

THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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NOTES OF THE WEEK.

Sharp Practices Under Social Credit.

We have received an inquiry from a reader asking our views on a question which one of his friends has asked about the discounting of prices under the Social-Credit Price Regulation System. The question is: "What is to stop manufacturers buying in the retail market or else establishing retail shops themselves?" The questioner supposes the case of a sugar manufacturer whose price to the retailer is 2s. per unit, and the retailer's price to the public is 1s. per unit—the marginal loss of 1s. being, of course, made good to the retailer by the Credit Authority.

There is a wide choice of methods of dealing with such a question. Our first impulse would be to put the counter-question to the inquirer: "What is to induce the manufacturer to mix himself up in the retail trade?" This would bring out the fact that the questioner is assuming trade to take place in the same psychological atmosphere under Social-Credit as it is now taking place under the fierce competitive conditions imposed by the bankers' rules. It is too often assumed that the impulse towards grabbing and cheating which is so familiar now is ingrained in the nature of persons who employ methods of that sort. It is, on the contrary, a sort of veneer which will be, as it were, dissolved by the educative publicity that must necessarily have accompanied the change from the old to the new financial policy.

We suggest that the sugar manufacturer who knows he can get his price for delivering, let us say, one ton of sugar to a retailer is not going to incur the trouble of splitting this ton up into 1 lb. parcels to sell to 2,240 different purchasers merely on account of the inducement afforded by paper calculations of enhanced profit (supposing such enhanced profit would accrue). Even at the present time, when a manufacturer's obligations to his banker compel him to scratch for the utmost farthing of extra revenue, irrespective of all the time and energy it absorbs, he has not in a broad sense shown a disposition to push

the doctrine of squeezing out the middle-man to anything like its extreme limit.

But all this apart, there still remains the fact that if the manufacturer does want to capture the retail trade his doing so would not frustrate the object of the Social-Credit policy in a technical sense. So long as all the sugar required by the consumer reaches the consumer it does not matter by what method this is achieved. That applies to one part of the above question.

With regard to the other part, if a manufacturer buys sugar at the just price from the retailer in order to resell it to the retailer at the normal wholesale price, the fact of his doing so will reveal itself in the dimensions of the accounts (both as to quantity and price) which the retailer will render to the Credit Authority in order to recover his discount. Another check is that even imagining such a transaction could escape the scrutiny of the Credit Authority, there are plenty of employees engaged both in the manufacturing and the retailing trades who would get to find out what was going on. For these reasons it is practically certain that such sharp practice could not be carried on to any considerable degree without its becoming generally known sooner or later. Now, under the present system there are any number of cases of sharp practice which are well known inside the trades concerned but which do not become generally known because the holders of the secret dare not risk their jobs by informing against the swindlers. It will be seen, then, that the problem is really one of administration. If the Social-Credit Government took the view that such practices were likely to take place it would probably instruct the Home Office and Board of Trade to prepare legislation designed to check them. Probably the legislation would impose penalties, and might, if thought necessary, specially guarantee immunity to anyone who gave information leading to the detection and punishment of the swindlers.

Discussion of such details is, however, only an interesting pastime. If anybody raises points of this character the way to deal with him is to direct his attention to the nature of the surrounding circumstances implied by the nature of his objections. Directly he says: "But, under Social-Credit Price-

Regulation how will you deal with these difficulties?" he has fixed the frame of reference in which they must be considered, and if the difficulties are analysed within this frame of reference it will usually be seen that they would not arise, and that therefore the question of dealing with them is out of order. To illustrate the principle we can make use of the analogy of card-playing. When a certain suit is made "trumps," that suit becomes the frame of reference in which the game has to be played; and in the course of such a game the highest card of any other suit is likely to be "ruled out of order" by the lowest of the "trumps" suit. The function of a judge in Court is essentially that of reminding witnesses, counsel, and jury what's trumps. Similarly it should be the function of the advocate of Social Credit, notwithstanding that he is in one aspect a party to argument on the subject, to hold his opponent (and of course himself too) to the "rules of evidence." In the case under discussion the assumption of the person referred to was that the scarcity-complex now made manifest in an environment of scarcity is going to persist in its familiar forms and in unabated degree in an environment of plenty. The assumption was unwarranted, and should have been challenged.

Planes of Propaganda.

It is surprising what a number of well-intentioned people there are who appear to be unable to allow that changes in material conditions can modify human conduct, or at least can modify it to any perceptible degree. We heard some well-known man, professedly sympathetic to the Social-Credit picture of the new economic order, reprove another for suggesting that those who liked the picture ought to concentrate first on rectifying the defects in the economic system. His reply was in the form of the spacious (and therefore specious) aphorism: "But man is much more than an economic animal"—or words to that effect. This drew loud applause from a company of people who were practically all supporters of "Social Credit." Some of them spoke afterwards, and their general attitude of mind was revealed in such sentiments as the following: "We must deal with man in every aspect of his relationship with his fellow-man."—"We must commence to educate man for the Age of Leisure"—"We must keep our own minds open, and be ever ready to receive New Truths on whatever plane of experience they emerge and irrespective of whence they proceed." After the formal proceedings were finished we remarked in a private conversation with a gentleman: "You people are trying to do a lot of things at the same time, are you not?" His reply, given in tones of the most cheerful, hand-rubbing complacency, was: "Yes; we have a *good many years of hard work* before us." We had to smile down inside, because a moment or two before this same gentleman had been vociferously applauding some sentiment in a speech about the Leisure State. All we said to him was something to the effect that our virtue of patience was not quite so strongly developed as his. We ought to record also, that the speaker first referred to, whose views were listened to with almost awestricken respect, told his audience: "No propaganda of yours can change the system: it will change because it can no longer be made to work." Fundamentally this is true; and no doubt the speaker could find passages in THE NEW AGE in which we have said much the same thing. But the moral of his statement turns on the meaning and implications of the word "change." In pure logic the only legitimate conclusion from his premise that the system cannot be made to work is that it will stop working. If he uses the word "change" to mean "collapse," most followers of

Major Douglas will agree; for it certainly looks as if the momentum of disintegration within the financial system has got beyond the power of propaganda to arrest. But our object, and our hope, in propaganda is not limited to that of arresting the process of collapse—although we would all wish to avert a final collapse. In fact, the value of our educative activities will be at its peak point on the day of collapse. While the ship of State has been keeping afloat we have been warning the navigators that the course was wrong, and have, as it were, been offering lifebelts to any on board who would accept them. Apparently nobody has wanted one. Very well. When the ship strikes the sunken reef we sling the lifebelts overboard. Then those who wouldn't put them on will have to swim to them if they want to. To change the figure: the Douglas analysis and conclusions are a signpost. Now a signpost cannot make people follow the direction in which it points while they choose to disregard it. But the more imminent the prospect of their losing their way, and of their full realisation that they are lost—which is what is involved in a "collapse"—the more imperative it is that the stewards of the signpost keep its inscription plain and the arm bearing it rigidly pointing in the direction of safety. For the signpost tells them in advance *what* to do, and *where* to do it, when the emergency overtakes them. The thing to do is to institute the *right system of costing*; and the place in which to do it is *inside this country*.

