

THE NEW AGE

INCORPORATING "CREDIT POWER."
A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

No. 2032] NEW SERIES Vol. XLIX. No. 16. THURSDAY, AUGUST 20, 1931. [Registered at the G.P.O. as a Newspaper.] SEVENPENCE

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NOTES OF THE WEEK.

We rarely break into heavy type, but must make such a gesture of congratulation in respect of a magnificent piece of perspicuity contributed to *The Times* of August 15 (p. 9, col. 5) by Dean Selwyn, writing from The Deanery, Winchester. Supporting the Economy Policy, he makes this suggestion:

"What I wish to urge is the establishment by Parliament of a Finance Committee charged with the task of scrutinising not only the expenditure, but also the taxation proposals, of each year's Budget."

That's for a start. The bankers become the Chancellor of the Exchequer. A little later he remarks:

"If it be urged that this involves interference with the privilege of the House of Commons, the answer is that such interference always exists—That's getting on. The thing's being done, so let's make it legal! Immediately he proceeds to say:

"— for the recent experience of Australia shows us that the banking community is at long last a very effective Second Chamber."

Will all please stand for a two minutes' silence.

Thank you.

Wednesday, August 12. The *News-Chronicle*, speaking of the economies contemplated by the Government, says that they are imperative, although the methods of imposing them are "open to argument" but "not to prolonged argument." That amounts to saying that there is no time to debate the methods, and that the Coalition Cabinet must act irrespective of Parliamentary opinions. This raises the question whether it is necessary for members of Parliament to attend the House at all, and whether they should not be sent home to their constituencies until the economy-legislation has been put through

—their salaries being stopped during the interval. In the balancing of Budgets every little helps; and there is no object in paying members at the rate of £250,000 a year if they are going to be muzzled by a Dictatorship. If they register their votes automatically they cease to be representative of the public and become agents of the City, and should be paid, if paid at all, by the City. It must not be forgotten that this drive for economy is not a new and temporary emergency-policy—it is simply an intensified application of an old and established policy. There is not, nor ever has been, any level in the standard of living at which the City financiers would say: "This is low enough; now we'll begin to lift it up"! Their whole influence all the time has been to impose abstinence on the population in order to widen the ratio between total production and total consumption. Their system provides no limit to this widening process: their basic principles, if obeyed without check, would produce a situation in which no production was consumed at all. All nations are being forced to accept this system, with the result that no particular nation has anything to hope for in lowering its consumption except *statistical* prosperity. Australia, for example, might possibly get her ratio of consumption down to a record fraction of say 10 per cent. of her production at a time when that of the other nations ranged from, say, 12 per cent. upwards. In that case Australia would have won the first call on the international pool of financial credit. She would be allowed more, and cheaper, loans; but in using them she would have to take care not to allow her 10 per cent. consumption-standard to rise above 12 per cent. And even that small rise would not be practicable, because the extra credit she borrowed would be offset by the international moneylenders, who would withdraw equivalent credit from other countries, with the result that these countries would be driven to reduce their consumption-ratios in an attempt to get the credit back. Sooner or later one of them would get its ratio down to 9 per cent. Then Australia's little breathing space would be over. The miserable Dutch Auction would begin all over again, and the emaciated Australian consumers would

once more have to rally to the Niemeyer formula: "All Hands to the Stomach-Pump."

It is no wonder that certain leading articles here and there in the London Press are beginning to hint that the restoration of British credit is going to be a long process. It must be so, for, as is indicated above, everything done by Britain inside Britain for Britain stirs up forces outside Britain to outdo Britain, and therefore undo Britain, at the same game. A deadlock is logically certain; and the only question is whether the bankers reverse their policy in time to avert war, or have it reversed by others during or after war.

In the Social Credit Analysis and Proposals we have the solution of the problem, and the technique for the easy substitution of a new financial policy. These matters were laid before the Macmillan Committee more than a year ago by Major Douglas, argued by him, and defended by him in cross-examination. Yet no record of them has been published, nor is any allusion made to them in the Report. A year ago the Committee might have excused themselves on the alleged ground that Major Douglas's scheme was unsound or impracticable. But to-day such an excuse has no weight—on the contrary, it would supply a reason for a policy of frank disclosure of his proposals, in view of the fact that his name and his ideas are being spread throughout Australia in pamphlets, speeches, articles and wireless. If there is a flaw in his analysis is it not manifestly an urgent duty on the part of the bankers to issue an authoritative exposé of this flaw, if only to ease the task of the Australian Government in killing false popular hopes of economic recovery without economy? If Major Douglas is in error, then all sections of Australian business life are being infected with that error, and are becoming centres of opposition to the Federal policy. If the bankers won't take the relatively little trouble to combat Major Douglas's teaching in the face of this situation, the only conclusion must be that they have no answer to it.

Assuming this, let us consider the most plausible reason for silence which could be offered.

"Yes, we see that the flaw in the financial system has been demonstrated; but what is the use of publishing the fact in Britain when we are caught with other nations in an international emergency? We must get through the crisis before we can hope to experiment with Social Credit, because to do so we must secure at least the neutrality of our chief trade competitors abroad, and that is impossible in the present atmosphere of suspicion which is poisoning international relations. Industrialists abroad would at present conclude from Britain's embarking on a new financial policy that she was preparing a new method of attack on their markets."

Our readers will recognise that this objection would carry considerable force even with intelligent and unbiased statesmen. In fact, students of Social Credit themselves have on occasions questioned the practicability of starting the policy in one country ahead of others. Nevertheless this hypothetical objection is less tenable in the midst of a crisis than it might be before and after. For all such crises are manifestations of a deadlock in international trade, while the Social Credit analysis reveals a new way of unfastening it.

Supposing then, that the financiers allowed the news of this discovery to be released; the effect on what we will call Operative Capitalism would be that of reviving hope and therefore "restoring confidence." Take America, France, Germany and Britain as representing the chief industrialised countries. The Operative Capitalists in each of them would be eager to know all about a scheme which

promised them new opportunities for selling their goods. Naturally they show no such eagerness at present because, in the few cases where the news of the scheme has reached them, it has been brought to their attention as a rumour from below, not as a recommendation from above; and therefore they have not taken it seriously. If it came to them as an authoritative notification they would be as anxious to get the claims of the scheme examined by competent specialists (who would include mathematicians, physicists and engineers) as are the advocates of the scheme themselves. So far there would be no question of taking action, but simply that of eliciting the most reliable evidence as to the theoretical soundness of the scheme and the practicability of its application.

Next, as to action. Even supposing that in the result the capitalists in these four countries halted short of complete conviction, they would still be intrigued enough to want to see the scheme tried out somewhere and by somebody or other while they watched what happened. Moreover it would be to their material interest, as things are at present, to get the experiment made. Obsessed as they are, and are now obliged to be, by the necessity for selling goods to the uttermost in the world-market, would they not heave a deep sigh of relief if some country or other adopted the new policy, involving, as it would, a slackening of exports by that country into the world-market? Would it not even be worth their while to pay down good hard cash to subsidise the experiment supposing that to be necessary (which obviously it would not)? And suppose, further, that no one of the four first-class Industrial Powers cared to take the plunge. Well, there are smaller countries—there are Britain's Dominions—there is Australia. Why not encourage Australia to build the working model? She is at this moment the nearest psychologically to being ready to try it; and she possesses sufficient resources of her own to produce a result; and in case her people were not unanimous about the risk, the risk could be covered by a joint guarantee on the part of the other countries for whose guidance the attempt was to be made. What would it not be worth, for example, to American and Canadian farmers to secure Australia's partial or complete abandonment of wheat-exportation. This leads us to our general conclusion, that Capitalists, as distinct from bankers, are ready to give Social Credit a run when they hear about it through the channels that they are accustomed to. The decision of the Macmillan Committee to withhold the evidence offered to it in support of Social Credit blocks up the chief of those channels. For it is on the facts and arguments elicited by such Committees that the best-trained and most careful investigators concentrate their attention—that is to say the kinds of intelligence most competent to advise Capitalism on fundamental principles of policy and procedure from Capitalism's own point of view, which is that of successfully marketing products as and when they are made.

