NOTES OF THE WEEK.

The crash of the "Danat" Bank in Germany and its consequences, to German consumers, provides a strong reinforcement of our views as to the position and possibilities of the Co-operative and the C.W.S. Bank (see The New Age, July 2, pp. 9 and 16), and particularly of our recommendation that the Co-operative Society should consider securing for its own bank the same privileges and powers as are vested in the Big Five. Not speaking the C.W.S. Bank is not a bank; it is a client of a bank, and has a status no higher than that of a private depositor in that bank. Therefore, the directors of the C.W.S. and the bank should pay close attention to what happened to the depositors in the Danat Bank. When the bank shut its doors and cut off their access to money, it automatically cut off their access to goods. Precisely the same thing would happen in this country should the "Capitalist" Bank, which supplies the Co-operative bank's account suspend payments. However, improbable such a contingency may be, the defenders of the Capitalist banking system have been warning the world's Governments that the credit-system is internationally interlocked and that a failure in one place will injure the stability of the whole structure. Moreover, it is not necessary that a suspension of payment need be caused only by the insolvency of a bank, it can be voluntarily adopted by a solvent bank as a preliminary measure, as witness (a) the general limitation of payments (said to be about 5 per cent. of a customer's deposit) by all the German banks, and (b) the actual closing of all banks both in Germany and Hungary on July 15. From the history of past suspensions or limit-payment matters it matters little in the fact itself that he hasn't got goods. Such a situation, declares the Evening Standard, can never arise in England. But there is no evidence to support it except the assurance of the Capitalist bankers; an assurance which is not disinterested, because the public's belief in it is an asset to them—indeed the only asset they've got. And even if the assurance is disinterested, that is no guarantee that the public's belief in it will survive the shocks administered by the events which they are seeing take place all round them. Mr. Lloyd George recently voiced a widespread feeling when he said of the "Money Barons" (meaning Capitalist bankers) that "they have been wrong every time."

However, our reason for going into this matter is the opposite to that of trying to raise a scare: it is to call upon the Co-operative Movement to take its own steps to prevent a scare, or to deal with the consequences of one if it occurs. The first step is, as we have said, to raise the C.W.S. Bank to the status of the others; and the next is to run it as an integral part of the essential service to the community.

Look at its present position. Here are six million Co-operative consumers turning over some £500,000,000 per annum. Who is in control of this immense flow of money? Not the Cooperative Wholesale Society's own bank, but the Capitalist Big Five. Not only is the C.W.S. Bank only a deposit in one of the Big Five, but every local Co-operative Society all over the country toots every evening with its day's takings and deposits them with some branch of one or other of the Big Five. Could there be a more ridiculous policy on the part of a Society which is not to absorb Capitalism into a Co-operative system than to entrust the Capitalist bankers with control of its financial resources? The control of money is the control of policy; and therefore the Co-operative Societies are handing over to the Capitalists the power to decide the limits within which Co-operative ideals shall be translated into action. Some years ago we pointed out to the Trade Unions that they were doing exactly the same thing. They were raising money from the workers in
order (in theory) to accumulate a fighting fund to be used against Capitalism in an emergency; and as Early, they collected it over to the Capitalists to mind for them! ("Please care of my revolver till I want to shoot you!" “). It is therefore known (from Mr. Granville Davies’s History of the W.S. Bank) that at least a large extent the Trade Unions do use the banks' lending power for political purposes. (In the subsequent edition of the Bank the Trade Unions policy in this respect leaves them in hardly any stronger position than the Co-operative Banks). The W.S. Bank of England itself. This policy was sound and successful. In a breakdown the Capitalists suspend the payment of wages (as a strike) the strikers claim they are the strike against the earnings in which the Trade Unions have made up their minds that the present banking monopolies have the advantage of doing any of these things. Therefore, if these reformers must be shown the principle of nationalisation (a policy which is not possible in the wage-earning countries) and as we have shown, the banks are interested in the growth of their business and in the increased amount of money that can be drawn from the banks. The Co-operative Bank, for example, exists to fight on equal terms with the Big And, apparently, it is in an advantageous position. It would be a strike against the banks' movement supplied money or goods to the strikers or not.

