# NEWAGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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# NOTES OF THE WEEK.

IR

The Press last week reported the launching of other rets. another retrenchment-drive by the Chancellor of the Exchequence and the chancellor of the Exchequence and the chancellor of the chancellor Exchequer, who is said to contemplate effecting a saving of saving of £60,000,000 on Budget-expenditure with the view of the view of remitting taxes to that amount. Like all bankers, openly-advocated policies it looks good that if taxation is lowered the community is by so being the richer. much the richer. The nearest this would come to being true would be in a case where, taking token places, the Course of the richer to be a community is by the figures. figures, the would be in a case where, taking total nity of ten persons £1 each and paying the £10 to collect and Daylor them. If the Government now ceased to would and Daylor them the community collect them. If the Government now ceased to would be no richer collectively in terms of money. There would be a re-distribution of the pre-existing pensor, restoring to the pine taxpayers, at the expensor, restoring to the pine taxpayers, at the expensor. money would be a re-distribution of the pre-exist-pense of the ting to the nine taxpayers, at the expense of the tenth, the £9 which they had been prebe richer in that sense, but the collective "richness" comp. remain what it was a dvantage to the would remain what it was. The advantage to the ommunity, if any, would be in terms other than high of money might not have desired to receive the kind of goods the revices and desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods the revices are desired to receive the kind of goods are desired to recei services which the Government had bought on the choose and the tenth: in which case they could the choose and the tenth in which case they could the choose and the tenth in which case they could the choose and the tenth in which case they could the choose and the choose are choose and the choose are choose and the choose and the choose and the choose are choose and the choose and the choose are choose and the ch communal benefit of tax-remission consists in the centralisation of tax-remission consists and corresponding of control over expenditure and corresponding to the coppe of personal Choice in matters of expenditure. The lower the to me of the population to the collective personal spend of the population the greater their freedom spend as the following the greater their freedom spend as they like.

all ten take another hypothetical case. Suppose the take another hypothetical case. Suppose the takent, and received £1 each. In that case the takent, and received £1 each. In that case the takent would not make any monetary difference to that, to a million pounds. The difference would be extent to which the Government handled

money available from taxes, to that extent it would exercise the power to decide what these people should make or do for their wages. If each happened to earn, say, £2 in addition to the £1 paid him by the Government, then the Government would have, as it were, one vote against their two, or one-third the total power of deciding programmes of work and production. If the Government nationalised all the economic activities of the community, it would in effect collect and disburse taxes on the £3 basis, and would be sole arbiter of the form and measure of those activities.

Now under the actual operation of the taxationsystem to-day what takes place lies somewhere between these two extreme hypothetical examples.
Contractors, public servants, investors in Government securities, all in their various degrees, put up
taxes towards their own remuneration. It is a complicated matter to trace out what particular persons
or groups gain or lose as the result of any given
fiscal policy; but it is clear that in any closed credit
area the community receive from the Government
area the same amount of money as they pay to the
Government, provided the Budget income and expenditure balance. In saying this we are disregarding
the question of credit-creation and credit-destructhe question of credit-creation and credit-destruction by the banks, and are accepting as a basis of
tion by the banks, and are accepting as a basis of
analysis the orthodox assumption that there is at
any time a definite collective sum of income which
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any time a definite collective sum of income which

So there is no such thing as a general burden of taxation in a monetary sense. If a community commands an income of £30, and will spend it in any mands an income of £30, and will spend it in any mands an income of £30, and will spend it in any mands an income of £30, and will spend it in any mands an income of £30, and will spend it in any mands an income of £30, and will spend it in any mands an income of £30, and will spend it in any mands a moral one: either that the only burden would be a moral one: either that the community might wish to save while the Government of spend; or, assuming a general willingness to spend, that the community wished to spend in other directions than those chosen by the Government.

