

THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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NOTES OF THE WEEK.

Municipal Accounts.

The writer of the series of articles on "The Plight of Durham" a few weeks ago suggested that on the forms handed out to applicants for relief should be printed a statement showing them where the money comes from to pay for their relief. The statement, he said, should be after the model of that which appears on the back of a rate-demand note. His idea was that the recipient of relief should be constantly reminded that he was living on other people's money; so you would infer from his reference to the rate-demand-note model that that document enlightened the rate-payer as to what people were living on his money and to what extent. Not at all. Have a look at one and see. Of nearly fifty items into which the poundage rate is analysed, all except two describe *objects* of expenditure, not *persons* or classes of such living out of the expenditure. The two exceptions are the items: "Salaries of Officers," and "Public Assistance." According to the demand-note of the Barnes Corporation for April, 1934, whereon a poundage rate of 8s. 6d. is demanded, you get such items as these: Sewers, 2½d.; Parks, open spaces, etc., 4½d.; Highways, 10½d. (plus another 1s. 3d. administered by the County Council); Education, 1s. 7d.; Metropolitan Police, 10½d.; Main Sewerage, 6d.; and so on. The two exceptional items are: Officers, 3½d., and Public Assistance, 1s. 3d. Now the demand-note states that "one penny is estimated to produce £1,996." Call it £2,000. So the ratepayer can, in theory, round up the Corporation's officers and say to them, "Look here, you chaps, you are getting £7,000 out of the April instalment." Likewise he could round up the recipients of "assistance" and tell them they were costing £30,000. But after that he is grounded. In all the other items of analysis the income of the servant is lost in the cost of the service. Highways £21,000, yes; but workers on the highways, no. (Nor highwaymen—but that is another story!) Refuse collection and destruction £10,000, yes; but dustmen, etc., no.

* * *
Eight shillings and sixpence equals 102 pence; and 102 times £2,000 comes to £204,000. Knocking off

£37,000, there remains £167,000 of expenditure, about which all the ratepayer is told is that it is for this or that purpose: he does not know who gets it, or how much of it is received as personal income. He can know more if he likes to pay 1s. (post free) to the Borough Treasurer for an "Abstract of Accounts." ("Post free" means post charged; the cost of the stamp being included in the shilling, probably with a slight commission added to perfect the rotundity of the price.) But this is beside the point that arises from *The Times* article, namely, that the demand-note volunteers information of the same sort as ought to be impressed on recipients of relief. It doesn't.

* * *
The reason why "Officers'" salaries are shown separately is that these cannot be allocated to any specific service. This "cannot" is a matter of convenience rather than technique. Obviously if the total cost of services can be analysed, the officers' salaries could be allocated to the different services in equivalent proportions. In Municipal Finance the general form in which accounts are presented is a matter of law. And although it may be true that the methods adopted are technically the most convenient, it is open to question in regard to some of them whether they are legally compulsory because they are convenient, or whether they are convenient because they are legally compulsory. It makes all the difference whether the accountant can say: "I shall save time and trouble by doing the thing this way;" or whether he has to say: "I shall lose my job if I don't." There is such a thing as the High Politics of Accountancy; and there are weighty considerations and powerful interests linked up with it at that end which few Corporation officials are aware of. Some of them know that the principle of concealment is not in itself illegal (c.f., the Kysant Trial—"secret reserves") and are able to see that the technique of accounting can be adapted to purposes of deception. It should not be difficult for them to realise that Municipal accounting can be so adapted even through legal compulsion if they assume the existence of anti-public private interests powerful enough to dominate Parliamentary thought and action.

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With this hypothesis as a background, and having regard to the general trend of public discussion towards the

elucidation of monetary theory and manipulation, the present pattern of analysis offered by Municipalities to rate-payers is obsolete—which is another way of saying deceptive. The demand-note to-day is silent on things that matter most. At one time nobody troubled about those things; so the silence was innocent. But to-day everybody is beginning to ask about them. Ratepayers, though still interested in knowing, for instance, how much they pay to maintain down-and-outs, are becoming more interested in knowing how much they pay to maintain the up-and-ins. No class distinctions are referred to here, but another distinction altogether—the distinction between all classes of persons on the one hand and the impersonal corporate body of financial institutions which are becoming known as the Money Monopoly on the other.

The ratepayer is occasionally reminded, and with heavy emphasis, by his newspaper of the crushing burden of municipal debt in this country; but curiously enough no attempt is made to bring this home to him on the back of his rate-demand-note. Not a figure is printed there which enables him to inform himself of the collective amount of the debt resting on his particular municipality, or of the incidence of the debt on the various municipal services carried on in that area. The cost of main sewerage he can see all right, but the margin of debt he cannot; it is lost in the drains. Readers of THE NEW AGE will recognise that this system of presenting figures has the effect of withholding from the public statistical information relevant to the cost-classification adopted and explained by Major Douglas when propounding the A + B Theorem. Whether this has been by accident or design we need not stop to discuss: the present point is that the minds of the public are distracted by irrelevant and misleading information. Nobody but an expert can draw any practical conclusions from it.

A municipality is a business organisation, and therefore its operations can be subjected to the Douglas cost-classification. Ratepayers in general are not yet qualified to grasp the full import of such classification if applied to municipal expenditure, but its adoption would help them on the way, and would certainly furnish Social-Credit propagandists with material for enlightening them still further. It is the way of looking at the thing which counts; and the new classification would prompt the public to adopt the new, and right, way of reviewing the situation. They may learn slowly, but in true education the rule applies: Seek first the right direction, and knowledge will be added unto you. Social-Credit teaching is not so much a matter of telling people what they do not know, but of helping them to realise that which they already know—of getting them to change the angle from which they survey, and will therefore interpret, their daily experiences.

Ratepayers are fully aware that municipal finance is interlocked, and that, as the bankers would say, no municipality "lives to itself alone." For that reason they will be indisposed to attach importance to arguments based on the assumption that a municipality is a closed area. But those arguments can be shown to be important, because the conclusions to be drawn from them constitute the first necessary step towards understanding what is meant by an "unclosed area"—that vast, vague outside to which the tiny definite inside is supposed to have to adapt itself. So while there is no immediate practical use in exhibiting the allocation of municipal costs on the new basis, there is every use in prompting the public to look at things from the inside. "The eyes of a fool are in the ends of the earth," sang the Psalmist; and the stricture is particularly applicable to the investigation of the "law of the outside" impliedly invoked in banker polemics, because, after all, the ends of the earth are the ends of a closed area, and

when you reach them the law of the outside becomes inconceivable as an economic law. The ends of the earth are where you are; and if you watch your feet you will see the horizon. Then if you do think of an outside any more it will be the kind of outside where, as the scriptures tell us, there are thieves and sorcerers—wolves in oozlem-feathers.

There is everything to be gained, therefore, by reviewing the finance of a municipality in relation to the people occupying the municipal area. When you begin that way you will not be long in coming across the curious fact that whereas financial pundits are insisting that prosperity results from the interdependence of unclosed areas, your troubles all appear to arise from the fact that the area where you live is not independent and closed. We have heard tradesmen in Barnes complain that residents in that area go shopping in Hammersmith. It is true that they do not allow for the fact that most of these shoppers earn their money in the City and elsewhere; but from their own point of view they are right in noticing that money goes out of Barnes which might help them to pay their rates. They are instinctively jealous of the "outside" as something which is tapping their incomes; yet if they visited all the separate areas constituting that "outside" they would hear their own complaints echoed by the tradesmen in every one of them. The orthodox banker would point out to them that this universality of aggrivement was proof that the give and take of the interdependence system spread round pretty equitably what general prosperity (or penury) there was to go round; and that local attempts to short-circuit local money would disturb the balance and create new problems. But that would be no argument against inquiry into the relation between internal and external finance.

The first step in such an inquiry would be taken if municipal accounts were dissected and published on the A + B principle. Thus, for example:

Salaries of municipal officers
Wages of other municipal employees.
Relief of all kinds
Maintenance of property
Purchases from Contractors
Interest on, and repayments of, debt.