"The eyes of a fool are in the ends of the earth," wrote the Psalmist; and, as applied to the doctrine of internationalism accepted to-day, we might add that it is the tricks of knaves which keep the eyes of fools on the uttermost horizons of never-never-lands. Whatever the speaker referred to had in mind when suggesting the futility of "propaganda," his suggestion is compatible with the policy of international finance. For he was virtually inviting his hearers to assume that the inevitable "change" would automatically be a change from the system they condemned to the system they approved. Apparently he thinks that there is some talismanic property in a "collapse" which gets you where you want—a sort of directly you depart from where you are—a "better" shell which blows you into a "better" fashion. In time things do not happen in that easy fashion. In the of collapse the qualities of human leadership will be at their highest premium, and the essential foundation of such leadership must be a clear-cut technical knowledge of the path through the crisis, together with a political sagacity which will command confidence in it and acceptance of its guidance. Now everyone who grasps the Douglas analysis and understands the nature of the forces aligned against him, is, each in his own degree, a potential leader. And at this time, it is more important for him to perfect his own knowledge of the subject and to survey the range of opportunities within which he can exercise his powers of personal initiative and improvisation in rapidly changing circumstances, than it is for him to "make new converts" in the conventional propagandist sense. The emergency might throw up a leader in an unexpectedly high quarter—one to whom in the past the country has been accustomed to listen in other matters of policy. But it is more likely that, for a time at least, the responsibility of giving guidance and mobilising confidence and cooperation will devolve on individuals and groups who, by force of initial circumstances, may be isolated from each other, and left to their own resourcefulness in matters of strategy. In the meantime Social Credit propaganda will go on, because, as we have said before, everyone who knows the truth must impart it. But it should be directed by preference to "prospects" (as the publicity expert calls them), who possess qualities of leadership as above described. If to others, then to those who show themselves willing actively to follow a lead for the

Social-Credit objective without necessarily grasping its technique.

In these tasks we have to deal with forces as they are and with human nature as it is. Man is more than an economic animal in his nature, but as he has not been allowed to be anything more for the last generation or two, it is hopeless to get quick results by trying to meet him on the higher planes of his consciousness. If, as is commonly agreed, a collapse is imminent, quick results are the only ones to be sought. Hence we conclude that propaganda must be concentrated on the economic problem, and the more intensely so as the signs of collapse multiply. We remember (we once told this before) that when we were very young we used to over-hear our two uncles quarrelling about the Second Advent. One was a pre-Millennial Adventist and the other a post-Millennial. The issue was whether the Second Coming of Christ would usher in the Millennium, or take place at the end of it. If at the end—the post-Millennial doctrine—it meant that the Church would have to convert the world to Christianity before Christ came to reign on earth. If at the beginning, then the Manifestation might take place at any moment. As we happened to want this Great Event to happen in our lifetime, and the earlier the better, we did not like the post-Millennial doctrine at all. Even in those days we were observant enough to notice that the rate of conversions did not keep pace with the flow of sinners, and we drew the forlorn conclusion that if this doctrine were true we should have to die, and remain dead for a horribly long time before the Resurrection. So we embraced the other doctrine; and on one occasion we were mightily uplifted to hear our pre-Millennial uncle, in one of the bouts of argument, thump the table and denounce the post-Millennial doctrine as a "damnable heresy," although we were glad that he refrained from calling his opponent a damnable heretic. Well, well; that is many years ago now; and Death has long since suspended their argument. We sometimes like to fancy those dear old boys falling into their long sleep each in the firm faith that on Resurrection Morn he will be able to clap the other on the shoulder and say: "I told you so." What is wrong with us, we suppose, is that when we want anything we want it in a hurry. And when we hear such doctrines as that man's heart must be changed, or his psychology attuned to conditions of Leisure, before we may hope to see the economic system adjoined to Social Credit principles, we are inclined to call it a damnable heresy on our own account. It is our faith—a faith founded on reason—that the world will one day be able to testify: "The word of Douglas commendeth itself to us in that, while we were yet sinners, it worked."

The B.B.C. Reorganisation.

Changes in the Governorships of the B.B.C. interest the persons changed more than they do us. The name of Mr. Ronald Collet Norman as Vice-Chairman in place of Lord Gainford naturally attracts attention by reason of his relationship to Mr. Montagu Norman. But its only significance, so far as we can see, is that the appointment serves as a gesture of indifference to the opinions of those who are trying to expose the influence of bankers and their associates over political policy. It is almost as if Mr. Montagu Norman had said to himself: "They're complaining of 'too much Norman'; I'll give 'em some more of him to show 'em what's what." We notice in *Who's Who*, incidentally, that Mr. Ronald Collet Norman married Lady Florence Sibell Bridgeman (in 1904), which fact counts a little extra interest to the appointment of Viscount Bridgeman to a Governorship. Mrs. Mary Agnes Hamilton, who replaces Lady Snowden, is apparently some sort of protégée of the Treasury;

she is nominally Labour in politics, has functioned in various capacities in the League of Nations at Geneva, and was one of the members of the Commission on the Civil Service, which is, for all practical purposes, the Secretariat of the Treasury and the Bank of England. Lord Gainford, who vacates the Vice-Chairmanship, has had several official posts connected with the financial side of government, one of which was Patronage Secretary to the Treasury. The title of this post is intriguing, and it would be useful to know something of the duties and prerogatives appertaining to it. Perhaps it is the gentleman who holds this office who recommends candidates for elevation to the Peerage in return for services rendered to the bankers. The removal of Lady Snowden, in one aspect, looks like a snub to the Astor family who, by all accounts, seem to have been her closest associates; but whether it was intended as such one cannot say. Otherwise her retirement may mean nothing more than that the Treasury, having got what they wanted out of Philip, and having accordingly got rid of him, and given him a reward which Ethel shares (and probably values more highly than he does) thought they'd give somebody else a turn. For the rest, it does not matter much who come on and off the Board—the policy remains unchanged in all essentials.

The Sniping Season

The competition to find the flaw in the Douglas Theorem seems to be entering upon a burst of popularity. Last week we recorded the efforts of Mr. Arthur Woodburn in *Plebs* and Mr. Graham Peace in *The Commonwealth*. The latter, as we pointed out, harked back six years for the occasion of his remarks; but we omitted to say that Mr. Woodburn also appears to have suddenly thought of the subject. The latest sniper to take up position is Mr. Augustus Baker, who writes to the *New English Weekly* of December 22. In this case an immediate occasion has been provided for his doing so by the publication in that journal of Major Douglas's series of articles under the title of *The New and The Old Economics*, written in reply to Professors Copland's and Robbins' criticisms. (These articles are now available in pamphlet form under the same title.) Mr. Baker writes because, as he says, judging from Major Douglas's reply, it appears to him that Professor Copland's criticism follows the same lines as those which he, Mr. Baker, put forward last year in his book, *Money and Prices*. Apparently he has not kept in regular touch with criticisms of the A + B Theorem (which is always the cockpit of controversy), or he would have noticed that they all follow the same lines. Essentially every critic argues that since any price can be analysed into past payments to individuals, present effective demand must be equal to the present price.