Generalising, we can define the "burden" of taxation as the burden of Governmental constraint

on personal initiative in the disposal of income. If there is no constraint there can be no complaint. We speak here of a general constraint, not of particular constraints, which are bound to be suffered under any system of collective expenditure—as for example the case of the pacifist being made to pay for armaments. This general constraint is that of having to pay as a first charge for things which are not one's first choice; and out of an income which will not stretch to cover both sorts. It has become intensified since last autumn, for the margin of freely disposable income has had to be supplemented, over large sections of the people, to meet, not first, second or third choices, but the bare essentials of physical survival. At the top of society ducal castles have been dismantled and closed, while throughout society people have had to move into cheaper quarters, or raise mortgages, or borrow on their life policies, and do other things of that sort—all of them non-recurrent methods of supplementing income. The community are approaching a situation where even a general Rowton-House standard of diet and dwelling will involve people in cumulatively increasing debt.

Now the Chancellor of the Exchequer's drive for retrenchment will do nothing to slacken this descent, for reasons already described. In so far as he succeeds in cutting down the Budget estimates he may release a certain block of taxpayers' income for saving, or for spending in new directions (but in the process will destroy income elsewhere). But in so relaxing his constraint he will be handing it over to the financial interests. For the Government's compulsion on taxpayers to pay it what it spends is contained within the Bankers' compulsion on the Government to collect all it spends. There are, so to speak, two Budgets: the Bankers' secret Budget and Parliament's public Budget. The Bankers' contains Parliament's. Both deal with prices and revenue, but in Parliament's Budget prices are dis-guised under the name of "taxes." The expenditure side of Parliament's Budget reflects a part of the revenue side of the Bankers' and vice versa. The Bankers are the ultimate sellers of what Parliament buys, and they are the providers of the money that Parliament spends.\*

The bankers control the finance and organisation of all communal enterprises. If these enterprises are pictured collectively as an all-in manufacturing and department-store combine, the position of the Government merely corresponds to that of manager of one of the stores, or of a group of them. Such a manager would buy stock from the Combine at the Combine's price, and would sell it to the public at the Combine's price. That is what the Government does. The Government store differs from others in that the public are compelled to file through it on their way to the open consumption-market, buying all it has to sell (at the Combine's price), and taking only the residue of their income into that market. Another, and vital, parallel is that the Government, as store-manager, has no discretion (a) to sell at under the Combine's price, or (b) to write off bad debts. (Both operations of course mean the same thing.) Equally vital truth emerges at the point where the parallel ends; namely, that whereas a commercial Combine might occasionally empower one of its managers to sell below cost, the Banking Combine hold it an axiomatic principle that the Government never shall. (The Budget must always balance.) If it did they would put the store under new management. (That happened last autumn.)

And if successive Governments failed to obey the rule, or made gestures of altering it, the Banking Combine would shut the store up altogether and open another—calling it a Public Corporation or something of that sort. (This is what the Financial Times warned Mr. Lloyd George about in its celebrated leading artisly about in its celebrated leading article about bankers destroying the "fabric of Government finance.") And lastly, we come to the most vital fact of all, namely that the Banking Combine recovery to the Combine reserve to themselves a power which they deny to the Government and exercise themselves when they think fit. That is, they can and do compel non-Governmental enterprises to sell below cost and write off bad debts. On many occasions they have assisted them to do it (a) by excusing them repayment of bank overdrefts (are cetter-mill alone) repayment of bank overdrafts (one cotton-mill alone got let off from congot let off £500,000 when the cotton-boom broke and (b) by nursing enterprises which would other wise fail, often force wise fail, often financing them with new loans for the express purpose and the express purpose and the low the express purpose of enabling them to sell below cost in competition and cost in competition with more efficient enterprises.

The position can be broadly expressed in a simple diagram. Describe a circle and call it "Communal Enterprise." Describe within it, from the same centre, another circle of say about a quarter lie. centre, another circle of say about a quarter the diameter of the larger one. Call this Enterprise." You will now have a wide a This border enclosed by the two circumferences. "Communal Enterprise." totality of all financial transactions