This would at least make it clear that a large proportion of the money raised by the municipality goes outside the area. "Well; we know that already," someone will say. Agreed; but let us put it down and look at it. It is a fact, at any rate. Moreover, the fact applies to every municipality at any given time. It is a fact that can be measured fairly closely by figures and stated as percentages. "But all municipal outgoings get into the hands of some ratepayers somewhere," the critic will say; meaning that for every pound spent a pound is received. True; but for every pound received there is not a pound available to pay rates, or to spend otherwise, in any municipality at all. And that is the use of the new classification of cost. It roughly defines and measures a category of municipal costs which do not represent incomes accruing to citizens, but money retired from circulation. It does not prove that this is so, but the size of the figures would indicate the practical importance of inquiring whether it could be proved. The present classification amounts to some such statement by the municipality as this: "Look; these are the things we have bought for you, and these are the amounts of money we have paid." In short, it gives the proportions in which a particular sum of money has been laid out as between various services. It gives no hint that there is hidden in all these service-costs the cost of something which is not a service at all, namely, debt-service. It is concealed deflation. Most people nowadays have got hold of the idea that "inflation" is bad; but, thanks to the belated discussions in the newspapers on monetary policy, there are few who have not come

to believe that deflation is worse. They probably think that it has been stopped. It hasn't; it has only been driven underground.

Australian Politics.

Major Douglas arrived at Southampton last Friday, May 4. Mr. Bruce left Sydney for London (via New Zealand and Canada) on May 2. The Australian cricket team were fêted in London on arrival—Mr. Ramsay MacDonald and Mr. J. H. Thomas speaking. The team played their first match last week at Worcester. Don Bradman scored a double century. The London Press fell down and worshipped. (One might have supposed that a Budget surplus of two hundred millions had just been announced.) The Australian cricket authorities are posting up warnings to barrackers in Australian cricket-grounds. The M.C.C. are considering a proposed alteration to the leg-before-wicket rule, calculated to lessen the inducement to bowlers to employ "body-line" tactics. Last Monday week Prince George's proposed visit to Australia and New Zealand in the autumn was cancelled, and the Duke of Gloucester appointed to go instead.

All these items of news are related. Cricket and high politics in Australia have become tightly interlocked. The first important symptom of this appeared during the tour of the English team, when the dispute between the Australian Cricket Board and Mr. Jardine was at its height, and the M.C.C. were called upon to pronounce judgment; namely, the unofficial intervention of Mr. J. H. Thomas, the Dominions Secretary, who invited the M.C.C. Committee to take him into their confidence, and, maybe, their counsels. What happened is now history; a truce was declared pending terms of peace later. The prospects of peace were subsequently dimmed by public conflicts of view on the Australian Cricket Board as to the meaning of the truce-formula. Did it mean that "body-line" bowling was to be abandoned? Some said yes, others, no.

When reviewing the situation at the time of the dispute we put forward the hypothesis that the "Niemeyer" economies had been a factor in creating a suppressed discontent which only needed some such episode as this "body-line" provocation to break loose into public agitation. Apropos of this hypothesis it is interesting to reflect that the Australian newspaper-gibes at Mr. Jardine for his alleged policy of: "Get the batsman out or injure him"—"Fair means or foul," could appropriately have been directed against Sir Otto Niemeyer when he arrived in Australia and proceeded to put over London's policy by methods more akin to intimidation than persuasion. The Melbourne Age, it will be remembered, retired unhurt just in time to escape being recorded on the score-sheet "retired hurt." Only the high-banking classes are padded all over the body. This, of course, would not have struck Australian public opinion directly, but there is a logical relationship involved; for intimidation implies a minority policy, and therefore one calculated to aggrive the majority and precipitate outbursts of temper. So we had some grounds for suggesting, as we did at the time, that Mr. Jardine and his team had been made scapegoats for the sins of London Finance.

Incidentally, and on the narrow issue of the legitimacy of leg-theory bowling, it will be remembered that we brought into the picture what the disputants were overlooking, namely, the interests of the spectators, without whose money Test matches would not be possible and regulations for playing in them unnecessary. Spectators, we pointed out, liked to see bright cricket (however much they pretended to like watching feats of endurance and other "finer points" of the game of not getting out in contrast to the enterprising policy of going for the runs), and the very allegation that "body-line" bowling was dangerous meant that it brightened up the game—also that it cheapened it; for

the difference between harmless and dangerous bowling was the difference between, say, a three-day and a six-day match—between the spectators' seeing the game out for three shillings or for six shillings. As mentioned above, the M.C.C. are now investigating the problem from this angle, because the proposal to amend the leg-before-wicket rule will, if adopted, disallow the batsman from using his legs to protect his wicket against balls turning from the off-side, and oblige him to use his bat instead, thereby providing the fieldsmen with more opportunities for making catches in the slips—in which case the setting of leg-traps would be less frequently resorted to, and perhaps abandoned in respect of extremely fast bowling. So much for that.

Now the Press Hymns of Hate in Australia at that time over cricket helped to distract people from singing hymns of hate over their economic troubles, and it may be assumed that the Australian trading banks, the Commonwealth Bank, and the Loan Council, were not averse to the Australian Cricket Board's telegraphic quarrel with the M.C.C. They may indeed have prompted the dispatch of the celebrated telegram: it would be the sort of thing they do in other connections. Since then, however, Major Douglas has been in Australia and New Zealand, and the effect of his personal contacts and public addresses has undoubtedly been to shift the political centre of gravity in those Dominions. He has said enough to convince the public that every political problem is a money problem, and that to every money problem the bankers hold the key. He has further said that the control of the use of the key—that is to say, the master-key—is in the possession of the Money Monopoly, consisting of master-bankers numbering not more than five per cent. of the bankers, none of them being resident in the Dominions, and most of them, presumably, being resident in London.

In this situation, where the spirit of suspicion and hostility is now growing against the London master-bankers as responsible for the hopeless economic outlook in the Dominions, the obvious policy of these bankers is to try to ingratiate themselves with both rulers and ruled in those places. It is not surprising therefore to witness the "Cabinet"-department of the Credit Monopoly, represented by Mr. MacDonald and Mr. Thomas, honouring Mr. Woodfull and his team and wishing them this and that and the other; or to witness the "Press"-department of the Credit Monopoly weeping tears of joy over Mr. Bradman's double-century smack. If Mr. Woodfull takes home the Ashes Mr. Norman will cash in on the triumph; and we should say that if Mr. Norman were to offer, on behalf of British holders of Australian debt, to knock a million off it for every century that Mr. Bradman makes, it would show the Credit Monopoly a handsome political dividend. Of course this can't be done. There are the bond-holding widows and orphans to be thought of.

We have mentioned the name of Mr. Bruce. If our memory is correct this was the gentleman who left England for Australia when the last Australian Federal Election was decided upon, and for whom a certain constituency was vacated by the Country Party candidate to give Mr. Bruce a clear run. Apart from that there are other indications that he is a political liaison officer between the master-bankers in London and the leading bankers in Australia. Some of them are to be found in the first leading article in *The Times* of May 3, entitled "Mr. Bruce's Mission." Mr. Bruce has recently been having to perform the task of persuading Australian ministers and administrators to suspend the expansion of Australia's primary industries. It has been doubly difficult; firstly, because Major Douglas's addresses there have made all such recommendations look the nonsense that they are; and, secondly, because Mr. Bruce, in recommending restriction, was flying in the face of his recorded convictions expressed at the World Economic

Conference. According to *The Times* he declared at that Conference that restriction was:

"a terrible policy to adopt" . . . declaring that the great objective should be to increase the world's purchasing power and to avoid "a remedy which involves a restriction of the world's production."

Readers may wonder why *The Times* recalls this declaration. The answer is contained in the remark in its article:

"The advice [i.e., Mr. Bruce's present advice to restrict production] was the more impressive since no one can suspect Mr. Bruce of any partiality for restricting production . . ."

That's pretty cool. Apparently when a politician changes his views completely and flagrantly the new views are thereby imbued with wisdom. But *The Times* does not leave the argument there. It says in so many words that Mr. Bruce has had to recognise the inevitability of restriction. He has come up against hard facts—not the immaterial and unverifiable physical phenomena which Major Douglas pointed to!—but the real facts; amounting to the one great and immutable circumstance that wherever you want to go you must let the master-bankers take you there. Mr. Bruce, with sublime disregard of another vital fact, namely that wherever the bankers have taken us since the war we have wanted to go somewhere else, has now brought himself to prescribe a contrivance in contradiction with his belief. But wait a moment, says *The Times*: Mr. Bruce only supports restriction as a temporary device—he still believes that restriction is bad as a permanent policy. Let those who go bankrupt during the experiment remember that one day Mr. Bruce may declare it successful, and that then their scrapped and dispersed assets will miraculously come together again, as happened in the prophet's vision of the Valley of Dry Bones, and the Government will breathe into them the breath of solvency. What?

At the moment of writing, Mr. Bruce will be communicating this message of hope to statesmen and others in New Zealand. Next he goes to Canada. Thus he is following Major Douglas's itinerary. Whether he comes along to London with the Ashes in due course those who wait will see.