We would like to interpose a general observation here on the subject of the controversy itself. Let us assume, if we like, that the A + B Theorem is nothing more than a hypothesis. But it is at least an attempt to account for a situation of whose nature everybody is aware. That situation may be described as a *universal deadlock in distribution*. We point this out as a reminder, not only to controversialists, but, with more emphasis, to listeners-in who are not familiar with the technical factors in the argument, that the issue in the controversy is how to account for something that is undoubtedly a fact. For unless the object of discussing the issue is to enlighten the non-technical observer so that he can form a definite judgment, there is no object in informing the subject on his notice by arguing the point. Now two things will be readily comprehensible to any thoughtful observer: (a) that Major Douglas's hypothesis does fit the facts; and (b) that if it has to be rejected another hypothesis must be

found which does fit them. For reasons given in an earlier section of these "Notes," if the advocacy of the Douglas Proposals is to win public confidence, this must be done by other methods than, and additional to, debates between medicine-men on the technical merits of his hypothesis. Conversely, if opponents of the Proposals wish to win that confidence by positive straightforward methods they, too, will similarly widen the scope of their appeal. By "positive" methods we are intending to remind them that there is a negative, and a crooked, alternative, which consists, not in creating confidence in their own case, but in destroying confidence in the opposite case. To destroy public confidence nothing is more effective than to create public confusion. And to create public confusion about Major Douglas's policy, nothing is more effective than to direct attention exclusively to the immediate technicalities of the A + B Theorem. Expert controversialists, whether they affirm or deny its validity, know perfectly well that the great mass of lay opinion could never decide which side had won. The public can only take cognisance of antecedent probabilities and collateral evidences such as they can weigh and verify by reference to their general knowledge and experience. To exclude these has the virtual effect, not only of confusing them, but of creating an impression in their minds that the subject itself is not their business. The irony is that we, on our side, have to meet criticism in public on this narrow and futile issue, thus ourselves contributing to the confusion, for the reason that if we did not, our declining to do so would be used against us as collateral evidence of the unsoundness of our case. We have in the past, and shall in future, expound and elucidate the A + B Theorem to the best of our ability, but always within the larger frame of reference which we describe in THE NEW AGE, and which we know will enable the thoughtful sections of the public to find ways of reaching definite conclusions without necessarily grasping the technicalities of the Theorem. We hope the distinction is clear. It is the distinction between what we do as educational campaigners to recruit students from the mass of the public, and what we do as political controversialists to sway opinion in the mass. A plebiscite on "A + B"—wouldn't the bankers like it! We must hasten to add that these remarks are not intended to impugn the good faith of any critics who snipe at the Theorem. As students of economic theory it is natural that the novelty and provocation residing in it should engross their attention. What is more, they do come out in the open and say who they are as well as what they think. And it is partly because we believe in their good intentions that we consider it worth while pointing out, as we do, that if and when Social-Credit policy becomes a subject of popular controversy, their pursuance of their present methods is likely to weight the dice against us.

Last week, among the books we enumerated as useful to our readers, we mentioned *First Lessons in Logic* (Waite and Row. Harrap. 2s. Postage 2d.). We recommend it for several reasons which we shall probably develop in due course. For the moment we quote from it the following passage from the section headed: "More Fallacies; Non Sequitur; Begging The Question."

"Bad arguments are often used in support of a good cause; and we should be careful to remember that discrediting a weak argument does not discredit the cause.

"A conclusion can only be shown to be false when we have proved that its contradictory is true." (Authors' italics.)

In logic, as the authors explain, the term "contradictory" and a cognate term, "contrary," are used

in the following distinct senses. A "contradictory" term is a denial or negation of some other term. A "contrary" term is one which affirms the opposite of some other term. For example, if someone should affirm of a banker: "He is a hundred-per-cent. twister," the contradictory term would appear in the reply: "He is not a hundred-per-cent. twister." That is to say, he may be a *some*-per-cent. twister, i.e., he may twist at a rate less than 100 per cent. down to bank rate or lower. The contrary term would appear in the reply: "He is a nought-per-cent. twister"—or: "He is hundred-per-cent. honest." Similarly the contradictory of "black" is "not-black," i.e., any colour other than black: while the contrary of "black" is "white." There are occasions in controversy when the contradictory and contrary senses are practically one. Thus, if someone should say: "Not all these goods can be sold," the denial of the proposition is virtually an affirmation that all the goods can be sold. (Whether there can be an extreme opposite to "not-all," or "less than all," we are unable to say, but for our present purpose this does not matter.)

The quoted passage bears on the "A + B" controversy. It means that a faulty attempt to prove the Theorem does not of itself invalidate the Theorem. (If that were so, all Social-Credit pamphlets would have had to undergo rigid scrutiny before issue.) Of course the successful rebuttal of an offered proof raises a presumption against the truth of a proposition, especially when the propounder is supposed to know his case thoroughly; but a presumption against a proposition is not a disproof of it. To disprove it one has to prove its contradictory. To do that imposes on the critic of the "A + B" Theorem the task of showing, not only that every argument hitherto used in its support is unsound, but that *no further argument that might be used can be sound.* That is the test demanded by strict logical principle.

Now in matters of controversy on subjects of minor importance it is convenient—life being short and time valuable—to accept or reject a proposition on the above "presumption" basis. If Jones, for instance, brings forward a proposition about something on which he is acclaimed as an authority by his supporters, and says: "I affirm that this is true, and my reasons are A, B, C, D, and E," and then someone shows flaws in all five reasons, or in the majority of them, or in the most important of them, the presumption that Jones is wrong may reasonably be taken as equivalent to proof thereof. And if any of Jones's supporters objected on logical grounds, the commonsense reply would be: "Well, if, as you point out, there may be some further reasons, F, G, H, etc., which would establish Jones's case, let Jones go and find them: it is his job: and anyhow there's plenty of time to decide."

But who shall say anything of this mean order about a Theorem on which hang issues of an epochal magnitude, and in which the destinies of all peoples are intimately involved? It demands the application of the strictest logical criterion of truth or untruth that the human mind can bring to bear on it. It is not Douglas's job; it is not the job of his supporters; it is the job of every man and woman who possesses the rudiments of social sense and responsibility to try to get this matter investigated in a manner befitting its character. Even on the supposition that every line of reasoning by Douglas and his followers were successfully rebutted, it would still be necessary to formulate and prove a contrary proposition of equivalent scope, and of equal relevance to the known facts of the situation.

And it is just here that we come upon a consideration which the public are easily able to consider. It is this: that neither the bankers nor any authority on their behalf have attempted to publish a formulation of the basic principles of the system

at present in operation. There are three possible alternative reasons. They do not know how to. They dare not. They do not think it worth while. The third reason will pass as plausible as regards Great Britain, where the subject is not a lively political topic. But it is discredited by their silence in Australia where Social Credit is the main political topic. The first and second reasons overlap. They would be better combined in the suggestion that the bankers do not quite know how to make a Statement comparable in breadth of view and logical form with Douglas's (we refer to the Statement to the Macmillan Committee) and that insofar as they do know they *daren't*. The explanation is short and sharp. If they produced such a Statement it would have to define the "Norman" objective (so to designate it) for the one part, and explain the "Norman" technique for the other. If they did this in terms comparable in frankness and clarity to those employed in the presentation of the Douglas objective and technique, they would at last become intelligible, and by becoming so, would, in Lord Hewart's phrase, be "found out."

We cannot expect the public to accept our explanation at its face value, but we do expect them to be able to realise that the advocates of the Douglas Affirmation are not getting a fair show while the Norman Counter-Affirmation is withheld from public scrutiny. It is only when the two are visibly brought into juxtaposition that the merits of the issue can be discussed on equal terms. And if or when the argument is conducted on equal terms the public will have no difficulty in deciding which side to support.

The Norman Counter-Affirmation above envisaged would have to declare the "contradictory" to Douglas's statement of the right objective of an economic system. The right objective is to secure that communities shall be collectively able to buy all they need as fast as they can make it. But Norman would have to affirm the "contradictory": he would have to say that communities ought not to enjoy that benefit: and he would have to disclose the fact that it was the intention of himself and others who run the system from Threadneedle Street not merely to impose the "contradictory" policy of not letting them buy all, but, the "contrary" policy of allowing them to buy as near to nowt as naught. Once he made that clear the public would show no concern at all in his explanation of how the bankers worked the monetary system. They would say: "If that's what you want to do, damn your explanation how you do it. To hell with your technique—and you with it." They would also realise how natural it was that the Douglas technique should be so different from anything heard of before. As things are, they assume (when they think of such things) that the bankers' methods are designed to promote a maximum distribution of wealth. The consequence is that they are in a condition to receive the impression that an interference with those methods will endanger that object—exactly the delusion that the bankers want to plant on them. That is why they are restricting public discussion in Australia to questions of methods instead of to objects, and even then focussing discussions of method upon those, just those, technical intricacies which ordinary people have the fewest qualifications and least desire to grasp.