of all financial transactions.
"Public Enterprise" represents

"Private Enterprise" represents other transcriptions—if you like, "Capitalist finance. The "Public" circle will represent the area of the public's compulsory purchases at full prices, their public's compulsory purchases at full prices their optional purchases—at full prices where possible but at under cost when the area of their communications are possible to the prices where prices are prices at the prices where possible to the prices where prices are prices are prices and prices are prices at the prices where prices are prices at the prices where prices are prices are prices at the prices are prices are prices at the prices are price but at under cost where not. The "Communal circle will represent the sum of the two systems covering the whole national for the two systems. covering the whole national finance-economy. They relative sizes of the circles are purely arbitrary. the could, if desired, be drawn roughly to scale on the basis of the respective to the proposition. basis of the respective total amounts of income and taxes. But it will be total amounts of income and taxes. basis of the respective total amounts of incoming and taxes. But it will also be useful to keep in mind another kind of figure, namely the clearing house returns of the Banking Combine. During the country of a year cheque-transactions are recorded and ching to £1,000 each for every man, woman million in the community—i.e. roughly £45,000 related the £800 millions or so that are recorded which the Budget We the £800 millions or so that are recorded in Budget. We quote it for that Budget. We quote it for another purpose, which to indicate the enormous disproportion between the influence of the Government's transactions like, the of the Bankers' transactions, or, if you immensity of the area of operations controlled by the bankers compared with the area controlled by the bankers compared with the area controlled Government. There is a controlled about kers' transactions which it is appropriate to emply sise, viz: that their meaning is hidden from the place. Government. There is another feature about kers' transactions which sise, viz: that their meaning is hidden from open lic, whereas the Government's finance by public scrutiny and can be understood tent representatives of the people.

Referring

Referring now to the diagram, it will be finance within the area of the "public" circle all rule transactions are conducted on the strict, bord this rule applies, or does not apply, according the policy of the bankers—and this secretly—and moreover applies to a volume of the sactions which obviously is a large multiple of which the Government carries out.

Now every student of Social Credit who graft the fact that the collective income of the community

lags behind the collective price debited against the community will realise the real significance of the relative sizes of the two circles. Supposing, for example, and taking token figures, that the totality of income in the "communal" circle is 80, and that the totality of price in the "communal" circle is 100, there must be a default within the communal" circle is nal" circle of 20. But since no default is allowed to occur within the "public" circle, the whole of it must tal it must take place within the "private" border. Suppose, now, that one conceives the "public" circle to be enlarged, thereby narrowing the width (and therefore, area) of the "private" border, the incidence of the default of 20 will fall with increasing proportional default of 20 will fall with increasing proportionate weight on the operations carried on within the border. And if you go on enlarging the Public 'circle until it coincides with the 'communal' circle, then the incidence of the default has got to fall within the "public" ring. That is to say, if Government control were extended to cover the totality of communal financial transactions, there totality of communal financial transactions, there would have to be Government default, and this default fault would have to show in the Budget.

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It will be seen that the "burden" of a growing of compulsory purchases at full price, and its pushing of a fixed deficit into a contracting area of ing of a fixed deficit into a contracting area of optional process and larger optional purchases—passing a larger and larger baby to a small. baby to a smaller and smaller nurse—the nurse being private enterprise." Theoretically there would come a point of the Government's come a point in the growth of the Government's would disclose a shortage of communal income equal to the whole outstanding cost of privately-owned plant. to the whole outstanding cost of privately-owned plant and course a shortage of communal income equal to the whole outstanding cost of privately-owned plant and course of our above token plant and equipment. In terms of our above token figures, the Govenrment would collect the 80 compulsorily, leaving the community with no income at against costs amounting to 20.

On the other hand, assuming there were no dethe 'i.e., that the totality of personal incomes in prices, it would not retter how large the amount of the contract of how large the amount. prices, it would not matter how large the amount ability of the public to pay it.

The truth of what we are saying is tacitly admit-cannot balance the Budget unless you contract its everything saleable was purchasable; for then, howeverything saleable was purchasable; for then, how-through "compulsory" sales there would remain compulsory "sales there would remain through "compulsory" sales there would remain the compulsory "sales the compulsory "s enough "income was collected by the Government Compulsory" sales there would remain optional "sales collected by Private Enterprise through true. toptional, collected by Private Enterprise through the true is sales. As things are the contention is be true in the special sense in which it ought not economy all Budgets would be just.

