The Enemy Within the Empire
A SHORT HISTORY OF THE BANK OF ENGLAND

By ERIC D. BUTLER.

"In view of the disastrous policy followed by the Bank of England after the last war and the part it is believed to have played in the re-armament of Germany, does not the right hon. Gentleman (Sir John Simon) consider it time that the people knew a bit more about the proprietors of this unique concern?" (Mr. R. Stokes, in the British House of Commons, April 16, 1940)

INTRODUCTION

Most orthodox history that is crammed into the heads of our children is one long list of contradictions. There is no real background to our social development because the main underlying factors have been completely ignored. The part played by the money system in the growth of society has been tremendous; yet how many of our historians mention it? We teach our children about the development of the British Commonwealth of Nations, although the real basis of this growth has been either neglected of distorted, while the development of that powerful, private and anti-social institution, the Bank of England, is very rarely mentioned.

If we are really desirous of preserving and developing British culture, it is essential that we attempt to gain at least an elementary knowledge of the attack which was launched against the British people at the time of Cromwell.

It is significant that the introduction of what has been termed a "spurious Whig culture," marked the origin of the present banking racket in Britain. This cultural and financial attack has been going ever since, although there is sound reason to believe that the enemy is at last being turned on both flanks. However, as yet, there is no sign of a rout in the enemy's ranks. Even the London "Times," one of the chief mouthpieces of the financial oligarchy, offered the following criticism of "Whigism" in its issue of August 4, 1840:

> **There is certainly in 'Whigism' an inherent propensity to tyranny; and of all the methods which tyranny ever invented for sucking out the essential vitality of free institutions, without appearing materially to touch their forms, this centralising system is the most plausible and the most pernicious. . . . If it shall be fully carried out, British liberty . . . will rest no longer on the possession of constitutional power by the people, but upon the sufferance of a majority of those who, for the time being, may call themselves the people's representatives.**

The man who wrote the above lines, 100 years ago, had a deep insight into the principles of social organisation.

Those who seek to re-write history find it a very formidable undertaking, because it has become a "vested interest" with the official historians. Any historian who refused to portray Cromwell as a saviour of the British people, pointed out that his real name was Williams, and that he belonged to a small group of men who had been enriching themselves at the expense of the Monarchy and the people, while bringing a group of foreigners from Holland to batten on the British people, would not find his books recommended for use in our schools or universities.

Our "Whig" historians tell us about the tyrannies of Charles I and Charles II, and how they reigned without Parliament. The impression is given that Parliament in those days was similar to what we have to-day. Nothing is further from the truth. It was comprised of a group of wealthy men who were not very responsible to the British people.

The real fight was between the Money Power and Monarchy, with the victory of the Money Power in 1688 when James II was driven off the throne by his son-in-law, William III, who was brought to Britain at the behest of the financial interests. The Bank of England was formed six years later—1694—and with it began the National Debt. The Bank was formed for the purpose of lending money to the crown and was modeled on the Bank of Amsterdam, founded in 1609, the first bank in Northern Europe. The part played by Jews in this formation of the modern banking system, together with the modern Stock Exchange, was considerable.

THE PRELUDE IN BRITAIN

It is essential that we make ourselves conversant with the growth of the forces which paved the way for the establishment of the Bank of England and the debt-system. Anyone who cares to study British history during the six and a half centuries from the Norman Conquest, until the financiers arrived at the invitation of Cromwell, will find that the Monarchy **did** exercise its sovereign right of issuing money. There was adequate money for the people's needs. Modern history books fail to tell us of the general standard of prosperity and culture which existed prior to the banking swindle. It has remained for such writers as William Cobbett and Thorold Rogers to give us a true picture of those times. Writers like Sir John Fortesque (about 1460) give detailed evidence of the general prosperity of the English people.

There is no need for me to deal with the Trades Guilds and the great architecture of which the British people still have much evidence—although aerial bombing has wrought much destruction. With a population of three millions, there were ten thousand students at Oxford University.

In Queen Elizabeth's reign Britain produced some of the finest minds the world has ever seen. Both Bacon and Shakespeare have had a tremendous influence on Western civilization—particularly Bacon, to whom we chiefly owe the modern system of experimental science based on inductive reasoning.

In 1655, the Jewish influx under Cromwell started. Cromwell first called Councils to consider the matter, but all were against it. Cromwell dismissed his counsellors and allowed the Amsterdam Jews to enter Britain surreptitiously. The following extracts from *The Jewish Encyclopedia* are most instructive on this matter:

> **Toward the middle of the seventeenth century a considerable number of Marrano merchants settled in London, and founded there a secret foundation at the head of which was Antonio Fernandez Carjaval. They conducted a large business with the Levant, East and West Indies, Canary Islands and Brazil, and, above all, with the Netherlands, Spain and Portugal.**
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> **Outwardly, they seemed as Spaniards and Catholics, but they held prayer-meetings at Cree Church Lane . . . meanwhile, public opinion in England had become prepared by the Puritanical movement for a sympathetic treatment of any proposal by the Judaizing sects among the extremists of the Parliamentary Party for the readmission of the Jews into England.**

This is a most interesting admission, confirming what I have mentioned concerning the attack on

British culture by the Puritans, or Whigs. It was in 1650 that Manasseh ben Israel, the man through whom the Jews had financed Cromwell, published his *Hope of Israel,* in which he said that the Messiah could not appear until the Jews had settled in every country. He said that if England would only admit them the Messianic Age might be expected.

Further extracts from *The Jewish Encyclopedia* will prove of interest:

> **Meanwhile the commercial policy which led to the Navigation Act in October 1651, made Cromwell desirous of attracting the rich Jews from Amsterdam to London so that they might transfer their important interests from the Spanish Main from Holland to England . . . the mission of St. John to Amsterdam, which had previously proposed as an alternative to the Navigation Act a coalition between the English and Dutch commercial interests had negotiated with Manasseh ben Israel. . . .**

M. ben Israel then left for London where he

> **printed his 'humble address' to Cromwell . . . as a consequence, a National conference was summoned at Whitehall. Both the divines and the merchants were opposed to the re-admission and Cromwell stopped the discussion in order to prevent an adverse decision.**
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> **The question came to a practical issue through the declaration of war against Spain, which resulted in the arrest of Antonio Rodrigues Robles and forced the Marranos of London to avow of their Judaism as a means of avoiding arrest as Spaniards, and the confiscation of their goods. As a final result, Cromwell appears to have given informal permission to the Jews on condition that they did not obtrude their worship on public notice. Under cover of this permission Carjaval and S. de Carcerces purchased a piece of land for a Jewish cemetery . . . and Solomon Dormido, a nephew of M. ben Israel, was admitted to the Royal Exchange as duly licensed broker to the City of London without taking the usual oath involving faith in Christianity.**
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> **This somewhat surreptitious method of solving the Jewish Question in England had the advantage of not raising anti-Semitic feeling too strongly, and it likewise enabled Charles II., on his return, to avoid taking any action on the petition of the merchants of London asking him to revoke Cromwell's concession.**

Although several determined attempts were made to have the Jews removed, they maintained rather a precarious position until the arrival of William III, in 1688. He was surrounded by Jewish bankers from Amsterdam.

In an article in *The Jewish Encyclopedia* on Holland, we read that the reign of William III marked a **"period of exceptional prosperity for the Jews . . . the prince employed Jews in his negotiations with foreign kings . . . and Isaac Lopez Suasso (who lent 2,000,000 gulden to William for his descent upon England)."**

The following extract is from Sir Archibald Alison's *History of Europe*:

> The Prince of Orange brought from the Republic of Holland, where it had been already practised and thoroughly understood, the secret of governing popular assemblies and extracting heavy taxes from popular communities. . . . His whole efforts were directed to gain the majority of the constituencies by corruption, and of votes in Parliament by patronage. . . . It was then that the National Debt began; and government was taught the dangerous secret of providing for the necessities, and maintaining the influence, of present times by borrowing money and laying its

payment on posterity.

THE FORMATION OF THE BANK OF ENGLAND

The modern banking system did not exist in Britain until Cromwell's regime. In his history of England, Macaulay says that banking had not started at the time of the Restoration (1660). Merchants had their strong-boxes and paid out honest coin on demand. A. E. Feaveryear, in *The Pound Sterling* (Clarendon Press, Oxford, 1931) fixes the origin of English banking as 1662. Goldsmiths started to give receipts for money held. These were passed about, and thus the cheque and banknote were born. The goldsmiths began to find that they could make more loans than they had cash. Macaulay quotes a pamphlet, published in 1695, as saying: **"Indeed, no goldsmith had in his vaults guineas and crowns to the full value of his paper"**. In other words, the goldsmiths were swindling their customers by lending, or pretending to lend, what they did not possess.

William was finding that his war against France was not very popular. Money was hard to obtain. It was at that stage that William Paterson, a Scottish economist and financier, hit upon the brilliant idea of forming a Bank, to be called the Bank of England, for the purpose of lending the King money. Whatever the present supporters of the banking swindle may say, the man who was primarily responsible for the Bank of England frankly admitted what he was doing. In a plan for forming the bank which he drew up at that time, he said: **"The Bank hath benefit of interest on all moneys which it creates out of nothing."**

This Scot knew the real basis of banking, and, unlike his successors, did not bother to conceal it. The merchants of London were very keen on the idea, although the Government of the day was not very enthusiastic. In his *History of His Own Times* (1693), Bishop Burnet wrote:

> **The fear of centralisation of the money power was indeed the grounds upon which the Tories and Commons fought so bitterly against the founding of the Bank of England, thinking that the bank would grow to be a monopoly. All the money in England would come into their hands, and they would, in a few years, become the masters of the stock and wealth of the nation.**

Needless to say, the majority of the Whigs favoured the establishment of the Bank. The first Governor was Sir John Doublon, a Dutchman. The formation of the Bank in 1694 was incredibly camouflaged in its authorisation by "The Tonnage Act." As far as I am aware, there had been no attempt to have the Charter of the Bank revoked until August 13, 1940, when Mr. Stokes, Labour Member for Ipswich, asked the Prime Minister whether there would be time made available to discuss a motion to that end standing in his name. Mr. Attlee, replied, and said that no time for discussion was possible. Which indicates quite clearly that there is very little hope of financial reform from the British Labour Party. Mr. Stokes's resolution read as follows:

> That this House calls upon His Majesty's Government to revoke the Charter of the Bank of England, whereby the right to issue money was passed to private interest in the reign of William and Mary, and to repeal all Acts of Parliament passed in support thereof since its granting, so as to take back for the benefit of the people the power which rightly belongs to them. . . .

The ownership of the Bank of England has always been a matter of much speculation, although its close contact with International Jewish finance is well known. In 1696 the law laid it down that stock in the Bank might be held by "any and every persons, natives and foreigners, bodies politick and corporate, who may so subscribe." Later legislation has required that the Governor, Deputy-Governor, and Directors must be "natural-born or naturalised" British subjects.

In 1847 a British Parliamentary Committee took evidence about the Bank of England. One witness, a Mr. Samuel Gurney, was asked a question concerning the functioning of the Bank in the public interest. The question was as follows: "Is it not a principle laid down by the Act of 1844, that in all its dealings with the public the Banking Department of the Bank of England is to carry on its transactions with reference to its own interest alone, and not with any view to the public advantage?" Mr. Gurney, known in his time as "the bankers' banker," replied: "That is one of the principles to be followed under that Act."

The following interesting report in connection with the Bank of England appeared in the *Manchester Guardian* on December 28, 1839, and was republished in that paper on January 6, 1940:

> A special general meeting of the Manchester Chamber of Commerce and Manufacturers was held at their offices, Town Hall Buildings, King Street, on Thursday last, to receive a report from the board of directors on the effects of the administration of the Bank of England upon the commercial and manufacturing interests of the country. (The report of the meeting, which ran to five and a half columns, contained the lengthy report of the directors on the Bank, the concluding paragraphs of which were):
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> Although it scarcely comes within the scope of their present object, the board will add a reflection upon the subject of the undue privileges possessed by the Bank of England. That such a power over the property, and, as has been seen, the health, morals, and very lives of the community should be vested in the hands of 26 irresponsible individuals for the exclusive benefit of a body of bank proprietors, must be regarded as one of the most singular anomalies of the present day—that the secret of these individuals, veiled as they are even from the eyes of their own constituents, should decide the fortunes of our capitalists, and the fate of our artisans—that upon the error or wisdom of their judgment should depend the happiness or misery of millions—and that against the most capricious exercise of this power there should be neither appeal nor remedy; that such a state of things should be allowed to exist, must be regarded as a reproach to the intelligence of the age, and as totally irreconcilable with every principle of public justice.
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> If instead of having been handed down to us from our ancestors, it had been proposed in the present day to create a joint stock bank, to be endowed with the powers and privileges enjoyed by the Bank of England, the common sense of the country would have revolted against the attempt to establish so dangerous a monopoly.

At the famous Macmillan Commission in 1929, the evidence of Sir Ernest Harvey, Deputy Governor of the Bank of England, dealt with this same point. He said: "The Bank of England is practically free to do whatever it likes. . . . "

In the *Manchester Guardian* of May 23, 1940, the financial editor wrote: "**. . . It still remains to be seen whether the Treasury, with all the enabling powers in the world, can make the views of the War Cabinet prevail over the views of the Bank of England.”**

As we trace its influence on the affairs of the British people, and practically every country throughout the British Commonwealth of Nations, we will see that this private monopoly is the greatest internal enemy the British people have in their midst.

BANK ASSESSES ITS OWN INCOME TAX

One of the outstanding features of the Bank of England is the manner in which its history and operations have been shrouded in secrecy. A very good orthodox history was published in 1908, but revealed nothing. Research in regard to this institution has not been simple. There

are no publicly available files of the Bank of England. Since it is not a limited company, but operates under Parliamentary charters, it has no registered offices, and, therefore, no place where, by law, its accounts may be examined.

The following is a reply to one enquiry:

> In reply to your recent letter I have to inform you as follows:
> (1) The list of stockholders published by the Bank is for internal use, and is available to proprietors of Bank Stock only.
> (2) The Bank has no Statutes or Articles of Association; the constitution being based upon a Charter of 1694 and various Acts of Parliament, of which the chief is that of 1844.
> I may mention that a Statistical Summary, compiled by the Bank of England, has recently been made available at an inclusive charge of 12/- per annum, payable in advance.
> RONALD DALE, Secretary.

One of the most remarkable facts about the Bank is that it assesses its own profits for Income Tax. The following extract is from the British *Hansard*, dated June 13, 1940:

> **Mr. Stokes** asked the Chancellor of the Exchequer whether he is aware that the Bank of England assesses its own profits for Income Tax; and whether he will take such steps as may be necessary to have them assessed by an independent authority?
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> **Sir Kingsley Wood:** "I would refer the hon. Member to Section 68; the actual computation of liability is subjected to examination and check by the officers of the Board of Inland Revenue."
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> **Mr. Glenvil Hall:** "How can they make an assessment if they do not issue a balance-sheet?"
>
> **Sir Kingsley Wood:** "That is another matter."

It was by Section 24 of the Income Tax Act, 1842, that the Bank of England, a private institution, was empowered to assess and tax itself with no other person or body in control.

The present authority for this is contained in the Consolidation Act, the Income Tax Act, 1918, Section 68, from which I quote the opening paragraphs:

> For the purposes of assessing and charging Income Tax and in the cases mentioned in this Section, the following persons shall be commissioners, and shall have all the powers of the general commissioners for that purpose, and shall make assessments under and subject to the provisions and rules of this Act, that is to say:
> (1) The Governor and directors of the Bank of England and Bank of Ireland respectively, in respect of interest, annuities, dividends and shares of annuities, and the profits attached to same, payable to either bank out of the public revenue of the United Kingdom;
> (2) The Governor and directors of the Bank of England and of the Bank of Ireland respectively, in respect of:
> (a) Interest, annuities, dividends and shares of annuities, entrusted to either bank for payment;
> (b) Profits or gains of either bank chargeable under Schedule D;
> (c) All other interest, annuities and dividends, and salaries and pensions payable by either bank; and
> (d) All other interest profits chargeable with tax arising within any office or department under the management or control of either bank.