The "A Plus B" Conundrum.

After the above heavy going let us turn to the lighter side of the A plus B Theorem. Everybody accepts the proposition as formulated by Major Douglas, viz.: that in all factories at "any given time" the total disbursements of money are greater than those disbursements made to individuals for their private use. On the basis of this common

acceptance we can assume the "any given time" to recur at any periodicity we like without altering the principle. We can also, again without altering the principle, make the periods synchronise throughout all the factories. Let us, therefore, assume that all payments of all descriptions are made every Friday, and that, for simplicity, all charges are spread evenly over the weekly intervals. As an example, we can imagine ten factories each paying out a total sum of £10 apportioned in the sum of £6 on "A" account (for private spending by wage earners and so on), and £4 on "B" account (for paying interfactory charges of all descriptions).

Now, we must see how this bears upon the question of how the purchasing power of consumers which, by common consent, is short of the total costs at "any given time" can be made up at some later given time.

The element of time can be more vividly expressed if discussed in terms of distance. Thus, take any one of the above factories on a given Friday and picture to yourself a Mr. A. marching out of the factory with £6 in his pocket to spend in the consumption market, which is a mile away. Consider a Mr. B. marching out with the other £4, but taking a circuitous route to reach the same market so that he does not arrive until a week after the other man. Now there is no bother at all about what Mr. A. does. The whole controversy centres round what happens to Mr. B. The critic of the A plus B Theorem says that Mr. B. does arrive eventually, whereas the Douglas advocate says that he does not.

In some cases the controversy has taken the form, as it were, of foxing Mr. B. along the road to see where he calls in and when he comes out, and all such things as that. Unfortunately, before either of the two mutually antagonistic detective parties have proceeded far, a fog seems to descend which gradually fades him out. Whereafter, though by some chance or other the sleuths may catch another sight of him, they are left in a state of confusion as to what the fellow may have done during the period of his invisibility.

It appears, then, that they would do better to cut out this foxing of the fugitive and to chase off by the shortest route to the consumption market to wait for his arrival.

Abandoning this illustration, and generalising on the question, we have to examine the theory that last Friday's total disbursements of £40 on "B" account come on to the consumption market in addition to *this* Friday's disbursements on "A" account.

If the consumption market is to sell *last* Friday's unbought surplus, which would represent £40, and is also to sell *this* Friday's stock, which would represent £60, it must receive £100. This means that the factories have to pay out on *this* Friday £100 on "A" account. For no money can enter the market on any Friday except that which is *disbursed on "A" account on that Friday*. On the figures (which are arbitrary) the factories would have two options: (a) to disburse nothing at all on "B" account, or (b) to borrow bank-credit to finance "B" disbursements. Excluding the first option, which would mean stopping production, the question arises of how much they would borrow. On the basis of the old ratio of "A" disbursements to total disbursements, i.e., 60:100, they would have to produce to the amount of say £166 in order to be able to afford to disburse £100 on "A" account.

Reflection on these lines (the exact figures do not matter) will show that when once it is conceded that at any given time total disbursements exceed disbursements of consumer-incomes; how can it be argued that at some given time they do not—much less that the proportions are reversed, which would

have to happen for short-consumption at one time to be compensated at a later time. Accepting for the sake of argument the proposition that the "B" disbursements of week "1" gradually become "A" disbursements spread over weeks 2, 3, 4, 5 and so on, the fact still remains that in each of those weeks the total current "A" disbursements, swollen, as the proposition claims, by the inclusion of the converted "B" disbursements, still remains less than the current total disbursements, and less by the amount of current disbursements on "B" account.

What Are Official Secrets?

During the wrangle in the House of Commons over the American Debt Agreement on December 14 Mr. Lloyd George pressed for the Minutes of the relevant Cabinet discussions to be published. On the next day it was announced that the Prime Minister, whose prerogative is to advise on such matters, was not prepared to advise His Majesty to sanction publication. *The Times*, on December 16, in a leading article, preached the lesson that the custom of taking written records of proceedings at Cabinet meetings should be discontinued. It appears to be one of comparatively recent adoption, having to be resorted to, so it was said, during the War when, in the nature of the case, the Ministers who, in peace time, give advice to industrialists and technologists, then had to take advice from them and consult with them. It was the influence of these practical organisers and scientific thinkers which obviously brought about these methods of exactitude for checking up the memories of ministerial talkers. It is probable, too, that the Ministers themselves welcomed the change from their own points of view, because in cases where the Cabinet might be divided on a given policy the dissenting minority would naturally want their dissent to be carefully registered, and even carefully documented with reasons. The doctrine of Cabinet Responsibility is all very well in peace-time when, if anything goes wrong, the worst that can happen to a Ministry is a defeat at the polls and a short holiday on the Front Opposition Bench: but in war-time, when a mistake might bring catastrophe with all sorts of terrifying penalties to its authors, the doctrine wasn't good enough. What!—should the Right Hon. Bloggs and friends, the noble "Noes," be hanged beside the Right Hon. Sloggs and friends, the ignoble "Ayes," merely to preserve the tradition of United Responsibility? Unity; yes—until there's a penalty!

The American Debt-Settlement, although effected after the war, is coming to be regarded on all sides as an act of policy equal in the gravity of its import to any act of policy during the war; and, for all that anyone can see, it is quite possible that its consequences—or what are universally regarded as its consequences—may provoke a widespread demand for exemplary penalties on the authors of that policy. Whether this will happen or not, things are taking place which suggest that its possibility is being taken into political calculations and is affecting political strategy. On the day after *The Times's* article, Sir Robert Horne writes in that paper to correct Mr. Lloyd George's memory. Two days later, on Monday, December 19, Mr. Lloyd George writes to correct Sir Robert Horne's memory, and repeats his view that the Minutes should be published, in defiance of *The Times's* veiled reproof on the 16th. He challenges Sir Robert to explain why, he, after welcoming the idea of publication in the House, afterwards changed front and opposed publication. On December 20 Sir Robert replies with a letter in which he explains:

"I am convinced that there is nothing in them [the Minutes] which could do me any injury. I

am, however, *not the only interest concerned*, and I confess that when I reflected upon the character of these Minutes, with all the *private statements and communications* made in them, I came to the conclusion that it was inconceivable that they could be published without *detriment to the public interest*. I believe that the system of *Cabinet Government*, as we know it, would become *quite impossible* if the private discussions of Ministers and the votes which they gave were to be exposed to the public." (Our italics.)

Readers of THE NEW AGE will have no difficulty in transcribing this shorthand. They are aware of the Master Secret which the Official Secrets Act has been designed to guard. The disclosure of "official secrets" would show the public that Cabinet Government, as they think they know it—and as Sir Robert Horne and Mr. Lloyd George really do know it—does not exist. What is non-existent cannot become impossible; but Sir Robert speaks truly in the sense that even the present semblance of Cabinet Government would be brushed away by Finance should members of the Cabinet show a disposition to open their mouths and reveal, as they would, the fact that all Cabinets have long since renounced control of policy. It would amount to "interference with" financial policy—a provocation to the bankers which, as the *Financial Times* once reminded Mr. Lloyd George, they would answer by refusing supplies of credit and thus "destroying the fabric of Government finance." As a last resort the Bank of England Directorate (or its nominees) would formally assume the function of the Cabinet after the model on which Boards of Guardians and Public Assistance Committees have been superseded by non-representative dictators appointed by the banking interests and removable only by their will.