The converse of this proposition is true; namely all Budgets are unjust the existing price-economy all Budgets are matical Not only matically, as we have seen, but in practice the pres-will of the injustice can be raised or lowered at the down of the injustice can be raised or lowered at the law the bankers. If we could cut the Budget the one-half, the ability of the community to reduced the reduced to the pawn by one-half, the ability of the community to the reduced taxation need be no greater than between the reduced taxation need be no greater than hely now. the size of a Budget and the burden of a Budget. Waste of a Budget and the burden of a budget and the burden of a budget. Was there ever a time when taxpayers were with was ded with their taxation? If at any time, it conducting the war when the Budget was up at related always been all other times the burden of taxes are altogether 'human perversity' as the bankers with their credit-issues and credit-retirements, can produce a monetary situation in which any scale of taxation down to zero would impose handships. They can thus discredit any Government which imposes any taxes if they so desire. They can refrain, or not refrain, according to whether the Government spends money in directions they approve or not. They are not primarily concerned with the amount of the expenditure but with its object. When you see them leading a public agitation against the amount of taxation you may assume that their object is not to lessen the extortion, but to devote the proceeds to objects of their own.

Anyone might suppose, by reading the newspapers, that the Chancellor of the Exchequer contemplated handing back £60,000,000 of money to the taxpayers. But, without necessarily knowing anything about Social Credit, any students of affairs must realise that a substantial part of that amount must represent losses of income to certain groups of taxpayers. Students of Social Credit will of course see further, and will realise that the "saved" £60,000,000 (a) will be spent in some new direction over the heads and out of the sight of the public; or (b) will be withdrawn from circulation; or (c) disor (b) will be withdrawn from circulation; or (c) disposed of in both ways together. All the orthodox pundits insist that the people of this country are living beyond their means. Is it likely, then, that the £60,000,000 of money now being raised compulsorily will be allowed to flow into the market of optional purchases at the discretion of individual citizens? No, sir: that's all bunk for Dubb.

Let us have another look at our diagram. We've got our circle of Government expenditure inside the circle of communal expenditure; and as the diagram stands it would appear that as the smaller circle contracts—the outer one remaining constant—the annular border must necessarily expand. In other words, as the inner circle of compulsions contracts the outer border of options expands. That is not so; and we must correct the error in the diagram. This is simply done; and consists in drawing a dotted circle round the inner circle. What size it is drawn does not matter. The dotted circle will enclose the innermost and be enclosed by the outermost. Now this dotted circle represents the area of "Bankers' the field of direct finan-Compulsion." It represents the field of direct financial control of centralised expenditure—the Invisible Budget of the Bankers, whose secret estimates and taxes embrace and surround the public estimates and taxes of the Government. Bankers' 'estimates and are expressible in terms of credits retired from circulations and the surface and surface culation and put to their secret reserves: their 'taxes' are expressible in terms of excess charges paid by the public in the prices of goods and services as the automatic result of the existing inflationary as the automatic result of the existing inflationary system of accounting exposed by Major Douglas. The figures on each side of the account, whatever size one supposes them to be, are of course identical. There is an invisible balance of the invisible Budget.

Now, let us attach token numbers to these circles. Let us assume that the Government's estimates amount to 10; the bankers' to 30; and the capitalists' (so to refer to the revenue requirements of trade in general) as 60. This makes 100, representing, so to speak, the grand total of the communal estimates. Now, the Government's 10 and the bankers' 30 can be considered together as one figure, 40. the size of the real taxation to be levied. Observe the size of the real taxation to be leviced. Observe next that, assuming this figure to be fixed, it is immaterial to the bankers, for purposes of "balancing," whether or in what proportions the Government or their themselves get the money out of the ing," whether or in what proportions the Government or they themselves get the money out of the community. With the reservation just italicised, the whole 40 could be collected by the Government, or