These important concessions not only indicate that the Bank has something to hide; it is definite evidence that the Bank of England has power over the British Government.

THE MACMILLAN ENQUIRY

The Macmillan Committee was appointed by a Labour Government in 1929 "**to enquire into banking, finance, and credit, paying regard to the factors, both internal and international, which govern their operation, and to make recommendations calculated to enable their agencies to promote the development of trade and commerce and the employment of labour.**"

The list of members on this committee is particularly interesting:

The Rt. Hon. **Lord Macmillan** (Chairman)—Lawyer.
Mr. **Ernest Bevin—**Trade Union Official.
The Rt. Hon. **Lord Bradbury**—Treasury Official; President, British Bankers' Association.
The Hon**. R. H. Brand**—Managing Director, Lazard Bros., Merchant Bankers; Director, Lloyds Bank; Vice-President, International Financial Conference, League of Nations, 1920; member of Expert Committee advising German Government on stabilisation of the mark, 1922.
Professor **Theodor Emanuel** Guggenheim Gregory—Bankers' orthodox economist.
Mr. **J. M. Keynes**—Orthodox economist; Treasury, 1915-1919; Principal Representative of Treasury, Paris Peace Conference, 1919.
Mr. **Lennox B. Lee**—Chairman, Calico Printers Association; member of Advisory Council, Board of Trade; President, Federation of British Industries, 1929.
Mr. **Cecil Lubbock**—Director, Bank of England.
The Rt. Hon. **Reginald McKenna**—Chairman, Midland Bank since 1919; Chancellor of Exchequer, 1915-16.
Mr. **J. T. Walton Newbold**—Fabian Society 1908; Independent Labour Party 1910; Plebs League 1917; left I.L.P. to join Communist Party 1921; member of the Executive, Labour Research Department 1922-26; member of the Executive of the Communist Party and Communist International 1921-23; resigned from Communist Party and International 1924; Labour Party candidate (Epping), May, 1929.
Sir **Walter Raine**—Coal Exporter; ex-President, Association British Chambers of Commerce; ex-Chairman Coal Exporters Federation of Great Britain.
Mr. **J. Frater Taylor**—Associated with various industrial undertakings in England, India, Canada, U.S.A.; Director, International Power and Paper Co., Newfoundland; Director, Canadian and Foreign Investors, Ltd.
Mr. **A. A. G. Tulloch.**
Sir **Frederick Leith Ross**—Entered Treasury 1909; British Representative on Finance Board Reparation Commission, 1920-25.

Mr. Paul Einzig, in his admiring biography of Mr. Montagu Norman, wrote: "**The efforts of the Macmillan Committee to throw more light upon the machine of the Bank of England failed almost completely. . . . Indeed, the evidence of Mr. Norman is a study in non-committal and evasive answers.**"

However, some significant facts were brought to light. Mr. A. N. Field, the New Zealand author, writes as follows:

> The Bank of England is controlled by a Governor, a Deputy Governor, and twenty-three directors elected by holders of £500 or more of Bank Stock. The Court of Directors is not required by law to meet more than twice a year. Sir Ernest Harvey explained that the Bank is really managed by what he called "an Inner Cabinet," known as the Committee of the Treasury. This Inner Cabinet consists of the Governor, Deputy Governor, and nine directors elected from

among their number by the Court of Directors. The rest of the directors stay outside.

From the questions asked of Sir Ernest Harvey, some members of the Macmillan Committee were strongly under the impression that certain powerful firms had permanently reserved seats on the Bank of England. Mr. J. M. Keynes, the economist, asked whether "the class of merchant bankers from whom the directors of the Bank are largely drawn historically, by reason of ancient tradition, is suited to modern conditions." Sir Ernest Harvey replied that recent tendency "has not been to follow quite the old historical tradition." He doubted whether it would be possible to collect by any other method a body of men "so absolutely unbiased and disinterested in judgment," and "if the names of the representatives of certain firms do appear it is generally the result of seeking for somebody of the very highest financial standing in the City of London," etc., etc.

Mr. J. T. Walton Newbold, another member of the Committee, chipped in with a remark that: "It is very strange how certain merchant bankers have members of their firms appearing on the Court of Directors over a period of fifty years. As fast as one goes off another comes on." Sir Ernest Harvey replied that this was not true in recent years except in one case. Mr. Newbold rejoined that there had been a continuity in merchant bankers since 1889, adding, "I checked it the other day." Sir Ernest Harvey said: "No, pardon me, there has always been an interval, except once. " Whether the 'interval' was in the nature of hours, days, months, or years, was not disclosed, the matter being dropped at this point.

The 'merchant bankers' referred to as sitting so continuously on the directorate of the Bank of England and thus controlling the British Empire were later on described to the Macmillan Committee by Sir Robert M. Kindersley, himself a director of one of these firms, that of Lazard Brothers. They are also known as 'issuing houses' for big loan flotations and as 'acceptance houses.'

"Practically every acceptance house of long standing in this country," said Sir Robert M. Kindersley, "commenced purely as merchants trading with foreign countries, and a great many of them, most of them, I think I may say, are of foreign origin. If you take the names, Goschen, Hambro, Klienwort, and Lazard, and Brandt, you can go through the whole list of them, and I think you will find a very large number, the majority, are people of foreign origin. . . . It is only the origin . . . some people might think they are still very largely, perhaps, under foreign influence, which, of course, is not so."

In spite of Sir Robert Kindersley's assurances, the fact remains that when the Great War broke out in 1914, the head of one prominent firm of merchant bankers, long represented on the directorate of the Bank of England, was discovered to have omitted even the easy formality of naturalisation. This was Baron Bruno von Shroeder, who, according to statements by Lord Wittenham in the House of Lords on July 26, 1918, had to be naturalised after war was declared in order to save the solvency of the City of London.

Having got so far in our glance at the Bank of England, which governs our Empire in its monetary affairs, we have next to note another pleasant little trait in its habits. It is answerable to nobody, and never explains its actions. On Mr. Keynes asking Sir Ernest Harvey if this was the case, the reply was, **"Well, I think it has been our practice to leave our actions to explain our policy."** "What about the reasons for the Bank's policy? " asked Mr. Keynes. **"It is a dangerous thing to start giving reasons,"** said Sir Ernest Harvey.

HOW WAR DEBTS ARE JUGGLED

People who urge that the present disastrous financial policy of needless debt and taxation

should be abolished in order to allow the British peoples to win this war FOR THEMSELVES, in the shortest possible time, are sneered at by our financial "experts," who tell us that "we must pay the cost of the war."

I agree. But the real cost of a war is the sacrifice in men and materials. This cost is paid as the war is fought. Under the present financial swindle the people are sacrificed in order to pay financial tribute in the form of taxation for all time. To ask men and their families to pay the interest bill for all time on the materials they used to defend themselves is little short of treachery.

Those who think that we should be sacrificed to an insane financial policy at the end of the war might note that Britain, during the last war, actually increased her assets by 25 per cent. This was done in spite of the millions of men taken out of production and doing the fighting in France. When these men had won the military conflict, they came back to civil life and started producing further goods. In 1919 Britain possessed the greatest industrial machine in the world. She was in the position to give her people the highest standard of living the world has yet seen—in fact, a land really fit for heroes to live in.

But, as we have seen previously, while the British people were standing up to the German military machine, the financiers were plotting to obtain ever a greater control of the nation. No wonder that William Jennings Bryan, the famous American statesman, once said: **"The money power preys upon the nation in times of peace and conspires against it in times of adversity."**

We should always remember the sinister Cunliffe Committee, and its recommendations to put Britain back on the gold standard after the war. Dealing with these recommendations, Mr. A. N. Field, the New Zealand writer, has stated:

> The recommendation of the Cunliffe Committee was "for the maintenance of a complete and effective gold standard. " In plain language, this simply meant that the enormous debt incurred in 8/- and 10/- pounds should be paid back in 20/- pounds. The nation was saddled with a debt more than ten times that existing in pre-war days, in nominal value; but in actual value, in consequence of the depreciation in the purchasing power of the pound, about five times the pre-war debt. This committee recommended that the load on the back of the people should be doubled by a restoration of the pound to the value it had possessed before the banks had lowered its value by lending thousands of millions of imaginary money.
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> To realise the enormous fraud which was perpetrated by this juggling with money it is sufficient to take one example. An important item in munitions manufacture was copper. A good deal of this was purchased from the United States. In a publication at hand it is stated that the average price for copper in the United States during the ten years preceding the war was 16.2-3 cents per pound; the war price was 27 cents per pound. Commodities bought with 8/- and 10/- pounds at wartime prices of this sort were lumped in the huge bill tied round the nation's neck, to be paid off in 20/- pounds. In the words of Mr. Reginald McKenna, in his annual address as chairman of the Midland Bank at this time, the whole proceeding was "repugnant to every principle of equity and economic propriety. "

Dealing with the recommendations of the Cunliffe Committee in a series of articles in the London *Times* from May to October 1918, Mr. Arthur Kitson said:

. . . The nation should be on its guard to see that the war debt is not enhanced by some jugglery with our legal tender after the war. . . . The method is so insidious and can be accomplished so easily that the public may be cheated before they are aware of it. The war debt has been incurred in cheap pounds, and honest dealing requires repayment in pounds and commodities of the same value as when the debt was incurred.

To raise the value of money after the war is an old trick of the financiers. . . . At all costs a repetition of such jugglery should be prevented.

MONTAGU NORMAN TAKES CONTROL

In spite of the warnings of Kitson and others, the policy of deflation was introduced in 1920 by the new Governor of the Bank of England, Mr. Montagu Norman. He introduced Wall Street's deflation policy.

Norman was a former partner in the banking house of Brown, Shipley and Company, the London end of Brown Brothers and Company, international bankers, New York. He was partly trained in America. He became Deputy Governor of the Bank of England in 1915, and Governor in 1920. Immediately upon his rise to the Governorship, Dr. Oliver Sprague, of the Federal Reserve Board, which is dominated by the Wall Street group, Warburgs, etc., was sent over from America to help him with his task.

Within three years of Norman taking control, Britain was reduced to chaos. Unemployment figures rose to approximately 2,000,000. Men who fought to beat the German military gangsters were stabbed in the back by the financial gangsters. Shipbuilding yards closed, never to open again. Slum areas increased, while the defences of the nation were whittled away. There was no money! Millions of British people have lived in hell under the dictatorship of Norman and his Wall Street friends. It is a magnificent tribute to the millions of people in Britain who have been crucified by the financial system for so long, that their morale remained unbroken under the Nazi blitzkriegs.

In 1922 Mr. Norman went to America with Stanley Baldwin to fix the American debt. The result of this visit was to "fix" the British people more firmly under the heel of the Wall Street group. Stanley Baldwin immediately afterwards had a meteoric rise to the Prime Ministership of Great Britain, and played a traitor's role in introducing Planning and Boards—part of the Bank of England's program of Socialism, as we will see later—and acquiesced in the reduction of Britain to a second-rate Power.

When Mr. Montagu Norman returned from America with the Debt Settlement, Mr. Bonar Law, Prime Minister of Britain at that time, is reported to have said: **"If I sign this I will be cursed for generations."** Nothing more prophetic could have been uttered.

That Mr. Norman had the "right" outlook for his job of controlling the British Empire will be seen from the following significant extract from John Gunther's book, *Inside Europe:*

> **Once, amiably chatting with a banker friend, he (Norman) listened imperviously to the argument that the gold standard would impoverish Britain in the long run. "Tell me," Norman is reported to have said, "do you think it better to be rich than to be poor? " His friend replied: "Well, I have been poor, and now I am fairly rich, and I hope to be richer." Norman replied that he was not sure but that countries which were too rich went to pieces; he pointed to the examples of Periclean Athens and Imperial Rome. His friend did not reveal the substance of the conversation; the indication that the Governor of the Bank of England might consider it his duty to impoverish his country for the country's 'benefit' would not have been too popular.**

Just like Hitler and other gangsters: "I know what is good for you." "I will have you thrown into a concentration camp and have you beaten to death with a rubber truncheon," says Hitler. Norman and his associates are more subtle. The British people are much harder to deal with than the Germans. "I will have you living on the dole in slum areas. It is good for you," says Norman.

Civilisation will never be safe until the Hitlers and Normans are removed from control.

SOME INTERESTING QUOTATIONS

Apart from the actual history of what took place after the last war, the following quotations, which I have selected from a variety of sources, leave no doubt that even many orthodox people realised that the control of the financial policy of Britain had been transferred to Wall Street:

> **The City, the financiers and the moneylenders in New York and Paris, refused to put up credits in support of a balanced budget.**
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> **They wanted humanity crucified on a cross of gold. We declined absolutely, and resigned . . . . Twenty men and one woman—a British Cabinet—waited one black Sunday afternoon in a Downing Street garden for a financial decision from the Federal Reserve Bank of New York.**
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> – Thomas Johnston, M.P., Civil Defence Commissioner for Scotland, and Lord Privy Seal in the Ramsay Macdonald Labour Government.

> Many nations may laugh at our State Department, but all must tremble before our Federal Reserve Board. . . . High money rates in the United States of America early in 1929, for instance, forced an increase in the official bank rates at once in England, ten European countries, in two Latin-American countries, and two in the Far East; and in almost every case that action restricted business and brought suffering to millions of foreign workers. **That blow hit Britain hardest of all.**
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> — Mr. Ludwell Denny, well-known American banking authority, in his book, *America Conquers Britain,* published in 1930.

> Never in the history of the world has so much power been vested in a small body of men as in the Federal Reserve Board. **These men have the welfare of the world in their hands**, and they could upset the rest of us either deliberately or by some unconscious action.
>
> – Sir Josiah Stamp, Director of Bank of England, reported in the *National Bank Monthly*, February, 1926.

The memoirs of the late Lord Snowden, who was Chancellor of the Exchequer in the Ramsay Macdonald Labour Cabinet, reveal the fact that during the 1929-32 depression Wall Street demanded a reduction in the British unemployment dole. Lord Snowden said:

> **On Saturday, the 22nd August, the situation was hectic. The Bank of England submitted to Mr. Harrison, the president of the New York Federal Reserve Bank, the tentative suggestion for a reduction of unemployment payments, . . . Mr. Harrison replied by telephone that, while he was not in a position to give the answer until he had consulted his financial associates, his opinion was that it would give satisfactory assurance.**

> The interdependence of the money policies of the U.S. and Great Britain, or—not to put too fine a point upon it—**the dependence of the latter upon the former**, has been dramatically demonstrated. We are informed that the bank-rate must certainly be raised from 4 to 5 per cent. next Thursday. There is nothing in the present position of British Industry which would in itself call for an increase in the rate. . . . The incident seems to show clearly who it is that cracks the whip and who obeys the signal.
>
> – Sir Josiah Stamp, in a letter to the *Times*, London, February 3, 1923.

