

THE NEW TIMES

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

"Ye shall know the truth and the truth shall make you free"

Vol. 25, No. 23

MELBOURNE, FRIDAY

27th November 1959

EDITORIAL

PRINCE PHILIP'S REALISM CONCERNING SPACE PROJECTS

Although there is an increasing amount of childish nonsense being uttered about nearly every subject under the sun, there can surely be no doubt that the subject of space projects is providing increasing evidence of a new form of madness specially produced to further world tyranny.

Whether Prince Philip has any deep understanding of where the "conquest of space" is ultimately leading, we do not know. But we welcome his recent sane observation that he failed to see how firing rockets at the moon served any useful human purpose, and that the energy wasted on such projects could be more profitably used to provide the individual with increasing leisure time in which to enjoy himself. We have no doubt that the majority of Russians would prefer more consumer goods to space projects if they had a free choice.

While we would have preferred that Prince Philip had referred to increasing leisure time in which the individual could *develop* himself, as distinct from merely enjoying himself, it is encouraging that the Queen's Consort has publicly drawn attention to one of the great basic issues of our times. That issue is whether the rapid and ever-increasing development of automation powered by solar and nuclear energy is to provide the individual with increasing free time in which to develop his creative initiative, or whether it is to be used on space projects which not only rob the individual of potentially free time, but which provide the excuse for subjecting coming generations to a narrow, specialist "education"; for producing technical barbarians who will blindly endorse the worship of materialism. There is also the progressive psychological conditioning of human beings by the space project propaganda, much of it completely fantastic as witnessed by a recent prediction, reported seriously in *The Times*, London, of September 15, that luxury space ships with accommodation for 1,500 to 2,000 will become commonplace within fifty years.

Commenting on this prediction, *The Social Crediter* of October 31 observes:

That this sort of forecast could be taken seriously enough to be reported suggests that mass hypnosis has effectively abolished the critical faculty. The "atomic" power required to accelerate a "luxury space-ship" would be the equivalent of an atomic bomb at take-off. The oxygen requirements of 2,000 people with the modest demands of luxury living amount to about 100,000 litres per hour, and a similar quantity of carbon dioxide must be disposed

of. The acceleration to cruising speed requires special physical training and elaborate apparatus to enable humans to withstand it, while at cruising speed in a straight line there is no gravitation, so that normal locomotion is impossible.

The Social Crediter also draws attention to a most penetrating comment by Lewis Mumford on "post-historic man" in his book, *The Transformation of Man*. This comment and its implications are worthy of the most serious contemplation by those concerned with the crisis threatening the very fabric of civilization. Mumford writes:

"Coming from fantasy to actual projects now under way, we find scientific ideation and technical skill of no mean order at the mercy of an infantile scheme of life, seeking extravagant super mechanisms of escape from the problems that mature men and a mature society must face . . . But no one can pretend that existence on a space satellite or on the barren face of the moon would bear any resemblance to human life . . ."

" . . . This is the final goal of post-historic man: the farthest reach of anything that could be called desire, the justification of his every sacrifice. His end is to turn himself into an artificial homunculus in a self-propelling capsule, travelling at maximum speed, and depressing to the point of extinction his natural gifts, above all, eliminating any spontaneous trace of spirit . . ."

(Continued on page 4.)

NEWS SECTION

Communists' Victory At "Peace" Congress: One of the greatest victories scored by the Communists through the recent "Peace" Congress in Melbourne, is the manner in which the self-opinionated and sophisticated journalists—and we include the editor of *The Anglican* amongst these—have been busy smearing Security and claiming that Sir Garfield Barwick the Attorney-General, was proved "ridiculous" by the Congress. The clever suggestion is that those who warned against the Communist organisation of the Congress were predicting some dramatic Communist victory, which in fact did not materialize.

The truth is that the Communists achieved every major victory they set out to obtain through the Congress. Those who thought they could achieve results at the Congress contrary to Communist wishes must have been sadly disillusioned. It has been claimed, of course, that the Churchmen's Section of the Congress was completely free of Communist influence. But as this Section supported the major Communist objectives, including recognition of Communist China, it was obvious that the majority of those attending had succumbed to Communist-inspired propaganda even before attending the Congress.