The injury caused by this concealment is not confined to Britain; it is international. The suppressed evidence would have been procured and studied by scientific and other experts in all countries of the world. We cannot conceive of any reason why they should not have been allowed to study it except on the hypothesis that Finance feared lest action might proceed from the new knowledge. What sort of action would not matter—any sort of reaction to the evidence would be objectionable to the bankers. The reason is that in real politics the Foreign Departments of the Governments not only seek to adopt good policies, as they deem them, for their own

countries, but also seek to plant bad policies on other countries. For example, the United States rejects Communism for herself, and won't have any "Gandhi-ism" in her dependencies; but is quite ready to encourage both inside India and other spheres of British rule or trade. Hence on the same principle any Foreign-Department strategists abroad who saw, or thought they saw, a flaw in Social Credit, might use some of their secret-service funds to boost it along in Great Britain. On the other hand, if they thought it a good policy, they would try to get it adopted at home. In either event Social Credit would be pushed along somehow and somewhere—whereas the bankers want its progress to be "nohow and nowhere." These ideas are not so farfetched as they appear. For instance we can foresee some Government in Australia superseding the Labour Government and routing, for the time, the Social Credit and other critics of the Niemeyer policy; but it is quite on the cards that the new Government might get embroiled, as once before, with Italy about the treatment of her emigrants in Queensland, and that Mussolini, as one measure of reprisal, might secretly or indirectly subsidise the Australian Opposition, even though he might have no interest in the financial policy advocated among its members. The idea of "Italian gold" in Australia is no more farfetched than that of "Russian gold" in Britain. And every day that the banking monopolists keep the whole world embroiled they are hardening fantasies of this sort into facts. The proverb: "Adversity makes strange bed-fellows" has proved itself; and the stranger they become the stranger the surprises they have in store for the financial prophets of adversity.

Mr. J. M. Keynes has said in one of his writings that

"In a 'closed' banking system there is no limit to the amount of bank money, i.e., credits which the banks can safely create, provided they move forward in step." This is true. During the war the banks of the civilised world kept in step, i.e. they were each obliged to feed industries with all the credits necessary to keep production up to maximum capacity. The pace at which the British banks "moved forward" is indicated by the Budget deficits of the period, which were as follows. (We add their declared Deposits for some years.)

	Budget Deficits.	Banks' Deposits.
	£	£
1914-15	334,000,000	895,000,000
1915-16	1,222,000,000	—
1916-17	1,625,000,000	—
1917-18	1,989,000,000	—
1918-19	1,690,000,000	1,583,000,000
1919-20	326,000,000	1,961,000,000
Total	7,186,000,000	

With regard to the Deficits, you see the Government during six consecutive years overspending its revenue by amounts of the majestic order of £1,200,000,000 a year. Ignoring external purchases, this means that on the average the community received that sum every year from the Government in excess of the sum collected by the Government in taxes. Yet, against the total of £7,186,000,000 passing into the community's banking accounts its deposits at the end of the period stood at only about £1,000,000,000 more than at the beginning. Therefore roughly £6,000,000,000 had disappeared. The community who on the eve of the war possessed deposits of £895,000,000 against a National Debt of £706,000,000, or 25s. to 20s. at the end of the period possessed deposits of £1,961,000,000 against a National Debt of £7,875,000,000, or 5s. to 20s. This declension in the ratio of tax-paying capacity (reflected by de-

posits) to total debt was not felt by anyone during the period because the banks kept on creating and issuing new credits in excess of their withdrawals of previous credits. This they could do because the banks in other countries were doing the same—all of them were in step in a closed banking system.

This country, and the world in general, is now being brought sharp up against a corollary to Mr. Keynes's proposition, namely, that there is no limit to the amount of bank-money, i.e. credit which the banks can safely destroy provided they move backward in step. (The word "safely" must be given the connotation:—with safety to the banks.) The central banks began to get into step in 1921-2 when they began their deflation policy. This year, with the institution of the Bank of International Settlements, they appear to have agreed on their backward marching pace. In the meantime they have been forming themselves into a blackleg-proof trade-union, and evidently consider themselves in a position to call out their men in any country, and sympathetic strikes elsewhere against that country, and even to declare a general strike against the whole world. Whether they have calculated correctly or not depends primarily on how much of the truth about their policy and activities has been got over through the educative activities of the credit reform propagandists since the war; secondly what numbers and what orders of people are aware of it; and thirdly whether they are yet willing and able to challenge the present policy. Present indications suggest that another turn of the bankers' screw will have to take place before any responsible opposition is forthcoming.

The B.B.C. have declined Mr. Winston Churchill's request for the opportunity to broadcast an address on the forthcoming Round Table Conference. Mr. Spender, in the *News-Chronicle* of August 13, defends the B.B.C., questioning what good purpose would be served by a repetition of Churchill's familiar warnings. This is interesting when linked up with the rumour (see our "News Notes" of last week) that Gandhi would be allowed to speak on the wireless when he visits London.* In conversation with an officer just returning from leave to India a fortnight ago we were told by him that the American Missions were attracting natives from the British Missions; that they encouraged these natives to attend meetings promoted by Gandhi's supporters; and that the speakers at those meetings not only decried British rule but frequently uttered thinly-veiled incitements to violent resistance. He also said that Military officers and men in India were growing restive at the vacillation of the civil Administration, who waited until disorder had been fomented up to the point of danger, and then called upon the military to suppress it "without hurting anybody"! If anybody got hurt the soldier had to bear the odium which properly attached to the politician. The civil authority, he said, ought to make up its mind initially what its policy was—persuasion or coercion.

As our readers will recognise, this anomaly proceeds from the fact that the civil authorities out there are in a dilemma: their instructions from London are (a) to maintain British authority, but (b) to do so in such a way as not to affront American public opinion. Thus the British officer becomes the scape-goat for British subservience to the United States' financial (and therefore political) policy. Logically Dr. Sprague, Mr. Montagu Norman's Adviser, should be appointed to do in public what he does behind the scenes, and take command of civil and military administration in India. Then the British

*On August 14 it was reported that Gandhi was not coming to London.

officers would know where they stood—upon which no doubt they would recognise that since it was Dr. Sprague's policy that was being carried out, the coercive agency for its administration should be American, and not British, soldiers. The restiveness among British military forces is justified, but the flow of this vacillating civil policy proceeds not from but through, the British Government. The India Office and the War Office are subject to the control of the Treasury, which is controlled by the Bank of England, which is an agent or partner of the U.S. Federal Reserve Board, whose policy runs parallel to that of Washington, and is indicated by Dr. Page's famous dispatch to President Wilson on the outbreak of the War: "The British Empire has fallen into our hands." Mr. Montagu Norman and Dr. Sprague may be considered as the directors of an Anglo-American financial syndicate formed to carry out, among other things, the policy of the "Open Door" in India—which means in practice a redistribution of trading opportunities in the Indian market in favour of United-States export-capitalism. Their resident manager in India is Sir George Schuster, whose job it is to see that whatever political concessions may be given to "India" (which really means to native Indian capitalism—without whose support Gandhi would have no power) they shall be accompanied by "financial safeguards." The effect of these safeguards will be that the "liberated" Indian capitalism will be controlled as to its policy by Anglo-American banking interests, whose own policy will be predominantly American.

Since financial policy conditions political authority Sir George Schuster, as Financial Member of the Indian Government, is the effective Viceroy. He is a cosmopolitan by birth and training, and his ultimate allegiance is to any nation which happens to be dominant in financial power. As a citizen of a denationalised race his loyalties are non-national, or, as the phrase goes, international, or better still, supernational. His appointment to his present position is symbolic of the dilution of Britain's power to administer Indian affairs according to British traditions. For this reason British loyalists in India, civil or military, will do wisely to study the Social-Credit analysis of the principles and technique of credit-finance and to watch Sir George Schuster's actions against this background.