We have referred to the proposed visit of the Duke of Gloucester to Australia in the place of Prince George. In the official announcement in *The Times* of April 30, it is stated that the change is due to the fear that it would involve too severe a strain on Prince George to make a second tour of so long duration so soon after his tour in South Africa. In one of the Sunday papers on the previous day an unofficial report stated that it was rather Prince George's "temperament" than his health that would be unsuited by a visit to Australia. The occasion of the visit is the Centenary Celebrations of the State of Victoria at Melbourne, so anyone with a cheerful disposition ought to get on all right. Royal personages hold aloof from party politics, but since the new device of merging all parties into one has come into fashion there would seem to be no impropriety in their condescending to take a hand in the game. As a matter of fact, they have done so, though not in a formal sense. The Prince of Wales, when publicly advising British industrialists to lower the quality of their production was unwittingly fulfilling the rôle of leader of the Bankers' Party. And so he was more recently when he gave his blessing to the opposite policy of "building better houses." Both policies, of course, can be reconciled within the frame of reference of accepted financial axioms, and in advocating them the Prince was indirectly taking the oath of allegiance to "sound" financial principles. Seeing that no recognised party of the State opposed them he would feel that he could do this with propriety. But in Australia the situation is not quite the same, and in a few months' time may be conspicuously different. When you have twelve thou-

sand citizens, out of a population of six millions odd, clamouring at Sydney for a policy at variance with orthodox basic financial principles, and when the reasoning behind the policy is in the centre of a universal political controversy, you cannot very well back the bankers' view, however guardedly, and preserve the tradition of impartiality. You could, of course, abandon impartiality with constitutional propriety, and with a good conscience, if you were persuaded that the views opposed to the bankers' were subversive in nature or implication. And that would depend upon how far you were willing and competent to go into the merits of the issue for yourself instead of accepting the judgment of established authority. No distinguished visitor of any rank can be long in Australia or New Zealand without hearing Social Credit discussed—and the more eminent the circles in which he moves the more he will hear about it and chiefly against it, because there's a banker in every salon and club-room. We conclude that insofar as London bankers can influence the choice of distinguished visitors to these Dominions they will choose such as are least likely to become disturbed in their private convictions by what they might hear there. To give this conclusion particular application would be invidious and discourteous, but we are entitled to take this occasion of pointing out the embarrassments that are likely to be created by the bankers' manipulation of the constitution.

Sir Philip Game, the Governor of New South Wales, affords a minor illustration of what we mean. He is there as representative of the King. Answering criticisms by the Cessnock Dale Workers' Association about the Government's employment policy, he said (*Sydney Morning Herald*, March 12):

"The world has gone ahead with production, and has not gone ahead with the machinery for consumption and distribution."

Thus far he showed that he was conversant with Social Credit idiom in physical analysis (probably he listened in to the Stadium address). But he went on to remark:

"I am quite certain that given time to profit by the experiments going on all over the world, everything will be righted. Some experiments are producing negative results, others positive results, but one of these days we will . . ." etc., etc.

In other words the escape from the economic impasse must be sought by trial-and-error experiments approved by the Money Monopoly. That is party-propaganda, if only he could see it; and his resort to it inconsistent with his office. He might at least not speak at all on such subjects, and perhaps in time he will learn not to. Incidentally, it is a sign of the times that he was drawn into a discussion on employment, and felt constrained to tell his critics: "I do not think you have any justification for suggesting that I am not fully alive to the position." The putting forward of such a suggestion was really heckling the King at one remove. The heckler did not mean any discourtesy, but it was natural and logical, in the emergency which occasioned their protest, for them to appeal over the heads of the Government to the man who can dismiss Governments.

Bureaucratic Lawlessness.

The Duke of Atholl on May 1 refused to qualify the allegation which he had made during the previous week against the police, who, he had stated, sent two officers to interview him about his sweep-scheme, these officers inviting him (so he had said) to volunteer a plea of "guilty" before a certain magistrate, in which case the magistrate (so he said that they told him) would fine him a stated sum of money. The object of this was (so he said he was given to understand) to bring about a public juridical endorsement of the view that the Duke's original scheme, and preparations for carrying it out constituted a breach of the regulations.

The Attorney-General had, meanwhile, denied in the House of Commons, that the officers were instructed to make such representations. This still leaves the question undecided whether the officers did, in fact, make them. No one will suggest that the Duke would deliberately frame up an allegation of this sort; so the question, so far as he is concerned, turns on the retentiveness of his memory as to the officers' statements, or on the validity of the construction which he placed upon those statements.

The issue touches the fundamentals of jurisprudence. The Lottery Acts constitute what is called statute law. Statute law imposes authoritative prohibitions or restrictions on acts once considered allowable by people in general—such acts then being exercises of common-law rights. Statute law may, or may not, reflect a change in the traditions, customs and outlooks which form the roots of common law. For example there are acts which have always been regarded as crimes by popular agreement—statute or no statute—e.g., robbery, rape and murder. In such cases no statute was necessary to make people regard the acts as crimes—on the contrary, the statute was rather intended as providing an alternative to people's taking the law into their own hands, and themselves visiting rough justice on the criminals. The people condemned the crimes already; it was for the Crown to define, prove and punish them. Thus; statute law would implement common law.

But when you come to gambling you are in a different region altogether. No statute has ever been required to prevent people punishing on their own account such "criminals" as punters, bookmakers, speculators (with certain qualifications) stockbrokers, bridge-players, crown-and-anchor flutterers and so forth. Gambling on chances is rooted in the instincts of the people whose customs and outlook have made common law. And so powerful is this influence that no statute prohibiting gambling as such has ever been passed. What statutes are in force prescribe conditions under which gambling shall be carried on. In doing so they decide in practice what sorts of people shall be allowed to gamble. It is done very subtly. For instance, cash betting is not illegal; but there is no place (outside racing courses) where a betting man and a bookmaker can meet to do business which is not illegal. (The bookmaker is punished for "loitering," or "frequenting," or "obstruction.") Credit-betting, though permissible to everyone alike, is only possible for people who have facilities (chiefly telephones) for practising it; and therefore the effect of the statutes is to restrict the exercise of common-law rights to the richer classes.

Statute law in such cases provokes hostility from people whose customs are interfered with. These people, though powerless to defy the statutes, can test the meaning of them in the Courts. The judges interpret them as to their applicability to particular cases; and these interpretations constitute what is known as case law. Case law clarifies the meaning of statute law; and since a judgment in one particular case becomes a precedent governing all subsequent cases where the merits are identical, uniformity in administering statute law is achieved, whereby potential litigants are spared the trouble and expense of testing their rights in Court except when new merits come into the case.

When judges are called upon to interpret and apply statute law they are free to take common-law principles into consideration. This freedom is the greater or the less according to how loosely or tightly the statute has been drafted. And generally speaking it is correct to say that whenever the requirements of a statute in any particular case affront the conscience of the public, any loophole in the drafting which allows the dictates of conscience to prevail will be taken advantage of by the judges. For example, look at the statutory offence of "excessive prescription." As is well known, trials for

this offence are withheld from the jurisdiction of the Courts. But supposing that they were not, we have Lord Hewart's authority (*The New Despotism*) for saying that the judges, when interpreting the word "excessive," would take into consideration not only the duty of the practitioner to keep costs down but also the right of a sick person to have the best treatment. The letter of statute law which killeth would be tested in the spirit of common law which maketh alive. It is more than probable, therefore, that case law on "excessive prescription" would not have laid down a precedent enforcing the indiscriminate economising in the treatment of panel-patients which, as it is, the doctors are obliged to practise.

The private procurator of a plea of guilty on any issue involving new and untried merits amounts to tampering with case-law. That is why the Duke of Atholl's allegation touches fundamentals.

Chambers of Commerce and Monetary Policy.

Pressure on space last week caused us to hold over a reference to the enterprise of the Southampton Chamber of Commerce in getting a Resolution on monetary policy passed by the Annual Conference of the Association of British Chambers of Commerce. The proceedings were reported in the *Southern Daily Echo* and the *Yorkshire Post* of April 20, and we hear that an account of them was sent to the *Ottawa Daily Citizen* by its London office. It will be remembered that the Southampton Chamber already held the distinction of being the first body of that kind to issue an independent Report on the money question—a publication of which the sale has been several times as large as has been the case with previous publications. The passing of the Resolution by the Conference is a development of the same policy. It instructs the Executive Committee of the Association to take the necessary steps to hold an inquiry to consider whether the monetary system requires altering or modifying, and to report thereon to the Association. It was carried by a large majority in spite of the opposition of several speakers and the disapproval of the President, Sir Alan Garrett Anderson, a director of the Bank of England. Mr. L. D. Byrne (Southampton) was the mover, and Mr. A. de V. Leigh (London) was the chief supporting speaker. Between them they constructed a strong case for inquiry. Opposition took the form of advice to "let well alone," "too large a subject for the Association to tackle," and (Sir Alan) "there is no insufficiency of purchasing power." The reaction of Sir James Martin must be recorded. He said:—

"My interest in the question . . . has been stimulated by the London bankers who have asked us, in effect, if we have any qualifications for considering such a subject as this. Well, I consider that we have; and I wish to make a protest against that attitude. I am not going to take my economics from the bankers of this country."