<sup>\*</sup>This is a true generalisation in the fundamental frame of This is a true generalisation in the lundamental frame of reference where the credit monopoly is considered as the ultimate owner of all property. See article "Property Titles and Property Rights" in The New Age of August 25,

by the bankers. The snag is that the Government, having to account for taxes publicly, could not hand the bankers their 30 secretly, even assuming it were able to devise a practicable method of collection. The point we are making here is that an increase in Government taxation need not cause an increase in real taxation, and would not do so provided the bankers decided to keep it constant. They could, as it were, absorb the shock of a Budget increase from 10 to, say, 20, or, for that matter, to any figure not exceeding the 40. It would be simply a matter of choosing particular methods of collection. Conversely, and on the same reasoning, a decrease in Government taxation need not cause a decrease in real taxation; nor would it do so unless the bankers agreed to the reduction. We have just shown that they would not agree, for a decrease in real taxation would give the community wider scope for optional expenditure and would thus encourage "extravagance." No; if the Government knocked its Budget down from 10 to 5 the bankers would raise their levy from 30 to 35. The real taxation would still be 40. Not that the bankers would need to do anything positive to raise it: it would raise itself through the operation of the "law of supply and demand," or rather, the lawlessness of an unregulated price-system, under which every addition to the community's spending power is negatived by an equivalent rise in the markets where they spend. The proceeds of this rise ultimately come into the bankers' hands in loan-repayments, and are cancelled. That is how they collect their taxes; and it is how they conceal the fact that they have collected them.

Our analysis is not yet complete. It has proceeded thus far on the arbitrary assumption that the token figure of 40-real taxation-was fixed. In actuality it is not; real taxation has not got to be any particular proportion of total income; and even if it had it could still fluctuate because total income can do so. The quantity of money in circulation at any time depends entirely on the action of the banks. Their loans and purchases of securities increase the quantity, and their recalling of loans and sales of securities decrease it. They can do either when they like, and to any extent they like. No Government has the power to find out what they are doing, much less to interfere with their policy. They are subject only to the rules of their own autonomy; and such of those rules as Parliament appears to have imposed on them they have imposed on themselves through Parliament, the members of which don't know enough to understand what they are passing, and the leaders of which know just enough to understand what will happen to them if it doesn't pass.

The bankers thus have power to make the lowest schedule of Government taxes look excessive. In the ordinary way they would not wish to do so, for reasons already given. But it is quite conceivable that a Government might progressively diminish its Budget estimates while at the same time pushing a policy which the bankers regarded as dangerous to their monopolistic position. It might, for example, decide to reduce the debt-service charge by lowering the rate of interest it would pay on its own debt. Supposing that by doing such things it knocked its taxation down from 10 to 5. The bankers would be able to reply by knocking the national income down from 100 to anything. By so doing they could make the incidence of the 5 heavier than that of the original 10; they could make the halved tax twice as nal 10; they could make the halved tax twice as oppressive as the whole tax had been. Technically there would be nothing to prevent their reducing the current. the quantity of money in circulation to a point where the Government's taxes would absorb the whole of

it. Politically they would have no need to go 50 far; for a general panic would set in as soon as they began, and the Government would probably be removed by a revolt of its own supporters.

To sum up. There's a Bank tax in every price. It is a secret tax. It is not spent to provide you with anything. It is destroyed to save your soul. This is not empty rhetoric nor is it calculated flip pancy. The retrenchment ramp has not the slightest scientific reasoning behind it. It can only be logic ally defended in the plane of morals, and only then by invoking a code of morals which the majority of the population—the women especially—would deride as soon as they looked at it. The token figure which we have cheen we have chosen to represent a given measure of real taxation symbolics. taxation symbolises a measure of moral regulation.

It is an index It is an index of the degree of abstinence which material consumption and cultural expansion which the bankers consider munity. One has to infer their moral philosophy since they are too the since they are too shy to propound it. It is akin to the Pauline doctring that he propound it. the Pauline doctrine that he who won't work shan't eat—but is worked and eat—but is wantonly distorted into the stupid and inhuman proposition that no matter how fast you can make the things can make the things you desire to have you them case having them cease having them directly you stop making They conduct the financial system accordingly; that the consequence, expressed in physical terms, is the you produce four weeks' requirements this week, you must be deprived of three weeks' requirements. you must be deprived of three weeks' requirements this would order that you shall not shall be weeks' requirements in you are order that you shall go to work next week. You so deprived; and the financial mechanism of deprived tion is the tion is the concealed bank-tax. The existence the unsold gluts of useful the transfer of the t unsold gluts of useful things in all parts of world is direct world is direct evidence of this fact; but not nearly all the evidence. There is the avidence of the state of the evidence of the fact; but not nearly the evidence of the state of the evidence of the state of the evidence of the state of the evidence of all the evidence. There is the indirect evidence the gluts of means of making useful things refactories and machine. factories and machines. And there is the more mote evidence, post mote evidence—past records of the destruction mote evidence—past records of the destruction of plant and equipment—the rendering useless of the destruction means of making useful things. The bankers want to keep direct evidence down to the minimum; of they are doing their best to hurry gluts of commodities out of existence or at least out of sight. ties out of existence or at least out of sight.