There is another reason. The Schusters' affiliations with the Montagus, Samuels, and Isaacs's date back to before the Marconi Affair of 1912, when some of their associated activities came to light in Parliament. These families are all more or less directly interested in the Silver market, and between them they decide what shall be the daily London official quotation for that metal. If then, as Mr. J. F. Darling and other banker-economists are proposing, silver is once more brought in to supplement gold as a basis for credit, this group of families will occupy a key position in regard to the affairs of India and other silver-using countries. Commercially, the United States will come into the game as an exporter of silver—a very lucrative bit of business when it is remembered that the price of silver would be internationally raised and standardised for bullion purposes. Conversely, the influence of South Africa as a gold-exporting country would relatively decline. Nominally Canada might benefit, but it is not clear who controls, or will control, the disposition of Canadian silver—for no-one knows on what conditions the United States' financing of Canada has taken place. It will be safer to adopt the hypothesis of American-controlled production, Jew-controlled distribution, and bank-controlled manipulation of this metal and the credit based upon it. Here is

another line of investigation which we recommend to British loyalists in India and elsewhere. If they will only take the trouble to learn how credit is created and used they will be able to interpret without difficulty the legislative measures which are in prospect when the Round Table Conference arrives at some decision or other.

Friday, August 14. On this day it was announced that Gandhi was not coming to London. This decision would appear to be wise, and should be adhered to. He has been having a dispute about a much more important matter than the principle of self-government, namely about the methods of collecting taxes in the Province of Bombay; and his abstention from the Round Table Conference is due to his dissatisfaction with the attitude of the Acting-Governor. The *Evening Standard's* leading article on this date makes amusing reading. The writer is plainly disappointed with Gandhi and heads his article "The Illogical Mahatma." What, he asks, does Gandhi want to bother about taxes for?

"If, by attending the deliberations he were able to secure the sort of government he wants for India, that problem would automatically solve itself. But for the sake of a gesture of defiance, he throws that possibility away."

The writer allows that Gandhi is not an "out and out fanatic"—"It might be better" if he was! But he hasn't "any political sense whatever"! If he had, "we should know where we stood with him." This is an illuminating disclosure of the sort of cat that's in the bag. The writer, whether designedly or not, has exactly inverted the position. Gandhi's preoccupation with methods of tax collection is one very definite indication of the "sort of government he wants," namely a government who shall have power to decide taxation-policy and control its administration. The present dispute is a master-test of whether Britain is prepared to concede this power to a new Indian Government. Gandhi's "political sense" is subordinated to his financial intuitions, which tell him to hang round the spot where the "doings" are being scooped out of people's pockets, rather than come to London and get entangled in catch-phrases and formulae invented in the City, and foisted by high-society agents upon native delegates by individual "personal contacts," as *The Times* called them on the last occasion. If the *Evening Standard's* leader-writer spoke with frankness, and knew what he was talking about, he could administer a complete and final corrective to Gandhi's "illogicality" by pointing out to him that he was virtually demanding from the British Government the concession of a power which the British Government itself does not possess. Gandhi sees, or is well on the way to see, that a Government which is not master of its financial policy is politically powerless. Somebody ought to send him the *Evening Standard* in question, for, by a gorgeous accident, there appears at the top of the column next to the leading article a jibe at a little-round-table conference now going on in London to decide on methods of lifting £96,000,000 out of the public's pockets. The author of the jibe writes as follows:—

"The mystery of Mr. Baldwin's return remains a deep one. Apparently the Prime Minister did not summon him any more than he summoned Mr. Chamberlain. Neither did Mr. Baldwin and Mr. Chamberlain summon Mr. Samuel. They just came, as did Sir Herbert Samuel, another, Some unknown voice whispered in the ears of all of them, and they obeyed. I am sure that but for his illness Mr. Lloyd George would have heard the same voice and would have obeyed too. . . . I feel that in face of these unexpected movements of leading politicians there is no one to consult save the scientists who study the mysterious impulses which govern the migration of birds."

Now, these politicians represent the only two alternative Governments to the Labour Government. A whistle is blown; and instantly they wheel up and

dart for Downing Street—Conservative, Liberal, Jew, Gentile—with no thought in their heads but to merge themselves into a body to carry out the instructions of the Man with the Whistle. The sort of Government which Gandhi wants is the sort of Government which the British people are waiting to get—a Government that can blow its own whistle. He won't, and can't, get that Government until we do. Conversely he can and will get it when we do. That is to say that upon the resumption of financial self-determination by the political Government of Britain, and its adoption of Social Credit policy, there will remain no incentive on the part of any interest in this country to impede India's assumption and exercise of the power of self-determination. And since—as a foregone conclusion—the transfiguration of Britain's internal economy will be simultaneously reflected in that of each of her present Dominions and Dependencies, there will be established a basis of disinterested and mutually helpful co-operation in the working out of their several destinies. Once economic rivalries cease to divide the British from the Indian people (for their cessation will be the *initial phenomenon* of the new order) then will commence the disintegration of inter-racial and inter-religious feuds and conflicts inside India. We affirm our conviction that political, religious and racial animosities in these days are, fundamentally, expressions of economic insecurity; and that the violent acts proceeding from them are vents for pent-up feelings of economic injustice. And, if we should be assuming too much, and if the economic rehabilitation of India should in itself fail to solve such problems as, for instance, the differences between Hindus and Moslems, at least the way would be clear for the Indian Government to avail itself of the services of British administrators, who then, instead of appearing in the role of oppressors, would appear as, and would in fact be, disinterested arbitrators.

Finance and Russia.

The objection is often raised to proposals for economic reform on Social Credit lines that such reform could only be introduced by pre-concerted international action. A reply (with which most readers of this journal are, of course, familiar) to this objection is, that the introduction of such a reform in any one credit area would put that area, or nation, in a position to force the hand of the rest of the economic world by flooding it with cheap exports. Thus the "increased production" bubble would be pricked by a *reductio ad absurdum* and the economic rivals of the area concerned compelled either to go under or to follow its example. At least, if events did not follow this course, it would be for political and military, not for economic, reasons. No clear-sighted advocate of credit-reform, certainly no regular reader of THE NEW AGE, is likely to deny the possibility of military resistance to credit-reform, organised along nationalist lines. But in such a case the propaganda department of the aggressor's War Office would at least be saddled with the maximum difficulty—the difficulty of persuading its troops to fight for scarcity against plenty, for unpaid unemployment against obvious prosperity.

The recurring tragedy which lies at the base of human history would appear, stated very succinctly to be something like this:

1. Something must happen (sphere of necessity or destiny).
2. It may, however, happen in any of two, or perhaps more, ways (sphere of free will).
3. Actually it generally happens in the worst way—the

way which involves the most widespread and hideous suffering and produces the least perfect result in the end. What is the present situation?

1. The break-up and reorganisation of the existing economic system must happen; the world's hand must be forced.
2. It may happen either by the voluntary introduction of some form of Social Credit at one point in that system or by, e.g., the success of the Russian Five Year Plan, the avowed object of which is, not internal prosperity, but to flood the rest of the world with cheap goods and by that means break up the existing economic system.
3. The question is, In which way is this break-up actually going to happen?

Since I put No. 3 in the sphere of free will, I cannot very well be accused of pessimism. But I should like to draw the attention of anyone disposed to a too easy optimism to two speeches made by gentlemen recently returned from Russia and both reported in the same conspicuous column of the *Daily Telegraph* on August 6 last. One was by the Marquis of Lothian and the other by Mr. Bernard Shaw. The Marquis of Lothian gave it as his opinion that the Five Year Plan would succeed, that it was "the most gigantic and heroic experiment ever tried in history," that "the ideas behind the Russian Revolution were going enormously to affect mankind." Mr. Shaw's speech which, as far as its contents are concerned, might very well have been written for him by one of the Learned Elders of Zion, was devoted to identifying in the minds of his admirers "efficiency," "intelligence" and the catalogue of Shavian virtues with the word *Russia*—and it had the added repulsiveness of sniggering allusions to the physical violence which, as we know very well from his works, the speaker cannot personally bear the thought of.

The impression left by both was a *hazy identification of the notion of economic reform or economic progress with the notion of the Five Year Plan*.