That is the spirit; and apart from the comparison of qualifications on either side, there is the question of credentials, that is, the question whether persons connected with banking should be allowed to take part in an inquiry into monetary policy. It would not be allowed (or if so only under safeguards) in the case of brewers and an inquiry into Licensing policy and administration; and the reason would be that both the interests and the technique of the brewers are distinct from the social consequences of the drink trade, whether good, bad or harmless. Yet the directorates and administrative staffs of the brewing trade know a great deal more, and at first hand, about the social consequences of their business than does any banker of his business. Many a worthy citizen has taken an overdraft of liquor to forget an overdraft of money—and as for suicides, well, let no more be said. The first steps by the Executive of the Association to set up a special committee have just been taken, and some interesting developments may be expected in due course.

Social-Credit Political Strategy.

Social-Credit publicity has to cover three aspects of the economic system. These can be briefly indicated as follows:

1. What is wrong, and why?
2. Under what conditions can it be righted?
3. How are those conditions to be brought about?

The first concerns moral judgment applied to physical anomalies. The second concerns intellectual judgment applied to financial technique. The third concerns constructive judgment applied to political strategy. "This should not be": "This need not be": "This shall not be"—such are the three generative stages in the evolution of the ordinary citizen into a Social-Credit campaigner. Major Douglas's oration at Christchurch laid chief emphasis on the first two; and his address at Calgary was concerned almost wholly with the last. A full report appears in the *Calgary Daily Herald* of April 9. We may reprint passages from it in due course, but would recommend readers to get the paper itself. His address was a spacious but closely-reasoned estimation of the temper, formations, and equipment of the forces standing between the public and the objective which they aspire to reach. Before you can usefully do anything at all, he said in effect, you have got to know everything that the enemy can do and is ready to do. And accordingly he entered into a minute survey of the whole field of theoretical action with the view of eliminating everything of problematical feasibility. A lot of plans, he told his audience, had been suggested to him by his supporters, and all of them were, no doubt, partially right. "But in a matter like this it does not do to be partially right. You must be absolutely right." And he proceeded to draw what must have seemed to many of his audience a gloomy picture of the stupendous organisation which the Money Monopoly had constructed throughout the world and could control from any centre in the world—ultimately, he suggested, Basle, a centre situated in an extra-territorial area, and immune from even the form of political supervision. But for all that, he comforted them later on, there is an impersonal force steadily undermining this seeming omnipotence. Whatever we can or cannot do, whatever we try or fear to do, this force slumbers not nor sleeps. He described it as the "arithmetical compulsion" on the Money Monopoly towards destruction. This recalls Wells's Martians who, in the process of destroying men, were themselves being destroyed by microbes, which were multiplying inside them after a manner comparable with the multiplication of costs in the financial system. Space forbids our making further comment at present, except to say that this address is in our judgment the first and last word on the subject of political strategy—and in that sense constitutes what may be called the military manual of the Movement.

"The Christchurch Oration."

Major Douglas asks us to announce that none of his speeches are to be reprinted in booklet form or otherwise without his permission. He will consider the question of issuing authentic versions and his decision will be announced later.

Water-Finance.

Fleet Street story:—"The Metropolitan Water Board has been granted statutory powers to spend £3½ millions on new reservoirs," etc.

The truth behind the story:—"Mr. Schnorr the banker has authorised Mr. Schnorr of the Treasury to instruct Mr. Schnorr the Chancellor of the Exchequer to allow Mr. Schnorr the banker to lend £3½ millions to Mr. Schnorr of the Metropolitan Water Board to finance contracts with Mr. Schnorr of the Building-Engineering Combine. An all-Schnorr deal to be duly ratified by an all-snore Parliament. Why tamper with the Democratic System?

Principle, Plan and Policy.

By L. D. B.

I.

Many of the difficulties of Social Credit exponents appear to arise from confusing general principles with the technical methods of applying these general principles to a given set of circumstances. Various points which were raised in the recent argument on the question of dual credit control provide examples of this.

No possible difference of opinion should exist in the Movement on the following basic principles:—

(1) That the administration and control of financial policy should be vested in a National Authority.

(2) That a money valuation of the community's real credit should be the basis for issuing financial credit in lieu of the present arbitrarily fixed restriction of financial credit supply.

(3) That the operation of existing methods of cost-accountancy and existing methods of issuing purchasing power results in the community being deprived of effective purchasing power at least equivalent to all its production over any specific period of time. The true cost of production being consumption, it is necessary that the community should be credited with the money equivalent of the difference between production and consumption to make good the discrepancy which exists, and it should have access to these cash credits at the rate at which the products become available for consumption.

(4) That the foregoing can be effected most advantageously by—

(a) The National Dividend, being a monetisation of the measure of economic security and economic liberty accruing to the individual as his share in the unearned increment of association.

(b) The Just Price as the scientific means by which the community is assured of obtaining access to the cash credits available for purposes of effecting consumption at the rate it chooses to consume its production.

(5) That the total amount of consumer credits available for distribution in respect of any period is the difference between the price values of total production and total consumption for that period in relation to the price values of actual total sales of consumable goods for that period. Where $\text{£}P$ = total production, $\text{£}C$ = total consumption, and $\text{£}X$ actual sales of consumable goods reckoned at full cost prices, the total amount of consumer credit available for distribution is:—

$$\text{£}X - \text{£}X \times \frac{\text{£}C}{\text{£}P}$$

Therefore the amount distributed by way of National Dividend is complementary to, and is costed into the Just Price as it is actually applied.

It is not suggested that the foregoing is a statement of the entire Social Credit case. However, it is essential to a clear understanding of Social Credit that there shall be general agreement on these basic principles of Social Credit technique. When it comes to giving effect to these principles by means of an actual plan for practical application, various considerations arise on such matters as:—

What will be the conditions under which such a plan will be put into operation?

What material within the existing system is available for use and what material should be discarded? What economic, sociological, psychological and physical difficulties have to be overcome?

What are the most practical methods of introducing the Just Price and National Dividend principles into the economic structure?

And so forth.

These considerations can have any fundamental importance only at the juncture at which they arise—namely, when Social Credit is to be introduced. What conditions will be operating at the time can be a matter of conjecture only at present. We might have condi-

tions of war, or we might have some form of Socialism or Fascism in operation. We do not know. Until it has been decided to introduce Social Credit, the only useful purpose to be served by meeting questions on the methods of operation is to demonstrate the pragmatic strength of the Social Credit case. It is, however, essential in order to achieve this purpose to be sure that the frame of reference is clearly defined. Everything which can be usefully said about Social Credit has been stated by Major Douglas himself, and in attempting to demonstrate the practical workability of Social Credit we would do well to bear this in mind and adhere to the Draft Scheme for Scotland as a model specimen plan, designed to give effect to the fundamental principles under a known set of conditions. This model plan provides us with ample material for demonstrating not merely that Social Credit is a practical proposition, but how it can be introduced in the transition stage without the violent disruption which appears so necessary to other forms of economic reform.

There are, however, questions of administration and function which are causing a deal of controversy within the Movement. These are almost entirely confined to the effects on the existing financial system which are likely to result from the introduction of Social Credit and could be described as falling under the heading of "policy." It is surprising how much misunderstanding has arisen in this respect from ill-considered statements of Social Credit technique for which Major Douglas's authority cannot be quoted. There appears to be some psychological cause for this, perhaps similar in nature to the revenge-complex which renders it so impossible for the ardent Marxist to approach any social or economic question in a rational state of mind.

An example of this is the importation into Social Credit of the suggestion that banks should be obliged to keep "pound for pound" against their deposits. It would seem that this is advocated to prevent banks from creating money, but the implications of the suggestion appear to have been overlooked. Presumably the convenience of cheques would still be allowed to the community. If this was the case, probably something less than ten per cent. of the notes held by the banks would be in use, the balance merely being kept done up in parcels of convenient amount to be transferred from one branch bank to another or stored away according to the book-keeping demands made on banks in connection with the proposal. Banks would become little more than safe deposits for currency of practically no intrinsic value, and a go-between the community and the National Credit Authority, who presumably would have to approve all loans for production and issue currency to banks against this.

