the demand. It stiffened and prolonged German resistance.

(4) The policy of "getting along" with Stalin on a basis of all-out appeasement. The Soviet dictator was given everything he wanted in the way of munitions and supplies and was asked for nothing in return, not even an honest fulfilment of the Atlantic Charter, of which he was a co signatory. The disastrous bankruptcy of this policy is evident from one look at the geographical, political, and moral map of the world today.

(5) Failure to invade the Balkans, as Churchill repeatedly urged. This mistake was the result partly of the policy of appeasing Stalin and partly of the narrowly military conception of the war, which dominated the thinking of the War Department. There was a tendency to regard the war as a kind of bigger football game, in which victory was all that mattered.

(6) The public endorsement by Roosevelt and Churchill in September 1944, of the preposterous Morgenthau Plan for the economic destruction of Germany. To be sure, the full extravagance of this scheme was never put into practice, but enough of its vindictive destructionist spirit got into the Potsdam Declaration and the regulations of Military Government to work very great harm to American national interests and European recovery.

(7) The bribing, at China's expense, to enter the Far Eastern war and the failure to make clear, until the last moment that unconditional surrender, for Japan, did not mean the elimination of the Emperor. These were grave mistakes, fraught with fateful consequences for American political interests in the Orient. Had the danger from Russia, the undependability of China, and the desirability of enlisting Japan as a satellite ally been intelligently appreciated a balance of power far more favourable to the United States would now exist in East Asia.

(8) The failure, for political reasons, to exploit the military opportunities, which opened up in the last weeks of the struggle in Europe, notably the failure to press on and seize Berlin and Prague. Closely linked with this error was the failure to insist on direct land access to Berlin in the negotiations about the post-war occupation of Germany.

(9) The persistent tendency to disregard the advice of experts and specialists and base American foreign policy on "hunches" inspired by amateurs and dilettantes. Conspicuous examples of unfitness in high places were Harry Hopkins as adviser on Russia, Edward R. Stettinius as Secretary of State, and Edwin W. Pauley as Reparations Commissioner. A parallel mistake was the laxness which permitted American and foreign Communist sympathisers to infil-

trate the O.W.L., O.S.S., and other important strategic agencies.

(10) The hasty launching, amid much exaggerated ballyhoo, of the United Nations.

These were unmistakable blunders which no future historical revelations can justify or explain away . . . Perhaps the supreme irony of the war's aftermath is that the United States becomes increasingly dependent upon the goodwill and co-operation of the peoples against whom it wages a war of political and economic near extermination, in order to maintain any semblance of balance of power in Europe and in Asia.

## COMMUNISM AND PERSIAN OIL

Is Persian policy in regard to the British oil refineries dictated by Russia?

Sir Reader Bullard, British Ambassador to Persia from 1939 to 1946, in his book, "Britain and the Middle East," points out that, even with control of Rumanian and Austrian wells, the oil reserves at the disposal of the Soviet Union amount to less than 14 percent of the world total, as against 86 percent at the disposal of the North Atlantic Treaty Powers.

Moscow's desire for fresh oil supplies can, therefore, be understood. Russia is an enormous country, with rapidly expanding industries, and her chief oilfield, at Baku, is growing old.

It is these considerations, which have given her such a keen interest in Middle East oil sources, especially those of Iran (Persia).

The author recalls that when Russia and Germany were discussing the conclusion of an alliance against Great Britain in 1940, the Kremlin demanded (1) the establishment of a base for the land and naval forces of the U.S.S.R. within range of the Bosphorus and the Dardanelles, and (2) the recognition of the area south of Baku and Batum in the general direction of the Persian Gulf as "the centre of the aspirations of the Soviet Union".

This, he remarks, is an interesting official variant of the claim made by the Bolshevik writer, Troyanovsky, in 1918: "Persia is the Suez Canal of the Revolution . . . For the success of the Oriental revolution, Persia is the first nation that must be conquered by the Soviets."

## Books on Social Credit

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Price, 9/-

Including Postage.



# The Value of Earthworms

## By R. B. Canever

The value of earthworms has been tested by the U.S. Department of Agriculture in the following way.

They took a number of paired wooden barrels and filled them with an extremely impoverished clay subsoil. One of each pair was inoculated with living earthworms, whilst in each case, to the other was added an equal number of dead earthworms. Each barrel was limed to neutrality, manured with cow manure, and fertilised with a general fertiliser. Barley, Bluegrass and Korean Lespedeza were sown, whilst clover, apparently introduced with the manure, also appeared.

The experiment was continued for two years, and in the second Autumn various treatments were applied—some pairs being fertilised, some mulched, etc.

### Results.

1. Where soil protection throughout the winter had been given, and the earthworms allowed to work, the yield was four times as great from the barrel containing worms, as from an otherwise similarly treated barrel which did not contain worms. Where the soil protection was less, the benefit was less.