Naturally the banking interests do not want to be driven to that extreme. They are therefore taking measures to nip blabbing in the bud. The newspapers of December 22 report a debate in the House of Lords on the previous night, during which Lord Hailsham and Lord Sankey rebuked "certain ex-Ministers" for publicly alluding to Cabinet secrets, and warned them that they can be sent to prison if they break the oath of silence. The debate was initiated by Lord Rankeillour, who moved: "To call attention to disclosures of Cabinet proceedings." (We cannot trace this man in *Who's Who*, 1932, and must rely on some reader to look up his record for us.) Mr. Lloyd George seems un-abashed—one newspaper interviewer reporting him to have remarked that if he went to jail so would Sir Robert Horne. Lord Rankeillour, in opening the debate, made reference to the public recriminations and disclosures of Ministers in September of last year, when the Labour Government was put out of office; also to the challenge of a former Law Officer of the Crown last April to the Home Secretary as to what part he had taken in the Cabinet. It is a nice game, is it not? Take that Labour ex-Minister who told the story of the Cabinet's having had to sit twiddling their thumbs while Dr. Sprague got instructions from New York as to what they could or could not do about the "dole," and imagine his being sent to prison for telling it, as presumably he could on a strict interpretation of the law.

Notice.

All communications requiring the Editor's attention should be addressed directly to him as follows:

Mr. Arthur Brenton,
20, Rectory Road,
Barnes, S.W.13.

Renewals of subscriptions and orders for literature should be sent, as usual, to 70, High Holborn.

Pasteur and Béchamp.*

It is a thousand pities that this book has been written in this form. To say that it is important is nothing. If half its statements can be substantiated it is simply devastating. The basis of modern medicine is the work of Pasteur, and the purpose of this book is to show that insofar as Pasteur's work was sound it was plagiarised from his little-known contemporary, Antoine Béchamp, while Pasteur's own work, the result of busy thinking, clumsy experiments, and the desire for self-advertisement rather than scientific accuracy, has burdened the medical world with a host of misconceptions varying from the merely absurd to the thoroughly mischievous.

For instance, according to Béchamp, so far from diseases being caused by bacteria, the very opposite is true. A diseased condition will cause the protoplasmic units which Béchamp called the microzymas, to form themselves into bacteria in the tissues of the patient.

The present reviewer has had a medical training, and has been aware for some time of questions which the bacteriologists do not like to be asked. He would, therefore, have welcomed a clear, dispassionate statement of Béchamp's views, which certainly seem to him to offer a more comprehensive and workable basis, but he strongly objects to being dragged through pages of acrimonious personalities against Pasteur. Pasteur, it seems, as a schoolboy, did not pass examinations so brilliantly as did Béchamp, and, further, in later years he had the bad taste to develop a paralysis, whereas Béchamp remained healthy to the end. Mrs. Hume seems almost as annoyed with him for these things as for graver matters.

Why spoil a book which might be of incalculable value by such special pleading as this?

For anti-Pasteurian bias is in itself damaging to her presentment of the case for Béchamp. Here is an example: Quoting Koch's rules for the recognition of specific organisms, viz., that they must be: (1) Found in every case of the disease; (2) Never found apart from the disease; (3) Capable of culture outside the body; (4) Capable of producing by injection the same disease as that undergone by the body from which they were taken.

She ignores the several perfectly legitimate criticisms of these rules, and tries to score a point by twisting their meaning: "If," she comments, "to provoke disease organisms require to be taken from bodies . . . what evidence is adduced of the responsibility from the atmosphere." (Author's italics.) But where in these rules is there a hint that they "require to be taken from bodies"? What is stated is that they must be capable of being so taken, and that when injected into another body they must be capable of giving rise to a similar clinical picture.

On the other hand, evidence from the opposite side is accepted uncritically. Writing of the possibility of "specific" diseases passing one into another, Mrs. Hume calls Florence Nightingale to her aid. "I have seen," says the Lady with the Lamp, "either smallpox growing up in first specimens, where it could not by any possibility have been caught, but must have begun." Unfortunately Miss Nightingale does not confide to us the evidence which so convinced her that there was no possibility of infection, but she goes on immediately: "Nay, more . . . I have seen with a little overcrowding continued fever grow up, and with a

* *Béchamp or Pasteur?* By E. Douglas Hume. (The C. W. Daniel Co. 6s.)

little more typhoid fever, and with a little more typhus, and all in the same ward or hut."

But, *ex hypothesi*, there was a continual influx of patients into this "same ward or hut," and how can Miss Nightingale have been so sure that none of them brought in their specific fevers in a state of incubation? Both enteric and typhus, for instance, have an average incubation period of about a fortnight.

And, by the by, I have found no explanation from the microzymian point of view as to how a disease in any circumstances can become infectious (as apart from contagious). I may have overlooked it, though I kept a sharp look out for it.

There is another example of Mrs. Hume's favouritism. One of her converts to Béchamp was Dr. Henry Lindlahr, M.D., and this is how he expresses himself on the mysteries of procreation:—

"Science, however, has failed to explain this seeming miracle—how it is possible that all the permanent cells of the large adult body can be present from the beginning in the minute procreative cell. . . . Béchamp's theory of microzymas brings the rational and scientific explanation. If these microzymas are as minute in comparison to the cell, as the electrons in comparison to the atoms . . . then the mystery of the geneses of the complex human body from the procreative cell . . . is amenable to explanation."

You do not, perhaps, see how the difficulty of conceiving the immense potentialities of the minute reproductive cell is made less by transferring them to the even minuter microzyma? Nor, I confess, do I. I fear that if the Pasteurians had ventured on such metaphysics they would have provoked fine scorn from Mrs. Hume.

What, then, is to be said for this book? This! Whenever the author allows her authority to speak, whenever she quotes from Béchamp (which, *Laus Dei*, is often) one reads with attention, respect, and the keenest interest. The suppression of such a man is infamous, and of his work even worse. Undoubtedly he had the knack of hitting the nail on the head, while Pasteur as often as not missed it clean. Yet it is significant that none of the medical men or pathologists with whom I have had the opportunity of discussing him have even heard of his name. His work should be blazoned over the world. Yet I fear he has been unlucky in his champion. Nevertheless, I am grateful to her, and if, as I think she would claim, that her sole desire is to send readers to the original works of Béchamp, she may rest assured that I, for one, shall consult them as soon as opportunity offers.

NEIL MONTGOMERY.

The Decrement of Dissociation.

The implications of the "increment of association" have been illustrated in lots of ways. But illustrations of the opposite process are less familiar. Here is a choice one:—

"The range-salesman, therefore, must recognise that his task is that of diverting money from the purchase of anything or everything else to the purchase of an electric range." Reese Mills, Manager, Range Division, Westinghouse Electric and Manufacturing Company, Mansfield, Ohio, writing in the *Electrical World* for April 9, 1932, page 664.

It is amusing to reflect that among the "anything else" which the "prospect" is to be browbeaten into renouncing for a range are (a) a house to hold it, (b) current to feed it, (c) food to cook in it, (d) it, (e) expert is holding forth at dinners he always boosts "creating demand." In his own advertising as "creation" becomes filching. And it is just the same with national advertising.

Social Credit and Employment.

A Diagrammatic Sequence.

By John Hargrave.

Key to the diagrams 1—10:—

U=Unemployment.

E=Employment.

RL=Released Labour.

By using diagrams it is possible to do without wordy exposition and, in dealing with certain subjects, make a clearer explanation.

In each of the ten diagrams given below the total areas shown represent 23 million people. The figure is arbitrary, and is supposed to represent the total adult labour power available within the community.