Again it has been suggested that unless the power to create credit is taken from the banks, they will still retain credit-power. This is confusing function and control. Credit-power is the power to use and do things, or allow things to be used and done. It is true that at present this is concentrated in the hands of the World Financial Hierarchy, but under Social Credit credit-power will become diffused throughout the community. Not even the National Credit Authority will be vested with credit-power.

Let us consider the question of banks being entrusted with the task of issuing producer-credit. The following points must be borne in mind:—

(1) The National Credit Authority will have complete control over financial policy, and therefore over the policy of the banking system.

(2) Bonded indebtedness will be abolished. This must result in the introduction of a more fundamental method of testing an individual's credit-worthiness.

(3) Banks, in common with other financial institutions, will not be able to invest in industrial undertakings, with a view to securing control over policy and administration.

(4) Some means such as a charge on turnover of accounts replacing the present system of interest charges

will ensure that the working capital of industry and the distributive trades will be provided by short-term loans of financial credit.

Now the question arises, how is the producer to gain access to financial credit? Surely it is not suggested that he should fill in a form for scrutiny by the National Credit Authority who will grant the loan through banks? If so, it would seem that it will become necessary to abolish banks as we know them and for the National Credit Authority to take over the entire banking system with its personnel, for the work which would be thrown on the Credit Authority of the nation would require mechanism of no less modest dimensions than this. But what is to be gained by such a course? The function of the banks would remain to be carried out merely under another name.

The answer appears so simple that it is almost surprising the question has arisen. The person most competent to assess a producer's or trader's credit-worthiness for Social Credit purposes will be the Bank Manager on the spot. The entire mechanism of banking and the training of bank officials is ideally designed to serve for the issue of producer-credits, when the requisite adjustments and safeguards have been introduced. Providing the banks "play the game" and conform to their policy to the requirements of the National Credit Authority (and there is every reason why they should and no sound reasons why they should not do so), undoubtedly they should be the medium for issuing producer-credits. Fundamentally speaking, they would do so on behalf of the community, but in actual practice they would not only find their prestige and importance undiminished, but probably increased. They would be raised to the position of serving the community.

Without any new factor entering into the situation, it would seem that we may expect banks to be left to issue producer-credits. If in practice it was found that banks could not be entrusted with this task, then the question of a change of administration would arise. However, to presume this without any reasonable evidence would be contrary to the rationalism and principles of Social Credit.

(To be continued.)

Agriculture and Finance.

The school teachers on their summer vacation conference some twenty years ago passed a resolution that all education must commence by teaching the young to produce a loaf of bread. An excellent notion; but nothing seems to have come from it. Nevertheless, it gives a point of view; because the farming industry as a whole has never had any liking for Socialism, and the Socialists' schemes for the land are preposterous. If prosperity is brought about, in whatever small degree, the Government immediately annexes all credit for it, but forgets that the opposite is true, that depression is also the work of Government, and that the ruin of British agriculture has been for many years a direct objective that has been pursued with deliberation. We hear the assertion that the interests of employer and employed are one, yet it is manifest, from hundreds of sources, that the interests of the landowner, the tenant farmer and the labourer are one. Death duties not only constitute the most deadly blow that has ever been aimed at labour in the aggregate, but form one of the principal weapons in the hands of those who have made the ruin of agriculture their chief political aim. In conversation with farmers I have found them decidedly in favour with the idea of the "wages of the machine," and, seeing that Socialism has never appealed, I venture the following notes for the consideration of readers who may be contemplating a caravan holiday with a view to popularising Social Credit in the villages.

Now, to begin, we are told about cheap labour abroad, and that the Japanese live on rice. Well, British agriculture is the finest in the world: our breeding stocks are shipped to the four corners of the globe and even at the cattle shows in the Argentine the beasts are classified under the various British varieties, Herfords, etc., etc.

According to Miss Newbigin we raise thirty bushels of wheat to the acre, France coming next with nineteen. Our chief competitor in the wheat market raises fourteen with a basic wage of £4 5s. per week! The Japanese rice that is eaten over there is the whole rice, red or brown in colour, not the "polished" rice that we eat, and that we compelled the Burmese to buy, producing the disease called *beri-beri*. Any farmer in England will sell you a quarter of wheat (504lb) for 18s. that will form a complete food for one man for more than one year. Although the English crop is put at thirty bushels to the acre, I am willing to take any Londoner on any Sunday afternoon for a walk over land that produces fifty bushels to the acre, and loses money at that

We must note that the inhabitants of Britain have for countless generations lived on food that has been grown in a particularly temperate climate on what farmers call a sweet soil, rich in iodine; while wheat raised in hot summers or short dry summers on a sour soil are devoid of all those particularly British attributes, especially iodine. The Britisher dies out in Australia, Canada, South Africa and even in London in three generations, a mortality hastened by the consumption of foreign food. Scientists in the United States are discussing the problem of how to introduce iodine into their soil to benefit their cattle. Another point: English white flour contains nourishment, but overseas white flour contains none. That nourishment would make a loaf, baked from English flour so different in appearance that every housewife would refuse it, owing to her having been led to believe that whiteness is the criterion of purity—not knowing that her baker is often under medical treatment for eczema on his arms and hands engendered by the use of bleaching powder. Further, the baker loves this overseas flour because it soaks up more than twice as much water as the English (The present-day loaf is two-fifths water.) The miller, selling a sack of flour, specifies how many 4lb. loaves it will make! so that when a baker gets fined for selling bread under weight what he really is fined for is the shortage of water in his loaf—a subtle hit at the well-being of this English farmer, second only to Death Duties. The British farmer does not require help, but what he is entitled to is freedom from the violently anti-British group that schemes his ruin.

We have constantly to listen to the admonition to save, but real saving is practised in agriculture on a rational basis. Whatever is taken off the soil must in some form or other be put back. A hay crop robs the soil badly, the fattening of cattle on pasture land does not rob the soil, especially if the stock are partly fed to cake. Dairying does take something out, but breeding cattle is a severe strain on the land. And so we could go on. The point is this, mother earth herself is the farmer's bank; if he makes a profit away it goes at once below the surface. I know a farmer in the South of England who said to me: "You know how many acres I farm, yes, 2,000. How many men have I actually working on the land? Just one man. On the other hand, I know a farm in the South of Scotland of 200 acres that employs 200 men on the land itself." When the farmer encounters a succession of bad times he cuts his wage bill of £1,000 a year to £250 by turning his land down to grass. He employs a quarter the number of men and produces one-third the food value that can be produced on land under plough with livestock. You can buy a freehold pasture farm for £5 an acre, but it costs £7 an acre to turn arable into grass. That presents an economic anachronism, but is nothing to what follows.

Let us presume for the sake of argument that remunerative prices were obtainable, wheat at 60s. and other produce in proportion, and that I gave you a freehold derelict farm, and that you were devoid of all financial resources, but were granted a bank overdraft to draw upon to meet the cost of your own living and the expense of bringing that land into cultivation again. The job would last possibly six years. Now, at the end of that

period the farm could be let to a tenant on a yearly rent, and that rent would amount to probably one per cent., but, anyhow, less than two per cent., on your total outlay. Sir Ernest Benn has said he regards the last Companies Act as the most fraudulent legislation of modern times; and I submit that on my showing that Act cannot hold a candle to Agricultural Mortgage as a positive and deliberate iniquity.

It is most difficult, without indulging in platitudes, to affirm that the land is the beginning of all wealth, and that agriculture is the one industry that produces something out of nothing. Agriculture, in the terms of the case, can never get into debt itself, it has debt forced on it from the outside; and even if agriculture ever had to borrow it could never pay more than one per cent. per annum.

Leaving all this muddle of values we can see the philosophy at the bottom of it all—it is that of "That's why darkies were born." Domestic service and agricultural labour must be regarded as menial; Chamberlayne, saturated with his Goethe and the Greeks, believed in that, and stated that the bees and ants had solved the problem by manipulating the genital glands. Those who resent that attitude find comfort to-day in the fact that farming itself has given us the finest poetry the world has ever known—the Eclogues of Virgil.