are largely natural products, and if it were as to control their quantity as it is that of manufer tured products, the head of the table of tabl tured products, the bankers would see that they they not allowed to not allowed to come into existence at the rate do. Unfortunately first and the respective forms are respective forms and the respective forms are respective forms. The respective forms are respective forms and the respective forms are respective forms and the respective forms are respective forms. The respective forms are respective forms and the respective forms are respective forms and the respective forms are respective forms. The respective forms are respective forms are respective forms and the respective forms are respective forms. The respective forms are respective forms are respective forms are respective forms and the respective forms are respective forms are respective forms. do. Unfortunately for them God is no respector the price-levels. So they do the sound is no respector to the price levels. do. Unfortunately for them God is no respecter of price-levels. So they do their best to divert the processes of production and labour into spheres activity over which God does not so immediately preside. They set men to make things that will make things that will make things. They set men to make things that has been activity will be the destruction that the process of the proc for human activity will be the destruction that the been made. There are ominous signs that time is at hand

On Friday, October 7, Major Douglas will lecture of the City Hall Name of the City Hall the City Hall, Newcastle-on-Tyne, at 7-30 p.m. may reserved is. 6d., is., and 6d. (the first two being reserved) procured from Mr. J. J. Pembrey, 14, Cloth Market, castle.

Preliminary to this meeting local Social-Credit advocate holding a Conference on October 1 in the Garesh Co-operative Hall, at 3 2 m. The orice 6d., plants orice 6d., plants orice 6d., plants orice 6d. are holding a Conference on October 1 in the may be conference on October 1 in the may be procured from Mr. J. W. Coward, of Mr. Deepdale, argument of the speaker, and is also available to address october anywhere in the district between October 2 and October 2 concerning both dates inclusive. Communications both dates inclusive. Communications
Hargrave's services should be also available to a and out of and out of the dates inclusive. Communications
Coward. Hargrave's services should be sent to Mr. Coward.

#### Irish Affairs.

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EXPORT BOUNTIES.

On September 26 a bounty on pig-meat exports came into force in the Irish Free State—10s. per cwt. on bacon; 7s. 6d. on pork, and 5s. on plucks. Mr. Ryan, the Minister for Agriculture, has secured the agreement of bacon-curers to pass the full benefit of the bounty to the farmers. In Cork on September 1 ber 17 farmers attended an open market place and sold direct to consumers of meat at prices well below those of the shops. These items of news are taken from a report in the Daily Herald of September 19. The first is rather obscure. Export bounties are usually given to enable exporters to jump foreign tariffs. In this connection an Irish exporter would be able to price bacon to England at 10s. per cwt. below his low his usual rate, recovering the balance from his Government. But in that case he would have nothing to pass to the farmer. He could only pass something if he could save it out of the 10s.—e.g., if he could export his below the export his bacon at a price of, say, 5s. below the usual; whereupon he could let the farmer have the benefit of the could let the farmer have the benefit of the other 5s. It depends on the present British to the other 5s. It depends we do not British tariff-rate—the amount of which we do not recollect at all the curers are recollect at the moment. However, since the curers have provided the moment. have promised to pass something on to the farmers we must be passed on.

we must presume there is something to be passed on.
With resume there is something to be passed on. With regard to the second item of news the report does not say whether the farmers' policy of direct sales at 1 say whether the farmers' policy of with sales at low prices to consumers is connected with the above bounty in the sense that they are passing on the heads. on the benefit in their turn, or whether it stands by itself, as merely that of "cutting out the middle-up." Later news will probably clear this question

What is clear is that the Free State Government are plying the Presumably applying the principle of the Subsidy. Presumably the subsidy is to be financed immediately out of the the subsidy is to be financed immediately out of the the subside secured power to the s emergency funds which Mr. de Valera secured power to dispense funds which Mr. de Valera secured power to dispense from the Dail recently. As a temporary measure this rom the Dail recently. measure this will work satisfactorily, but sooner or later the problem. later the problem of who is to foot the bill will have to be faced by the beginning to be balanced the to be faced. If the Budget is to be balanced the subsidy will have to come out of the pockets of the general body of taxpayers. They are not going to that that for long without kicking—even supposing stand that for long without kicking—even supposing that they could afford to pay.