Readers will appreciate the significance of the fact that the Capitalist enterprises, thus leaving them to be handled by the Big Five. No doubt this policy looks splendidly political, but it is simply defeatist in practice. As we have stated, the big political movement is the outcome of the circumstances in which the C.W.S. was relatively independent of Capitalist trade influences, but completely merged with Capitalist on the banking. Thereupon, it can be said that the Co-operative Bank. Why? The reason is that Capitalist has always been able to make a strike against a banks' financial lock-out of consumers and workers alike.

In the field of politics the Co-operative Bank would not dream of advocating any particular policy that the big banks followed the big banks in its policy of the employment of classes as a weapon. It would concentrate its efforts on the issue of "One person, one vote. Yet in the field of finance the Co-operative Society is in that position of disadvantage; and the Co-operative Bank is ignorant of the fact that it prefers not to make a song before the music is past. The ground lost to the banks has been the primary source of support of the Co-operative Banks across the country. The Co-operative banks is a flow of political power and influence, of which the character and direction of industrial activities, without the banks’ consent, can thereby be changed. The Co-operative Bank has no power to make a song along the lines of the music past. It is only the banks that can change the character of the music of the Co-operative banks. On the other hand, the Co-operative Society which pays for a pound note paid in a bank has a pound-power which banks can use for their own advantage.

The banks are monopolising the control of the capital from the trade unionists. They are using the power of the control at their disposal and are being furthered by the popularisation of "Nationalisation". It is natural that they have the means to gain by encouraging the political power of the Co-operative Banks.
this membership does not represent vocational personnel, but rather the majority vote of lodge-executives. So the Party membership represents a substantial proportion of in-difference, whatever proportion of definite hostility may exist; while the 5,000,000 Society-members still outside the Party must all be presumed to be indifferent. This is the only reasonable conclusion that a substantial majority of Co-operatives take no interest in the Party, and that an apathy of this kind is more than balanced by a quite reasonable conclusion that a substantial majority of the Cooperative Movement contains individuals attached to all Parties or to none, of all degrees of status in industry, and in every part of our economic and social system. The apathy of these individuals is all the more unfortunate in view of the clear idea of what his or her purpose was in joining. Now, to achieve real unity in the Party for a political objective—say the control of a national political party—and let the Party's policy be visibly related to the common purposes of all these individuals became members of the Party, the Party would then have a chance to make the Party's policy meaningful. Each could conscientiously satisfy his or her desire, which was to cooperate in mutual trading in order to improve the social and political character of the society and to share the price advantage of the society without challenging any- body's political or economic interests and let the Party make that scheme an exclusive political issue, then there would be no reason why the whole 6,000,000+ Co-operators should not back the policy and eventually join the Party. We submit that a campaign for a "Co-operative Bank Charter" would fulfill that requirement.

Not only would this have the advantage of excluding the political and economic interests of the members from the movements to which they would be attached, but it would be the only way to gain the confidence of the Party members and thus win their support. It would also be the only way to create a healthy financial system for the co-operative movement.

A draft scheme for the Co-operative Movement can be drawn up to have a similar aim. The plan for the Miners' Federation was drawn up by a committee of miners, who said, "We would like to see a socialist bank, but we do not want to see a socialist bank."

When that happens, it will become clear to all the members of the society that they must cooperate to build a bank. The Bank would then be able to operate as a capitalistic enterprise, using the cheque-book system, but without the need to buy shares in the bank. It would also be able to invest in businesses which it believes will benefit society.

In the end, the power and wealth of the Bank would be distributed among the members of the society. This would be a true co-operative society, where everyone has an equal voice in the decision-making process.

Industrial peace is endangered by the small profit chasing power that exists in capitalist societies. Workers are paid less than they are worth, which is to say that they are not being paid the value of their labor. This is a system that is inherently unfair and should be replaced with a system where workers are paid the full value of their labor.