All "Peace" Congresses are a trap into which many dupes are drawn. How can there be genuine peace in the world when one group of men have clearly stated that it is their "historic mission" to conquer the world?

The Arrogance Of Dr. Soekarno: The shape of things to come has been bluntly indicated by Dr. Soekarno of Indonesia. His recent abuse of Western nations and his demands that they increase their aid to assist he and his fellow demagogues to overcome the problems they have created for themselves, is typical of the attitude of many of the leaders of former colonial peoples who are demonstrating beyond argument that they are a long way from being equipped to govern themselves. Dr. Soekarno makes it clear that Western peoples are not entitled to any thanks for their forced assistance to him. This assistance is "conscience money" for past colonial "exploitation."

If the Dutch really did exploit the peoples of Indonesia, then, surely Dr. Soekarno and his fellows should now be able to demonstrate what

they can do for themselves without the Dutch? But this is the last thing Dr. Soekarno proposes to do. He knows he has powerful financial backing in the West and that he can continue to use blackmail and abuse without fear.

It becomes clearer with the passing of every day, that the premature destruction of the colonial system amongst the more, primitive peoples of the world, destruction promoted by both Communist and Dollar subverters, has placed the Soekarnos of the world in the position where they can play a major role in the furthering the collapse of Western Civilization. But this collapse is the objective of those who continue to agitate for "freedom" for peoples who from any point of view are mere children. These peoples are but pawns in the game of international power politics.

The "Logic" Of Professor Pauling: One of the principal guests of honor at the Melbourne "Peace" Congress was Dr. Linus Pauling, from U.S.A. He has a long record of Communist associations and is always ready to use his prestige as a "world scientist" to spread terror propaganda concerning "fall out" dangers resulting from nuclear tests. While in Australia he addressed a gathering in Canberra, where he demonstrated his brilliance by asking his listeners to accept his view that Red China "could become a threat to world peace unless admitted to the United Nations." Quite apart from the fact that the industrial power of China has been grossly exaggerated Professor Pauling does not appear to have heard about Korea, Formosa or Tibet. Soviet Russia has been a member of the "United" Nations since its inception, but we cannot recall any evidence suggesting that the controllers of Soviet Russia have been any more peaceful because of this fact. No doubt even Professor Pauling has heard about Hungary.

The Chosen Race Menace: "Convinced that they were the chosen people the Israelites had for long interpreted this vocation as commissioning them in the name of God to overpower and either exterminate or reduce to subjection all other peoples. Despite the protests of a long line of prophets through whom God was seeking to educate them out of this delusion, it persisted to the end: the ideal of a world order based on the dominance of a Herrenvolk is one of the genuinely Jewish contributions to political theory."

—The Regius Professor of Moral and Pastoral Theology, Oxford, Dr. E. L. Hodgson.

The Jewish Chronicle, promising "a full and detailed reply," says the Israelites "did, it is true, regard themselves as the 'chosen people,' as many other peoples have done or still do. But they used the words in the sense that they had been the chosen medium for the proclamation of the Divine law." Exactly!

—C. H. Douglas in *The Social Crediter*,
November 7, 1942.

Communist Challenge Furthers Christian Unity: In a recent address given in a Presbyterian Church in Birmingham, U.S.A., Father Brian Egan, O.S.B. President of St. Bernard's College, Cullman, Ala., said that if Communism has done nothing else, its threat to the world has brought to both Protestants and Catholics "a common awareness of our need for unity and a realisation of the differences that seem to separate us."

"These differences," Father Egan continued, "are the result more of historical accidents than basic differences and viewpoints. The threat of Communism in our world is forcing all of us to bridge the gap between Protestants and Catholics."

Speaking in the Independent Presbyterian Church, Father Egan told the club members "since the Reformation, the emphasis seems to have centred on the differences between Catholics and Protestants instead of our common heritage."

He emphasised that the big difference between people under Communism and Christian people "is our common belief—the existence of a Supreme Being who governs, rules and is concerned with the welfare of His creation."