Given industry on a rational basis, if I had my time over again I would be a farm labourer. The city snob who orders his steak or his morning glass of milk does not take account of the fact that the presence of those comestibles every day or any day, year in and year out, is the result of careful forethought dating back for years. He thinks his own rights are vindicated by paying. We shall see before long. The clumsiest libel ever uttered is that we cannot produce our own food. The farmers of England are, according to George A. Palmer, the most capable men in the world; and there is scarcely a farm in England that cannot double its output, while a large number can treble theirs, all within a comparatively short time. In the last year of the war the British farmer with a depleted labour staff fed 82 per cent. of the population; given another year of war he would have fed the whole. The farmer with the 2,000 acres could competently manage 2,000 men and find useful work for every one of them. This is a characteristic that applies to the generality of farmers: it is an instinct generated by their constant contact with nature and is something no nation can afford to lose.

We are fast exterminating the cream of our population by copying the antics of the sound money squad of America. Long before the Roosevelt régime wheat, costing a dollar a bushel to produce, stood round 50c. or less. With a much increased price in the farmers' own purchases, wheat now stands at no more than 75c., consequently the farmer is an ardent inflationist, for, having been forced into debt he hopes to pay that off with worthless greenbacks. He reckons, with a rotten currency kept rotten, the most important thing in life—food—will at least exchange for its equivalents in other directions. Everyone in New York City is well aware that the sound money clique can only half fill a hall with a paid audience, while Father Coughlin can fill the largest hall three times over with an audience to vote inflation. The Western farmers look upon "Sound money" as the grafters' euphemism for "farmers' ruin." The question is, how many English farmers think the same?

V.I. 90.

Notice.

All communications concerning THE NEW AGE should be addressed directly to the Editor:

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.

Music.

I have just received from Max Eschig, of Paris, copies of the "Symphonie Concertante" of Karol Szymanowsky, and I can safely say that I have never in my life been so thoroughly shocked at the spectacle of that ghastly dry-rot, that, as Mr. Cecil Gray pointed out in his admirable and devastating "Survey of Contemporary Music," attacks so many composers of to-day long before the time at which they should be—just like the singers—approaching the summit of their powers. From a vivid poet, with an ardent and flaming imagination, expressed in a language of the most glowing colour and radiant beauty, Szymanowsky, to judge at least from the deplorable "Symphonie Concertante," has shrivelled into one of those wretched post-war "pasticheurs" whom Mr. Lambert analyses so searchingly in his recent book, and the composition in question is no more than a patchwork of most of the feeblest up-to-the-minute tricks of the Vogue-rue de la Paix composers of Paris, even down to such miserable and poverty-stricken tricks as pages and pages of piano-part in bare octaves or two apart, a device first, if I rightly recall, initiated and run to death by Maurice Ravel. Looking at the pages of this work, it is hard to believe that it is the work of the same man who wrote the lovely "Song of the Night," the exquisite cycle, "The Love-sick Muezzin," the wonderful, richly imaginative and subtly coloured piano pieces, "Métopes" and "Schéhérazade." The complete change of style is of artificial and unnatural violence; there has been, as far as I am aware, no gradual process at work (unless a dry-rot can be called a gradual process) and, as Mr. Constant Lambert has so well said, this sort of thing, instead of indicating the vitality that the modish-high-life-art-snobs like to think it, indicates just the reverse, a mind in a state, not so much of flux, as afflicted with St. Vitus' Dance, a very debilitation and enervation of vitality. A deplorable and depressing exemplar of the effect of present-day tendencies upon all but the most strong-minded and spiritually independent.

Maggie Teyte Broadcast Recital, April 19.

This unique artist was in her greatest form on this occasion, and I rarely, if ever, remember having heard her sing better. The fineness of style, the vivid evocative power, the delicacy and subtlety of rhythm, the incomparable purity of diction made the recital an entire and unalloyed joy from first to last. The programme consisted entirely of French songs—which Miss Teyte sings, not as one to the manner born, for there is no French singer living who can sing them as she does, but as she alone does. It is difficult to pick upon one particular high-light of the programme—Debussy, Ravel, Chausson, and others—but perhaps "La Chevalure" of Debussy, from the "Trois Chansons de Bilitis" was the outstanding thing, a performance that was a sheer miracle of imaginative intensity and emotional subtlety.

Sadler's Wells. "Barber of Seville." April 17.

My readers are well acquainted with my views upon general principles for what the Old Vic and Sadler's Wells stand, principles with which I have no sympathy whatsoever, holding them mistaken and artistically wrong-headed. Generally speaking, this performance did not serve to shake my convictions as to the utter artistic solecism of opera in the vernacular, all opera, that is, in one vernacular, for all that that brilliant linguistic scholar and critic, Edward Dent, had achieved an astonishing *tour-de-force* of skill with his adaptation and translation of the libretto. As a whole, the performance went with no small "go" and "swing." Performers would indeed have to be bad, if the sparkling champagne of Rossini's matchless masterpiece failed to stimulate them. The best performances on this occasion were those of Mr. Henry Wendon as Almaviva, Percy Heming as Dr. Bartolo, Constance Willis as Marcellina—a brilliant piece of comedy this—and above all Franklin Kelsey as Don Basilio, who was admirable as an actor but not quite so admirable as a singer. The Rosina of Miss Ruth Naylor was inadequate. The pace at which she took much of her part would have made it almost impossible for any but the supreme mistresses of *fioritura* to make a successful showing, and often the florid passages were little more than an approximation. The production is hard and rather unpleasant, which is a pity, as the vocal material has distinct possibilities. Mr. Wendon too has the makings of a first-class lyric tenor, his voice has the real *tenore-leggiero* quality that is so rare. His singing methods, however, give rise to misgivings and doubts.

Mr. Barbirolli gave a lively and spirited lead, as conductor, but he is not by any means an ideal accompanist.

There were several occasions when the singers were reduced—from where I sat, in the front row of the Grand Circle—to inaudibility. And, in an orchestra of this small size the tympanist needs to be kept under more than usually drastic control. There were times when one might have been pardoned for thinking that the proceedings were a drum-concerto with accompaniment of instruments and voices! The production was skilful, and the lighting showed control that indicated at least the working of intelligence behind it, which is more than we have been able to say in the past of our world-famous old opera house "among the cabbages and peas" as Marie Lloyd would have said . . . though by all accounts, all is now to be changed, and marvels are to be forthcoming.

New records this month are not very exciting. The most interesting is a Conchita Supervia "Carmen" record (Parlophone), in which this curious but fascinating voice, and clever singer shows to great advantage. It is a voice that none but a Spaniard could possess. Ria Ginster singing the *Et incarnatus est*, from the Mozart C minor Mass, is thoroughly efficient in a hard business-like sort of way, but neither voice nor singing are particularly attractive. (Parlophone) Emmanuel List (an old Covent Garden hand) sings a Lortzing and Kremser ballad. It is an enormous voice, peculiarly adapted for Fasolt or Fafnir, but the singing is rough and uncouth, in the way that German basses are apt to be.

KAIKHOSRU SORABJI.

Malnutrition.

With a Budget surplus and a revival of trade, however deceptive the former and however much the latter—so far as it really exists at all—is due to warlike preparations, attention is diverted from the creeping paralysis of malnutrition in the community. It is easier to avert the gaze from the starving multitudes because their starvation is not dramatic. Many comfort themselves with the glib "no one need starve in this country; the excellent social services provide securely against that. . . ."

What are the facts? *Bulletin No. 1 of the Committee Against Malnutrition*,* arrays from official Reports of Medical Officers of Health and other qualified observers throughout the country, facts and figures in proof of malnutrition on such a scale that a considerable portion of the population is definitely proved to be grossly under-nourished even in the womb.

The particular field of observation covered by the first *Bulletin* of the Committee is that of enfeebled infancy through widespread deprivation of the mother during pregnancy. A generation of anaemic mothers is giving birth—in every centre of observation in the country—to children whose blood-stream has been so impoverished before birth that they are born with a greater or less deficiency of blood that they are born with the lack, that the store of vital elements which is normally contained in the child's liver, is exhausted before the child can commence its own nourishment by taking a mixed diet, from which the essential iron and chemical substances can be extracted.

The mothers are compelled by their poverty to abstain from meat, green vegetables, oranges, lemons, tomatoes, in which the life-giving elements are especially abundant, and allay their hunger by starchy foods, such as bread and fats, which starve of essential elements not only themselves but the unborn child. Anaemia lays the children open to every kind of digestive disorder, and the same evil limitation to "a deficient intake and utilisation of iron" hinders the growth and adaptation of every organ of the body, whilst the remedy is perfectly simple. "The condition is rapidly relieved by giving a good mixed diet containing a daily ration of liver, which is rich in iron and other blood-building factors." To our certain knowledge, the articles of those primary dietary needs are easily available.