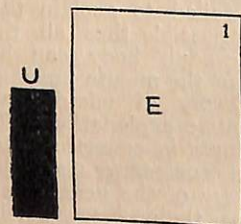


DIAGRAM 1.
Shows 20 million people in employment, and three million unemployed.

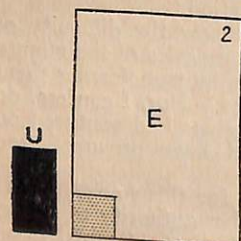


DIAGRAM 2.
Shows the first effect of Social Credit on employment. Increased effective consumer demand has stimulated industry and one million unemployed have been taken into the productive system.

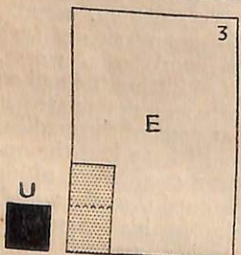


DIAGRAM 3.
Shows the rapid "absorption" of unemployed persons continuing. Two million extra workers are now in employment.

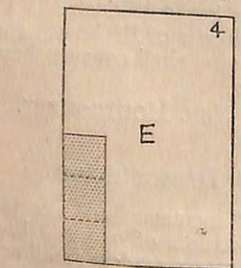


DIAGRAM 4.
Shows the complete "absorption" of the three million unemployed. There are now 23 million people in employment—the total available—and there are no unemployed. The application of Social Credit has "cured unemployment."

Meantime the best engineering brains are at work introducing more and more up-to-date automatic and semi-automatic labour-saving machinery and improved processes. The whole endeavour is to improve and speed-up production and to save human labour. Social Credit makes it possible for these engineers and inventors to proceed with this work without being held back (as now) by considerations of "financial cost." Whatever is physically possible, to achieve the object stated above, they are free to do.

The result of improved process of production can be seen in diagrams 5 to 10.

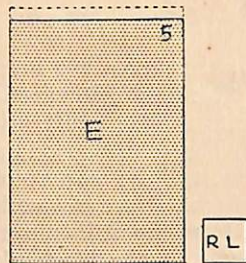


DIAGRAM 5.
Shows the first effect of the introduction of new and better machines and improved processes. One million persons have been released from industry. They draw an assured income: The National Dividend based on the productive capacity of the whole community.

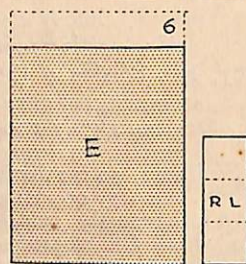


DIAGRAM 6.
Shows three million people released from industry, owing to increased production by means of labour-saving machinery and organisation. They are "out of work," but living in comfort on the National Dividend.

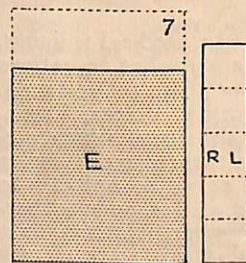


DIAGRAM 7.
Shows five million released from employment and able to enjoy their leisure, thanks to the National Dividend which (because of the continued increase in production and the consequent operation of the Price Adjustment) is increasing in purchasing power.

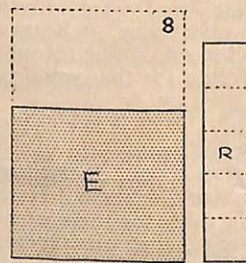


DIAGRAM 8.
Shows nine million people released from employment and 14 million in employment. (The National Dividend is, of course, issued also to those needed in industry, and is drawn by them over and above wages and salaries.)

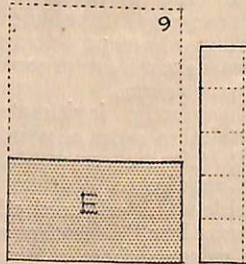


DIAGRAM 9.
Shows 14 million people released from employment and only nine million still needed to run the productive system. (In our present economic system 14 million "unemployed" would be a calamity. Under Social Credit it is the object to be aimed at as a blessing to all.)

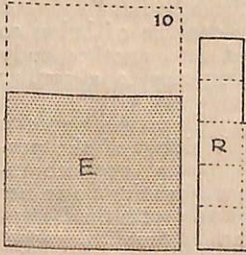


DIAGRAM 10.
Shows that production has slowed down for lack of human labour. This has been reflected by a rise in the price of goods and services and a drop in the National Dividend. This economic pressure has brought back six million workers from the ranks of Released Labour and with their help production can go forward again.

This diagram has been included in the series to show the automatic adjustment under Social Credit of the "flow in" and the "flow out" of human labour as needed. It indicates that the release of labour has been too rapid (see Diagram 9) and that production has dropped off in consequence. It means that the industrial engineers are not yet ready for so great a "flow out" of human labour.

Money and Markets.

[Reprinted with amendments from THE NEW AGE of August 15, 1929.]

In these days of quickened inventiveness manifested particularly in accounting machines lately introduced into the large banks, it is not difficult to conceive of such a mechanism as a costing and pricing machine. Such a machine would have to be constructed to apply the governing principles applied under the present financial system.

- (a) The price of an article is all it will fetch.
- (b) The price of an article must not be less than its cost.
- (c) Cost must cover dividends to private investors.

Let us imagine such a machine in a shop, and consider what it would do under the following conditions. The shop is to sell potatoes, which, let it be assumed, grow wild and can be got for nothing except for the expense of digging them. The potatoes thus represent natural resources in general; and the digging and storing of them in the shop represent industrial activities in general. Let us embody these activities in the person of John Smith, and make him represent the processes of production and consumption.

John, then, digs so many bags of potatoes every day. He brings them into the shop. He dumps them on a weighing-platform attached to the machine, which records the number of bags brought in. Automatically the machine feeds out to John a strip of tickets equal in number to the bags weighed, and registers that number as the cost of the day's digging. Suppose that John now wants to take the potatoes home for consumption. The machine will require him to push a ticket into a slot for every bag he lifts off the platform. So he pushes his tickets in, the machine cancels its costs, and John gets all the potatoes he has dug that day. Two principles have been fulfilled: the potatoes have "fetched" all the tickets John had, and they have not been sold at under cost.

Under such conditions John can go on indefinitely consuming all the potatoes he "produces," and it does not matter whether the quantity he digs varies from day to day or is fixed. His income will always equal the registered costs. But as our illustration has to embody fundamental facts of modern economics as nearly as possible, we must take into account the fact that production is never ready for consumption within the time-period covered by the production-wages, but always in subsequent time-elapses before the potatoes dug are ready for sale. In that case John's digging-tickets for, say, Tuesday, will buy potatoes dug on Monday, and so on. Now this would not appear to make any difference to John's consumption. If he digs the same quantity every day, the number of bags available for sale as the number placed on the weighing-platform at the back, and since John's tickets are "behind the latter"—call these the potatoes "former, the market"—they are equivalent to the former, the potatoes on the market; and he can go on buying potatoes at the same rate as he digs them.

But suppose that something happens to cause him to dig more, or fewer, potatoes on any given day or days. At first sight nothing different should result except that he would consume more or fewer on the respective following days. He ought still to consume all the potatoes. Take a week of such fluctuating quantities; the machine should total them up, and issue tickets representing the total. Thus John should be able to buy them all.

This line of reasoning underlies all the so-called "refutations" of the Social Credit Theorem. Critics always urge that the price of every article offered

for sale to the public is composed of items which represent money paid to the public at some time or other in the past. Therefore, they conclude, the public can, in the long run, buy everything that is produced with the incomes they receive for producing it.