# Kingston Currency.

There has been excitement in Kingston-on-Thames about the circulation of specimens of a suggested of it appeared. A large and clear picture to it appeared. A large and clear picture it appeared to the currency-note. of it appeared in the Daily Express of September 19 list ther will together with a report. Further reports were published in that paper on September 20 and 23 (and move is Councillor J. W. Baker (it is given as Barker is a grocer tesiding in Cambridge Road, Kingston. a grocer residing in Cambridge Road, Kingston. circulated the notes among his fellow-councillors. King's head (which also appears on the specimen instead of brown note) but are printed in green instead of On September 22 Mr. Barker was visited detection two On September 22 Mr. Barker was visited detectives from Scotland Yard who asked the statement of circulating the hotes statement of his reason for circulating the Mr. Barker said it was to call attention to baid exorbitant rates of interest which were being on interview Cooly Express, September 23), said he expected prothe Colourable imitation "of a Treasury note. At the Dress would be taken against him for producing is or essent moment we do not know who Mr. Barker or where he got the idea from. He may have got the Coventry scheme. The design of the

note is astutely conceived. St. George is there, killing the dragon, the dragon being designated "International Finance." Other words on the note are: "His Majesty's Royal Borough of Kingstonupon-Thames—Municipal Note Issue—By Order of the Burgesses, Kingston-upon-Thames." Round the border of the oval panel bearing the King's head runs the legend: "Kingston—Thames—The Town Of Kings." We must now await developments which look likely to open up an interesting situation.

#### Australian Bank Propaganda.

The National Bank of Australasia quotes (Circular, July 11) the following extract from a judgment by the Full Arbitration Court in Sydney on June 17 as an answer to Social Credit. They comment: "It should lead to a searching of mind among many people, and check the activities of certain more or less misguided, but certainly disturbing, agents in our midst."

The central proposition of these doctrines has been authoritatively stated as follows:-

"That the wages, salaries, and dividends distributed over any given period of time do not, and cannot, buy the product of that period, and that the whole of production can only be bought by a draft, and an increasing draft, on the purchasing power distributed in respect of future production, which purchasing power can only come from future loans or overdrafts."

Consequential propositions are that this ever-increasing Consequential propositions are that this ever-increasing deficiency in purchasing power can only be remedied by increased money supplied directly or indirectly by the State, and that this supply of more money can be made available by the creation of credits without regard to security therefor. Involved in this theory is the contention that credit money is at present being made out of nothing by the banks, for which submission reliance is placed partly on a well-known but much misapplied dictum of Mr. Reginald McKenna, of the Midland Bank, as to the amount of money in existence the Midland Bank, as to the amount of money in existence varying with the action of the banks in increasing or diminishing deposits.

It is further urged that the banks will not, or cannot make sufficient credit money, inasmuch as it is to their benefit to maintain a scarcity, and thus keep up its price in the form of interest. To meet this bank-created scarcity of credit, it is contended that the State should, like the banks, make credit money out of nothing, but, unlike them, charge no interest and at the same time provide against excessive inflation of currency by an elaborate price-regulation process.

This is not the place for an exhaustive discussion of the Douglas or any other cognate proposals for changes in the monetary system. But mention should be made of the fact that economic thinkers of eminence of diverse political and economic views, but all sympathetic with the claims of wage-earners for advancement, have rejected those proposals as fallacions. Mr. J. M. Keynes, the famous authority on money, Mr. J. A. Hobson, the high-wage advocate, Mr. G. noney, Mr. J. A. Hobson, the high-wage advocate, in the D. H. Cole, a leading British socialist, and Messrs. Four and Catchings, prominent American economists, more or less discard the Douglas theory and its varied offshoots.