2. Where earthworms were present the proportion of clover in the vegetation mixture was increased.

3. Where earthworms were present, and the soil surface protected over winter, water entered the soil three to four times more rapidly than where living earthworms had not been introduced, or where suitable cover conditions had not been maintained for their survival.

To sum up in the experimenter's own words: "The soil used in this experiment was unproductive by all standards of fertility. Where living earthworms were not introduced the vegetation was relatively poor, both with and without cover conditions normally favourable for the over winter development of earthworms. Furthermore, the unfavourable conditions were not eliminated by addition of manure, lime, or fertiliser, or by cultivation of the soil in the original preparation of the seed-bed. Where living earthworms were introduced and favourable cover conditions maintained, the vegetation grew luxuriantly."

In other words cultivating, liming, fertilising, manuring, mulching and composting were in vain where the soil did not have an active earthworm population. The living earthworm is therefore the key to fertility.

### Estimating Earthworm Population.

How many worms has your soil? Are they lively and gleaming? Pale, sluggish, coiled-up worms indicate that something is wrong with the soil. If there is an average

of one per spadeful then the population is about 100,000 to the acre. An average of two per spadeful indicates 200,000 to the acre, and so on. Really fertile soil in the British Isles will contain 2,000,000 or more worms to the acre, and so if the soil is in tip-top condition there should be something approaching twenty worms to each spadeful of soil.

It is interesting to realise that, since 2,000,000 worms weigh 2-4,000 lbs., every farmer should own a greater weight of worms than of any other livestock. When we survey a farm, for every animal that we see browsing over the soil, an equal, or greater weight of earthworms should be burrowing within it. And the financial value of these unseen creatures in terms of the humus they manufacture, the minerals they make available, the cultivating, draining, subsoiling, etc., they perform, is greater than that of the visible farm stock.

### Establishing a Full Population.

Most soils in Britain contain a mixture of at least ten of the thirty-five native species of earthworm—different species predominating in different localities and under different conditions. There may be an average spacing of a yard or more between worms of identical species, and breeding cannot be otherwise than very slow in gaining momentum in a soil of low population. Three to five years must elapse before the population can rise to a satisfactory level even with ample organic applications to soil, and the impatient owner must wait a similar period for the high quality crops, which he expects as a return for the manure, and compost he has been so liberally supplying.

But why wait? We don't show the same careless, indolent attitude towards our other livestock. We wouldn't turn a bull and a cow loose at the opposite extremes of a forest and just hope they would meet and mate, and that eventually, sometime, we should get a herd of some sort!

All agriculture implies interference with nature, so as to guide growth towards our own ends. We are learning that we can only interfere in ways which nature ap-

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# The Value of Earthworms

(Continued from page 6)

proves, but, if we want results, it is futile just to sit back and wait.

If the success of our farming or gardening is limited by lack of earthworms then the sensible thing to do is to produce earthworms in the way we produce other livestock.

## Rapid Earthworm Production.

Instead of leaving the worms to mate sporadically in the soil, concentrate them in breeding boxes with a plentitude of food, so that they increase with maximum rapidity. Under these conditions some species are capable of mating every three or four days. Other species are slower, but an average of one egg-capsule every ten days for each worm is easily obtainable. After an incubation period of 2-4 weeks these capsules give one or more young worms. From a mixture of species three young worms from each two capsules may be expected. The young worms mature, and start to produce capsules themselves in 3-4 months.

In little more than one year large numbers can be produced in this way.

A simple technique has been worked out whereby the whole procedure requires about one hour's attention every couple of weeks. In practice it is not wise to collect some of the worms from a poor soil and attempt rapid breeding with them. Disappointment is almost certain. The worms are not likely to be of desirable species. Most will be of types, which hang on in soils low in fertility, and these are mostly very slow breeding. The fast-breeding active worms, which thrive in rich fertile soil, are not likely to be present, and these are just the species that are required.

Worms cannot quickly adapt themselves to change of environment. If taken from garden or field and placed in a box of rich soil, as required for rapid breeding, it will be several months before they respond; and full vigour will probably not be attained until the second generation.

For success in earthworm production it

is necessary to make a start with worms or capsules, of the most desirable species, and which have been kept under rapid breeding conditions for several generations.

## Introduction to the Soil.

Because of this slowness to adapt themselves to changed conditions it is not sound practice, having bred a large number of worms, to go out and scatter them on the surface of the soil. Most of them would die. The introduction to the soil is best done in the capsule stage, as young worms emerging from the capsules adjust themselves to the conditions in which they find themselves.

It is not necessary laboriously to collect the capsules from the breeding boxes. As worms will crawl away from light it is extremely simple to harvest the soil containing the capsules whilst leaving the breeder worms behind. These castings, containing the capsules, can then be used, either direct into the soil, or for seeding compost heaps.

Worms may be moved if a liberal supply of the food to which they are accustomed is moved with them.