The answer to this hinges on the implication of the formula: "in the long run." Let us see what these are in the case of John Smith. Here, the "long run" is represented by the period of one week. (But any period longer than one day will serve for the argument.) Can John wait, say, seven days before he buys potatoes? If so it does not matter how his daily diggings fluctuate, for the machine will total the quantity and the wage-tickets, so that the income put in John's pocket during the week will be equal to the cost of the potatoes on the market. Thus, suppose he digs the following number of bags in seven consecutive days, 5, 10, 15, 20, 15, 10, 5. His daily incomes will be the same series of figures. But since one day elapses before each batch is on the market the two series will be out of register. Thus:

	Mon.	Tu.	Wed.	Th.	Fri.	Sat.	Mon.	Tu.
Potatoes on the market	(?)	5	10	15	20	15	10	5
Tickets in the market	5	10	15	20	15	10	5	(?)

Add the two series up horizontally, and you get the same total. Of course in arriving at that result you are ignoring the first item in the top line and the last in the bottom; but since this week of days represents an indefinite continuity of economic work (i.e., "the long run") these two unknowns (at either end of eternity) can be assumed to be equal and to cancel each other out. So we can take the six days, Tuesday to Monday, as typifying the situation as conceived by critics of the Social Credit Theorem. During that period you get a total of 75 bags and 75 tickets.

If we call the tickets shillings, on each of the first three days John will have 5s. more than the cost of the potatoes on sale; and on each of the second three days, 5s. less. So if he can go a week before buying, he can save 15s. by Thursday, and use this to make up the subsequent deficit of 15s. which will have accrued by Monday. The fluctuations in production and income will average out. And if the two series are repeated week by week the situation will be the same as if John had dug 75 bags once in six days, drawn his tickets once in six days, and bought his requirements once in six days.

But this is not a true reflection of what goes on in economic life. The rules under which economic activity is financed do not permit of the accumulation of money in the hands of the public. As weekly wages, or monthly salaries, are received, so they are spent. And they are spent almost wholly on articles of consumption. The margin of money "saved" is also spent, i.e., it is invested in capital production either directly by the individual or indirectly by institutions on his behalf. Industry directly by its consumable production, and it borrows against its capital production. By these processes in conjunction it collects all the money it pays out, and does so within the limited periods mentioned.

The reason is that industry has to fulfil the conditions of the banking system. It stands in the same relation thereto as John Smith does to the machine in the shop. If the banking system were to extend its accounting periods in such a way as to enable industry to leave money to accumulate in the hands of the public to the same amount as the cost of its unsold production accumulated in the form of capital and stocks behind the market, the equilibrium that we have referred to would work out in practice—that is to say all pro-

duction could be bought as fast as it could be brought on the market. Against every pennyworth of production not yet delivered by industry to the public there would be a pennyworth of personal income not yet delivered to industry. The public, like John Smith, could hold its 15s. surplus in readiness to meet the subsequent 15s. deficit.

But as things are this cannot happen. Industry is financed on *short-term* loans by the banks, whereas a very large proportion of the manufacturing carried out by those loans is *long-term production*. The inevitable result is that money is called in before the equivalent production is let out.

In our illustration this short-term loan-period of the machine is one day. John Smith, every day, has to push in the tickets that it has pushed out to him, and take in return the potatoes available at the front of the shop. Let us see what happens to him on the Tuesday, when he draws 10 tickets and there are 5 bags of potatoes for sale. Now, he is obliged to return all the tickets; and the only question is whether we shall suppose him to pay 10 tickets for the 5 bags or pay less than 10 and invest the remainder in what we will call "the shop." The machine will permit him to do either so long as he pays at least 5 tickets for the 5 bags. (Goods must not be sold at under cost.) Let us consider the two extreme alternatives.

Case I. He pays 10 tickets for the potatoes. The tickets he pays are the tickets he has drawn from the machine that day. When he pays them the machine retires and cancels them. John has no tickets.

Case II. He pays 5 tickets for the potatoes and invests 5 in the shop. Again the machine cancels the 10 tickets. Again John has no tickets. But John is now an investor in the shop in respect of 5 tickets. But since costs must cover the return to private investors, the minimum price at which to-morrow's offering of potatoes must be sold must be something more than the one-ticket per bag which has hitherto been the minimum. But as John is the only customer this means that he will have to pay himself back his 5 tickets out of his future earnings.

It will be seen that fundamentally the result in both these cases is the same. Whether John spends all, or only some, of his tickets on consumption, he has to yield *all of them up*; while all he really *gets* is potatoes.

Referring to the table of figures again, we see that by Thursday John will have received 30 bags of potatoes, and received and paid away 45 tickets. Thursday is the peak of the ascent in production. The descent now begins. On Friday there are 20 bags for sale, but John has only 15 tickets. The cost of the potatoes is the number of tickets John drew for digging them on the previous day, namely 20. There are two alternative consequences, depending upon whether John has previously spent all his tickets (Case I.) or invested part of them (Case II.).

Case I. There being no investments to be charged, the cost of the 20 bags is 20 tickets, so John can buy 15 bags with his 15 tickets. One bag for one ticket. Five bags remain unsold.

Case II. There being (by assumption) a total of 15 tickets invested between Tuesday and Thursday the minimum price will now be more than one ticket per bag. How much more will depend on the size of the "dividend." For the sake of simplicity let us assume that the 15 invested tickets are to be paid out to John (return of capital) at the rate of 5 tickets per day. Adding 5 to the direct cost of the potatoes, there is a total cost of 15 tickets. The minimum price per bag is now $25 \div 20 = 1\frac{1}{4}$ tickets per bag. John can buy only 12 bags. Eight bags remain unsold.

It is not necessary to carry on these calculations for the following days. Enough has been said to show that although John's series of incomes for the six days total 75 tickets, and the series of costs and quantities total 75 tickets and 75 bags, the total of incomes will not buy the total of production. The reason is that the two series of daily figures are out

of register. If John could somehow have got some tickets from nowhere, so to speak, on the first day of the series, so that he could have held his earnings of that day intact until the next day, everything would have worked out satisfactorily. As it was he had always to spend his tickets one day ahead of the market. Whenever there happened to be more tickets than bags, he parted with too many tickets in exchange for the bags. Whenever there happened to be more bags than tickets he received the too few bags in exchange for the tickets. Like the British public, whom he here typifies, he was caught both ways round.

To use another analogy; one might prove, in regard to any community of people, that, over a period of many generations, for every man born there was born a woman of a reciprocal type; and he might reasonably conclude that in the long run there was bound to be general marital felicity. But supposing the respective types were born in alternate generations, the "right" woman being born just as the "right" man died, there would be bound to be general marital infelicity. And so in the case of the financial question. Personal incomes may be equal to costs in the long run, but they never meet each other on the way. Between them stands the banking machine.

Obiter Scripta. ECONOMY IN VARIETY.

By Hilderic Cousens.

One of the definite economic wastes in business enterprises is the undue proliferation of type-written letters and memoranda. One American economist declared that the advent of the telephone and the typewriter had multiplied by three the average of "business transactions" compared with dictating transactions. The effort put forward by dictating managers, shorthand typists and other office denizens appears to have increased more rapidly than the goods and services ultimately enjoyed by citizens. This has been accompanied, I understand, by the counter-economy of replacing male clerks by girls and calculating machines. Now another invention appears in sight—thanks to another invention. I have been credibly informed that a short-hand typewriter called the Grandjean Stenotype is being marketed, which threatens to economise on the girl shorthand typist. After a few months' practice I am told the operator of this small machine can take down speeches or other utterance at two hundred words a minute and straightway read back the script, which is, furthermore, recorded in permanent form.