> Nor is the growing importance of American finance in international trade an assuring event. One of the things that can be assumed as a certain consequence of the war is that finance is to hold a more important grip on international industry than hitherto, and that in their own interests communities must protect themselves so far as possible against an imperious international financial trust. In any event, it is quite clear that this country will have to watch not only Lombard Street, but Lombard Street and Wall Street. . . . For finance can command the sluices of every stream that runs to turn the wheels of industry, and can put fetters upon the feet of every Government that is in existence. Those who control finance can paralyse the nation, can make it drunk, can keep it normal. And in all their transactions their own interests are put first. Of course, these interests are 'involved in the general interest. They cannot flourish in a dead economic state. But they fix exchanges, bank rates, capital values; they can tighten or loosen the purse strings of Governments and manufacturers; they control the means upon which the political and industrial State depends for its existence.
>
> — Mr. Ramsay Macdonald, in *Socialism, Critical and Constructive*.

> **The Prime Minister, at his interview with the junior Ministers on Monday, said the proposals which the Government submitted to the Bank of England had to be telephoned to America to see if they could be approved of there.**
>
> — Mr. Ernest Thurtle, Labour Government Whip, in the *Daily Herald*, August 27, 1931.

Speaking in the British House of Commons on September 10, 1931, Mr. W. Graham explained how the British Government was forced to reduce the dole rates at the instigation of Wall Street:

> . . . It was specifically put to us (the late Ministers) that unless one item in particular—a 10 per cent. cut in unemployment benefit, to yield £12,250,000—was included in the program, it would not restore confidence, and we were told that no other item could be put in substitution. . . . Let the House be under no misapprehension. **It was because of an outside insistence upon that specific point that the late Government broke.**

* * * * *

> **To propitiate Wall Street, British industry is to be taxed another 1 per cent. From the list of directors of the Bank of England we publish (under the heading of "Our Masters: Who's Who at the Bank: Who are the Financial Dictators of Great Britain?"), it will be seen how few of them are engaged in the daily uphill task of making goods and finding markets. Their eyes and minds are more on the ends of the earth than on the troubles and needs of their immediate fellow-citizens. The voice of Wall-Street is heard and obeyed in their councils. . . . The Governor of the Bank has followed his customary line by leaving industry to shift for itself, while he moves his pieces on the board as though credit, and all that depends on it, were merely favours in a game of international chess. We have to face the fact that the power of the world today is in the hands, not of kings or governments, nor of armies or navies, but of financiers.**
>
> — *Sunday Dispatch*, August 16, 1931.

On the previous day the Dean of Winchester had written in the *Times*: "**The recent experience of Australia shows us that the banking community is at long last a very effective Second Chamber.**" When we study the control of Australian Governments by the local representatives of the Bank of England we must agree that the Dean of Winchester was right.

On September 25, 1929, following a rise in the London bank rate, the editor of the *Daily Express* said, in an open letter to the Governor of the Bank:

> **Among your colleagues are several who are closely identified with large foreign interests, and who may be tempted to consider questions of current policy from the standpoint of international finance. But the Bank of England is, or should be, a British institution serving British interests.**

The questions which every Britisher, loyal to the principles upon which the British Commonwealth of Nations has been built and the sovereignty of the Monarchy—particularly in the issue of the nation's money supply—should ask: "Are the British peoples still controlled by a financial policy dictated by a group of aliens? Can we hope to preserve British institutions and British culture under such domination?"

THE FINANCING OF NAZI GERMANY

In the British House of Commons on April 16, 1940, Mr. Stokes asked the Chancellor of the Exchequer whether he would introduce legislation to alter the charter of the Bank of England, so as to enable the names of the bank proprietors, together with the capital holding of each of such proprietors, to be published.

Sir John Simon: "No, Sir."

Mr. Stokes: "In view of the disastrous policy followed by the Bank after the last war **and the part it is believed to have played in the re-armament of Germany**, does the right hon. gentleman not consider it time that the people knew a bit more about the proprietors of this unique concern?"

The following humorous item, which appeared in the *News-Chronicle* on May 10, 1940, is very pointed:

> **"Germany is an ungrateful beast, and I don't care who hears me say it," declared Miss Ruby Fossicks, the Bank of England May Queen for 1940, at Brighton yesterday, opening the £500,000 Golden Calf Rest Home for Tired Usurers. A wane smile from a Mr. Skinner and frantic applause from 5000 City usurers, each with features more brutally degraded than the last, rewarded this stinging attack. "Heil der interest on der Unprodugtif Loan!" cried Sir Henry Glockenspiel, a leading British financier. A resolution never to arm the Prussian Spirit with money ever again till the present war is over was carried unanimously.**

Le Canard Enchaine for August, 1939, published the following interesting item:

> In 1933 there appeared in Holland a book, written by a certain Sidney Warburg, which quickly disappeared from booksellers' windows. In it the author stated that in the preceding year, 1932, he had attended meetings in the United States of financial gentlemen who were seeking means of subsidising Hitler. It appears that among those present were Sir Henri Deterding, representatives of Morgan's Bank, Mr. Montagu Norman (Governor of the Bank of England), and representatives of the Mendelssohn Bank.

Mr. Montagu Norman was openly in favour of supporting the new Hitler movement by 1931. By 1935 the Bank of England was openly pro-Nazi, as revealed even in the *Financial News* of May 15 of that year.

In 1937, the *Banker* said that **"we regret to have to admit that from a small but influential circle in the City of London there flows a constant stream of propaganda in favour of credits for Germany."**

The following report appeared in the *Sydney Sun* on April 3, 1941:

> A sharp attack on Mr. Montagu Norman is made by the foreign editor of the conservative *Financial News*, urging a public enquiry into the governorship of the Bank of England. "We ought to probe more deeply into Mr. Norman's apparently unending reign as Governor," he writes. "Any criticism of this reign from financial quarters is still regarded as something akin to sacrilege, but we ought to ask ourselves whether it is to Britain's advantage that Mr. Norman remains Governor at such a critical period.
>
> ". . . Mr. Norman was largely responsible for our ill-advised return to the gold standard in 1925. He strongly opposed the Treasury's 'cheap money' policy, which he reversed. **Shortly before the outbreak of war he pursued a policy of financial appeasement towards Germany. Until the outbreak he allowed the City to over-lend to Germany. He did not exert his influence to obtain a reduction in excessive German bank debts . . . ."**

As anyone with even an elementary knowledge of the present financial system knows, the Bank of England did not send millions of pounds to Germany. These millions of pounds—created out of nothing by the Bank of England—were written up as a credit to Germany **in Britain**. Germany could then buy goods **in Britain** to this amount. A loan of £80,000,000 to Germany would mean that Germany could buy that amount of materials in Britain.

The terrible fact emerges that the British people were working to re-arm their future enemies because they did not control financial policy.

The same individuals who were building up Germany were keeping Britain weak by telling the people that there was a shortage of money. Stanley Baldwin, one of the chief puppets of the Bank of England, openly admitted on one occasion that he kept the fact concerning German re-armament from the British people in order to win the general elections.

Mr. Paul Einzig says, in *World Finance, 1918-36*, that

> **there can be no doubt that practically the whole of the free exchange available to Germany for purchase of raw materials was supplied, directly or indirectly, by Great Britain in giving her enemy free exchange for the purpose of raw materials. If the day of reckoning ever comes the liberal attitude of the British Government in this matter may well be responsible for the lives of British soldiers and civilians.**

These facts are widely recognised by responsible authorities all over the world. Unfortunately, the people and their governments have very little say concerning policy. The following is an extract from a report of an interview which Mrs. Lillie Beirne, of Sydney, had with Mr. Mackenzie King, Prime Minister of Canada, while she was lecturing in Canada. (Reported in the *New Era,* February 14, 1941):

> **Mrs. Beirne: "Why on earth, Mr. Prime Minister, did you not keep these promises?" (She was referring to one of Mackenzie King's statements in 1935, when he said that he would take control of the issue of credit and currency on behalf of Canada.) "The people would have immortalised you."**

Mackenzie King (rather sadly and in a slow tone): "Well, we do the best we can, Mrs. Beirne."

Mrs. Beirne: "Well, it is a terrible position we are in. English and American finance gave Hitler the money and metals and chemicals to slaughter our men, women, and children, and destroy the British Empire—forgive me, Mr. Prime Minister, for speaking so hotly!"

Mackenzie King: "I agree with you. I never did agree with financing Hitler."

The following extracts are from a sensational article which appeared in *Ken* (Chicago, U.S.A.), November 3, 1938. The article was reprinted in many journals throughout the world and caused a considerable stir:

> In the spring of 1934, a select group of city financiers gathered around Montagu Norman in the windowless building of the Bank of England, in Threadneedle Street. Among those present were Sir Alan Anderson, partner in Anderson, Green & Co.; Lord (then Sir Josiah) Stamp, chairman of the L.M.S. Railway System; Edward Shaw, chairman of the P. & 0. Steamship Lines; Sir Robert Kindersley, a partner in Lazard Bros.; Charles Hambro, partner in Hambros Bros.; and C. T. Tiarks, head of J. Shroeder Co. . . . But now a new power was established on Europe's political horizon-namely, Nazi Germany. Hitler had disappointed his critics. His regime was no temporary nightmare, but a system with a good future, and Mr. Norman advised his directors to include Hitler in their plans. There was no opposition, and it was decided that Hitler should get covert help from London's financial section until Mr. Norman had succeeded in putting sufficient pressure on the Government to make it abandon its pro-French policy for a more promising pro-German orientation.
>
> Immediately the directors went into action. Their first move was to sponsor Hitler's secret re-armament, just about to begin. Using their controlling interests in both Vickers and Imperial Chemical Industries (ICI), they instructed these two huge armament concerns to help the German program by all means at their disposal. . . . In the same year English armament firms placed huge advertisements in the *Militaerischer Wochenblatt*, offering for sale tanks and guns, prohibited by the Versailles Treaty.
>
> A statement made by General Sir Herbert Lawrence, chairman of Vickers, furnished the necessary evidence that the British Government knew about and approved these advertisements. When, at his company's annual meeting, he was asked to give the assurance that Vickers arms and munitions were not being used for secret re-arming in Germany, he replied: "I cannot give you an assurance in definite terms, but I can tell you that nothing is done without the complete sanction and approval of our Government."

The excuse has been made that, although this financing of Nazi Germany did take place, it was for the purpose of building a rampart against Russian Communism. I quite appreciate this viewpoint, and believe that many sincere British interests were made the victims of a carefully drawn-up program of propaganda. The fear of Communism was deliberately played upon. Little did many people know that the real controllers of the Bank of England—the Jewish oligarchy of Wall Street—were also very interested in Russia.

I believe that the opposition between Germany, Russia, Japan and Italy was for the deliberate purpose of making the British people acquiesce in a policy which was weakening the foundation of the Empire. The following extract from an article by D. E. Faulkner-Jones, in *The Fig Tree* (England), June, 1937, is almost prophetic, when we see the position today:

Secret fear makes us seize eagerly on the comfortable assumption that the three militaristic Powers (Russia, Germany and Japan) to be reckoned with are arming for internecine conflict. Common sense would suggest a very different view; the view that it would pay the three to unite, at least temporarily, for the dismemberment of the British Empire. An appearance of mutual enmity between two of the three conspirators would recommend itself as a simple and politic means of delaying British re-armament as long as possible, and should, therefore, be discounted by prudent statesmen.

Russia's pacts with Germany and Japan—although only of a temporary and expedient nature, as demonstrated by Hitler's attack on Russia—confirm the above viewpoint. (Clashes between Hitler and Stalin must not blind us to the fact that National Socialism and Marxist Socialism are only different sects of the one "religion." An overwhelming victory for either sect would be a further danger to the British way of life.)

While Britain's defences were being depleted—particularly her navy—the totalitarian countries were being built up. Dictator Montagu Norman kept the British shipbuilding yards closed. It is not without significance that the Governments of both Ramsay Macdonald and Stanley Baldwin—dominated by Wall Street and the Bank of England—played a big part in destroying Britain's naval power. By no stretch of imagination could it be suggested that the British Navy was ever likely to be used in an aggressive role. It was essential for the defensive purpose of keeping the trade routes of the Empire open. Writing in the *Fig Tree*, March, 1937, D. E. Faulkner-Jones said:

If America had insisted strongly and openly on the repayment of our immense debt to her, there would have been no alternative but to expose the real truth. The so-called 'investors' in America no more desired this exposure than our own rulers; but they pressed their advantage home and made Britannia give up her title of Mistress of the Seas. . . . If we are now unable to protect our coasts, let alone our food routes, future historians may well find a very potent cause in the financial control exercised by America (the writer is referring to Wall Street) over us in the first years immediately after the War, when our financial policy was watched over directly by an American adviser. This control existed not because we owed America money; it existed because our Government could not pay America the true debt we owed her—which was a debt in goods, not money—without explaining to the public the secret of credit-creation. It was quite easy to persuade the English to weaken fatally their first, and essentially unaggressive, line of defence: their Navy. The instructed press ingeniously "smote the chord of self, which, trembling, passed in music out of sight." There was a shameless press exploitation of every generous emotion, every heart-throb of repentance for the four years' butchery, which a healthy instinct made us feel to be a common responsibility of all the participants, enemy and Allies alike. During the high tide of this emotion, our Navy was quietly shorn of its strength.

In view of the seriousness of Britain's shipping position in this War, the following extract from an editorial in *Social Credit,* of September 20, 1935, a typical attack launched by loyal Britishers against the treacherous policy of the Bank of England, is well worth quoting:

By a strange twist of irony a Bank of England concern which has probably done more in the last few years to undermine Britain's security than all the Communists and all the machinations of foreign Powers put together, is called National Shipbuilders' Security Ltd. A more suitable name would be International Bankers' Security, for this concern is engaged in making ship-owning safe for bankers who now control the 'British' mercantile marine. It is 'rationalising' the shipbuilding industry by scrapping so-called redundant yards. According to its annual report, this company has spent, in the last three years, a total of £1,153,387 to buy shipbuilding yards for the deliberate purpose of scrapping them. To replace this destruction would cost at least twenty times as much. This is but one more instance of the sabotage of real wealth in the attempt to make facts fit an archaic financial

> **system. Those who remember the submarine blockade of the last war, which resulted in the loss of millions of tons of ships and thousands of human lives, and nearly resulted in starving this country into surrender, should ponder the dangerous activities of National Shipbuilders' Security, particularly at the present time. We trust that if, unfortunately, war comes again, no plea of ignorance or 'sound' financial reasons will enable those responsible for this sabotage to escape the penalty of traitors, should Britain suffer for lack of these yards to build ships to replace those sunk.**

And yet we are told that the Bank of England is today more powerful than ever! This sabotage of Britain's shipbuilding industry was referred to in the British House of Commons on January 21, 1941:

> Mr. James Griffiths (Llanelly): . . . "I came into this House very largely because of the way industry was being neglected. We are paying the price for the last 20 years in allowing our industrial equipment to rust and to rot. For 20 years we lived in a period when coal mines, workshops and shipbuilding yards were being closed down. By whom? By the financiers of this country. . . . I cannot give way, as I have not much time, and I am entitled to make my point. I want the nation to remember that for 20 years we have pursued a policy of restricting and cutting down production, and now we are paying the price for it. I will give one example. What would this nation give today for a shipbuilding yard at Jarrow? Who closed down Jarrow? . . ."

Jarrow was closed by the Bank of England! Looking back over past history it is almost beyond comprehension that the Bank of England should be allowed to continue its domination of the financial policy of an Empire fighting for its very existence. All loyal Britishers will make every effort to make these facts as widely known as possible in order that this internal financial cancer can be removed and thus allow the British Empire to develop its tremendous potential strength. Such a step would bring us real victory within a remarkably short time.

MR. NORMAN AND DR. SCHACHT

Dr. Hjalmar Schacht was the financial adviser in Germany; he was connected with the interests responsible for the financing of Soviet Russia; was closely connected with some of the "Left" movements in Germany prior to the rise of Hitler; helped bring Hitler to power and, if International Finance accomplishes its objects, will be still in a position of power long after Hitler has been swept from the world stage. However, **we are determined to sweep them all out**. That is one of our major objectives in this war. Dr. Schacht has been intimately connected with Mr. Montagu Norman.