I consider the question, whether the power commonly referred to in your columns as "the Bankers" is correctly named, to be a red herring. What does the name matter when we know the power itself, when we know that it possesses singleness of purpose, practical skill and psychological insight in the highest degree, and that the banking system is palpably its instrument?

Some kind of economic reform is inevitable. The Bankers, therefore, wisely working *within* the sphere of free will, are busy making provision that it shall be the worst kind. Nor could anybody have played their game with greater intelligence and efficiency than these two egregious summer visitors. What could be more desirable than to get firmly established in as many heads as possible the simple equation "Economic Progress = Russia"? For things that are equal to the same thing are equal to one another. Given that economic progress = Russia; what does Russia equal? What are those "ideas behind the Russian Revolution" which, as the Marquis of Lothian is careful to remind us, "are going enormously to affect mankind"?

Prejudice and sentimentalism apart, it will hardly be denied that *Russia*, as an economic-social slogan, signifies the total subjection of the individual will and the substitution therefore of acknowledged animal instincts. Ideal and theoretical *Russia* (and that is the only one of which the summer visitors really had anything to say) does not yet exist on the map. It is any place in which individual existence is throttled down to the level of instinct, given some additional free play at that level and—confined strictly to the playground. The object of the Five Year Plan is to make the world that place.

I had never heard of the Marquis of Lothian until I read his speech; but what are we to say of Bernard Shaw?

"*Sancta simplicitas, Master de Stogumber, sancta simplicitas!*"

OWEN BARFIELD.

Shawdust and Shavians.

The "Daily Worker," regarding itself as the only working-class newspaper, has protested against Mr. Bernard Shaw's reply to its request for an interview. After a delay of a week, his Secretary said that Shaw's contracts with the Press prohibited his giving interviews. It may therefore be safely concluded that the following interview between S. and the Intelligent Woman is entirely imaginary.

I.W.—Say, Uncle Barney, this Russian stuff you're putting over, is it the goods?

S.—My dear, the Russians laugh at my jokes, and the English pay me handsomely for repeating them. Of course it's the goods.

I.W.—Oh, yes, Uncle Barney, one must live, and all that sort of thing. What I mean is, do you believe it all? Somebody told me yesterday that you're still the undeveloped Puritan brought-up little boy shocking his aunts and niece with naughty words that have no meaning for you.

S.—I believe in the equal apportionment of incomes, in the equalisation of rates of pay between Civil Engineers and Night Watchmen, and between poetry and journalism. I believe in journalism. I believe in the equality of men and women, and in the superiority of women; in the Dictatorship of the Superman, yea, in the great Shaw himself.

I.W.—You puzzle me, Uncle Barney. You once wrote that anyone who believed a religion true would live by it every minute of the time.

S.—Come, my dear, did you never read that a preacher has no more obligation to live by his own sermons than a doctor to drink all his own medicines?

I.W.—Perhaps there's something in that, Uncle, as you seem to practise it, and to do quite well out of it, but you surely believe that what you say is true, and the advice you give good advice.

S.—I obey the impulsion of the Life-Force. It leads and directs and drives me in all my prophecies.

I.W.—And the Life-Force has removed to Russia?

S.—Russia is a great scientific experiment conducted by practical, technological politicians. It is a great and ruthless application of Nature's principle of trial and error.

I.W.—I can see all that, as long as you keep it so general. It's the details and the implications that worry me. Do you like the Russian dictatorship because it's Communistic, or do you like Russian communism because it's a dictatorship? You like being a dictator, in a small way, yourself, don't you?

S.—Have I not proved, to Trotzky's amusement, that the Russian system is a Fabian Dictatorship?

I.W.—You have said it, Uncle, and I can believe that laughs in Russia have a rarity value. Do you know what your saying it reminded me of?

S.—My omniscience notwithstanding, I'll hear it from you.

I.W.—Of G. K. Chesterton saying that whereas other play-writers had made plays out of pathos, you made them out of bathos.

S.—Chesterton is only a purveyor of paradoxes. He is one of those comfortable men who attach themselves to such nonsense as happiness and private property, and write poetry, even about children, mind you. You mustn't take notice of Chesterton if you want to remain the Intelligent Woman.

I.W.—I suppose that people who care for happiness and children are defective-minded. I noticed that Ernest Barker, replying to your Russian stuff in *The Times*, wrote: "I take it that Shaw means that such a civilisation would not only be enduring but beatifying."

S.—Once more. Woman, what have I to do with beatitude? All those who reply to me prove them-

selves by that act intellectual pigmies. Lenin laughed at me. Engels laughed at me. Trotzky laughs at me. Stalin laughs at me. They are supermen.

I.W.—Yes, uncle, but as the adopted niece of a famous man, I am trying to understand you. Now, so far as I can see, we have had thirty years of applied Fabianism, applied by all parties. I know that you assert the inevitability of gradualness, but instead of our being nearer to equality of incomes, more people than ever are without incomes.

S.—Then invite Stalin over to run the country in the Russian way, and he and I will show you how to make work for everybody, and everybody work.

I.W.—You mean gradually, of course.

S.—Did I not write that if we had a violent Socialist revolution in England, however complete the slaughter and expropriation, gradualness would be as inevitable the day after as the day before?

I.W.—Yes, Uncle Barney, and you talked about the White Russians and lots of others being shot. I just love the bloodthirstiness of your talk; though I half believe that one sip of blood would make you sick. On the other hand, of course, you might become a blood-drunkard, provided somebody else were shedding it.

S.—Please don't speak of drunkenness in my hearing. It reminds me of happiness and Bacchus, and the half-wittedness of adolescence. To come back to the subject, gradualness is inevitable all the time.

I.W.—I can see that it is inevitable after the revolution, Uncle, but why should it be inevitable before, when there is so much good work not yet un-done? Gradualness wasn't inevitable during the war. All sorts of wonderful plans were conceived and executed at very short notice, and industry grew like the verdure on the veldt after the rain. You should have seen an army kitchen opened.

S.—Gradualness varies in degree, my poor child, from the speed of a caterpillar to that of a bullet.

I.W.—Bullets again, Uncle? Anyway, if Russia plans to do in five years what the Fabians agreed to spread over eternity, gradualness differing in degree is what identifies them and gives the Fabians all the glory if the Russians succeed. Yes, I can see that, Uncle.

S.—Something else also identifies them, the sacrifice of the individual for the endurance of the State, for the triumph of the principle of Collectivism. The whole is greater than the parts.

I.W.—Yes, of course, Uncle, we English have been very sentimental about the individual, haven't we? Bills of Rights, and Habeas Corpus, and all that sort of bunk.

S.—Liberty and fraternity are, as you suggest, bunk. Only equality is worth while as a goal. And equality means the total sacrifice of all the individual persons to the will of the Supermen who believe in Collectivism.

I.W.—You mean the spirit of the hive, Uncle, that Maeterlinck was so rhapsodical about. The prize cattle-show. The orderliness of these things must surely be good in the sight of the Life-Force, isn't it? I mean, in contrast to the ridiculous idea that people should do as they like, within the limit of their means, and within the law.

S.—The only problem about the equalisation of incomes is at what figure we should stabilize.

I.W.—What about the figure at which your income stands, Uncle Barney?

S.—I belong to the Supermen, such as Litvinoff and Lunacharsky. We necessarily require more than the average man.

I.W.—You know, Uncle Barney, I've heard that word stabilize before, somewhere. I used to suspect you of believing in expanding rather than in stabilizing, in the deepening of human consciousness and

expansion of human power, world without end, amen, sort of thing.

S.—I cannot logically argue for equality without arguing for stabilization. Therefore we must stabilize.

I.W.—It's curious to me, Uncle, that you should excuse Russia for unequal incomes on the ground that it is passing through a crisis. Because I've a kind of feeling . . .

S.—Distrust feeling, woman. I believe in the superiority of women because they are more logical and practical than men.

I.W.—I had a kind of feeling, Uncle, that it's only during a crisis that you can approximate to equality. Army pay, siege rations, order of life-saving in shipwreck, and so on.