"We must all rise to the occasion," the Benedictine educator said, "and sincerely present a common front of unity in Christianity against Communism. We can't afford to fret and waste time over non-essential differences while the dragon of Communism devours nation after nation. Catholic and Protestant men alike must be men of principle and character and not men of expediency and comfort who have as their philosophy - - what works easiest, fastest and to our own selfish interest is the best."

The Origin Of "McCarthyism": Although Senator Joseph McCarthy of the U.S.A. has now been dead for some time, the term "McCarthyism" is still one of the major political swear words used even by anti-Communists. As the charge of "McCarthyism" was freely used by prominent supporters of the recent "Peace" Congress in Melbourne, it is appropriate to recall that the word "McCarthyism" was a Communist invention.

Senator McCarthy had barely embarked upon his campaign against Communists in government when the national secretary of the Communist Party, Gus Hall, who was since sent to prison under the Smith Act, handed down a directive to the party faithful through the columns of the Communist *Daily Worker*.

"I urge all Communist Party members, and all anti-fascists, to yield second place to none in the fight to rid our country of the fascist poison of McCarthyism," Hall ordered.

The propaganda of the *Worker* was incessantly beamed on the theory that it was not Communism, which was a danger to Americans, but "McCarthyism."

Those who use the term "McCarthyism" should be informed that they are using a Communist-coined term. It would also be an appropriate time to recall Senator McCarthy's famous speech opposing the last Summit Conference in which President Eisenhower took part. Subsequent events proved McCarthy correct.

The Jewish Council Against Fascism and Anti-Semitism:

It is now clear that the Jewish Council Against Fascism and Anti-Semitism was closely associated with the Melbourne "Peace" Congress. The General Secretary of the "Peace" Congress, Mr. S. Goldbloom, is also Secretary of the Jewish Council Against Fascism and Anti-Semitism. The Jewish Council was also responsible for the organising of a big dinner associated with the "Peace" Congress. During the course of the Congress it was revealed that Mr. Ernest Platz, another supporter of the Jewish Council Against Fascism and Anti-Semitism, was controlling the material issuing from the Congress.

A former Secretary of the Jewish Council Against Fascism and Anti-Semitism, Mr. Judah Waten, left his position after his Communist affiliations were made public. Mr. Waten is now a contributor to the Communist press. The Jewish Council Against Fascism and Anti-Semitism has persistently attempted to smear the Director of the League of Rights and other leading anti-Communists, invariably using the same language as the Communist press.

J. B. Priestley's Humbug: Typical of the misleading humbug of Mr. J. B. Priestley when he visited Melbourne as a sponsor of the "Peace" Congress was his statement that "one third of the world's population are Communists." The truth is that approximately one third of the world's population is dominated by a comparatively few Communists. Why didn't Mr. Priestley draw attention to this important truth? Perhaps he believes it is too explosive to mention the matter. It is certainly the most important aspect of the whole international scene, and genuine peace cannot be obtained by ignoring it.

BUSINESS MANAGER QUESTIONS FINANCIAL POLICIES

The following letter by W. J. Carruthers appeared in the *Melbourne Age* of November 20:

Your Editorial Balance Sheet of Prosperity (18/11) has raised some questions in my mind.

As manager of a large food-processing firm, I feel some fundamental aspects of our economic affairs are causing me some concern.

Despite a tremendous increase in our technical efficiency, leading to a reduction in our real costs, our financial costs continue to rise.

From discussions with other manufacturers this is generally true of industry as a whole, and leads me to question the validity of our financial costing arrangements.

It does seem that if we are, in fact, reducing our real costs, then our financial costing arrangements should reflect this fact. Unless we are prepared to have this contradiction thoroughly examined there is, in my view, no answer to the continuing problem of inflation, which is gnawing at our vitals. Another matter of grave concern is that we are fast approaching the stage of a glut supply of most things wanted by consumers; that the consumer is only getting access to them on increasingly onerous terms, through rapidly increasing hire purchase—that is, they are mortgaging future income to buy today's production.