In July, 1925, they both were at a conference of international financiers in Nice. They were discussing how "to save France" from financial collapse. In answer to a question by the Chairman of the Macmillan Committee, Mr. Norman said, in outlining the proposals to form a Central World Bank:

> **But, . . . there were at that time outstanding individuals, as I believe, in the Central Banking World, who made co-operation possible in the earlier stages, and pre-eminent among them were Governor Strong and President Schacht. They were both dominant men, extremely interested from different sides—and very differently they were—in co-operation. They were the most wholehearted supporters of the idea and did, in its early stages, I believe, a great deal in trying to bring about a common policy as between the various banks.**

In May, 1934, a private conference took place between Dr. Schacht and Mr. Norman. They met again at a "secret conclave" at Badenweiler, in the Black Forest, while on their way to a meeting of the Bank of International Settlements at Basle. A loan for Nazi Germany was being negotiated. A further meeting between the two bankers took place in October of the same year. Towards the end of 1935 Mr. Norman was again in secret discussion with Dr. Schacht. Already the Bank of England had pledged itself to a financial scheme for **stabilising the Nazi regime**!

The *Times* Basle correspondent reported, April 5, 1936:

> **For the first time since the existence of the Bank of International Settlements a board meeting was held today in a country other than Switzerland. Dr. Schacht had invited all the Governments to meet at Badenweiler, a German health resort in the Black Forest, where Dr. Schacht has several times spent weekends with Sir (!) Montagu Norman.**

After Munich, Dr. Schacht went over to England and was a guest of Mr. Norman. In January, 1939, Governor Norman was on his way to the monthly meeting of the B.I.S.; he called on Dr. Schacht in Berlin on the way. War was declared in September, but, as questions in the British House of Commons on September 17, 1940, revealed, the Bank of International Settlements is carrying on, with representatives of the bankers from all the belligerents. The following is taken from the British *Hansard*:

> **Mr. Parker asked the Chancellor of the Exchequer whether he is aware that, in the report of the Bank of International Settlements, dated May 27, 1940, the names of Mr. Montagu Norman, Governor of the Bank of England, and Dr. Funk, German Economic Minister, are included together amongst the list of directors; and as it is not desirable at the present time Mr. Norman should be listed in a public document as a colleague of a German Cabinet Minister, he will take the necessary steps to terminate this country's connection with the Bank of International Settlements?**
>
> **Mr. Craven-Ellis asked the Chancellor of the Exchequer whether he is satisfied that the enemy gain no advantage from the Bank of England's association with this bank, which is now controlled by representatives of enemy countries, he will take steps to ensure that all connection with the Bank of International Settlements is revised? . . . .**
>
> **Mr. Shinwell: "Is it desirable to retain this informal association between Mr. Montagu Norman and Dr. Funk, and if the arrangement which was previously operative is now inoperative, could not this association be brought to an end?"**
>
> **Sir K. Wood: "No, sir, I do not think so, because, as I have said, I think there are advantages to this country in retaining the connection. We have a little money there. . . ."**
>
> **Mr. Gallacher: "Does the right hon. gentleman remember the words of the Prime Minister, that the gold sent through this bank by Montagu Norman to Germany would come back to this country in the form of bombs; and in view of the correctness of that prophecy is it not about time to put an end to this bank?"**
>
> **Sir K. Wood: "I have already said we have some interest there."**

THE FINANCING OF RUSSIA

It is now common knowledge in well-informed circles that certain German-American-Jewish financial interests were directly associated with the financing of the Russian revolution and the exploitation of that country. The same interests seek to foist International Socialism on the entire world—particularly the British Empire. The same interests were responsible, both directly and indirectly, for Hitlerism. Hitlerism and Communism are almost synonymous terms—as the world was shocked to learn when the Russo-German Pact took place just prior to the outbreak of the present war. The fact that Germany has since attacked Russia does not alter the underlying fact that International Finance is gaining more in power at the expense of the British peoples. We can only judge who wins a war by asking "Who benefits?"

In 1921, a certain Krassin—who had been a direct representative of the International Financiers in Russia after the revolution—went to London as leader of the Soviet Trade Delegation—the negotiations for which had been initiated by persons in the City of London with powerful international financial groups behind them. The *Morning Post* of December 16, 1921, claimed that this delegation was for the purpose of arranging a project for the combined exploitation of Russia by British and German financial interests.

Mrs. N. Webster, reviewing these facts in T*he Surrender of the Empire,* says:

> **Viewed from this angle the Trade Agreement with Great Britain and Russia in 1921 takes on a different aspect. No longer a compact with a derelict empire, but with the most formidable Power in the world, the Power of International Finance, it is seen not as an act of folly, but as a surrender to forces with which its authors were either unable or unwilling to contend.**

The forces behind Russia are forces which have consistently sought to destroy the British Empire; far too many of our Empire's "leaders" have been prepared to betray us to these alien forces.

In his book, *The Alien Menace*, the late Colonel A. H. Lane, one of the most patriotic Britishers who has ever written on this matter, said:

> **Our financial crisis in July, 1931, was largely due to the international financiers in the City of London having granted large credits to Germany, which Germany declared herself unable to repay. The newspapers described these loans or credits as being 'frozen' in Germany. Germany had passed on these loans, or a good portion of them, to Russia, and it was in Russia where they were—or are still—'frozen.' The financial collapse of Germany, or even of Great Britain, would not necessarily mean any loss to the international financiers who 'wangled' our money into Soviet Russia. . . . The following extracts from recent statements on this question of 'frozen' credits not only prove that the relations between International Finance and Bolshevism continue, but they suggest that these relations may have serious consequences for this country.**
>
> **On 18th September, 1931, Mr. James W. Gerard, American Ambassador in Berlin during the War, after returning from a visit to Europe, declared that Germany "did not need any financial assistance and that a large percentage of the loans from the United States was lent to Russia." He added: "If we're going to do business with Russia, let us do it directly and not through Germany, which has arranged to give Soviet Russia millions of dollars' credit to purchase commodities in Germany" (*National Review*, January, 1932). . . . This story of Germany passing loans received from England and America to Russia has been told many times in the Socialist journal, *Forward*; and the story is now confirmed by a paper closely associated with Soviet interests.**
>
> **The *British-Russian Gazette and Trade Outlook*, December, 1931, said, in an editorial article:**
>
> **It must be ironic for them (British manufacturers) to view the forced cessation of work on**

the giant Cunard liner, which is attributed to this country's 'frozen' credits in Germany—credits which have been used in great part by Germany to finance orders from Russia. During 1931, orders amounting to over £45,000,000) have been placed with German firms by the Soviet buying organisations.

Further information on these credits was given by Lord Beaverbrook in an address at Lincoln, reported in the *Daily Express*, 16th January, 1932. Speaking on German Reparations, Lord Beaverbrook said: "It is true that Germany owes our international financiers in the City of London £500,000,000. . . . Our international financiers in the City borrowed that money from France and America and paid 2 per cent. for the accommodation. They lent it to Germany for 8 per cent; and what did Germany do with the money? She lent it to Russia for 15 per cent, interest. That is what became of the money." Lord Beaverbrook added that "these buck-jumping financiers . . . have ramifications all over Europe. We need not worry ourselves about them."

While Lord Beaverbrook was right concerning the ramifications of the international financiers, he was wrong when he said that we have no need to worry about them. The Bank of England is a vital factor in the plans of the international financiers. As we will see later, the Bank of England has been deliberately introducing a form of Socialism into Britain under the term, "Planned Economy." This is similar to the Russian idea. It is being fostered by banking interests in all parts of the Empire.

THE ANGLO-GERMAN FELLOWSHIP

We have dealt with the close connection between the Bank of England and the financing of Nazi Germany. Most people have heard of the Anglo-German Fellowship Association which existed before the outbreak of war. I have no doubt that many people who belonged to this organisation were sincere in their outlook. Whether we can believe the same of other members who belonged to the financial world is another matter.

In the membership of the Anglo-German Fellowship were three directors of the Bank of England, three directors of the Midland Bank, Sir Walter Runciman (director of Lloyds Bank), a director of Barclay's Bank, two directors of the National Bank of Scotland, including the late Lord Lothian, three directors of Schroder and Company (Anglo-German Bank), two directors of the British Linen Bank, two directors of Ratti Brothers (Anglo-Italian Bank), Sir Sydney Peel (director of the National Bank of Scotland), and Lord Hutchinson of Montrose (director of the London board of the National Bank of Australia) .

THE ADMISSIONS OF 1924

The year 1924 will always be remembered by students of economic history as the year in which Reginald McKenna "blew the gaff" on the banking system in his now-famous admission to the shareholders of the Midland Bank, in January, 1924:

I am afraid the ordinary citizen will not like to be told that the banks can, and do create money. The amount of money in existence varies only with the action of the banks in increasing and decreasing deposits and bank purchases. Every loan, overdraft or bank purchase creates a deposit, and every repayment of a loan, overdraft, or bank sale destroys a deposit. AND THEY WHO CONTROL THE CREDIT OF A NATION, DIRECT THE POLICY OF GOVERNMENTS, AND HOLD IN THE HOLLOW OF THEIR HANDS THE DESTINY OF THE PEOPLE.

Such an admission must have shocked Mr. Norman. But there was even worse to come. Sir

Drummond Fraser, vice-president of the Institute of Bankers, said: **"The Governor of the Bank of England must be the autocrat who dictates the terms upon which alone the Government can obtain borrowed money."**

THE DESPOT OF THREADNEEDLE STREET

Writing in the *New Leader* of October 9, 1931, Lieut. Commander Kenworthy (now Lord Strabolgi) said: "On one memorable occasion the present Governor of the Bank was asked the relationship of the Court of Directors to the Treasury. He replied that it was the relationship of Tweedledum and Tweedledee." No wonder, then, that one authority dubbed Mr. Norman the "Despot of Threadneedle Street."

The following extracts, from various sources, are most striking evidence of the power of Mr. Norman's dictatorship: **"Mr. Montagu Collet Norman, the Governor of the Bank of England, is now head and shoulders above all other British bankers. No other British banker has ever been as independent and supreme in the world of British finance as Mr. Norman is today. He has just been elected Governor for the eighth year in succession. Before the war, no Governor was allowed to hold office for more than two years; but Mr. Norman has broken all precedents. He runs his bank and the Treasury as well."** *Wall Street Journal,* 1927.

Well, Wall Street should know.

The *Wall Street Journal*, of March 11, 1927, had quite a lot to say concerning Mr. Norman:

> **Montagu Collet Norman, as Governor of the Bank of England, has wide powers in determining the course of British credit. . . . He, more than any other banker, has inspired the policy of banks of issue in a dozen countries. His personal influence is such that he has variously been called 'a Crusader' and 'the Currency Dictator of Europe.' . . . When Britain returned to the gold standard, many Continental banks shifted gold balances to the Bank of England. Mr. Norman insisted that Poland, Greece, and other countries maintain gold deposits at the Bank of England, in order to get credit accommodation. He berated the Governor of the Austrian Bank a couple of years ago for Austria's failing to make administrative economies.**

> Since 1919 the monetary policy of the Government has been the policy of the Bank of England, and the policy of the Bank of England has been the policy of Mr. Montagu Norman.
>
> – Mr. Vincent Vickers, Bank of England director, 1910-19.

> Now, let us turn to those we can congratulate. The Court and directors of the Bank of England have agreed to recommend to the proprietors in April next that the Right Hon. Montagu Collet Norman be re-elected Governor. Mr. Norman will then have held that post for a decade, and he can look back on the period of his office and say, without fear of contradiction, that during his term of governorship America has experienced ten years of unexampled prosperity.
>
> —Viscount Castlerosse, 1928.

> I can say, with regard to a certain public appointment, Mr. Montagu Norman, Governor of the Bank of England, not only objected to a decision reached by a responsible Government Department and its Ministers, but insisted on the appointment of another person, and also further advised the salary he was to receive. In this case, the views of Ministers were overruled, and Mr. Norman's advice accepted. The salary granted was also twice as high as that originally proposed.
>
> –Mr. E. Shinwell, ex-Minister of Mines, September 13, 1931.

On May 13, 1925, Mr. Norman forced Britain back on to the gold standard. The poverty-is-good-for-you theory was being rigidly enforced. The worship of a yellow metal was more important than human values.

Sir Charles Morgan-Webb, in *Ten Years of Currency Revolution*, writes:

> The operations of currency management conferred upon the Bank of England the power to restrict credit, to postpone new enterprises, to lessen the demand for constructional materials and other capital goods, to create unemployment, to diminish the demand for consumable goods, to cause difficulty in renewing loans, to confront manufacturers with the prospect of falling prices, to force dealers to press their goods on a weak market, and to cause a decline in general prices on the home market.

Following the appointment of Lord Catto, Cohn Campbell and Sir B. Hornsby—all bankers—to the British Treasury in 1940 the following appeared in the London *Evening Standard* of July 3: **"The Bank of England is now taking over Whitehall. That is the true meaning of appointments to the Treasury in the past few days. The Bank of England today is probably more powerful than it has been for years."**

It might be appropriate here if I deal briefly with the famous incident in the British Navy on September 15, 1931. Montagu Norman and his friends in Wall Street were calling upon the British people to make even more sacrifices. This was too much for the Navy at Invergordon, and, as a result of certain drastic action, Macdonald, Baldwin and Norman had to "ease it off" a bit, so far as the Navy was concerned.

The *Daily Express* of October 24, 1931, came out with a picture of the ex-Kaiser on the left-hand side and Montagu Norman on the right. This was part of Admiral Dewar's election propaganda in North Portsmouth. As a background to these two figures was a picture of the sea, with battleships and other symbols of naval power. The title read as follows: **"Leaders of Lost Causes"; "The British Navy at Jutland in 1916 beat the ex-Kaiser; and at Invergordon in 1931 it beat Mr. Montagu Norman."**

However, Mr. Norman's system of borrow, boom and slump went on.

THE CZECHOSLOVAKIAN GOLD EPISODE

What is now known as the famous "Czech Gold Incident" further demonstrated the power of the Bank of England and the Bank of International Settlements. It also demonstrated the fact that the British Government had no control over the actions of the Bank of England.

When the Nazi machine crashed into Czechoslovakia in September 1938, it took the assets of the Czechoslovakian National Bank. Approximately £5,000,000 worth of Czech gold held by the Bank of England was transferred to Germany, with the result that, when this fact became known, there was an uproar in the British House of Commons. The following extracts from the *Sydney Morning Herald* of May 24, 1939, speak for themselves:

> **The Secretary for Mines, Mr. Crookshank, said in the House of Commons that the Government had no power to restrain the movement of gold held in the Bank of International Settlements on behalf of the Czechoslovakian National Bank. . . . This means that more than £5,000,000 worth of Czech gold deposited in the Bank of England for the Bank of International Settlements will be transferred to Germany. . . . The City Editor of the *News-Chronicle* says: . . . "It now turns out that more than £5,000,000 was, in fact,**

released, although not by agreement with the Treasury, BECAUSE THIS WAS NOT REQUIRED." (My emphasis.)

Three days after this report, the following appeared in the *Sydney Sun*:

> **The charge that Germany had 'stolen' £ 6,000,000 of Czech gold held in England was made in the Commons today. The gold, it was stated, was claimed by the Bank for International Settlements, acting on behalf of the German Reichsbank, from the Bank of England. Mr. B. Bracken (Cons.), who raised the subject, declared that the British delegates on the Bank for International Settlements should have informed the Chancellor of the Exchequer of the claim. He said that gangsters had got into Czechoslovakia and stolen the title deeds. . . . Mr. Lloyd George (Lib.) asserted that the £6,000,000 had already been transferred to the Reichsbank, which had no more right to it than a burglar. It was amazing, he said, that the Treasury could have agreed to the decision without consulting the Government.**
>
> No doubt Germany utilised this gold to further increase her supplies of raw materials for war purposes from British and other countries.