S.—You have equality then because you have a dictatorship then, a dictatorship which is accepted without question, instinctively, as ants and bees accept the unwritten laws of the group. Therefore, you must have such a dictatorship all the time, ruthlessly eliminating the paralysing delays of our Parliamentary engines.

I.W.—I see. I'm gradually getting it clear.

S.—Gradually, you see, my dear.

I.W.—Yes, Uncle, I see also why you say that the Russian carpenter and ploughman would not fight against the English carpenter and ploughman as such. They would only do so by order of the Collectivist State to impose the principle of the collectivist dictatorship on the lack of principle in individual freedom.

S.—Precisely.

I.W.—But the bereaved wives and sweethearts and orphans would weep just as freely, Uncle, wouldn't they?

S.—Now, my dear, you mustn't become sentimental and romantic again. The Russian wives would rejoice, because their sacrifice would be a religious cause, for the triumph of a principle.

I.W.—Uncle, why don't you naturalise yourself as a Russian, for the sake of your belief in Russian culture, as Houston Stewart Chamberlain did for his belief in the German?

S.—My dear, Russia would not allow me to do so, much as I like. It would cramp my style. It would forbid my being against the Government. . . .

I.W.—As you would be if you had to live under a dictatorship instead of being the guest of one and itching to run one. You're quite right, Uncle.

S.—I always am.

I.W.—Yes, Uncle, and another thing I like about conversation with you is that one doesn't need to learn anything new. A few people nowadays start off about money and banking and distributing the goods that can be produced, and all that sort of thing, in a way that positively makes you want to scream. I'm sure that as an alternative you would have to think or to get to know something about the subject.

S.—Don't touch it, my dear. It would hamper you. There's no market for it. Stick to the tried and trusted things, the controversies that tread on no toes, vegetarianism, oatmeal versus soap, sun-bathing, efficiency, Carlyle's gospel of work, longev-ity, dictatorship, the sort of ideas that come to you while wearing a Norfolk jacket, Marx and Jesus, Darwin and Lamarck, Noah's Ark and Joan of Arc.

I.W.—Quite, Uncle. You want me to remain the Intelligent Woman, and not to develop into a reformer or a revolutionist.

S.—Quite. You know, my dear, a short time ago the *Morning Post* ran a campaign for the voluntary refusal by all good patriots to use Russian goods. Among the patriots were some of the biggest hotel-proprietors, who would consent, out of all Russia, to use only her caviare. They explained that they

had no conscience about it, as caviare was a non-competitive product unobtainable elsewhere. Whether that be the reason, you are going shortly to witness a change in the attitude of British patriots to Russia. I, by a coincidence, have come in with the tide. Now, my dear, you must run away and play, as I am under contract to deliver an article to the Capitalist Press, on the inevitability of gradualness.

I.W.—Good-night, Uncle Blarney.

A. N.

Economic Independence.

By John Hargrave.

The members of the International Chamber of Commerce were wise to brave the charge of uttering a truism when they passed, the other day, their resolution beginning with the words, "The development of the world crisis has clearly demonstrated the economic and financial interdependence of all nations."—(*The Times*' leading article, August 8, 1931.)

" . . . Whatever disturbance and shock has been caused, and however serious the set-back to trade recovery, it is also true to say that the world has had an object lesson in the economic interdependence of nations such as it has never had before."—(Sir Walter Layton, at the Liberal Summer School, Cambridge, August 1, 1931.)

The phrase "economic interdependence of nations," now being talked-up on every hand, is important.

It is a subtle sloganisation of certain facts projected in such a way as to make national economic independence "unthinkable." You must not think of it.

The suggestion conveyed through this "economic interdependence" slogan is that no one nation, or group, or community, can hope to escape the World Depression. We are all in the same boat, and we must all "pull together, boys!" (with the international interdependent bankers and financiers at the helm of the World State).

In doing this we must, of course, "make sacrifices all round." That is essential and inevitable. We must be warned by the Australian situation. Look at Australia. (Yesterday we were told to "Look at Russia.")

In plain English, we must do without, cut down our expenses, and go short. There is no way out of this, because of the "economic interdependence of all nations."

The Times (quoted above) is, however, more accurate in its use of the phrase, for it speaks of "the economic and financial interdependence of all nations." It recognises that economics and finance are two different things. It does not point out that, under the present system, finance governs economics. For example:—

"Wheat last week reached the lowest price ever attained since prices have been recorded. It was sold in Chicago at about 24d., which means that the price on the farms is approximately 1s."

"This is far below the cost of production. Some farmers are burning the wheat in their fields in order to avoid the expense of harvesting, and over thousands of square miles no attempt will be made to plant a crop for next year, the land being allowed to lie idle . . . They blame the low price on the policy of the Federal Farm Board, which bought more than 200,000,000 bushels and is still holding them."—(*Manchester Guardian*, August 7, 1931.)

Wheat fields ready to be harvested are an economic factor. The policy of the Federal Farm Board is a financial factor. It is financial policy that determines whether the wheat shall be harvested and eventually used as bread, or burned where it stands in the fields and the fields forced out of cultivation.

All this is due to the "economic and financial interdependence of nations." Actually it is due to

the financial dependence of all nations upon international finance.

For my part I am dead against that dependence, especially for this country. Our policy could, and therefore should, be one of Economic Independence.

As a social credit State Britain could break away from "financial interdependence" which, in reality, is abject dependence upon a system that is bringing us to economic, social, and cultural ruin.

We could, and should, isolate ourselves by means of a social credit *cordon sanitaire*, through which economic interdependence can be maintained and developed (indeed, set free by using a real export surplus), but through which the financial contamination of induced "World Depression" and purely artificial bankers' "crises" cannot pass, or are rendered aseptic in passing.

Our insular attitude of mind has often been criticised. But an insular attitude towards the international bankers' combine (their central banks, and their Bank of International Enslavement) is essential to the very existence of the British people in these islands. We could and we ought to insulate ourselves from the powers of economic destruction.

"Splendid isolation" in financial policy and technique is our only hope. We need not blink the fact that this means a tremendous struggle—a struggle for National Economic Independence against national dependence upon international credit-mongers.

So far from joining in co-operation with the plans of the Bank of International Settlements and the central banks, we ought to have the courage (we already know how) to cut the umbilical cord, tie it off neatly, and set about our own business, determined to brook no sort of interference from anyone or anything (except it may be floods, earthquakes, or any other "acts of God") with our internal economic independence.

"Ourselves alone!" in the form of complete economic independence must be our aim. Internationalism spells financial enslavement. All the great organs of publicity are being flooded with propaganda for the Bankers' International.

"Yet the axiomatic truth that in the modern world the good of all is the good of each, and that the individual nation has become too small to be the basic unit, is very slowly sinking into the minds of the untravelled masses, and is probably best understood, almost instinctively understood, by the younger generation in each country."

The conviction of the essential community of interests of all countries does probably exist subconsciously almost everywhere; yet hardly anywhere has it been brought to full consciousness, or turned to international account. But in innumerable ways it is growing all the time. Knowledge of other countries is far more widespread than it used to be. Wireless links listeners every day. North America is nearer to London than Scotland used to be. For every one visit of an organized party—whether it be an economic, hygienic, or scientific committee, or merely an excursion—from one country to another before the War, there are probably ten to-day. The man in the London street is little by little getting to know the man in the Warsaw street, or in the Berlin or the Budapest streets. Travel is no longer a privilege of the few. A cosmopolitan outlook is coming within the reach of the many. But the process is slow. And in the meantime the leading statesmen of most countries find it safest to base their appeals on the immediate national interests of their own countrymen."

That is exactly what they do not do. But to continue this quotation:—

"Eventually, however, it must be generally accepted that a rigid concentration upon narrowly national interests can only in the long run hurt those interests. Financiers have long regarded the world as all one . . ."

Now who do you think wrote that? Mr. H. G. Wells? No, it was not Mr. Wells. It lacks his flow and surge of words. Yet Mr. Wells may congratulate

himself upon the way in which his World Conspiracy propaganda has begun to seep into the Press. Even *The Times* has become tainted with that vague, hopeful cosmopolitanism, for the above quotations are from the leading article in *The Times* dated August 8, 1931, entitled, "The Interdependence of Nations."