This rapid increase in debt cannot go on indefinitely.

I feel it is time we questioned the whole system of creating financial credits and charging them up as a debt owed to institutions, whether public or private.

Also, the present Federal Government's policy of spending over one-third of our current revenue (approximately £500 million per year) on capital works is a matter for concern.

This is a most undemocratic and totalitarian method of finance, as it assumes that "Big Brother" knows what is best to do with our money. This finance should come from loans and/or central bank credit.

Unless some answers are found to these matters, I can see some very dangerous rocks ahead in the very near future for the ship of State.

PRINCE PHILIP'S REALISM ON SPACE PROJECTS

(Continued from page 1)

The extinction of man's natural gifts and the suppression of his spiritual aspects are the inevitable end of the current materialistic policy of insisting that no matter how great is the potential free time in which man could spiritualise his life, no individual shall enter into his rightful heritage. "Peaceful competition" with the Communists in the "conquest of space" merely hastens the conquest of the individual by the most deadly madness yet suffered by human beings.

The future of Western Civilization will be decided, not by "competing" with the Communists in pursuing policies stemming from a similar materialistic philosophy, but by starting to demonstrate that the philosophy of the West is really one of freedom, expanding freedom made possible by the gifts and truths of God's Universe. Obviously it is going to take time to re-orient policies, which have dulled the sense of initiative and responsibility in millions of people. But a start could be made in the right direction of expanding leisure by reducing the retiring age to at least 55 years and financing adequate "retiring allowances" out of the community's credit instead of wasting it on "space projects" and similar forms of economic sabotage. And it is urgently possible that portion of the community's credit be used to scientifically reduce prices through subsidisation, thus effectively increasing the purchasing power of wages and salaries and of enabling married women to get back into their homes in order that they may fulfill their natural vocation as homemakers.

The above proposals would start to take us in the direction suggested by Prince Philip; towards sanity and away from mass madness; towards the Life more Abundant which Christ mentioned; towards a freeing of the spirit of man from the domination of materialism.

USE ENWITE SPECIALITIES

TEXTIT waterproofing compound. **SOLVIT** paint remover. **AQULAC** wood putty. **BRYNAC** enamel for resisting water, acids and alkalis. **FERROSOL**, the rust killing paint. **RUSTEX** for removing rust from motor bodies and metal work. **THERMEX**, the silver paint.

ENWITE PTY. LTD.

**84-86 Cromwell Street, Collingwood,
Vic. Phone: JA 5967.**

ARTICLE SECTION

YET ANOTHER MONETARY REPORT ENDORSES CREDIT MONOPOLY

MARY H. GRAY SURVEYS THE RADCLIFFE REPORT

Banking authorities and Treasury officials must have heaved a sigh of relief with the publication on August 20th of the Radcliffe Report on the Working of the Monetary System. As we expected, there is nothing in the findings of the Committee to disturb the equanimity of the Credit Monopoly, nothing even remotely to suggest that the Bank "of England", the pivot of British banking, is also the central figure in the most gigantic fraud ever perpetrated on an unsuspecting people—the usurpation of their national credit.

The press is enthusiastic. "The report of the Committee" says the *Daily Telegraph*, "is the first detailed and thorough examination of the monetary system and the complex issues of monetary policy since the Macmillan Report of 1931."

The Committee, under the Chairmanship of Lord Radcliffe, was set up in May, 1957, the terms of reference being "To enquire into the working of the monetary and credit system and to make recommendations"—not, be it noted, to enquire into the morality of the present usurious system, but only to find out "how it works". Of as much benefit to society would be a burglar's demonstration of safe breaking!

The Committee held 88 meetings, asked 219 witnesses who gave oral evidence to more than 13,500 questions and also received written evidence from Government departments and about 30 associations representing financial, industrial and commercial activities, from all of which they have produced a 900-page memoranda of evidence.

Witnesses included four ex-chancellors, Mr. R. A. Butler, Home Secretary, Mr. Gaitskell, Mr. Thorneycroft and Mr. Dalton.

After more than two years a report of 380 pages was produced, the cost of preparing and publishing which was over £20,000. It is to appear in three volumes, such was the weight of evidence.