A BLOW AT THE MONARCHY

I pointed out earlier, in this *History of the Bank of England*, how the Money Power has been endeavouring to undermine the British Monarchy since the time of Cromwell. I have also mentioned the conditions prior to the start of the debt system, when the issue of the nation's money supply was one of the Monarchy's greatest prerogatives. Here is an interesting table of comparison of conditions in England:

Thirteenth Century
Debt: Nil.
Meat: 1/2d. per lb.
Fat Goose: 2d.
Beer: 1d. gallon
Shoes: 4d. pair
Holidays: 152 a year
Week's Work: Four days
Productive Power: Man and horse
Man's Achievement: Cathedrals, Guildhalls, Art, Literature.

Twentieth Century Debt:
Debt: £8,000,000,000. (This is considerably more now.)
Meat: 2/- per lb.
Fat Goose: 8/6
Beer: 5/4 gallon
Shoes: 12/6 pair.
Holidays: 56 a year.
Week's Work: 6 days
Productive Power: Steam, Electricity, Petrol. (About a million times greater than the 13th century.)
Man's Achievement: Slums, Crowded Hospitals, Distressed Areas, Public Assistance Committees.

Until 1928 in Britain, the pretence of the King's sovereignty over the nation's money was maintained by keeping his head upon all Treasury notes. But, as we know, this is only a small portion of the total money supply. The great bulk of it is manufactured in the form of bank credit by the private trading banks.

However, the private financiers wanted every suggestion of the Monarchy's sovereignty in money matters removed. In 1928 an Act was passed which transferred the King's currency to the Bank of England. In the design of the new Bank of England notes the King's head disappeared! The people's paper money ceased to have any authority under the Crown, and was now issued to them, very kindly, by the private joint stock concern called 'The Governor and Company of the Bank of England.'

In an article on this matter, the *Daily Mail* said:

> **The new green £1 and brown 10/- notes have a curiously foreign aspect. They look as if they had been designed in the United States. . . . The old Treasury notes were not particularly artistic productions, but they did not produce this impression of foreign provenance. The King's head and the design of St. George killing the dragon stood out plainly on the front, and Houses of Parliament equally plainly on the back. . . .**

The following pointed criticism was offered by the *Morning Post*:

> **The first impression on the mind is that the design—perhaps in token of our debt to America—has been modelled on that of the Greenback, and that if the denomination had been expressed in dollars instead of in sterling, the effect would have been more complete.**

Whether there was any connection between what was little short of a personal attack upon King George V, and his breakdown has caused some speculation. King George V, was very pointed in his remarks when opening the World Economic Conference in 1933: "I appeal to you to co-operate for the ultimate good of the whole world. It cannot be beyond the power of man so to use the vast resources of the world as to assure the material progress of civilisation. No diminution of these resources has taken place." He went on to say that it was surely not beyond the capacity of man to distribute the benefits of science. He clearly indicated that it was a problem of distribution, which means that it is a money problem. He also said: "All nations are suffering from a common ill. This is shown only too clearly by the use of unemployment figures. **Interpreting these figures in terms of human suffering has been my constant concern in recent years**." What a human appeal! What a reproach to those responsible for the mal-administration of the Empire! King George V died very saddened in spirit, but he left a fitting epitaph in the words I have quoted.

Speaking before the National Congress of the London Chamber of Commerce on Commercial Education in 1933, his Royal Highness the Prince of Wales—now Duke of Windsor—said:

> **The depression and economic disturbance has been largely caused by maladjustment of distribution. The potential output is far greater than ever before. If all employable labour were employed for a reasonable number of hours per week, the world would have at its disposal a volume of commodities and services which would enable the entire population to live on a higher level of comfort and well-being than has ever been contemplated in the rosiest dreams of the social reformer. Our urgent task is to bring consumption and production into a proper relationship—not a simple, but a quite possible, task.**

Distribution depends upon the money system, which is largely controlled by the Bank of England.

Other members of the present Royal family have shown a similar concern for the well-being of their people. Perhaps this evoked the famous slogan in some of the slum areas a few years back: "We may be lousy, but we're loyal." If the British experiment—as it has been so aptly called—is to be preserved and continued, the creation of the nation's money supply will have to be wrested from the hands of the private financiers and become the sole prerogative of His Majesty's Governments. God save the King!

MONTAGU NORMAN'S FOREIGN POLICY

Mr. Montagu Norman told the Macmillan Committee that he had been devoting a great deal of his time after the war to two things: **The first was "the stabilisation of foreign countries which had lost what they possessed before the war," and the second was the setting up of central banks throughout the world.**

In 1922 a Conference of International Financiers took place in Genoa. Mr. Montagu Norman was the leading exponent of the Central Reserve Bank System. In *Montagu Norman, a Study in Financial Statesmanship,* Mr. Paul Einzig, editor of the London *Financial Review,* says that Mr. Norman "raised central banking after its early haphazard growth to a scientific system." He was "assisted by able and experienced experts such as Sir Otto Niemeyer (Australians and New Zealanders remember this gentleman quite well) and Mr. Siepmann."

Mr. Einzig also says: **"Another condition on which Mr. Norman and his collaborators insisted was that the central banks should be independent of their governments."** This policy has certainly been well carried out. Since the Commonwealth Bank in this country has become a Central Bank it has been dominated by the private trading banks and the Bank of England. "Political interference" is rigidly opposed.

In his biography of Mr. Norman, Mr. Einzig says:

> **His conception of a Central Bank is that it should be a State within a State. This implies immunity from political interference on the part of the political authorities of their respective countries, and also the observance of rules adopted in the intercourse between sovereign powers. . . . The most important step in the course of the endeavours to promote co-operation between central banks has been the establishment of the Bank of International Settlements. . . . As usual, he remained entirely behind the scenes. . . . In spite of this he had more to do with it than anybody else.**

Mr. Einzig also says: "It is a fact that in chronological order he devoted his attention in the first place to the reconstruction of the ex-enemy countries." We are told that this was "only because they were in urgent need of help." (The crushing of the British people by Mr. Norman was apparently a matter of very little importance. Mr. Poverty-is-good-for-you-Norman knew what was best!) The first countries to be "assisted" by the Bank of England were Germany, Austria, Bulgaria and the City of Danzig.

The activities of the Bank of England in connection with Austria, as related by Mr. Bruce Lockhart in *Retreat from Glory,* published in 1934, are well worth quoting. From 1919 to 1922 Mr. Lockhart was Commercial Secretary at the British Legation at Prague. He says: "Before the war there had been a large bank called the Anglo-Oesterreichsche Bank in Vienna—a Jewish concern with some English capital, and with branches all over Old Austria." This bank fell into difficulties and the Bank of England, to which it owed money, decided to put it on its feet again. Mr. Spencer Smith was representing the Bank of England and, upon arriving at Vienna, had some difficulty, in which he needed the diplomatic services of Mr. Lockhart. Mr. Lockhart relates: "All the assets of the Viennese Bank were in Austrian Treasury notes, which had been deposited in Prague. While the Austrians claimed that the notes were entitled to be valued in Czech currency, the Czechs were equally insistent that they were not."

Czechoslovakia had formerly used Austrian currency, but when this paper money became worthless in the inflation of 1921, the Czechoslovakian Government held up the value of this money, and on a given date separated it from Austrian currency by stamping all notes in the country with a Czechoslovakian brand.

Unfortunately," says Mr. Lockhart, "the Jews in the A.O. Bank had been too far-seeing. Instead of sending the bank-notes into Czechoslovakia on the given day, they had transferred interest-bearing Treasury notes. The Czechs had stamped the bank-notes. . . . Greed for interest had defeated its own ends. . . . If the 148,000,000 Treasury notes of the A.O. Bank had a Czech value, they were worth over £1,000,000. If they had an Austrian value they were worthless. Without the assets the Governor (of the Bank of England) could not go ahead with his scheme."

This was where the services of Mr. Lockhart came in. He was to try and persuade the Czechoslovakian Government to make this worthless pile of paper (if Austrian) into a million sterling (if Czech) . The Government felt disinclined to do anything of the kind, but in the end gave the A.O. Bank a loan of 148,000,000 kronen at 1 per cent. Six months later, as a reward, the Czechs were allowed to float a loan of £10,000,000 in New York and London. In this manner, that section of Central Europe, represented by the parties interested in the A.O. Bank, was brought under the control of the Bank of England.

OBTAINING CONTROL OF INDUSTRY

At the World Economic Conference of 1927, there was a suggestion of the "rational organisation of production and distribution" by the "bringing of the whole of an industry under intelligent direction and administration." One of the most prominent men in this movement in Britain was the Jew, the late Sir Alfred Mond, head of the powerful Imperial Chemical Industries (ICI) combine. In 1927 he sought the support of the trade unions for his scheme of rationalisation. The General Council of the Trades Union Congress stated that "while rationalisation can never prove an alternative to nationalisation, the movement was prepared to welcome such changes in the organisation of industry during the period of private ownership as would lead to improvements in the efficiency of industry and to the raising of the standards of living of the people." **Here we had the financiers and the socialists more or less agreeing on basic principles.**

When Mr. Norman made his first appearance before the Macmillan Committee, on March 26, 1930, he said that he was devoting some attention to "an attempted study of industry, mainly the heavy basic industries of the country." His idea was that "the salvation of industry in this country, without which commerce and finance cannot long continue, lies in the process of rationalisation . . . and that is to be achieved by the unity or unification, or marriage, of finance and industry."

Here was an open admission that the Bank of England was attempting to get control of industry and organise it for its own ends under big trusts. Small, independent firms were to be crushed out.

Mr. J. W. Beaumont Pease, chairman of Lloyds Bank, in his evidence before the same committee, said: **"Of course, the whole question of amalgamation affords a certain amount of ironical amusement to bankers, because as the wheel comes round what used to be considered a danger, a step in the direction of monopolies, and so on, is, in other industries, now held out very much as one of the means of salvation."**

Crushed financially by the Bank of England's deflation policy, British industry in sheer desperation was ready to accept any solution. **We see exactly the same technique in this country where the local agents of the Bank of England are pursuing the same policy. The result is the centralisation of industry into monopolies and the rapid growth of innumerable bureaucratic**

boards to control the primary producers.

Sir Ernest Harvey, Deputy Governor of the Bank of England, admitted in his evidence that about October, 1929—about the beginning of the world depression—the Bank of England had set up a Securities Management Trust to buy up control of industrial concerns.

As we have seen, the policy of credit contraction was initiated by the Wall Street group through their control of the Bank of England. Mr. Louis T. McFadden, ex-President of the Pennsylvania Bankers' Association, and for twelve years Chairman of the U.S.A. House of Representatives' Banking and Currency Committee, speaking in the U.S.A. Congress on December 15, 1931, said, in referring to the slump: **"It was not accidental. It was a carefully contrived occurrence—the International Bankers sought to bring about a condition of despair here so that they could emerge as rulers of us all."**

Mr. E. L. Payton, in giving evidence before the Macmillan Commission on behalf of the National Union of Manufacturers on February 27, 1930, dealt with the increasing difficulty of small firms to obtain capital. Further evidence of the elimination of small traders was given by Sir William Perring, President of the National Chamber of Trade, an organisation representing some 360 local Chambers of Trade. He said: "In each provincial town which you go into today, if you walk up the main street you will see five businesses out of six are multiple shops or chain shops. That is the position in the main street. They have been secured at fabulous rents and premiums. The banks handle the money of these multiple shops. The small man is being squeezed out, and I think ultimately it will be to the detriment of our people as a nation."

Australians might look around and see if they can see similar tendencies in this country.

A FURTHER MOVE

In February, 1931, Mr. Norman told the Committee that his first company—Securities Management Trust—had been developed into a much larger concern—the Bankers' Industrial Development Company. Its capital was provided by the Bank of England and the big acceptance houses. Some nasty allegations were made that the amalgamations of British industries were being affected by "foreign money." Sir Otto Niemeyer said on this point: "I would not feel the least compunction about taking every sort of money from whatever source I could get it."

The head of the Bankers' Industrial Development Company was Sir Guy Granet, who also gave evidence before the Macmillan Committee. Sir Guy was partner in Higginson and Company, international bankers. Apart from Sir Guy, the board controlling this Development Company consisted of Mr. Norman; Baron Schroeder, of the international Jewish-banking house of J. H. Henry Schroeder and Company; Mr. Peacock of Baring's (who, in former years, were London agents for the Wall Street group, Kuhn, Loeb and Co.), and Mr. Bruce Gardner, managing director of the Bank of England Securities Management Trust.

This fine group of "British" financiers set out to get control of British industries. That they were finding the average Britisher rather hard to deal with was evidenced by Sir Guy Granet's admission that tact was needed. He told the Macmillan Commission that **"It would be a dreadful thing if industry thought that there was a body of bankers who were going to tell industry how they ought to be organised: that would at once get their bristles up."** Asked as to the position of the banks with respect to, say, the steel industry, Sir W. H. N. Goschen, chairman of the National Provincial Bank, stated: "They are very much in the hands of the banks in this respect, that the banks are able to put them in liquidation, if necessary."

Lord Macmillan asked: **"The power behind your advice is 'If you do not take that course we shall cut off your supplies?'"**

Sir W. H. N. Goschen replied: "Yes."

The arrogant attitude of the bankers towards industry can be gathered by the following statement by Sir Ernest Harvey: ". . . We claim the right to assure ourselves that those who are to be in charge of the industry are qualified . . . that there are financial advisers who can be relied upon from the point of view of finance. In that way we claim the right to a certain amount of control. . . ."

MONTAGU NORMAN "SACKS" A STEEL-"KING"

That Mr. Norman wields despotic powers and over-rides anyone who gets in the way of his policy was clearly demonstrated when he removed Sir William Firth, chairman of Richard Thomas and Co.; the £20,000,000 steel and tinplate combine. Sir William Firth started his career as a 10/- a week office boy. It was entirely due to his initiative and drive that the Richard Thomas steel combine was recognised throughout the world for the quality of its work. Control of the company was achieved by the Bank of England in 1938 when it lent the company seven million pounds to complete the great plant at Ebbw Vale. Speaking on this matter, Sir William Firth said: "I feel like a captain who has lost his ship and is here to report to the owners. About two years ago, in very dirty weather, some pirates pushed us on the rocks, and boarded us disguised as 'national interests' men. . . . The method of obtaining control by the appointment of a control committee is a technique new in this country; as unjust as it is un-English."

The main control committee, said Sir William, consisted of three persons—the Governor of the Bank of England, Lord Greenwood and Mr. Lever. It had been estimated by the banks, said Sir William, that the company would need about £7,000,000 to complete its capital expenditure program and operate its plant. But time had proved the maximum needs to be less than three and a half millions, despite heavy A.R.P. expenditure. There is not the slightest doubt that seven instead of three and a half millions was thrust upon the company in order to acquire control.

Commenting on Sir William's dismissal as a result of "irreconcilable difference within the board," the *New English Weekly* of May 9, 1940, under the heading "Finance Over Industry," said:

> **This dismissal of an industrial pioneer has taken place at the hands of a 'control committee,' instituted with a vast capital two years ago, to finance the large-scale improvements then made at Ebbw Vale, and presided over by Mr. Montagu Norman; a committee powerful enough by its joint control of finance and technique to dominate the entire steel industry and, in fact, designed to do so. . . . But the dismissal of an industrialist, who had brought British steel production up to the best world standard, and who has been shown to have the confidence of his employees, by a committee consisting partly of bankers and partly of his rivals, is an extremely bad omen for the future of British industry. . . . Whatever the need of a true national planning . . . the worst possible approach to it is a surreptitious oligarchic control in the interests of a usurping finance; and we join with Sir William Firth, and those who have contentedly worked with him, to demand an investigation of the gangsterdom which has put him on the spot.**

This was part of Mr. Norman's program of "rationalising" industry.