The need for reform is urgent. Workers and the working class must be taken seriously in the process of creating a new society. The role of the state in the economy must be re-evaluated, and the role of workers and the working class must be increased.

This is a time of fundamental change. We must ensure that the working class is at the forefront of this change. We must ensure that the working class has a voice in the decisions that shape our society.

The state has an important role to play in this process. It must be willing to listen to the working class and work with them to create a new society that is fair and just.

The working class must also be willing to listen to the state and work with it to create a new society that is fair and just. This is a time of opportunity. We must seize it.

Current Political Economy

It is at last obvious to everybody that Europe is on the verge of the most serious crisis in its history. War, viewed apart from human and national feelings of killing and wounding, merely gives an impetus to organisation. It stimulates orderliness, and ensures a system of distribution which temporarily overrules the law of competition. What threatens Europe now is the breakdown of all organisation through the effort to apply the so-called natural laws of finance. France has successfully been given the role of the bad boy of Europe, and it is very much to the credit of the French that it has done so.

Others are demanding a League of Nations scheme of help for Germany on the lines of that which brought Austria back to orthodoxy.

From this it is clear that the "doctors" are all ignorant of the true gravity of the international situation. France, which all the English political leaders lately asked us to understand, is now ready to demand that the war should continue. If national and economic security within the framework of the present international system is a worthy aim, France is the country in which it is to be sought. The English-speaking world is calling for the suspension of logic in order to persuade France to reconsider. But it would be no use in the long run to supercede reason. It is necessary to understand all the factors involved. If the United States, her supporters in Britain, and the League of Nations finance agency, have their way, the economic and financial interests will be secured at least for a time. The pressure on Germany's wind-pipe will not be released.

Precisely as France lives in perpetual terror of the invader, Germany has lived for several years, because of experience, in distrust of its credit system. To suggest large deposits in a German bank means for the German citizen the ever-present fear of losing his capital. Some morning he is told that his capital is lost. Some evening he is told that his capital is safe. But he is never sure. The government and the court are always at war.

The necessary liquidity has had to be obtained from abroad. At present, America alone and Great Britain £100 millions of capital investments in Germany, an obligation to pay which is a burden on the state. The additional profit on export trade.

To add to this, Germany's liabilities are further £100 millions credit recall that the government does not have the power to lend this money to the money-lender after paying his possessions.

The additional loan would create a further obligation to pay without creating any facilities for payment. Therefore the whole project is a stupid plan which reflects unequal economics on the part of the expert advisers. It would be better that Germany should export commodities, in payment of her interest and sinking fund dues, without return. She would then find markets for these commodities, to convert them into currency, before the war had been over and the loan could be made. As long as the present system of distribu-
The Content of Cost.

II

Modern processes of production are in principle nothing more than methods of tapping natural reserves of energy and wealth. It is a matter of Nature’s law, that the same sun will rise tomorrow as it did yesterday, and that the same industries and combinations shall be the condition of the same industries as today. But in order to produce these natural reserves of wealth, it is necessary to transform them into something else. This is done by the labor of man, who creates new forms of wealth, and who makes them available for human use.

In order to understand the nature of the transformation process, let us consider the example of the production of coal. Coal is a natural reserve of energy, but it is not usable in its natural form. It must be transformed into a form that can be used by man. This transformation process involves the extraction of coal from the earth, the transportation of coal to the place where it is to be used, and the conversion of coal into a form that can be used by man. The transformation process is completed when the coal is burned to provide heat or power.

It is important to note that the transformation process is not limited to the production of coal. It is a universal process that applies to all forms of production. The transformation process is the basis of all economic activity, and it is the basis of all wealth creation.

It is also important to note that the transformation process is not always a straightforward process. Sometimes, it is necessary to overcome obstacles in order to transform a natural reserve of wealth into a form that can be used by man. For example, the extraction of coal from the earth may be hindered by the presence of rocks or other obstacles. In such cases, it may be necessary to use technology to overcome these obstacles.