The nine members of the Committee, besides the Chairman, included economists, bankers, businessmen and trade union leaders. Most interesting—and a sign of the innocuousness of their findings—is that the Report is unanimous!

The design of the Report, say its authors, is exposition and analysis. A better description would

be a masterpiece of side-stepping—of dodging the main issues. But, since they started out with the assumption that the banking system as it stood was what it should be and would always be, world without end, how could their conclusions be otherwise? After all, they were only asked to examine its *working*. If the thing they were examining turned out to be not a vehicle to facilitate the transfer of goods and services to the people but a steamroller or a juggernaut car that was not in their "terms of reference". Whether the system is managed satisfactorily to the "authorities" is the whole burden of their analysis.

To be fair, they do administer a few raps on the knuckles, and, wonderful to relate, even to that Holy of Holies, the Bank of England! It is criticised for its "reticence" as "doing harm to the standing of the Bank as a national institution."

But do they lift the curtain one wee bit on that mystery of mysteries, how the banking system transforms to its own advantage the credit that belongs to the community into a fabulous and bogus debt against it? Not on your life!

Do they insist that the Bank of England should, like any other commercial business, produce and publish a full and honest balance sheet? Do they enquire into what happens to those hidden reserves so enormous that the Bank would not dare to disclose them? Did they ask Sir Oliver Franks, Chairman of Lloyd's Bank, and a member of the Committee, to explain fully the method by which the banks, from the Central Bank down, create and destroy at will the whole of the new money that comes into circulation and enables—or prevents—all productivity to function? Did they ask who bestowed upon the banks that power of life or death over the community or whether it has been filched by long usage?

Dear me, no! That would be too embarrassing for Sir Oliver, for he is bound to keep up the pretence that banks lend their deposits, even though that pretence has long since been exposed as a falsehood.

What, then, do the "exposition and analysis" tell us? For the most part, it criticises in detail the measures (usually referred to as "weapons") adopted by the Government, in collaboration with the banks, to slay that fearful ogre "Inflation" in the last decade. In the event of the monster coming to life again as "headlong inflation," they advise that the methods of the "credit squeeze" be again resorted to with even greater severity—capital issues, bank advances and consumer credit (hire-purchase chiefly as the three channels to be controlled.

But they are rather worried because needy borrowers can resort to other lenders. "The conclusion we draw is that the main effect of the restriction of bank credit was to drive frustrated borrowers to other sources of credit, whose borrowing was more expensive and sometimes more onerous in other ways." This was especially true of Local Authorities and explains one reason why rates are so high.

What the Committee would like to see as "effective monetary measures" is not merely control over the "supply of money" but over the state of "liquidity" of the whole economy—that is, over the total ability to spend, to borrow and to lend. Therefore they suggest that if a crisis were prolonged, it might be necessary to impose comparable restraints on the other financial institutions—the insurance companies, building societies, etc. And so bring industry and business almost to a standstill?

However, the ten wise men have a better idea. It is to sweep away inflation by "management" of the National Debt through the rates of interest—the long-term rate of interest to be used as the control. It is the "structure of interest rates" rather than the "supply of money" that they insist on as "the centre-piece of monetary action."

"The National Debt" they claim, "once regarded as an incubus to be swept away as quickly as the taxpayers would allow, is now an integral part of the web of claims and counter-claims in the structure of the financial institutions."

But, they complain, there is no adequate statistical analysis of the National Debt, nor is there any published information of the holders of the debt. "The increase in the gross debt of the public

(works) sector was from about £9,000 million in 1935 to £40,000 million in 1958."

Anyhow, they are not worried about this astronomical increase because (for the first time ever) they realise that the expenditure of all this money has created *physical assets* in the shape of equipment of the nationalised industries, housing, and public utilities. So, "this is a reason for regarding the increase with some equanimity." Who would have thought it?

There is not the faintest suggestion of putting to flight for all time this "incubus" by the creation of credit to repay the genuine holders of savings in bonds or war loan and cancelling the by far larger part which is a bogus debt. And so the taxpayers, poor deluded chumps, will go on paying the interest on the National Debt forever and ever.