The facts contained in the *Bulletin* should be known to every student of Poverty amidst Plenty, for recognition of the full tragedy and racial injury of under-nourishment brings home to everyone so informed the urgency of giving the multitudes access to the essential foods for lack of which they are dead in life, incapable of any of the normal responses of nourished human beings, deprived of the possibility of giving or enjoying happiness.

This serious work should be supported; and the facts marshalled in unanswerable demands upon the system which—glutted with goods—perpetuates so great a blasphemy.

W. T. S.

* *Bulletin of the Committee Against Malnutrition*. Bi-monthly. Annual subscription 3s., to the Treasurer, C. E. McNally, 16, Lloyd Square, W.

Reviews.

Unharboured Heaths. By Katharine Götsch-Trevelyan. Selwyn and Blount, Ltd. 8s. 6d.

"A daughter is a secret cause of wakefulness to a father;
And the care for her putteth away sleep;

Keep a strict watch over a headstrong daughter,
Lest she make thee a laughingstock to thine enemies,

A byword in the city and notorious among the people,
And shame thee before the multitude.

(Ecclesiasticus, Chap. 42.)

After overcoming the irritation aroused by the publisher's flapdoodle—a column to each flap, front and back—I have to admit having read this lively account of a very foolish undertaking with considerable interest, but gave something like a sigh of relief when the young lady got safely back to the stately home of her forefathers, where "the sun was just off the lawn and the house stood as it always stands, quiet and self-possessed."

Now, the publishers assure us that "there is nothing in literature quite like this diary," and every père de famille with grown-up daughters will probably agree with me that it is just as well. If every healthy up-standing young woman who fails in a Latin exam, is to get peeved, refuses to make another attempt, and sets out on a lonely tramp across Canada as a protest against being made into "a fashionable lady," well, many a grey-headed father will have an added worry to the many he has to bear in these days of sound finance.

Of course, it is highly probable that had Katharine Trevelyan, daughter of Sir Charles Trevelyan, Minister of Education in the Labour Government, 1930, been little Kitty Smith, daughter of John Smith, fishmonger, of Camden Town, she would have been stopped by the authorities long before she had had a chance of encountering her first hobo or an "Unharboured Heath,"—whatever that may be.

Perhaps Sir Charles, being a man in authority, took all the precautions in his power to keep her under observation besides instructing her to

"Cable once a fortnight so that we know where to start to find you when you are lost or eaten by bears."

Also he gave her a pistol, saying:—

"Go and practise with this until you are likely to hit a bear or a hobo at a range of two yards."

Happily there is no record of her having to draw a bead on either. Most likely she would have missed, and what promises to be a happy, useful life might have gone out in blood and violence unspeakable. It makes one shudder.

But there were better things in store for this nobly-planned young woman. As she says in a final "Note," dated Frankfurt an der Oder, December, 1933, which a careless reader might easily miss, for it is hidden behind a charming picture of Katharine holding a prize baby,

"three years change so many things. They have brought to me a husband, a house, a baby. They have changed my nationality and set me in another land with corn and cherry trees and pinewood, instead of the sheep and crags and moors of the north."

So some stories do have a happy ending after all; or is the heroine only just embarking on Vol. II. of a fine, full-flavoured, three-decker Victorian romance? Let us hope so.

This final "Note" rings so true, and promises so sane an outlook on life, that one could wish that the author might be persuaded to contribute a series of letters on Germany to this journal. Having inherited the literary skill of the Trevelyans, endowed with courage and imagination beyond the common, they would be worth all the carefully cooked contributions of "our special correspondents" to the kept Press.

Someone with the necessary influence might suggest it.
J. S. K.

A Leechbook, or Collection of Medical Recipes of the Fifteenth Century. The Text of MS. No. 136 of the Medical Society of London. Edited by Warren H. Dawson, F.R.S.E., F.R.S.L., F.S.A. (Scot.). (Macmillan and Co. 20s.)

The unknown author of this book must have been a thoroughly worthy fellow. His ideas are necessarily limited and often erroneous, but they are never fantastic. He trusts in the efficacy of his drugs as material agents, and, unlike most of his contemporaries, never invokes the blessings of the stars or calls up wandering spirits. True, he shows the most unbounded faith in his nostrums, and is quite prepared with their aid to cure anything from lechery to lupus, and the more unpalatable the drug the more it commends itself to him. Hence, like most of his con-

temporaries, he has an undue affection for the use of such things as the dung of various animals, and the horns and hoofs of goats. And he sees nothing out of the way in recommending one such brew for the cure of "all manner of evils." However, gentlemen of this way of thinking are not unknown to-day, even in the ranks of the medical profession. On the other hand, the author's remark: "But one thing I warn thee: use not to bleed much"—speaks well for his sturdy common sense in an age when bleeding was all the rage.

In a scholarly introduction the editor gives an interesting account of the document and compares it with its prototypes in ancient Egypt.
N. M.

LETTERS TO THE EDITOR.

NAPOLEON ON MONEY.

Sir,—For the use of any of your readers who are engaged in lecturing and who have not yet read M'Nair Wilson's notable book, *Monarchy and Money Power*, I append the following two quotations (pages 68 and 83 respectively):

1. "Money," declared Bonaparte, "has no Motherland. Financiers are without patriotism and without decency; their sole object is gain."

2. "When he returned from Elba he had to raise a loan for the defence of France. The City of London accommodated him with £5,000,000, with which he equipped the army which Wellington defeated at Waterloo."

PHILIP T. KENWAY.

A + B.

Sir,—Referring to the article by me in the issue of April 26, readers will probably say to themselves, as I did to myself, but which I did not include in the article, that as the past, which is outside or external to the present, is not a box into which B payments of money can be put, no provision is made for B payments, though the article is intended to provide for the payment of external costs when no "external" organisation exists. It is obvious that there cannot be any B payments.

Being convinced of the correctness of the first idea, I thus found myself up against a brick wall and could go no further. I had to wait for a solution to the difficulty. It came. The position boiled down to Major Douglas's affirmation about money being used many times over. He says on page 30 of his "The Monopoly of Credit" "... the defect in the price system which is concerned with the double circuit of money in industry, and which has become known as the A plus B theorem."

It had previously been difficult for me to see in what way this theorem showed that money was used twice over, or many times over.

Perhaps further elucidation is not necessary, but it consists in the fact that, supposing only one organisation, the money paid away during one period, Monday, for grinding flour, is the cost of the raw material for baking bread. It is a cost incurred outside the bakery, a cost to which the bakery has to add what it pays away for baking.

Thus the price of the bread, produced by one organisation working in two separate stages, becomes, when the same money is used for each process, double that money.

The contribution by me about cocoanuts appeared in *The New Age* for June 18, 1931, on page 83, under the heading "The Economic Problem." And the point No. 12 in that article illustrated the position as it exists to-day, that although a people produce goods, those people cannot get possession of them because the people who want them have no money. The people who have got the goods do not want them.

One more point. Major Douglas says somewhere (I cannot find it) in one of his replies to critics, that the orthodox economist, when insisting that the money must necessarily exist to buy the finished article because every penny of it has been distributed during the process of manufacture, seems to have no idea of time.

This presumably is because the said orthodox economist takes only one of the possible views of time. Time can be thought of in two ways, either as a unit, or as a multiplicity. When regarded as extended backwards and forwards indefinitely, time becomes regarded as only one indefinite period, thus one unit. But when it is thought of as a series of limited durations succeeding each other, then time becomes regarded as a multiplicity. If money is used during one period, it is used only once.

It is obvious that money can only be used once during one period; if there is, then, only one period, extended indefinitely backwards and forwards, the money can only be used once. If there is more than one utilisation, then there is more than one period, because each utilisation takes time.

so that if the money is used three times, then there are three "times" or periods; not one.

When time is thought of as a multiplicity of limited periods succeeding each other, then the same money can be thought of as being used during each of those periods, so the same money can be used over and over again and become a cost each time it is used.

This seems to account for the possibility of taking the orthodox view. But the other view should not be ignored, the truth contains both views simultaneously.

H. WARREN.

CHRISTIANITY AND SUICIDE.

Sir,—In the current number of *The New Age* you quote in reference to the suicide of Charles Smith a statement by the coroner, Dr. Cowburn, "One cannot help feeling great respect for a man who is out of work and yet too proud to apply for help from the public sources" (*News-Chronicle* April 6), you then say, "Dr. Cowburn is a good Christian," and go on to prove him poor at something else.

May I be allowed to say through the columns of your paper that I think this statement of yours gives a very false and misleading impression. I believe that you yourself would deny the accusation that you suggest that Christianity countenances suicide in certain circumstances, but that will most probably be the way in which your appellation is taken in some quarters.