There is the inevitable flattering word for "the younger generation" (the Youth Movement—"Youth will build the future!"); the strange Modern Utopian notion that, because Miss Amy Johnson can fly across the world at a greater speed than would be possible by paddling a dug-out canoe, the world has somehow shrunk in size and that, as a consequence, the people in Burma are nearer the people in Birmingham than they were in 1066 (whereas, as a matter of fact, there has been no such shrinkage); the word of encouragement for the friendly exchange of visits (the "Friendship stunt") as a practical means towards "international understanding" (another fine-sounding, but almost meaningless, phrase); the broad-minded depreciation of "narrowly national interests"; and the holding up of the financiers as shining examples of the new spirit of cosmopolitanism, in that they "have long regarded the world as all one."

Here's to the rigidly concentrated narrow national interest embodied in the fighting slogan, "Economic Independence!" as against the financiers who have long—too long—regarded the world as all one, and all their own.

DOUGLAS SOCIAL CREDIT MILITANT MOVEMENT (Scots Groups).

Owing to the success attending the S.C. propaganda efforts of the Glasgow S.C. Group during the past seven months, and in order to consolidate its gains in the shape of new members, as well as to be able to carry out S.C. propaganda on a larger scale than hitherto possible, the Douglas Social Credit Militant Movement has been founded in Glasgow. The Manifesto adopted by the new movement is that issued by the Economic Party, combined with a paragraph on the back page of the "New Age," which sets forth what members of the S.C.M. stand for. Concerning the methods and aims of the new organisation, the movement is prepared to adopt any and every method that in the opinion of the movement is likely to lead to its Manifesto becoming the governing National Economic Policy of the State. For the purpose of carrying out this policy, each branch of the movement is divided into units, each unit having its own piece of work and acting under a competent unit-leader.

The following is a brief summary of the work done during the past seven months by the Glasgow S.C. Group, and the plans of the D.S.C.M.M. for the winter months. During the past seven months some eighteen indoor meetings have been held in the Glasgow area, each meeting not only being fully self-supporting in a financial sense, but in size of audience being an increase in numbers on the meeting that preceded it. In the same period we sold some 320 odd copies of S.C. literature, our sales of the *Age of Plenty* rising from one dozen to five dozen copies.

Since these meetings finished some weeks ago, two well-attended classes on the "New Economics" have been held each week, and a series of open-air meetings on the same subject will be held each Tuesday evening during the summer months. Plans are being made for the forming of a Scots Division of the Legion of Unemployed, and branches of this movement as well as branches of the S.C.M.M. will be formed in every Scots area where sufficient support is forthcoming. Along with a S.C. research bureau, a S.C. library will be opened in Glasgow in September, and it is hoped that by the month of October we will be able to secure headquarters for our movement. A large public meeting will be held in Glasgow in October, of which full particulars will be given later.

In conclusion, any individual or organisation which wishes to help on the new movement, or wishes for information or speakers to address meetings on the subject of S.C., is asked to get in touch with our secretary, Mr. W. Jones, 17, St. Peter's Street, Glasgow.

The Films.

The Man at Six: Regal.

Here is quite good entertainment that deserves being described at some length, not because it possesses the slightest distinction, but because it illustrates both the good and bad points of the typical English film. It is well photographed in the main, but some of the lighting is flat or otherwise bad; it is not quick enough, especially in the beginning, and of all films a crook picture should be played fast; and the dialogue could with advantage have been less mediocre. Anne Grey, as the heroine, is too stagey and deliberate, and one can generally see a situation coming some minutes ahead, this being the inevitable result of undue slowness. But it is a pleasure to hear English spoken with an English accent, Kenneth Kove dominates the screen while he is on it (this young comedian has not yet attained the reputation he deserves); the settings are excellent; and anyone who likes secret passages, revolver shots, drug fiends, a corpse or two, secret doors, sliding panels, concealed trapdoors and passages, and jewelled chessmen stolen from museums (I loved this last bit) will have no cause to think that he has misspent his evening. "The Man at Six" is, in fact, the sort of thriller that Edgar Wallace might write if he would only give himself time to gather up his loose ends at the finale. Incidentally, the Scotland Yard detectives in this picture spend a whole evening in a private house without troubling to remove their bowler hats. Elstree can with advantage copy much from Hollywood, but this characteristic exhibition of ill-manners should be left to the American "bull."

Seed: New Gallery.

This is one of those very human pictures that Hollywood does so well on occasion, while Elstree apparently cannot do them at all, preferring crook plays and anaemic drama. "Seed" is so well done that the story does not matter, is admirably directed, and is noteworthy for the acting of John Boles and Genevieve Tobin. Mr. Boles's performance came as a surprise to me; he is usually entrusted with swash-buckling roles chiefly designed to exploit him as a distinguished singer, and I had anticipated that he would be miscast in a "straight part." Actually he shows himself to be an admirable actor, and it is with no disparagement that I record that the real star of the production is Genevieve Tobin. The cast includes Lois Wilson, Raymond Hackett, Frances Dade, and Zazu Pitts—"the most highly-paid (screen) chambermaid in the world." Why Miss Pitts, who was the heroine in that superb film "Greed," is never given anything but one soubrette role after another is one of the questions I am tired of asking.

Current Films.

Mr. S. Gaselee, whom I have to thank for his recent flattering comment on my criticisms, complains that he has on occasion found a film "off" by the time he receives his NEW AGE, and suggests that when this is likely to happen I should mention in my notice where the picture in question is next to be seen. Owing to the fact that the majority of the London picture theatres change their programme weekly, that on occasion the decision to retain a picture is arrived at too late for me to mention it in my notice, and because my "copy" has to reach THE NEW AGE some days before it is in the hands of readers, it is not always possible to indicate whether a particular film will be available at the time of reading. Hence I have for some weeks past been giving a selection of current films; any included in this list is still to be seen during the week in which it appears. In future, I intend also to include outstanding general releases. May I incidentally remind Mr. Gaselee and other readers

that the morning, evening, and Sunday papers print in their advertisement columns a fairly comprehensive list of current pictures.

Selections from this week's programmes include "Young Sinners" (pre-release), at the Regal; "Charley's Aunt" and "Inspiration" (both general releases), at the Stoll; and "The Cabinet of Doctor Caligari" and "Giant Harvest" (both revivals), at the Academy. "Inspiration," which stars Greta Garbo, is Hollywood's version of "Sapho," although you might not know it if I hadn't told you, and "The Cabinet of Doctor Caligari" was one of the productions that put Germany on the film map. I recommend my readers who do not know it to visit the Academy, but in view of the strictures recently passed on me by a correspondent who did not like "The Birth of a Nation," I should mention that this classic may appear old-fashioned to some. But it demands attention as a landmark in screen history. "Seed" (reviewed above) is replaced at the New Gallery by "Lover Come Back"; "The Millionaire," with George Arliss, continues at the Marble Arch Pavilion; and "Daddy Long Legs" at the Tivoli. "Le Million" still obstinately refuses to leave the Rialto, and another picture that I cordially recommend is "Quick Millions," at the New Victoria. This is the best crook film I know, and both for the sake of acting and direction and as a satirical social document, I commend it to those who do not usually care for crime and gang politics on the screen.

Postscript.

I hope to resume my articles in about four weeks, when I shall have returned from abroad.
DAVID OCKHAM.

News Notes.

THE CITY'S MOBILISATION ORDERS.—When Mr. Neville Chamberlain, the Conservative chairman, reached Euston on August 13, after an all-night journey from Scotland, he said that he had returned so suddenly because "I received an intimation from a certain responsible quarter in the City that my presence in London might be helpful in the present crisis." (Evening News, August 13.)

AUSTRALIAN BOND-CONVERSION.—The conversion-scheme is said to be proceeding successfully. It applies only to bonds held by Australians, not to foreign holders. But there is nothing to prevent the latter from voluntarily converting their holdings. The rumour recently quoted in this journal that the banks of the Empire had been buying up Australian bonds on the cheap should be borne in mind, because, if this is so, and the bonds are converted, the final figures, which will be held out to represent domestic conversions only, will be falsified. Incidentally, the renunciation of 1 per cent. in the interest on a bond bought at 25 per cent. discount won't keep the bankers awake o'nights!