Concerning financial ups and downs since 1951 (when the present Government came to power) the Committee regard this as a "period of experiment" in which it was sought to "re-activate monetary weapons." The foreign exchange situation bothered the authorities as also the precarious position of the balance of payments.

"The authorities felt cramped by the compulsions of debt management" (and no wonder!). "Thousands of millions of pounds had been raised during the war by the sale of bonds with early maturity. Bank deposits and liquid assets were abnormally swollen." (Every bank loan creates a deposit.) The banking system was chock-full of Treasury bills and maturing short bonds "which were beyond ordinary restrictive measures", added to which was the large capital expenditure of central and local authorities and the nationalised industries financed by the sale of *new Government paper*. (Treasury bills on which the Government borrows from the Bank of England. More grist to the banking mill!)

Here it may be appropriate to remind readers that the Bank of England is nominally nationalised. Surprisingly, the Report states: "The clear implication of the 1946 Act is that the will of the Government is paramount." But "in fact the power to direct has never been employed." So the Bank is still top dog!

The Committee thinks the public should be better informed on financial matters. We agree. But there is, they say, a shocking lack of statistics. Not only should there be published "cleaner" figures of bank deposits and advances but information on employment, investment, security holdings

by joint-stock banks and insurance companies, etc. (We picture Mr. Average Citizen enjoying his breakfast of bacon and eggs with "statistics" from his morning paper!)

Why this concern for a better-informed public on finance? Will they thus learn something useful, such as how to challenge and rout the Credit Monopoly? Far from it. The "informed public opinion" is required so that when another crisis comes along the people will be more amenable to the discipline of "monetary and other weapons."

In this brief survey of the Report—as summarised in the press—it is impossible, even if desirable, to touch on all the ramifications of finance dealt with therein—the Discount Market, the Issue Market, Stock Exchange operations, overseas investments, the "flight of Capital" and Exchange control, the Export Guarantee Department. These all complicate our financial structure, but under a simplified and honest monetary system some would be superfluous, others would lose their damaging effect.

In sum and substance the Report, besides reviewing these complexities, is a general enquiry into how money and credit is or should be "managed", taking quite for granted the integrity of the present system, asking no questions about its genesis or whither it is going; glossing over its inherent falsity and supporting current obsessions regarding "full employment" and the "favourable balance of trade."

In short, except for sundry demands for more information, the Report gives the impression that all that is needed is better collaboration between the Bank and the Treasury (on present lines) and all will be right with the world.

This induces a well-known national newspaper to hail the Report with enthusiasm in an editorial headed "No More Money Mysteries" and the comment "Obviously the report is destined to become a hand-book not only for politicians and economists but for anyone who wishes to understand the workings of the economy."

Yes, of this perverted economy, worthy of the cross-eyed economists who do their best to keep it going. But let us turn to some evidence on the side of "sane" finance, which was submitted in writing to the Radcliffe Committee in 1957 and 1958 by a New Zealander, Mr. W. B. Bray, and since published in a booklet, *Bank Evasion and Taxation*.

A few extracts must suffice. His purpose is "to

THE NEW TIMES

establish facts that have for a long time been obscure." For example, that as the Bank of England is (theoretically) owned by the State yet has never published a balance sheet or made public its declared dividend, the Committee should make an interim report to Cabinet requiring it to use the means at its disposal to get a report published on the true position of the Bank's reserves.

His first submission deals with how all money comes into existence as a debt to a bank; its progress from the point of creation to the point of extinction, in its progress becoming a cost entered into prices.

There follows an exposition, familiar to Social Crediters of how purchasing power can never catch up with prices *unless* new money is distributed by Government borrowing for war or public works, bringing new money into existence at a faster rate than it is being retired by the collection of taxation. This new money, under present financial and economic policies, causes inflation.