In conclusion, the transformation process is a crucial aspect of economic activity. It is the process by which natural reserves of wealth are transformed into forms that can be used by man. The transformation process is the basis of all wealth creation, and it is a universal process that applies to all forms of production.
The Films.

Jailbirds: Empire. This is the first of the Metro-Goldwyn-Mayer pictures with an all-dog cast that I have seen and am quite sure will be the last. These animal "tars" are amusing enough in a way, but they all have tails and bark like the real thing. In fact, I think they are really the real thing in disguise. The story is much better than the picture. It seems to be a sort of tricky trap for the audience to fall into. The climax is reached when the dog hero, after a long chase, finally catches his man. The ending, however, is rather abrupt and leaves the audience wondering what will happen next.

Quick Millions: Camelot. Last week I had the pleasure of being able to see this film. It is a fine piece of work, a good deal of action, and a lot of laughs. It is a sort of a farce, but it is also a serious story. The picture is well directed and the acting is excellent. It is a film that should be seen by all who enjoy a good laugh.

Drama.

Late Night: Phoenix. It is said that Stalin excuses his fostering the bourgeoisie in that he is only doing so to prepare for the revolution. He is also said to be anxious to give the British army a good deal of practice. In view of this, it is interesting to note that Quick Millions was made under the supervision of Mr. Davis himself, who is well known for his ability to control the British army.

Quick Millions has already been released and is doing very well. It is a film that should be seen by all who enjoy a good laugh.
Letters to the Editor.

DISARMAMENT.

The conventions of yourself and Major Deedes seem to have created a certain etymological confusion, and will therefore tend to stop if monetary disingeniousness ever occurs. The original plan was for a joint League of Nations, but the 278 million marks virtually worthless. Frankfurter's appeal was heard and dismissed by the Court of First Instance, the Master of the New Age. The court will not prove a point of national independence, the appeal will have no chance of success, and there is a large majority of the Court's existing precedents for a joint League of Nations, the Court being in favor of a joint League of Nations, which was condemned in person. The original appeal was rejected by the Court of First Instance, the Master of the New Age, in the Times of July 15. As interpreted, and as such will certainly be guarded against a maximum government. After all it is perfectly within the power of the Senate, with full power for everything else, which Mr. Deedes had presumably prepared his appeal. It is now a matter of the Senate’s intention. The report to indicate its alternative appeal was rejected by the Court of First Instance, the Master of the New Age. The original appeal was commented on by Mr. Frankfurter's original action was commented on by Mr. Frankfurter's action. The report was rejected by the Senate in the Times of June 25.

The Macmillan Report—This report was published in the Times for June 25th. There are several other reports distributed to the Times by the other newspapers. Copies distributed to the Press (no copies distributed to the Times) are eagerly awaited by the general public, especially by the master of the New Age. The report contains a long and a short list of names and addresses of referees. By the end of June, 106,000 copies have been sold in London alone. The master of the New Age is still a little in the market, but we should not be surprised if he comes out with another report before a review appears. The whole of the evidence given before the Committee.

In the THE NEW AGE for July 23, 1931, the Siemens Electric Company is mentioned. A syndicate of Siemens has been formed to make Siemens-type turbines for the French and the Belgian companies. A syndicate of Siemens has been formed to make Siemens-type turbines for the French and the Belgian companies. Siemens also has an interest in a French company. Siemens also has an interest in a French company. Siemens also has an interest in a French company.

It remains with the exception of the melodramatic moments. It is acknowledged that the speaking and setting are beautiful. Our English theatre is as far behind this Comédie des Quinze in setting as in speaking. The scenes in Le Viol de Lucrèce are beautiful in color and setting. The setting of the acting and speaking of Not. Certainly, in the amount left to imagnation the method is better than the acting and speaking. The recitative does not give the audience credit for having ears as well as eyes, and for feelings which are above the recitative. The reason why Lucrèce should remain entirely recitative.

There is a prospect of La Compagnie des Quinze remaining in London for some time. Those who hear them once will be glad to be grounded in French drama by their aid.

Paul Banker.
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