In the English *Social Crediter* of May 25, 1940, the following item appeared in connection with the above matter: **It is reported that certain sections of the huge plant, which in the present circumstances must be of national importance, were only working part time, and that the steel**

which had been imported to the Vale to keep the plant working to capacity was now going elsewhere. War or no war, the Bank of England's program marches on.

SOVIETISM BY STEALTH

Apart from attempting to obtain control of industry, there was a move to obtain control of agriculture by the establishment of Boards. I shall deal with this matter at some length, because the future of civilisation may well depend upon the attitude that the primary producers adopt towards this plot to "Sovietise" them.

Every representative of International Finance who has ever been in this country—such as Mr. Bruce—has urged "planning" of primary production. It is essential that we understand the origin and motives of this sinister plan.

Evidence given before the Macmillan Commission revealed that the Bank of England had set up an Agricultural Mortgage Corporation. Sir Otto Niemeyer took a leading part in this and became a director. The chairman was Sir W. H. N. Gosehen, chairman of the National Provincial Bank. Allegedly the corporation was for the purpose of "assisting" agriculture.

In 1931, there came into existence in England a movement for promoting "Planned Economy." Sir Basil P. Blackett, director of the Bank of England, was the first chairman. He was succeeded by Mr. Israel Moses Sieff, the present holder of that position. An examination of the list of people actively engaged in P.E.P. (Political and Economic Planning) reveals a curious mixture of **conservatives, financiers and socialists.** Mr. Sieff is director of a chain-store enterprise in England called "Marks and Spencer." His idea is to run the whole nation as one big trust.

By 1934 the "P.E.P." was in action in the following organisations: Milk Marketing Board, Pig Marketing Board, Electricity Grid, British Broadcasting Corporation, Import Duties Advisory Board, Town and Country Planning Board, United Steel Companies Ltd.

The following extract appeared in an English journal in 1940:

> **The Political and Economic Planning group, under the chairmanship of Mr. Sieff, is out to reduce every public and private activity in England to a compact mechanism of State-aided monopolies, combines and chain-stores, under the control of a few financiers. . . . This wonderful and genial movement for the enslavement of Great Britain is making a fair headway, and has succeeded in laying hands on pigs, bacon, milk, potatoes, turnips, buses. . . . The latest to join the movement is the National Birth Control Association, which has, accordingly, altered its name to Family Planning Association. It will tell when and whom to marry, how many children to bring into the world, when to divorce, when and how to die, all according to the lofty standards of a group of financiers' needs and benefits.**

Speaking about this Political and Economic Planning group and its aims, Mr. McFadden is reported, in the *Congressional Record* of June 8, 1934, as saying:

> This plan is already in operation in the British Government by means of the Tariff Advisory Board, which in many of its powers is somewhat comparable to the National Recovery Administration in the United States. This group organisation has gathered all data and statistics obtained by governmental and private organisation in administrative, industrial, social, educational, agricultural and other circles; and Army, Navy and airport statistics are in their hands. This has been made possible from the fact that the Prime Minister, Ramsay MacDonald, being a Fabian, the 'Political Economic Plan' Fabian group has had all archives at its disposal.

> Through the Tariff Advisory Board created in February, 1933, and headed by Sir George May, the control over industry and trade is being firmly established. This board works in direct connection with the Treasury and with it devises tariff policy. It has also been granted the powers of a law court and can exact under oath that all information concerning industry and trade be given it.
>
> Iron and steel, as also cotton industrials in England, have been ordered by the Tariff Advisory Board to prepare and submit plans for the reorganisation of their industries and warned that, should they fail to do so, a plan for complete reconstruction would be imposed upon them. The Tariff Advisory Board has been granted default powers and can, therefore, impose its plan. . . . An interesting bit of information has come to me in this connection to the effect that this Fabian group has close connections with the Foreign Policy Association in New York City. This Foreign Policy Association was largely sponsored by the late Paul M. Warburg, and has received the close attention and support of Bernard M. Baruch and Felix M. Frankfurter.
>
> Many serious people in England feel that this Fabian organisation practically controls the British Government and that this Government will soon be known as 'His Majesty's Soviet Government.' It is asserted that both Prime Minister MacDonald and his son belong to the organisation and that the movement is well financed and well organised, and intends to practically Sovietise the English-speaking race.
>
> About three months after the passage of the National Recovery Act of the United States, when Israel Moses Sieff was urged by members of his committee to show more activity, he said: "Let us go slowly for a while and wait and see how our plan carries out in America."

FINANCE AND SOCIALISM

Sovietism, under the title of the New Deal, is being rapidly foisted on the American public. The fundamental idea is the same as "planning" and Communism: everything run by big State trusts controlled by Finance. Production is made to fit the money system which alone creates a set of circumstances conducive to getting the people to accept these ideas.

The financiers know that primary producers have an independent outlook and have always found them hardest to deal with. This was particularly so in Russia. There should be no need for me to comment on the similar manner in which the primary producers are being treated in this country.

Writing of P.E.P. in 1935, Captain Bernard Acworth, R.N., said:

> In the winter of 1933-34, Mr. Harold MacMillan, M.P., published a book, *Industrial Reconstruction*, in which, with the aim of establishing an equilibrium between supply and demand, and so of eliminating price-cutting, proposals were made for amalgamating all firms in the several industries into one corporation which would control the industry. The author frankly admitted that the proposed corporations would constitute monopolies and that this would tend to make prices rise to the consumer.
>
> In November, 1934, Lord Melchett (of the great Imperial Chemical Industries and a member of P.E.P.) introduced an Industrial Reorganisation (Enabling) Bill into the House of Lords. Its purpose was to promote the formation of corporations of the type proposed by Mr. MacMillan. It only secured a first reading, but an Industrial Reorganisation League, with Mr. MacMillan as chairman, came into existence to secure support in industry for its principles. . . . It should also be noted that Mr. Walter Elliot, Minister for Agriculture, is reported to have said on March 20, 1935, that "the United Kingdom policy" for agriculture was "the application of the principle of

> planning in all its phases. "It involves," he said, "the planning of supply regionally, nationally, and internationally, and as a consequence, **the planning of consumption**. . . . "

The planning of consumption! There you have the financiers' plot in a few words.

Instead of the people having sufficient money to buy what they produce, production will be planned—which means destroyed and restricted—in order to fit the artificial money shortage. The Apple and Pear scheme in this country is a working example of such planning.

THE BANK OF ENGLAND AS A MODEL

Mr. Sieff, chairman of P.E.P., embodies his ideas on planning in a remarkable pamphlet entitled "Freedom and Planning." This document was kept secret for some considerable time before copies were obtained and given publicity. In a broad-sheet issued by the P.E.P., dated April 25, 1933, the following extract emphasises the secrecy and insidious policy of this group:

> **You may use without acknowledgment anything which appears in this broad-sheet on the understanding that the broad-sheet and group are not publicly mentioned, either in writing or otherwise. This strict condition of anonymity, upon which the broad-sheet goes to you, is essential in order that the group may prove effective as a non-partisan organisation making its contribution outside the field of personal and party polemics**.

It is interesting to note that Mr. Malcolm MacDonald, son of the late Ramsay MacDonald, belongs to this group, and now represents the British Government in Canada. Sir Geoffrey Whiskard spent some of his time advocating Political and Economic Planning while holding the position of Trade Commissioner in this country.

A careful study of Mr. Sieff's articles on "Planning" clearly indicates the broad lines of a plan similar to that mentioned by Mr. Montagu Norman before the Macmillan Committee.

Bearing this in mind, the following extract from Section 24 of these articles is revealing:

> **The Bank of England has in the course of its history lost practically all of its original profit-making characteristics and become in fact, if not in form, a leading example of a Public Utility Corporation devoted to rendering public service. It has also many of the features of a self-governing institution, its relation to the Government delicately adjusted so as to combine both due subordination and administrative independence so as to offer a significant parallel to the new institutions suggested earlier in the spheres of industry and distribution. It would appear to be sufficiently flexible to enable it to adapt itself to filling its place in the new order without requiring any radical changes in its constitution.**

SOME SINISTER EXTRACTS

Australian electors might ask themselves if there is any resemblance between the trends in this country and the following extracts from Sieff's articles. It is stated of the farmer and manufacturer that: **"He may be conceived of as remaining in full control of his farm or factory, but receiving from the duly constituted authority instructions as to the quantity and quality of his production, and as to the markets in which he will sell."**

Small retailers must be dealt with: **"The waste involved in . . . retail shops, one shop for every twenty households, cannot be allowed to block the flow of goods from producer to consumer."**

I would mention that it is not the retail system which has blocked the flow of goods, but the present financial system. However, apparently the small independent retailers are to be crushed and the great chain-store monopolies to be extended.

On the political side we learn that **"big consequent changes will follow in the machinery of government."**

The following gem should commend itself to the farmers who are now feeling the full blast of planning under various boards in this country: **"Whether we like it or not—and many will dislike it intensely—the individualistic manufacturer and farmer will be forced by events to submit to far-reaching changes in outlook and methods."**

Also the following:

> **What is required, if with only a view to equitable treatment of individuals, is transfer of ownership of large blocks of land—not necessarily of all the land in the country, but certainly of a large proportion of it—into the hands of the proposed statutory corporations and public utility bodies and of land trusts.**

BANK OF ENGLAND AND NEW ZEALAND

The history of our sister Dominion has been one of ever-increasing financial dictatorship; ironically enough, the very Government which was elected with an overwhelming mandate from the people to break the private money monopoly has tightened the chains of bondage. I refer to the Labour Government.

The Colony of New Zealand was founded in 1840, and with it the foundations of the debt swindle which, at that time, had reduced the Mother Country to abject poverty as an aftermath of the Napoleonic Wars.

A Government Colonial Bank of Issue was established in New Zealand in 1850, but, as it was only empowered to issue notes in exchange for coin, it was of little use, and lasted only six years. Private trading banks then started, one of the first being the Union Bank of Australia, which is connected with the International Banking Ring. The Bank of New Zealand was established in 1861, and its connection with the Government was very intimate from the beginning. This bank handled the Government's account until the establishment of the Reserve Bank in 1934. The establishment of the Reserve Bank was the result of Sir Otto Niemeyer's visit on behalf of Mr. Montagu Norman, and his policy of world dictatorship through the establishment of Central Reserve Banks throughout the world—particularly the British Empire.

The following statements by prominent New Zealand citizens from 1860 onwards clearly reveal the manner in which banking interests have governed the policy of the Dominion:

Sir William Fox, several times Premier of New Zealand, said in Parliament on August 21, 1868:

> **I only wish it was possible to exclude from this House a certain power behind the Treasury, or any other corporation, which had proved so capable of making the Ministry work in a diametrically opposite direction from that in which they at first intended to work, and so manifestly opposed to the interests of the colony. I cannot blame the recognised agents of the Bank or any influence they have brought to bear upon this House or upon the Ministry . . . . I do not hesitate to say this influence which has been exercised is a most mischievous**

> **interference with the independence of this House, and if it were possible to get hold of such an impalpable element, a Bill ought to be passed to exclude it from this House.**

WHAT SIR GEORGE GREY SAID

Sir George Grey, speaking in Parliament in 1875, said: **"I believe, for reasons which I shall presently show, that it would be actually in the power of one wealthy establishment in New Zealand to have any person they chose sent out here as Governor who would be likely to support their interests."** As Sir George Grey had been five times Governor of different parts of the British Empire, he knew what he was talking about.

Later, in 1883, he said:

> **I conscientiously believe that two or three great establishments, all really under one directorate, do exercise in the Legislature of this country an undoubted and dangerous influence. I sincerely believe that the existing Government is maintained in its place by these bodies. . . . I appeal to many honourable gentlemen sitting here whether they do not feel helpless of fighting the great phalanx opposed to us now. . . . I say that even among the voters it will be a long time before that independence can come about which ought to prevail, because I fear many of them are, in some manner, entangled with engagements which will place them at the mercy of those persons who rule those different great bodies of which I speak. I go further and say—and in saying this I know, of course, that I create, and must create, a great many enemies—I firmly believe that the same persons, by monetary influence, control a great portion of the press. . . . One great central power in New Zealand oppresses it from end to end. That central power is moved by the Premier, and the Premier is the solicitor of these great moneyed corporations. Is it just? Does it give the people of New Zealand a fair chance? Is it not hard for a man to know that if he cries for justice some debt upon his estate may be made the cause of his ruin instantly?. . . Is it right for us to feel degraded by knowing that such is the case here? . . . As long as this continues I see no hope for ourselves or our country.**

This was strong talk from a Governor. Perhaps this representative of the King had heard something about the Royal prerogative of issuing the nation's money supply.

Sir Francis Bell said on August, 28, 1895: **"The Bank (of New Zealand) is repeating what it did last year. They are holding a pistol at the head of this House and the Government, and the Government is yielding, as it yielded last year."** On the following day, the same speaker said: **"The Bank has spread its tentacles all over the colony. . . . I am not sure that it is not more powerful than Parliament."**

INTERNATIONAL FINANCE MOVES IN

Sir Otto Niemeyer, representing the Bank of England and the Bank of International Settlements, arrived in September, 1930. A balanced budget was demanded, and a general curtailment of the amount of money in circulation. The same appalling results eventuated as in other parts of the Empire that the agent of the Bank of England had visited: Poverty, unemployment, bankruptcies and misery everywhere.

As a result of his visit to New Zealand, Sir Otto Niemeyer forwarded a report to the Government recommending the establishment of a Reserve Bank. The Reserve Bank Act was passed in 1933, **and the following year the bank was set up with the former chief cashier of the Bank of England installed as Governor.** The New Zealand Reserve Bank Act contains provision for the bank joining the Bank of International Settlements. This was all in line with Mr. Montagu Norman's policy of world hegemony through a chain of central banks in every country.

The next move was to establish a Mortgage Corporation, which was also in line with a move by the Bank of International Settlements to establish a world network of Agricultural Mortgage Corporations.

SOCIALISM ENTERS

The Coalition Government was defeated at the end of 1935. The swing to Labour was the result of the chaotic conditions during the depression and the promises made by the Labour Party to break the private banking monopoly. Unfortunately for the electors, they were not fully informed regarding the Labour Party's views on socialisation. Some authorities go so far as to say that Finance deliberately maneuvered the electors into the position where they had very little choice but to vote Labour; the Coalition had been discredited with its "sound finance" policy.

Planned Economy was affirmed by Labour in its 1935 election manifesto. It is interesting to note that Mr. Nash, Labour's Minister of Finance, is a great believer in Planning. He was a guest of the Political and Economic Planning Group (PEP) in Britain in 1937. The Industrial Efficiency Act, which the Labour Party never mentioned in its 1935 election program, was cleverly rushed through Parliament late in the first session. The Act set Mr. Nash up as virtual dictator of New Zealand. It gave power to socialise at will the entire industry of the Dominion without further reference to Parliament.