But I would like to say also that it is definitely unchristian to speak with anything but sorrow about one who through pride casts away his life. Humility is not a natural virtue but it is a Christian one, and if our Lord said, "It is more blessed to give than to receive," He surely implied that "to receive" was a blessed thing.—Believe me, yours faithfully,

JEAN A. SNITCH.

Christian and Social Creditor.

GLUT DESTRUCTION.

Sir,—In case it has escaped notice of any of your readers I would draw their attention to two cases of glut destruction reported in the Press during the last ten days. Chilean "authorities" are to slaughter and incinerate half a million sheep owing, it is stated, to the effect of the Ottawa restrictions. The Irish Free State is busy destroying two hundred thousand calves at the rate of twenty-five thousand per week. Owing to the need for economy the animals have to be killed with hammers and stones, and they are skinned while still moaning. Members of the R.S.P.C.A. should ask themselves which is the easier for the Bank of Ireland, to produce a ten shilling note (which is the bounty given for the hide of a calf) or to create a live calf!

T. H. STORY.

Forthcoming Meetings.

The New Age Club.

[Open to visitors on Wednesdays from 6 to 9 p.m. at the Lincoln's Inn Restaurant (downstairs), 305, High Holborn, W.C., (south side), opposite the First Avenue Hotel and near to Chancery-lane and Holborn tube stations.]

Dublin.

Lecture at Clubroom, Red Bank Restaurant, D'Olier street, at 8 p.m. Admission 6d.

No. 5.—*Basis of Credit*. May 18. National Accountancy—The State Bank—The Meaning of Productive Capacity—Capitalisation of State Assets—Statistics—Ireland's Resources, assessment in money value and in bulk. Lecturer: Mr. D. Walsh. Chairman: E. Hickson.

Glasgow.

Tuesday, May 15: at 160, Bath Street at 8 o'clock. Speaker: Mr. R. Weetch. Subject: "The Elementary Principles of Social Credit."

Engineers and Reconstruction

The Rt. Hon. Harold Macmillan, M.P., will address the Engineers' Study Circle on Economics on "Reconstruction" at a meeting to be held at Denison Hall, 206, Vauxhall Bridge Road, Victoria, S.W., on May 16, at 8 p.m. The chair will be taken by Sir Richard Gregory, Bart, F.R.S. Tickets can be obtained free on application to the Hon. Secretary of the Circle, Col. P. H. Johnson, Gunnersbury House, Hounslow, Middlesex.

Water.

"Huge Water Scheme for London." (Newspaper headline.)
"Huge Exodus of Londoners to Dwell Beside the Still Waters." (Headline of the future.)

CREDIT RESEARCH LIBRARY

Books and Pamphlets on Social Credit.

BRENTON, ARTHUR.
Social Credit in Summary. 1d.
The Key to World Politics. 1d.
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Social Credit Chart. 1d.

GALLOWAY, C. F. J.
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Introduction to Social Credit. 6d.

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The Deadlock in Finance. 3s. 6d.
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An Outline of Economic Geography. 2s. 6d.

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SYMONS, W. T., and TAIT, F.
The Just Price. 4d.

Instructional Works on Finance and Economics.

BARKER, D. A.
Cash and Credit. 3s.

CLARKE, J. J.
Outline of Central Government. 5s.

Address: 70, High Holborn, London, W.C.1.

Don't Forget Your Vote.

By B. J. Boothroyd.

Now that the Cup Final is over, the momentous question is Democracy. The subject has been raised by the introduction of a Private Bill to make voting compulsory and inflict penalties on those who abstain from voting at elections.

Present-day indifference to elections is serious. Here's your fathers been and fought and died for the suffrage and your mothers fought and scratched, instead of which you don't give a damn who gets into the gasworks. If I was your fathers I'd come back to you with a slipper.

This indifference may be due to a popular notion that the Government doesn't govern. Some people say they have voted for five successive Governments and, having found themselves with less money in their pockets after each one, have taken to studying racing form as more likely to assist their incomes.

This lamentably mercenary view of policies is widespread. During the recent local elections a bookmaker at the Yorkshire village of Cottingham, near Hull, caused a revival of



Why this indifference to the Vote?

political interest by laying odds against all the candidates, with the highest against those most likely to get in. The people who made books excused themselves on the grounds that for the first time in their lives they saw a chance of finding their incomes improved as the result of an election. The chances were about 100 to 8 against, but they said that was higher than it had ever been before.

There is another possible reason for this indifference. An idea is getting about that the only thing people can vote for at elections is whether it shall be a Labour or a Tory Government that shall take its orders from the Bank.

For this reason they say—with a deplorable lack of political responsibility—that it's no use sending a party to Westminster if all it does when it gets there is listen to phone calls from the City telling it how much it can spend; and that they won't bother to vote for anybody until they can vote for the bankers. They say that if they cannot do that, they may as well have a Government of permanent officials and pay its telephone calls to the City without the bother of an election.

This attitude shows a purely selfish and personal standpoint, and completely misinterprets the true function of citizenship. The British people should not thus lightly surrender the arbitrament of their sovereign will. Was Magna Charta in vain? Ask me another. Was it for naught that the bowmen of Crecy broke the proud will of the Stuart despot, and thus established for ever the right of every Englishman to be put on the Means Test by whichever party he likes?

The alternative to Democracy, Mr. Baldwin told us the other day, is Dictatorship, which rests, he said, on force, "and not on the historic British method of moulding public opinion and arriving at great decisions by means of free debates and open discussions."

Fine. Milton, old prune, thou needst not be living at this hour. We've got Baldwin. What if the "great decisions" are made only after the Bank has decided that they won't

cost much? What if the Party whips have told everybody beforehand how they are to vote so that the "free debates" are heard in an empty House? In these days of congested areas we ought to be proud of empty houses.

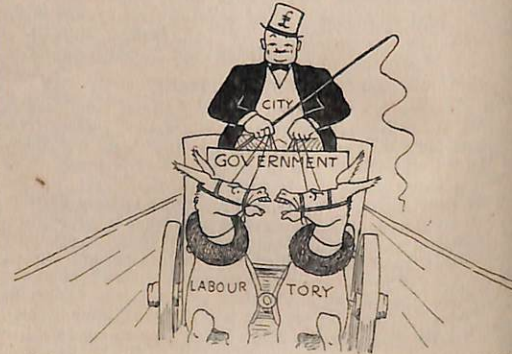
As a free and independent democracy we are not concerned with such details of administration. Ours but to stand firm in the rights our fathers won, and insist that whichever Party the Bank orders to reduce our purchasing power, we put it there to be ordered. With our heritage of freedom in our hearts, can we do less? If so, let's do it.

The first duty of a citizen is to sink his personal interests in those of the nation. In order that this may be done completely and easily, we have adopted an economic system by which the economic welfare of the nation is always in inverse proportion to that of the citizens as individuals.

This can be seen in the case of the Budget. The nation is made solvent only by making private persons insolvent. In order that each unit of the nation shall be completely identified with the whole, all the money used by the nation is regarded as a debt to a Bank. Debt is the great Uniting Element. O Debt, where is thy sting?

By this simple process of borrowing its own wealth from a bank and making individuals pay it back, a nation can gain prosperity by the very process by which individuals lose it. Thus all your doubts and perplexities about the economic system will be dispelled as soon as you cease to think of yourself as an individual and regard yourself as the nation.

All advanced modern thought tends to identify the part with the whole, the microcosm with the macrocosm. There are still impediments to the successful merging of individuals into nation. There are, for examples, a man's name and



British Democracy "arrives at great decisions by free debates and open discussions."

address, wife, child, dog and canary, to name only a few. While this uneconomic impedimenta remains, every man should be taken to keep a man's attention fixed on the national as distinct from the personal welfare.

For this reason the vote is used only for the election of a Government which obviously doesn't govern. By voting the people show that they have no desire for a voice in the control of their own personal economic welfare. But by refraining from voting, they show themselves potential critics of the banking system, seditiously challenging its right to rule the country.

In conclusion, let me impress upon you the deeply religious nature of the financial system in thus inducing men to forget their narrow personal interests and merge themselves in the nation.

By ceasing to be a unit and becoming the whole, a man enters into a sort of Nirvana—the most up-to-date of the religious ideas except perhaps raw vegetables. "Nirvana," a Buddhist fan informs me in an essay, "means nothing but a condition of perfect freedom from desire. 'Dissolved is the body,' said Buddha, 'extinct is perception; the sensations have all vanished away . . . the consciousness has sunk to its rest.'"

In other words, the bloke in question has become the perfect citizen, impervious to the effects of the most perfectly balanced Budget.

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