DESTRUCTION OF COTTON CROP.—According to the *Evening News* of August 13, the U.S. Farm Board have published a plan for the immediate destruction of one-third of the growing cotton crop. Texas, Mississippi, and North Carolina, strongly support the plan; Louisiana is non-committal; and Florida favours storage rather than destruction. "Wide-spread controversy" is expected, "especially among economists."

THE PAPAL ENCYCLICAL. CATHOLIC COMMENT.—In the *Standard* of August 1 (an Irish Roman Catholic weekly), there is an article by "An Irish Priest" in which the Pope's there are announcements against "economic dictatorship" are strongly supported. The writer warns Catholics: "It has been heretofore the fashion to warn people off the field of economics by calling it the 'dismal science,' and especially to deprecate all independent study of monetary policy by echoing the parrot-cry that finance is a mystery even to its own 'experts.' Few would suspect that this fashion has been deliberately fostered by an inspired policy of popular mystification. Catholics should hold it suspect." (Our italics.) He expounds the meaning of the Pope's distinction between the right and wrong use of capital in the following terms: "Now capital is of two kinds: real capital and financial capital. Real capital comprises all the natural resources, etc., etc."

Financial capital comprises all forms of money, currency and bank credit used for defraying the costs of productive industry. That those who control the latter sort of capital thereby control also the former has become abundantly apparent in the modern world. And concentration of this control in the hands of a few has led to an economic world domination to which our Holy Father points as the main modern development of the capitalist régime. Domination has followed free competition." (The Pope, in one passage, had referred to the controllers of money as "grasping, as it were, in their hands the very soul of production, so that no one dare breathe against their will.")

"CANDIDE" ON "INVISIBLE REVOLUTIONS."—*Candide* (Paris, August 6), in its leading article, says some acute things about the policy and methods adopted by rulers to mystify the public. At certain intervals, it remarks, a panic is suddenly conjured up—a great crisis—communist revolution and what not. In a few days the public are informed that the crisis is over—the forces of law and order have prevailed. The forces of order? But they are ranged round laws which are imperceptibly abstracting property and liberty from the public. These poor innocents rejoice to have escaped the visible revolution, while all the time they are succumbing to invisible revolutions. "Daniel Haléry tells the story of a certain oriental executioner who used to wield his sabre with such gossamer lightness that the victim never felt his neck being severed. . . . And so with Joseph Prudhomme [or Henry Dubb, or the British middle-class citizen] even while his head is being cut off he is convinced that that sleek and shining sabre serves to defend him." Let readers contrast this brilliant realism with the slobber served out by the London Press. Is it any wonder that France is the great stumbling-block to Lotos-Club ramp-merchants? Beware the Greeks when they bring presents. That is the Frenchman's principle. And when the newest "Great Plan" arrives from America and is announced from the Continental Platform, the general body of the audience rises and shouts: "Thank God"; but inevitably a "voice" from the back shouts: "Que Diab!e," and spoils the show. Perhaps that is why Frenchmen are considered to be Atheists!

"CANDIDE" ON THE ANGLO-FRENCH FINANCIAL DISCUSSIONS.—*Candide* (Paris, August 6) publishes two columns of gossip about these negotiations. It says that when MacDonald and Henderson went to Berlin (where they "exchanged banalities" with Brüning and Curtius), Snowden was left alone to face the music of the crisis. He got bad-tempered, and wouldn't have any truck with the Bank of England. Meanwhile, gold was flowing out so fast that Kindersley got the wind up, and without consulting Snowden, telephoned to Moret: "Do something for God's sake." Moret amicably replied: "Come along and see us." But while Kindersley was packing his bag, in comes Norman. "No, don't go just yet," said the latter; "wait and see what Moret does: for, you'll see, things will adjust themselves and Moret will have to support us for his own protection, whereas if we ask him to now, God knows what conditions the fellow will try to exact from us." "But perhaps that isn't quite fair-play," objected Kindersley, timidly. "Possibly," replied Norman, "mais combien pratique!" Meanwhile, Moret sat and waited. At last Kindersley, renouncing hope of curing Snowden's sulks, and getting him to concert something with Norman, went off to Paris. Moret arranged a conference; and as the business was to arrange a French credit to England, he thought it his duty to call in representatives of the principal Stock-Exchange Houses. "They all turned up; some of them because they had liquid funds to dispose of, and the others because they wished to give the impression that they had some. The latter, more interested than the former in having it known that they were being consulted, revealed the fact to the press." When the reports reached Snowden he was so angry that he instantly recalled Kindersley from Paris, in spite of the improvement in sterling. Back also came MacDonald and Henderson. They told Snowden not to stand on prestige. "Don't you know," they urged, "that if there is no pact between London and Paris the American bankers are going to withdraw their credits from Germany, and, perhaps, from England?" This toned Snowden down, and Kindersley went back to Paris. This ends *Candide's* story. Whatever proportion of imagination has gone to its construction it is coherent, and compatible with probability. Its chief interest for us is where it shows how things come to be let out to the French press which would not be revealed to the English press. Can't you see those French fellows with no funds to lend spreading it about that they were negotiating to lend funds? "Why should I not seize this chance of improving my own borrowing-powers?" said

each to himself. As Macaulay might have said: "Each was for his credit, and none was for the State's." This delicate credit-system of ours—where anyone who can contrive to appear rich is rich, and by simulating the possession of power, can exercise power! Well; while the system persists, why should not the Frenchman exploit it for himself? Good luck to him if he does: he is at least undermining it, whereas its dutiful victims elsewhere are consolidating it and perpetuating a universal tyranny.

AUSTRALIA'S "REWARD."—*The Times* of August 13, referring to the conversion-loan, suggests that it will be successful; and that if so "Australia will put herself in a position to be able to take advantage of any improvement that may come in general economic conditions." Substituting a nonsense-word for each ambiguous phrase in this passage, we get the following residuum of definite statement:—Australia will *prumbo*, which will enable her to *retrumbo* any *mumbo* that may come in *gumbo*. Having reduced the intelligibility of the passage to this skeleton form we can now put any flesh we like on it and father the complete corpse on *The Times*. For example:—Australia will empty her stomach and lie on her back with her mouth open, which will enable her to swallow any food that may fall out of the heavens. There is no distortion here, as anyone who reads the context in the original article will recognise. In a word, all it amounts to is the self-evident proposition that the less you have in your pocket the more room there is in your pocket. The room is the "reward."

"THE NURSE'S CALLING."—In a leading article in *The Times* of August 14 on the *Lancet's* inquiry into the conditions under which nurses are working, the evidence is reviewed, which proves that they have a bad time—so bad in fact that the writer is sure that unless the staffs were "imbued with the zeal of service" there would be no nurses. "Nurses to-day," he declares, "are setting an example which the whole country would do well to follow." Unfortunately there is a shortage of suitable nurses. But the writer is ready for anyone who suggests offering better wages: alluding to the evidence he remarks that: "Increased remuneration has only attracted the wrong type of girl." What, then, can be done? A change of heart, sisters. "No remedy will prove effective which leaves out of account the ideals of service and succour." "The nursing profession cannot compete in the market place. It must remain a profession apart." Or, as one might say, the profession of "untouchables"—the "Lazzaroni Sisterhood."