Of interest charges he says: "It is the interest charge as well as the claim to the ownership of the money created out of nothing which makes it inevitable that a huge profit will be made from the money created. The only way of hiding what is virtually a fraud is to perpetuate another fraud on the taxpayer and the people in general. It is no wonder that the producing system which has not yet failed mankind is hamstrung by the vagaries of the money system, and commissions and Committees have to be set up periodically to enquire into it."

Of the banks' secret reserves, hidden from the public and shareholders, "It has been the practice for banks to hide their excess profits in this way (by writing them down as investments or bank premises). To the extent that a bank is liable to taxation on its profits, it is a direct evasion of taxation . . . The effect of this writing down is to cancel money out of existence without a quid pro quo being given for it. Balance sheets as submitted by banks are an insult to every informed mind"

On Government borrowing and the National Debt: "In 1914 Britain's debt stood at £700 millions and by 1918 it had risen to £7,000 millions . . . At the end of the second world war it stood at £27,000 millions." "It is significant that, apart from the sudden boost of war-time borrowing, the national debts double themselves about every 14 years . . . at compound interest of 5 percent."

Again: "Banks go on lending to governments

without ever getting repayment." (*But, governments have to pay interest. These figures are taken from the National Income and Expenditure Statistics for the year ending March, 1959: Tax Revenue, including Income Tax, Profits Tax, Death Duties, Surtax, and Customs and Excise, Total, £5,314,085,000. Interest on National Debt, £662,627,000, or approximately one eighth of total tax revenue!*)

"The operations of banks" says Mr. Bray, "are not confined to the country of their domicile, but extend internationally through their agents. In this respect their freedom of choice in granting loans has the most devastating effect on the economy and standard of living in any country they operate in or on. The money resulting from loans to another country does not leave the country but the goods which it will buy go abroad. As the loans are never repaid, the goods exported are a virtual loss to the workers of the exporting country. If the goods are capital goods, such as machinery, then the receiving country becomes a competitor in the world's markets . . ." The case of Japan is given as an example.

How does the Radcliffe Committee view the banking system thus pilloried? Only as deserving a mild reprimand with a suggestion that the banks should publish more information about (some of) their transactions; no mention of hidden reserves or balance-sheets, though it does drop a hint that the Government has power to control the Bank of England if it cares to use it.

"The Bank," says Mr. Bray, "must be brought under complete control of Cabinet. It will not be enough to establish the Bank as the Government's agent as the sole source of the issue of money as that alone would still leave the way open to the perpetuation of the abuses of the past, that is, the issue of money for financing waste which is of no benefit to individuals. It will be necessary to impose on the Bank a statutory duty to issue money for the specific purpose of enabling the people to purchase the surplus of industry . . . a free issue of credit by which they can control industry by expressing their demands with money."

Here is a novel suggestion he hands to the Committee—since they have the task of making recommendations—on how to get the sanctions necessary to implement the change of policy. Put briefly,

that an Act be passed to bring banks and key personnel under a licensing system, the license to be held subject to the holder carrying out the policy imposed on him by the Government. In the case of failure or refusal the license to be cancelled. License fees to be graded according to salary.

The author concludes the preface to his booklet thus: "Only an enlightened public understanding of the issues involved can give our servants in high places the moral fibre to carry our demands to those in a position to accede to them. A vote at an election is not enough. The pressure must be on all the time from those who have the intelligence to act. . . . It is over, now, to you, dear reader."

POSTSCRIPT

As a further step towards a world hegemony of banking, the World Bank is proposing a new subsidiary under its wing—The International Development Association—for further aid to poor countries. Its purpose is to secure the smaller fry not yet entangled in its debt web. The British Government welcomes the proposal and will doubtless be a large subscriber to the £360 million (initial) capital.

CODNER BROS.

**Builders and Joinery
Manufacturers Homes and
Home Sites Available
WHEATSHEAF ROAD, GLENROY**

SUBSCRIPTION TO *THE NEW TIMES*

Yearly Rate: £2, post-free; 6 Months: £1, post-free.

Make all cheques, money orders or postal notes payable to New Times Ltd.

Address: Box 1226L, G.P.O., Melbourne. Office: 5th Floor, McEwan House, 343 Lt. Collins Street, Melbourne. Phone: MU 2834.