Another informant expounded to me the latest tele-writer. He said that whereas after five years' practice a good telegraphist could achieve no more than thirty words a minute, the latest machine enables any girl after two months' practice to send ninety words a minute.

At the present time in Norfolk there is a hullabaloo in progress because the country branch of the National Farmers' Union has advised its members to discharge all workers but key men, on the ground of inability to pay wages to any more. The *Eastern Daily Press*, which faithfully reports the hullabaloo, and prints balance-sheets from farmers showing how they have lost all their capital in the last few years, also carries an advertisement from Diesel Tractor on the ground that it saves £10 a week in wages and dispenses with six ploughmen!

The latest from the United States is that aeroplane operations are increasingly used and usable for such operations as planting. "Approximately 4,000 acres can be seeded by a two-man plane, with a controlled

feed-hopper, in ten hours. Cost of seeding by air, at about five pounds of seed per acre, is 50 cents an acre, as compared with one or two dollars, the cost of planting an acre by hand." "Out in Montana, a third pilot came to earth, waving carelessly to a quartet of men in overalls, driving a tractor that pulled a wide-angled seeder over a plowed field. In something less than three hours he had planted nearly 2,000 acres of wheat. The four men would have worked more than two weeks to do the same thing." A writer in the *Listener* recently said that in the United States one man can manage 1,200 acres of wheat, with the help of one extra man at harvest.

Economy of the worst sort is now in full swing in the London educational services, under the guise of Re-organisation. By segregating boys in one school and girls in another in the East End, it has been found by some misguided genius that heads of departments can be eliminated at least by half, and possibly by two out of three. Thus the prospective teacher can well understand that his or her chances of reaching a headship are to be distinctly lower than the already scandalously low level already established by the provision of enormous barrack schools, and under such circumstances one naturally expects teachers' efficiency to reach its maximum!

The Films.

An International Week.

Last week I saw a German, an English, and an American film—"Atlantide," "The Maid of the Mountains," and "Prosperity." Of these three, "Atlantide" is alone in the possession of any artistic merit; the English and American pictures seem likely to be box-office successes; and each film can be accepted as embodying typically national characteristics in production and technique. "Atlantide" and "The Maid of the Mountains" have considerably less than 100 per cent. dialogue; this was also the case with "For the Love of Mike," and Elstree is to be congratulated on breaking away from the all-talking, all West Kensington and pseudo-Cockney picture.

Maid of the Mountains: Regal.

If Elstree must film one musical comedy after another, made a good job out of this particular musical comedy. The production is definitely cinematic, and the camera has not only been taken out of doors, but allowed to travel so far as the Cheddar Gorge, while the studio settings are on a lavish scale to which the British industry has in the main not accustomed us. I heartily disliked the acting, including that of Harry Welchman, because it is largely in the tradition of the worst kind of old-fashioned theatricality, and to Nancy Brown, as Teresa, I award the Prix Ockham for the most stoney impersonation of the year; her pouts, foot stamping, and bosom heaving must be seen to be believed. I am sure "The Maid of the Mountains" will be a great popular success, especially in the North of England, and it is only fair to say that the balance between the humorous and the musical elements has been well maintained, and that Miss Brown sings very much better than she acts.

Prosperity: Empire.

No more vicious propaganda has, to my knowledge, ever been packed in a film. The propaganda is intended to delude the public into believing that bankers place the interests of the community before profits, that world-wide economic depression can be cured by facile optimism, and that the problem of bridging the gap between over-production and under-consumption is solvable by a crude system of barter devised on the spur of the moment. For these reasons, and because this is the second picture to be shown recently in which bankers play an important and benevolent part in the life of a small American town, "Prosperity" may be of interest to readers of THE NEW AGE who are not normally interested in films.

The picture itself is among the year's worst. Wisecracks, situations that can be seen ten minutes ahead, sickly sentimentality, movements so fast as to be epileptic, and a Marie Dressler-Polly Moran duet on stereotyped lines that no longer appeal, represent its formula. The best acting is that of

a Sealyham. Incidentally, I notice that the censorship has given "Prosperity" an "A" certificate. There is certainly nothing in the picture to injure the morals of the young, but it is perhaps just as well that some attempts should be made to preserve them from such drivel.

"Atlantide": Academy.

Judging by its reception at the Press show, Pabst's newest film seems to have puzzled the critics, and I imagine that it will either receive higher praise than it deserves or be rated below its merits. "Atlantide" is admittedly difficult to appraise, since side by side with so much that is excellent there is also much that is not even good. It is strange to find such lack of uniformity in any of Pabst's work, and it is not entirely to be explained on the ground that the theme—which has already been used in a French silent film—is not worthy of him. Themes matter very little on the screen as a rule, and Pierre Benoit's novel could have been treated either as spectacular melodrama pure and simple, or as melodrama tinged with subtlety. The latter quality is singularly absent.

Among the good points of the picture are the excellent photography and architectural settings, the mobility of the camera, the atmosphere, and a certain brooding sense of doom. The atmospheric quality is, however, lost in certain sequences in which the attempt to create it is so obvious as to defeat its end. The opening—the broadcasting of a "talk" on the lost continent of Atlantis—is both bad and completely unnecessary, and the last fifteen minutes are anticlimax and could be eliminated; the film should end on St. Avit's escape and the phrase, "The followers of Allah are once in their lives allowed to place pity before duty." I have already suggested to Elsie Cohen, the admirable organiser of the Academy programmes, that she should cut out the final quarter of an hour; it is not only anti-climax, but needless.

The dialogue is mediocre, but there is not much of it, the technique being that of the silent film, and both the sound effects and the musical score—by Wolfgang Zeller—are very good and entirely appropriate. Technically, the best incidents of the picture are the suicide of Torstenson—in which excellent use is made of a symbolism hackneyed in itself—the transition from the catacombs of Atlantis to a pre-war Paris music-hall. Incidentally, Antinea is depicted as a girl of not more than twenty, and we are not even given a hint of her engaging custom of converting the dead bodies of her discarded lovers into statues. Why this distinctly important departure from the original should have been made is beyond my understanding, as is also the fact that the character of Antinea—who is in the tradition of "She"—should have been allowed to become so colourless.

This film has been made in an English, French, and German version, of which the first-named is being given at the Academy. I am singularly unimpressed by the acting of the three principal male characters—Gustav Diessl, John Stuart, and Gibb McLaughlin—who have been ill-cast and not particularly well directed. Antinea is played by the exquisite Brigitte Helm. She has been superbly photographed, and in a fashion that sets off her curiously exotic beauty, which is not of this century. But whether you appreciate her performance will depend largely on whether you appreciate the stylisation on which the director has insisted. Such economy of facial play and gesture belongs to the ballet rather than the cinema.

"Atlantide" is definitely a film to be seen. But, as I have tried to indicate, it is a very uneven production, and it is not of the standard to which Pabst has accustomed us. One has the impression that the director was not excessively interested in his subject; certainly, that he was not so interested as he was in "Kameradschaft" or "Jeanne Ney."

DAVID OCKHAM.

Australian Notes.

Truth (Sydney, November 6) devotes the whole of its front page to raising a scare about Mr. Lang's "secret preparations" for a mass attack in the next Federal election, with the view, it alleges, of winning a victory on the programme of public control of money, and then of utilising his majority of Lower Houses) as soon as possible afterwards—involving a second appeal to the people before their sympathy has had time to wane.

On another page the same journal complains of Mr. Stevens, the present Premier of New South Wales, who superseded Mr. Lang when Sir Philip Game dismissed him. It says that Mr. Stevens is "rapidly filling the shoes of Mr. Lang." It quotes him as having declared that the Governments of Australia would have to "re-orientate their views on currency and finance generally."

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