COTTON AND GOLD.—*The Times* of August 14 does not like the feel of the cotton-surplus. In a leading article it hastens to attribute the catastrophe to previous attempts by the growers to finance cotton-pools. If only things had been "left to themselves" these "might have (!) brought about the necessary equilibrium through a reduction of acreage and a consequent restriction of supply." You see, if the cotton-growers had only gone bankrupt on a large scale they would not now be faced with bankruptcy on a large scale. Readers must mark carefully the fact that the bounty provision of Nature. No, sirs, it is the wild orgy of cultivation that has done that. If you are incredulous, here is the proof in print:—"Thus once more has the bountiful provision of Nature stultified the attempt of man to control the prices of primary commodities by artificial means." This is a good 'un and no mistake, and it conveys a lesson to Social Credit speakers and writers to cut rhetoric clean out of their propaganda: it will all be taken down and used in evidence against them. What is *The Times* after? Well, this is the conclusion. "In these circumstances it is idle for producers and manufacturers to lay the blame for their troubles on the gold standard. Against such shortsighted efforts to interfere with the working of fundamental laws, no monetary system, whatever its basis, can be expected to maintain the general level of prices and to avoid a collapse which is universally admitted to be disastrous." As we said at the start, *The Times* is decidedly uncomfortable. *Quem Deus vult perdere prius dementat*—and certainly this newspaper is exhibiting the initial symptom of dementia, namely a disturbance in the functioning of the patient's logical faculties, accompanied by a quickened instinct for spotting and dodging the alienist, together with a propensity for imputing his complaint to sane people.

WALL-STREET'S SUSPICION OF STERLING.—*The Newcastle Evening Chronicle* of August 7 quotes from the *New York Journal of Commerce*, which suspects some "fundamental weakness in the constitution of the British Money Market." The American journal calls attention to the "extremely

volatile nature of the market's floating funds, and says that London must provide itself with liquid resources sufficient to permit large withdrawals in times of stress, or else it must be willing to confine its international operations to a more modest total." (The quoted passages are from the *Evening Chronicle's* paraphrase.)

The Encyclical Quadragesimo Anno.

I.

[* Extracts from "The Social Order: Its Reconstruction and Perfection," by His Holiness Pope Pius XI. Given at Rome, May 15, 1931. (Published by Catholic Truth Society, 38/40, Eccleston-square, London, S.W.1. price Twopence.)]

"Towards the close of the nineteenth century the new economic methods and the new development of industry had sprung into being in almost all civilised nations, and had made such headway that human society appeared more and more divided into two classes. The first, small in numbers, enjoyed practically all the comforts so plentifully supplied by modern invention; the second class, comprising the immense multitude of workingmen, was made up of those who, oppressed by dire poverty, struggled in vain to escape from the straits which encompassed them." (p. 2.)

THE SCOPE OF THE PRESENT ENCYCLICAL.—"First, to recall the great benefits which this Encyclical (*Rerum Novarum*) has brought to the Catholic Church and to the world at large; secondly, to vindicate the social and economic doctrine of so great a Master against certain doubts which have arisen, and to develop more fully some of its points; finally, after arraigning modern economics and examining the nature of Socialism, to expose the root of the present social disorder, and to point out the only salutary cure, a reform of Christian morals." (p. 6.)

CIVIL AUTHORITY.—"With regard to the civil power, Leo XIII. boldly passed beyond the restrictions imposed by Liberalism, and fearlessly proclaimed the doctrine that the civil power is more than the mere guardian of law and order, and that it must strive with all zeal to make sure that the laws and institutions, the general character and administration of the commonwealth, should be such as of themselves to realize public well-being and private prosperity." (p. 10.)

THE RIGHT OF PROPERTY.—"First, let it be made clear beyond all doubt that neither Leo XIII., nor those theologians who have taught under the guidance and direction of the Church, have ever denied or called in question the twofold aspect of ownership, which is individual or social according as it regards individuals or concerns the common good.

Their unanimous contention has always been that the right to own private property has been given to man by nature, or rather by the Creator Himself, not only in order that individuals may be able to provide for their own needs and those of their families, but also that by means of it, the goods which the Creator has destined for the human race may truly serve this purpose." (p. 20.)

THE POWER OF THE STATE.—"It follows from the twofold character of ownership which we have termed individual and social, that men must take into account in this matter, not only their own advantage, but also the common good. To define in detail these duties, when the need occurs, and when the natural law does not do so, is the function of the Government. Provided that the natural and divine law be observed, the public authority, in view of the common good, may specify more accurately what is licit and what is illicit for property-owners in the use of their possessions. Moreover, Leo XIII. had wisely taught that 'the defining of private possession has been left by God to man's own industry and to the laws of individual peoples.'" (p. 22.)

"It is plain, however, that the State may not discharge this duty in an arbitrary manner. Man's natural right of possessing and transmitting property by inheritance must remain intact and cannot be taken away by the State; for antecedent, as well in idea as in fact, to the gathering of men into the community.' Hence the prudent Pontiff had already declared it unlawful for the State to exhaust the means of individuals by crushing taxes and tributes. 'The right to possess private property is derived from nature, not from

* Note.—Quotations from *Rerum Novarum*: The Condition of the Working Classes, Encyclical Letter by Pope Leo XIII., given May 15, 1891, and to which the present Encyclical is an addition and commentary, are given thus: "Quotations from the present Encyclical are given thus: ""

man; and the State has by no means the right to abolish it, but only to control its use and bring it into harmony with the interests of the public good.'" (p. 23.)

CAPITAL AND LABOUR.—"Altogether different is the labour one man hires out to another, and which is expended on the property of another. . . . Now, the natural law, or rather, God's will manifested by it, demands that right order be observed in the application of natural resources to human needs; and this order consists in everything having its proper owner. Hence it follows that unless a man apply his labour to his own property, an alliance must be formed between his toil and his neighbour's property, for each is helpless without the other." (p. 25.)

(To be continued.)

The Economy Campaign.

[A correspondent sends us the following copy of a letter which he sent to the Prime Minister on August 13.]

To the Rt. Hon. J. R. MacDonald,
10, Downing Street,
London.

Dear Prime Minister,

Recently the Press amazed the Public by an account of the existing "surplus" of many staple commodities such as wheat, oil, rubber, coffee, iron, etc. Yet this "surplus" has been produced while a considerable number of the workers of all countries remain unemployed, and while many of those who have work are working "short time," and while many mills and factories are closed altogether. What might this "surplus" have been if everybody and everything had been producing to full capacity! Yet, all these goods were "surplus," not because they were unwanted, for many people wanted them, and still do want them, but because people could not afford to buy them. It is a common-places among business men that trade is "slow" because there is "no money about."

We are now informed of the Government's determination to "save" £96,000,000, chiefly by reducing the wages of such people as policemen and schoolmasters, who are useful public servants and excellent citizens. But surely, if these proposals are carried into effect, the immediate consequence will be that there will be available for spending precisely £96,000,000 less, with the very obvious corollary that £96,000,000 worth less of goods can be produced and disposed of, and that therefore workers who would have produced £96,000,000 worth of goods will not be required to do so, and will swell the ranks of the unemployed and become a charge on the nation, thus in their turn necessitating further "economies." And, in parenthesis, will not the loss of revenue from something like £96,000,000 be a blow to the Chancellor of the Exchequer, with whom, I read, you are in complete agreement?

I write to ask you if these proposals are good economy—are they even economy? I do not pause to consider the just complaints of the classes which have been selected for victimisation. Radical disorders demand radical remedies. So long as the Government acquiesces in the maintenance of an out-worn, unsatisfactory, and anti-social financial machine and policy to meet the needs of an age whose chief economic characteristic is what has been called "Power production," so long will the malady of the body politic persist and become aggravated, until some of us dread lest the time for intelligent and reasoned measures will have passed, for power will have been seized by the least intelligent parts of the nation.

Sir, I suggest that we need, not these partial measures, which are neither remedial nor palliative, but determined and radical reform of the whole financial machinery of the country. You are aware of the "Social Credit" proposals which are associated with the name of Major C. H. Douglas. May I beg you to give them your earnest attention and all your strength. *Carpe diem* is no bad motto.

Answer to Correspondent.

To F. Friday.—We have read your letter and gather from it that people are misled on the question of debt because they use a faulty logical process which you call "dual logic." You advocate the study of what you call "triple logic"—a system taught by Mr. Fallin. We have heard something about this system and are prepared to accept his disciples' assurances that it helps them, but so far as our function is concerned on *THE NEW AGE* we do not think it necessary to seek after any more complex system of logic than is employed in advanced physics and mathematics. The exigencies of the present situation demand rather a closing of our philosophy for purposes of action rather than a widening of it into metaphysical exploration.

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