In *The Truth About New Zealand,* Mr. A. N. Field writes:

> **New Zealand's Industrial Efficiency Act at the outset was modestly applied. The cement industry, in the hands of a few works, has been brought under it. Motor spirit distribution is controlled, an operation unlikely to mean much more than rubber-stamping what the big, foreign oil combines want done. The pharmacy trade was induced to submit to being roped in on a threat that the Government would otherwise allow a giant chain-store chemist's concern from England to overrun New Zealand. Rubber tyres, cement, fish export, electric ranges, and wooden heels for footwear are also in the list of controlled industries. . . . Extension, however, goes on.**
>
> **Under the Act the Minister of Industries and Commerce has power to apply systems of licensing, control, and price-fixation to any industry, under which term is included "any trade, occupation, business, manufacture, works, or service of any kind whatsoever." The Minister may withhold licences from individuals, close down undertakings, and order amalgamations and do many things. In fact, the powers appear to be such that the Minister may control any business brought under the Act as fully as if he were its sole owner. Administration is through a bureau, all the members of which hold office at the Minister's pleasure, and are thus merely the instruments of his will. The Minister may require an industry to appoint an industrial committee for control purposes, but, here again, he may add and remove members, dissolve committees and appoint entire committees himself. No question arises of industrial self-government; only of submission to what is imposed from above. All is at the Minister's pleasure.**
>
> **The sole right of appeal by any person injuriously affected under the Act is to the Minister himself. A man may be refused a licence, his business closed or interfered with to any conceivable extent, and all right of appeal to the courts is denied him.**

Two other important measures were brought in by Labour in its first session. The first was a Local Government Reform Bill which aimed at the destruction of the 684 local governing bodies of one kind or another. This is also part of the Bank of England's policy: Remove government further from the people, destroy their local institutions and centralise control.

A similar move has been fostered in this country; the campaign to abolish State Parliaments because these Parliaments are being used by the electors to bring indirect pressure on the private financial institutions. Fortunately for New Zealand democracy, the local bodies strongly objected to being abolished.

RESERVE BANK AMENDMENT

The second important measure referred to was Labour's Reserve Bank amendment. A lot of "blah" was uttered about this move by people who should have known much better. Although the move was good, insofar as it took power from private persons and restored it to the Government, there were significant features which were overlooked by many.

Mr. Lefeaux, the former chief cashier of the Bank of England, was not removed. Apart from this, the currency and credit of the country are issued against reserves held by the Reserve Bank—**and these reserves are limited by gold and/or foreign bills of exchange—on which there is no fixed limit**. This means that, in the last analysis, the policy of the Dominion can be dictated by international Finance.

Another feature worthy of note about Labour's Reserve Bank amendment was that it stated that the primary function of the bank is to regulate currency according to Government policy "as communicated to it from time to time by the Minister of Finance." Labour Party legislation not only failed to clearly state any principle on which the issue of money is to be regulated, but it authorised dictatorial Ministers to do whatever they liked.

This calls to mind a statement made in the United States Senate in 1834 by Mr. John C. Calhoun:

> **Place the money power in the hands of a combination of a few individuals, and they, by expanding or contracting the currency, may rise or sink prices at pleasure, and by purchasing when at the greatest deflation, may command the whole property and industry of the community. . . . Never was an engine better calculated to place the destinies of the many in the hands of the few, or less favourable to that equality which lies at the bottom of our free institutions.**

REVERSING MAGNA CHARTA

We might briefly note that our British forefathers, who gave us our basic conception of a free society, took action against King John in 1215 at Runnymede, because he was doing what Dictator Nash is doing today: Taking the means of livelihood from certain people. Our forefathers did not demand anything new from King John. They wanted their ancient rights restored.

Among the things enumerated in Magna Charta was the demand that even the lowest in the land was entitled to his accustomed means of livelihood. Even if a man broke the law he was to be left with his livelihood. It was stated:

> **A freeman shall only be amerced, for a small offence after the manner of the offence, for a great crime according to the heinousness of it, saving to him his contenement; and, after**

> **the same manner, a merchant, saving his merchandise, and a villein saving his wainage; the amercement in all cases to be assessed by the honest men of the neighbourhood.**

"'Amercement' meant a fine. 'Contenement' refers to that which is indispensable for a man's support and maintenance, according to his rank or social condition. . . . 'Wainage' was the crop or tillage of the villain or husbandman." (Taswell-Langmead's *English Constitutional History*.)

These elementary rights have been abolished in New Zealand by the "progressives." Power was shifted from one group of dictators to another group. This legislation went further, it gave the Minister of Finance absolute power to discriminate between individuals desiring sterling for overseas trading. Trades were at the mercy of Mr. Nash, and when a protest was made, the Governor-General, acting on the advice of the Attorney-General, disallowed any appeal to the courts to test the constitutionality of the measure.

DEBT AND TAXATION INCREASE

In case someone suggests that the Government could use all these dictatorial powers for the good of the people, the results belie any such implication. A "liberal credit policy" has certainly been introduced—but, credit is issued as a debt, carrying interest charges. The result has been a drastic increase in taxation and rising prices. This is part of the Finance-Socialist plot. Exponents of this "new order" have often stated that the people must be kept quiet with sops while their liberties and institutions are taken from them. Millions of pounds of debt-money provide the sops.

"Taxation is the chief means," says Britain's socialist Fabian Society in its Tract No. 127, adding that "to the Socialist, the best of governments is that which spends the most."

This is all part of a world program laid down by the Bank of England and other international banking institutions. New Zealand is doing very nicely from their point of view. Even the late Mr. Savage was a great believer in taxation—and compulsion—as witnessed by the following statement made late in 1939: **"The Government believes in freedom of speech, but it is determined that that freedom must not be abused. Persons who advise others not to pay rent or taxes are enemies to the country, and will be treated accordingly."**

Mr. Nash visited London during 1939 to arrange for the conversion of a loan which was falling due. He was feted by the "City" in London, and did exactly as he was told. He went back to New Zealand, and the debt and interest racket went on, while more and more restrictive legislation was introduced. War was declared and still more dictatorial powers were taken by the Labour Government. Finally, compulsory loans were introduced! No wonder some Socialists believe that New Zealand will become a second Soviet Russia without bloodshed.

Surely New Zealanders will assert their British rights, even at this late hour, and take action to bring their representatives under their control. They will then get the results that they desire and not what someone else thinks is good for them.

SIR OTTO NIEMEYER VISITS AUSTRALIA

In 1930, Sir Otto Niemeyer arrived in this country in order to give us some "advice," on matters pertaining to finance. The result of his "advice" was the further enslavement of the people by the private bankers. Accompanying Sir Otto was Professor Theodor Emanuel Guggenheim Gregory, a member of the teaching staff of the London School of Economics, a nursery of Socialism and staffed largely by individuals of foreign extraction.

Sir Otto Niemeyer was an adviser to the British Treasury from 1906 until 1927, holding the post of Controller of Finance from 1922 to 1927. In 1927, he joined the staff of the Bank of England. He was also concerned with the disastrous American Debt Settlement plan.

He addressed a conference of Commonwealth and State Ministers in Melbourne on August 21, 1930. The following extracts are from the Melbourne *Argus* of the following day (significantly enough, the *Argus* had Niemeyer's address reprinted in brochure form for free distribution):

> **There is also evidence to show that the standard of living in Australia has reached a point which is economically beyond the capacity of the country to bear without a considerable reduction of costs resulting in increased per capita output.**

(Ye gods! We were producing more real wealth than ever before, and we could have doubled the output if desired.)

> I should, perhaps, add certain alleviating factors. Australian stocks have for years enjoyed a privileged position in London as trustee securities under the Colonial Stock Act, and she has, to that extent, an advantage. There is a general desire to assist a Dominion and, indeed, the mere fact of my presence here and of the growing co-operation between the present Commonwealth Bank and the Bank of England as a sister central bank may, I think, be claimed as a sign of goodwill from responsible authorities.

(Who were these "responsible authorities"? Certainly not the millions of Australian people who suffered cruelly as a result of Niemeyer's instructions.)

> **But the fundamental question is the extent to which Australia herself will make it possible for the present picture to change. Australia must reassure the world as to the direction in which she is going, financially and economically, and no one else can do that for her.**

Australia must reassure the world! Why? We are not told. As long as we pull in our belts and live on short rations Sir Otto and his Bank of England friends will have confidence in us! Did someone say something about a self-governing country?

The Government representatives said that they would face the position and balance their budgets. There was to be no more borrowing; which meant that, apart from the fact that the banks were calling up overdrafts everywhere, the Governments would have little money for public works. The inevitable result was increased unemployment. Although this plan meant a ruthless attack upon the living standards of the Australian people, the conference actually carried the following resolution unanimously: "That the conference tenders its sincere thanks to Sir Otto Niemeyer and his colleagues for the valuable assistance given by them in the solution of the problems with which the conference has had to deal."

Sir Otto left us late in 1930 and next visited New Zealand, giving the people of that country similar advice, before leaving for South America to tell the people of that country that they, too, had to pull their belts in and "balance their budgets."

PROFESSOR COPLAND AND THE PREMIERS' PLAN

The result of Niemeyer's advice—or demands—to balance budgets was the famous Premiers' Plan. Sir Herbert Gepp said on July 20, 1936:

> Professor Copland has done notable work for Australia and the Empire. **He and Professor Giblin had been leaders in mapping out the details of the Premiers' Plan, and in persuading influential sections of the community to agree to its adoption.** Professor Copland had also been an inspiring force in the University of Melbourne, and a leader of thought in the community.

However, in spite of the fact that he was a "leader of thought," he admitted on May 20, 1932, that **"I can make the confession, now that the election is over"** (Lyons, the bankers' puppet, had been elected to power) **"that the Premiers' Plan has admittedly been a disappointment up to date."**

In the Brisbane *Telegraph* of April 7, 1936, appeared a remarkable article with the headlines: "Premiers' Plan a Mistake," "Cuts Prolong the Depression." This article was written by J. L. K. Gifford, M.A., Lecturer in Economics at the University of Queensland. The following extract is worthy of careful reading:

> . . . The wage reductions of the Premiers' Plan . . . not only contributed to a permanent lowering of the Australian price level, but also to a quite unnecessary temporary impoverishment of Australia. . . . All the earnestness and all the Ruskinian eloquence used to persuade poor John Smith to accept wage reductions, could have been put to better use. . . . If the economists had agreed on a credit and exchange policy designed to maintain the level of money incomes, there would have been few harmful repercussions from the decline in export prices, little unemployment, and few hardships.

Mr. Gifford was one of those responsible for enforcing the Bank of England's deflation policy. Apparently he repented. Professor Copland carried on with his "expert advice." In March, 1933, he left for Europe and America. It was reported that he met Mr. Montagu Norman in England, and other representatives of the International Banking Ring. The following appeared in the Melbourne *Herald* of April 13, 1934:

> **Professor Copland has just returned from a world tour, during which he made an intensive study of conditions overseas, and came in contact with all the leading men of affairs who are tackling the big economic problems of the day. He attended the World Economic Conference in London, the Assembly of the League of Nations at Geneva, conferred with the Governor and economists of the Bank of International Settlements at Basle, met the members of the American Economic Association at Philadelphia, whom he addressed on the Australian policy during the depression, and lectured at Harvard, Toronto and Cornell Universities.**

The overseas financiers certainly have a very good apologist in Professor Copland. Au**stralians should never forget the leading part he has played in implementing the bankers' policy in this country; and he still wields considerable influence in influential circles.**

LANG'S CHALLENGE TO "SOUND FINANCE"

On March 11, 1927, th*e Wall Street Journal* said: "Empire borrowing, especially that of Australian States, has been closely regulated by the Bank of England. . . ."

However, there was one Australian State and its Premier that the Bank of England will remember for a long time. I refer to New South Wales and Mr. J. T. Lang. Probably no other Premier in any part of the British Empire—with the exception of Mr. Aberhart, of Alberta, Canada—has ever caused the financiers so much apprehension. Even in 1936, with Mr. Lang no longer in office, this fear still existed.

Mr. B. S. B. Stevens (now Sir Bertram), next Premier of New South Wales, while in London meeting Mr. Norman and Co., was reported by the Melbourne *Herald* of May 23, of that year as follows: **"I find discouraging antagonism by London financiers to New South Wales, because they fear a return of the regime of Mr. J. T. Lang. I have been able to clear the atmosphere greatly. It is an uphill fight, but there is a growing recognition of the country's recovery."**

To understand the financiers' hatred of Mr. Lang and the campaign of inspired abuse conducted against him, it is essential that we understand what Mr. Lang really stood for. First, he opposed the disastrous Premiers' Plan, which was the result of Sir Otto Niemeyer's advice. Lang's policy, as stated at the 1930 New South Wales State election, was comprised of the following three major points:

1. That until Great Britain (The Bank of England) agreed to fund Australia's overseas debt in the same manner as America dealt with Great Britain's debt to her, no further interest upon overseas debt should be paid by Australia.
2. That the interest rate to Australian bondholders should be reduced to 3 per cent., and that all interest rates on private finance should be correspondingly reduced.
3. That the existing system of currency be altered from that of a nominal gold standard to a system more suited to modern conditions, preferably the goods standard.

Mr. Lang believed that human beings were more important than financial systems. A policy of sacrifice in a country literally stacked with real wealth did not appeal to him as common sense. He refused to sacrifice the people. The banks saw the danger and the fight was on. The Press denounced Lang as a swindler and a thief.

THE RUN ON THE N.S.W. SAVINGS BANK

The Government Savings Bank of New South Wales was, in 1930, the second largest bank of its kind in the British Empire. Its assets exceeded £104 million, and it had a net income of approximately £400,000. Controlled by the New South Wales Government, it started to finance homes for the people, and also to assist primary producers by means of advances through a trading branch known as the Rural Bank. This policy was in direct opposition to the deflationary policy of the private trading banks. And the policy of the private trading banks was the policy of the Bank of England.

Even the Australian Royal Commission on Banking admitted in Paragraph 93 of its Report that the Australian banks were accustomed to follow the lead of the Bank of England. The Sydney *Evening News* and the country papers of October 24, 1930, stated: "Lang will confiscate Savings Bank deposits," "Lang will smash the banks and seize your savings."

The leader of the National Government stressed this point during electioneering, making it necessary for an official of the bank to personally appeal against such tactics, as a run had commenced upon the deposits.

It has been stated that, apart from press propaganda, people were hired to walk continually in and out of the Bank's premises as if a run had started. Finally, the people were stampeded, and rushed to withdraw their savings. Now, this bank was like every other bank: It could never pay all the depositors in legal tender, as the bulk of deposits were no more than figures in its ledgers. This was not known by the people through their ignorance of banking practices. (They know a little more nowadays.) They believed that they could all obtain their money in legal tender if they demanded it. The private banks knew that if they could persuade enough of the depositors of the New South Wales Savings Bank to demand their money, the Bank would have to close its doors. The bank put up a great fight for seven months, paying out in that time all its liquid assets amounting to

£22,000,000.

Unfortunately for the private banks, this campaign against the Savings Bank in New South Wales had the effect of inducing depositors in other banks to start drawing their money. This was serious. Even Professor Hytten, an apologist of the banks, admitted before the Tasmanian Monetary Inquiry in 1935 that a general run on the banks would mean that "they would go west then."

In order to save the position, Sir Robert Gibson, former chairman of the Commonwealth Bank Board, made a dramatic national broadcast on May 31, 1931. He said:

> **The Government Savings Bank of New South Wales was forced to close its doors because the people who had deposited their money in that bank were led to believe by the foolish statements of those who should have known better, and the statements of those who desired to bring about disaster, that that bank was not in a safe position. . . . The Government Savings Bank of New South Wales was in a perfectly sound position. There was no good reason, on account of lack of soundness, why it was compelled to close its doors.**

He also said: ". . . the Commonwealth Bank had control over the note issue, and command of resources, in the form of currency, to any extent, which, in the opinion of the Bank Board, is deemed necessary." In other words, if the people did continue to demand their money, the printing machines would be put in motion. That admission is historic.