## Keep Breeding.

Having established a healthy stock of breeder worms, there is much to be said for keeping them going indefinitely. Such a battery is worthy of a permanent place in any farm or garden. Very little space or attention is required, and great benefits will be derived. One cubic yard will accommodate 15,000 breeders, which will, under favourable conditions, produce an equal number of capsules every ten days.

Some of the uses to which these may be put are:—

1. For seeding compost heaps. (This should not be done when the temperature is much above 70 degrees F.). In this way a constant replenishment of fresh young worms to the soil is ensured, counterbalancing the continual losses, which occur owing to drought, frost, birds, etc. These losses are many times greater in cultivated land than under natural conditions, because in our culture we frequently leave the soil surface exposed—a condition, which is unnatural to earthworms. We are responsible for these depletions—which can at times exceed 50 percent of the population. It is right that we should restore this loss.

2. Earthworms are especially beneficial to trees, shrubs, bushes, soft fruits, etc. They ensure good aeration around the roots, as well as conversion of leaf fall to acceptable plant nutrients. Good results have been obtained by planting earthworm capsules with a supply of compost, close to trees and bushes. Whenever planting a tree or bush it is good practice to plant some earthworm egg-capsules with it.

3. Numerous experiments carried out by agricultural scientists have demonstrated that the presence of earthworms in pots is beneficial. Soon it should become a routine to include earthworm egg-capsules in all potting composts. Earthworm castings, as obtained when harvesting a breeder box, are probably the finest potting mixture obtainable.

4. Owners of small gardens who find difficulty in making a good compost, as their heaps are not large enough to hold the heat and moisture, would do well to use earthworms for humus manufacture. Even the smallest quantities of wastes may easily be converted in this way. 2,000 worms will

transform one cubic foot of material in one month.

One ton of compost each year can be made from the organic wastes of the average household, and this alone is sufficient to keep most home gardens in reasonable fertility. In addition a further ton or more can be made from crop residues, lawn mowings; hedge clippings, weeds etc. Thus, by using batteries of earthworms as humus-makers, any garden may be kept in a very high and constantly rising level of fertility without having to purchase any manure or compost from an outside source.

## BUDGET HITS FARMERS

The Federal Government's Budget proposals mean that although the woolgrowers will get back £42,000,000 from the Government, the Government will by its new averaging system take an extra £47,000,000 off the primary producers. It will make a "profit" of £5,000,000. Under the new system of three-year averages, some woolgrowers may find that they have insufficient money to pay their total tax next year. Government "experts" actually believe that this imposition on primary producers will increase produce. Or do they? Are they planning for shortages and rationing? We will then be able to have that real "equality of sacrifice" which we are hearing so much about.

## ROOSEVELT'S DICTATORSHIP

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—W. H. Chamberlain in "America's Second Crusade".

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direction of labour—by "indirect" methods so that there will not be too much outcry. Remember how before 1949 they went up and down Australia warning against the danger of direction of labour if the Labor Party was returned to office?

The fact which Government supporters must face is this: Once a programme of centralising power is embarked upon, one control must lead to conditions which are then the excuse for numerous more controls. There can be no other end to the centralising of power. The only genuine alternative is a reversal of this policy—a decentralisation of power back into the hands of the individuals who make up the community.

## Forests Produce Water

By John Manifold

We often pay lip service to the fact that trees condense moisture. But, so far as I am aware, no factual evidence has previously been available as to the volume of water fall that may be expected from this source.

I am indebted to Mr. V. G. Anderson for the following information. For several years he has had rain gauges placed in the forest reserve of the Wallaby Creek catchment North of Whittlesea, Vic. Some of these gauges have been sited under trees end some in forest clearings. In the latter siting, gauges have, in some cases, been only a few yards distant from trees.

The astonishing result has been that the gauges placed under trees have registered approximately 5 inches more water per annum than those placed in the open. As Mr. Anderson points out, the additional water measured under trees is clearly due to the condensation of moist air by the tree: that an appreciable amount of this condensed water finds its way to the ground via the tree trunk, and escapes measurement: that the actual amount of water condensed must, therefore, considerably exceed 5 inches per annum.

I have recently read that the moisture content of the scorching Khamsin wind, as experienced in the Negev desert area of

Southern Palestine has been found to have the same moisture content as air immediately after rain. If that were true, it would seem to be quite unlikely that our summer North and Northwest gales are less moisture laden.

The result of Mr. Anderson's long-term research, only recently completed, supplies yet another reason why we should more effectively protect our remaining forest cover and press on with further afforestation.

—"Victorian Compost News," September 1951.

### MANPOWER CONTROL

"You must divert people and capital by indirect means, because when you divert capital you divert the people who use it. Similarly, when you divert vital materials, it means that some people will have to work on those materials in one place instead of another."—Mr. Menzies during Budget debates at Canberra on October 3.

Here is definite evidence that Mr. Menzies and his colleagues are "practical Socialists". They now proclaim themselves in favour of

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