After the New South Wales Savings Bank had closed its doors, Sir Robert Gibson was prepared to talk business with the New South Wales Government. The following extracts are from *Australia's Curse*, by S. C. Barnes:

> The first merger terms, which included a refusal to have anything to do with advances for homes or the taking over of the Rural Branch, were so scandalous that the State Government refused to accept them. In the meantime an organisation, called the Government Savings Bank Rehabilitation Committee of Depositors and Citizens, had come into being. Growing rapidly in strength, it became embarrassing to the money power, working through the Commonwealth Bank, and amended merger terms were offered and accepted, unwillingly, by the State. The terms appeared to include the taking over of the Rural Bank as a going concern. The State Bank was then re-opened, and in a few days was prepared to pay depositors in full. . . . Had Sir Robert Gibson, a year previously, uttered half a dozen words in support of the Bank, untold misery and death would have been avoided. . . . The Rural Bank, with nearly 200 branches competing with the private banks in every town in New South Wales, was endangering their policy. It had to be destroyed, and the National (Commonwealth) Bank was the instrument used to bring about this destruction.

It is interesting to note in passing that the Western Australian Savings Bank was absorbed by the Commonwealth Bank under similar circumstances. Although Lang was branded "the arch-repudiator, swindler and thief, whose proper place was in gaol," the fact remains that, whereas previous Governments had borrowed approximately £8,000,000 from the Government Savings Bank, Lang repaid £1,200,000 of this money during his brief term of office. It has been asserted by some that direct pressure to dismiss Mr. Lang was brought to bear upon Sir Philip Game, Governor of New South Wales at that time, by a representative of the financiers. Mr. Lang was dismissed to the accompaniment of a tirade of abuse by the press. Mr. Lyons and others joined the campaign, and it is fair to say that a deluded public heaved a sigh of relief when Lang went.

Mr. Stevens was the next Premier, and when he paid his first visit to England it was reported by the press that he spent two hours with Montagu Norman. **New South Wales had been "saved"! Mr. Norman said that its "credit" was good again, and he was prepared to do business with them!**

BANK OF ENGLAND AND AUSTRALIA

Let us now devote some space to an examination of the tie-up between Australia's financial system and the Bank of England. Since 1924, the Commonwealth Bank has been under the direct domination of overseas interests. Prior to that time it was used to some extent on behalf of the Australian people.

Until 1923 it was controlled by a Governor, Sir Denison Miller. The bank's outstanding act was to refuse to sacrifice the Australian people in 1920 at the instigation of Montagu Norman and his international banking friends, who had held a conference in Brussels early that year.

Although Mr. Norman was able to make his policy felt in every other part of the Empire, he struck a "snag" in Australia. The private bankers in this country started to restrict the nation's credit supplies and depression threatened. However, Sir Denison Miller foiled this move by using the Commonwealth Bank to issue £23,000,000 between June and December of 1920. This was a threat to the private banks, who then curtailed their deflation policy. Sir Denison Miller died in 1923. (See the The Story of The Commonwealth Bank at www.alor.org)

In 1924 the Bruce-Page administration took the first step in making the Commonwealth Bank a Central Bank, controlled by the Bank of England and the Bank of International Settlements. This was in line with Mr. Norman's policy of a chain of central banks throughout the world.

In June, 1924, Dr. Earle Page introduced a Bill in the Federal House to amend the Commonwealth Bank Act by taking the control of the Bank out of the hands of a Governor and placing it under the control of a directorate, consisting of six persons "actively engaged in agriculture, commerce, finance and industry." **In presenting the Bill, Dr. Earle Page referred to the discussions which members of Cabinet had with the private bankers!** That Page was not ignorant of the banking swindle will be seen by his remarks on June 13, 1924, when introducing the Commonwealth Bank Bill: **"A very great power is exercised by the banks in the creation of credit in their control over business, and in their effect upon wages, as well as other conditions."** (Parliamentary Debates, Vol. 106, P. 1270.)

After admitting this, he was a party to the establishment of a dictatorial Board which gave the banks still greater power. The Directorate of the Bank Board was and still is, comprised of nominees of the private trading banks. The private trading banks in this country are owned by the three monopolies known as the Sugar-Tobacco-Gas Monopoly, the Metal Monopoly, and the Overseas Group. Mr. Bruce was personally connected with the Overseas Group, whose three banks—the Australasia, the E. S. & A., and the Union—have their headquarters in London!

Mr. R. G. Casey, a member of the Metal Monopoly, which controls the National, the Commercial of Australia, and the Bank of Adelaide, was appointed liaison officer to London by Mr. Bruce in 1924; Mr. Casey maintained close contact with the financial interests there until 1931.

After this training (?) he returned to Australia and entered the Federal Parliament, later becoming Federal Treasurer. He faithfully carried on the work of enslaving the Australian people; then went to America, where he was in close contact with Wall Street. Time will show what further plans are being drawn up for our further enslavement to the International Financiers. The Bank of New South Wales, the Queensland National, and the Commercial Banking Company of Sydney, belong to the Sugar-Tobacco-Gas Monopoly and have a direct representative, in the person of Sir Claude Reading, as chairman of the Commonwealth Bank Board.

MR. BRUCE VISITS LONDON

Soon after the emasculation of the Commonwealth Bank, Mr. Bruce left for London, where he dined and wined with his financial friends. **I have no hesitation in saying that no man has betrayed his own nation more to International Financial interests than "Australia's Noblest Son"; his record on behalf of the financiers since 1924 should be made familiar to every loyal Australian.**

Upon his arrival in London he told a group of bankers at a dinner that the Commonwealth Bank had been transferred by his Government to the control of "a board of directors charged with the duties of central banking." The London *Times* reported him as follows: **"The intention is that the Board shall control credit in Australia as the Bank of England regulates it in this country, and advice is now being sought from officials of the Bank of England as to the exact steps necessary to bring about a fully effective central banking system."**

It was just about this time that the late Sir Robert Gibson, who was connected with the Metal Monopoly and had just been appointed chairman of the Commonwealth Bank Board, made the following statement:

> **The Board of Directors of the Commonwealth Bank has given consideration to the advisability of conferring with the mother bank of the Empire, the Bank of England, on matters connected with central banking. In this connection, the late chairman had important discussions with Mr. Norman, the Governor of the Bank of England, by whose courtesy it has been arranged that Sir Ernest Harvey shall pay a visit to Australia with a view to investigating . . . and making recommendations that . . . the central banking system of Australia may be co-ordinated with that of the Bank of England and other central banks of the Empire.**

Sir Ernest Harvey, a director of the Bank of England, actually travelled to Australia with Mr. Bruce to further our enslavement. In 1927 he gave the final directions in connection with the Commonwealth Bank. The Bruce-Page Government was asked to pass a Bill to deprive the bank of its Savings Bank business. One speaker in Parliament said that this Act

> took away the bank's cash reserves, which had enabled it to compete with private banks, terminated its trading operations, and reduced it to a bankers' bank—not a 'reserve' bank, because no bank was compelled to keep its reserves there—so that it became neither a trading bank nor a savings bank, nor yet a reserve bank, but a thing of shreds and patches, at the mercy of private institutions.

This Bill became law in December, 1927. To make the Money Power supreme, Mr. Bruce got the Financial Agreement incorporated as part of the Constitution. This Agreement paved the way for the formation of the Loan Council to control all Government borrowings.

In 1933, when Attorney-General for Victoria, Mr. R. G. Menzies said:

> Five years ago Victoria entered into the financial agreement with the Commonwealth and the other States, with the result that the financial policy of the State is controlled by the Loan Council. Money cannot be borrowed without the permission of that Council, **which is the governing body of Australia today.**

Mr. Menzies has changed his ideas considerably since entering Federal politics.

MR. BRUCE VISITS AUSTRALIA IN 1934

Mr. Bruce paid a visit to Australia in 1934, on behalf of the financial oligarchy in the "City" of London: his mission was to advise us to restrict production and introduce "planning." (We have already examined the origin of this "planning" and its connection with the Bank of England.)

By 1934 there was growing dissatisfaction with the financial system in Australia and thousands of people were beginning to ask why we should have widespread poverty amidst plenty. Upon his arrival, Mr. Bruce told us that although our "credit" now stood high with our overseas creditors, we must not relax our "wonderful" efforts.

Who were these creditors that Mr. Bruce spoke of?

While "representing" us in London he has been closely connected with the following people: Sir Harry Strakosch, Sir Felix Schuster, Mr. Beaumont Pease, Sir Otto Niemeyer, Sir Ernest Harvey, Sir Alan Anderson, Lord Craigmyle, Sir Clive Baillieu, the Nivisons, and Professor Guggenheim. Strakosch was at the Brussels Conference in 1920 with Mr. Norman, and is connected with several international banking firms. He was responsible for the establishment of the Central Bank in South Africa.

Schuster (fine British-sounding names some of these individuals have!) was responsible for the establishment of the Central Bank in India, and has always worked in close collaboration with Sir Otto Niemeyer. The other individuals I have mentioned are all connected, directly or indirectly, with the Bank of England. The Nivisons are the people through whom all Australian loans from "Britain" were negotiated.

The real object of Mr. Bruce's 1934 visit to Australia was revealed in an editorial in the London *Times* on April 2, 1934. It might be as well to mention here that the Governor of the Bank of England is one of the controllers of the London *Times*. The editorial told us that the Canadian farmers were making great sacrifices to gain security, and that Mr. Bruce's proposals for Australian farmers would probably be even more drastic. The proposals were the establishment of Boards to regulate production. This was the first move by the Bank of England and the International Financiers to introduce planning into Australia. Although the finance-controlled press in England was saying what a great man Mr. Bruce was, and the high prestige he had in Australia, the *Yorkshire Post* criticised his proposals and said "it is remarkable that even he dared to make such proposals." Having paved the way for "planned production" in Australia, Mr. Bruce left us.

On the eve of his departure, one Melbourne paper came out with headlines on the front page: "RESTRICTION OF PRODUCTION NECESSARY." A report of his address to the Melbourne Chamber of Manufacturers also appeared in this same paper. He said that all sections of the community must co-operate to enable Australia to enter the competitive fight for world markets!

Having given his instructions on behalf of Mr. Montagu Norman & Co., Mr. Bruce left us and did not visit us again until 1939.

MR. BRUCE'S 1939 VISIT

Accompanied by a great press campaign, Mr. Bruce left England late in 1938 to again visit Australia. The international situation was, by this time, becoming increasingly critical. The International Financiers in Wall Street, together with the Bank of England, and the Bank of International Settlements, were laying their plans for the holocaust which was to burst upon the world in September of 1939.

As we have already seen, the financing of the totalitarian Powers, while Britain's defences were neglected, was a direct result of the financial policy pursued by the International Financiers. It was, therefore, significant that Mr. Bruce should call on the Wall Street bankers in December, 1938, on his way to Australia. Why? We can only speculate. We might remember that Mr. Bruce is a close friend of Mr. Casey, who has since been hobnobbing with these same financiers.

While here in 1939, Mr. Bruce travelled around talking to many different people—particularly members of Parliament. There is not the slightest doubt that the real object of his mission was to see how the Planned Economy plot was developing.

Back on April 3, 1934, the London *Times* published an article headed, "Planned Empire Marketing," in which the following appeared: **"Mr. Bruce's experience in London has convinced him that the economic salvation of the Commonwealth and, indeed, of the whole Empire, depends upon a concerted policy of trade production, in which the Governments will combine with the leaders of agriculture industry, commerce and finance."**

Well, we are being socialised rather rapidly in this country now. Boards are being established to control every primary industry, small industries are being absorbed in big centralised finance-controlled monopolies, while the individual is becoming more and more a victim of that soulless abstraction called the State.

The reader might well ponder over the following extract from the chief journal of the Political and Economic Planners (P.E.P., issue of October 4, 1938): **"We have started from the position that only in war, or under the threat of war, will a British Government embark on large-scale planning."**

In other words, we are having a deliberate policy of socialism foisted upon us under cover of war. Members of all parties are unanimous that Governments should have more and more control over industry. The following extract from the Melbourne *Age* of March 3, 1941, is worthy of careful thought by those who believe that the U.A.P. is a bulwark against socialism. Mr. Menzies was being interviewed in Britain:

> **Mr. Menzies is reported to have said: "I always tell my Opposition friends that the only difference between us is that I am theoretically non-Socialist, yet an amazingly practical Socialist, while they are theoretical Socialists. People will take things from us they wouldn't take from the Labor Party. That is outstandingly true in Australia. It is a question of speed. . . . You get two views which, in theory, are violently opposed. In practice, the extreme course of today is a commonplace of tomorrow."**

In conjunction with this, the following report from the Melbourne *Age* of March 12, makes sinister reading. Professor G.L. Wood, one of the gentlemen responsible for the implementation of the Premiers' Plan, is reported as having said, in an address to the University Committee of Convocation,

> **that it was a common belief in Australia that economic freedom and individual liberty would be restored after the war; that the shackles of Governmental control would be lifted. The idea was a sample of the triumph of hope over experience. They had to realise that the pre-1939 status quo would never be restored. They were condemned to a system of Governmental control where almost every aspect of economic life would be subject to interference. That was inevitable, unless the problem of correlating the functions of primary, secondary, and tertiary workers, and of restoring a spirit of team work and co-operation to the world was tackled now.**

There can be no **voluntary** co-operation—which is the basis of democratic government—while the financial domination by private monopolies under the control of the Bank of England continues. **The monopoly of credit must be broken; otherwise we will be one big trust run by the private banks. There will be no essential difference between our society and that which the Russians and Germans exist under.**

MR. REDDAWAY VISITS AUSTRALIA

In order to further prove that the Bank of England is not averse to Socialism, I shall deal briefly with the visit of a young man by the name of Reddaway to this country a few years ago.

It is not generally known that Professor Copland (one of our 'experts' who implemented Niemeyer's deflation policy back in the 1929-32 depression) set off, in March, 1933, to tour America and Europe, and that he was reported to have had interviews with Mr. Montagu Norman and other prominent financiers. It was soon after this that Mr. W.B. Reddaway, one of the intelligence officers of the Bank of England, was sent out from England. He gave evidence before the Arbitration Court in 1937 and was, of course, applauded by all the apologists of the present financial system.

In addition to describing him as brilliant, the Melbourne *Argus* reminded us that Mr. Reddaway was "only 24 years of age".

I heard Mr. Reddaway speak on several occasions and questioned him. One of his most interesting admissions in private conversation was **that he was a Socialist!** He had visited Russia and he expressed some admiration for the system in operation there. He is the author of a book on Russia's financial system. Having completed his work here, he returned to England late in 1937 to resume his work with the Bank of England.

CONCLUSION

I think that this short history of the Bank of England and its debt-and-taxation system, although not as comprehensive as it might be, deals with all the salient points in its history since 1694. The facts which I have related should be known by everyone interested in discovering the cause of the breakdown of our civilisation. The more I study history, the more convinced I become that it will all have to be drastically re-written and the influence of money in social development clearly revealed.

Even H. G. Wells has written:

> **When I wrote the *Outline of History* I slowly gained the conviction which crystallised itself later on into a positive idea, that the great Roman Empire was ruined not only from outside by the storming barbarians; but also by the internal financial difficulties, by the indebtedness of all social classes, and by the heavy burden of taxation, until, under these financial burdens, the whole scaffolding of imperialism broke down. It is dreadful to watch how gradually the same symptoms of decadence become visible in the great empires of the modern world.**

Do we desire the British Commonwealth of Nations to be destroyed by "the enemy within"? If not, we must use every endeavour to have our financial system altered and arrest the slide towards the abyss of destruction into which other civilisations have plunged in the past. That we can still save the situation, I have no doubt.

THE END

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THE ENEMY WITHIN THE EMPIRE

READ

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