While agreeing with Mr. Irvine that the world-wide fall While agreeing with Mr. Irvine that the world-wide fall in the general price level is very largely monetary in its origin, and that the deflation which he condemns might have been avoided by wiser world statesmanship, we have to remember that the evil is not within Australian control. Australia a producer and exporter of primary products, although not responsible in any way for the breakdown of the monetary system, has probably suffered more acutely therefrom than those nations which, if they had been gifted thirth contractions and willingness to accomply the contractions. with extraordinary prescience and willingness to act concertedly, would have been able to prevent the collapse.

But Australia by itself could have done nothing to obviate But Australia by itself could have done nothing to obviate the calamity, or to shield herself from its consequences. The suggestion that the problem is local in incidence and continuance, which runs through all Mr. Irvine's utterances, is difficult to understand. We think there is no ground for the assumption that by local monetary measures we could have found or can now find any escape from being involved. the assumption that by local monetary measures we could have found, or can now find, any escape from being involved in the universal crisis. Possibly the internal price level may be controlled or regulated so as to prevent further mischief be controlled or regulated so as to prevent further mischief from internal causes, but the shrinkage of our income from foreign sources would not thereby by affected, and it is this shrinkage which necessitates reduction of production costs in all directions.

#### Theatre Notes.

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By John Shand.

#### CAESAR AND CLEOPATRA.

When the Old Vic. productions are good they are very good, but when they are bad they are dreadful. The production of Mr. Shaw's "Caesar and Cleopatra," with which the Old Vic. opens the new season instead of the usual Shakespeare play, is too slow, too dull, too poorly staged and acted to be good, and I fear I should not have sat it out had not the friend who was with me been curious to see the end. These are hard words, but they will break no bones, not even a theatre manager's. It was doubtless a good notion, from the point of view of the advertising manager, to begin a season of Shake-speare's plays with a play by Mr. Shaw. But it was not a good notion of the producers to choose the one play by Mr. Shaw that reads better than it actswhich is the case, I think, with "Caesar and Cleopatra." Most of Mr. Shaw's plays are so wellwritten, so amusing, that even the worst acting can-not prevent an audience from enjoying them—as I have seen proved by several of the Macdona companies which take on tour a repertory of Shaw plays. But this play requires all the glamour of elaborate staging and a first-rate cast to hide its deficiencies. Even then, it hardly entertains. I remember, for instance, Sir Barry Jackson's expensive production some years ago at the Kingsway, with Mr. Cedric Hardwicke as Caesar; but it failed to please, and all that remains in my memory is the brilliant, witty figure of Apollodorus the Sicilian as acted by Mr. George Hayes. And to put it mildly, the actor who takes this small part at the Old Vic. is not Mr. Hayes. The author's Caesar fails, I believe, because he is so self-consciously Shavian, so deliberately a mouthpiece that he fails not only to "come alive," but to be even a tolerably good stage character. And Mr. Malcolm Keen, who plays the part, accentuates rather than disguises its woodenness. He is too slow, too deliberate, he lacks the lightness of touch, the "levity" which his secretary, Britannus, deplores in his hero. Somehow, when Mr. Keen's Caesar says a witty thing it loses some of its wit. He is an excellent elocutionist, and I expect, will be able to sound the word-music of Shakespeare very well; but although I would not be so rude as to say that he does not understand many of the "points" in the speeches of Shaw's Caesar, he seems not to understand them by losing them—which is much the same thing from the point of view of the audience. Miss Peggy Ashcroft's Cleopatra is a nice little wild animal, but she lacks the strength to give the swell of suppressed ferocity to her moments of anger. Quite the best acting, I thought, comes from Mr. Roger Livesey as Rufio, Caesar's officer. And Mr. Geoffrey Wincott delivere the prologue excellently. Geoffrey Wincott delivers the prologue excellently. The others do as well as they can according to their lights, "but those lights," as Mr. Beerbohm once said, "are dim." No doubt one of the reasons for choosing this play was because, like a Shakespeare play, the length of the cast exhibits the full strength of the company. In this instance, it is the full weakness of the company that is exhibited. However, one does not expect too much from all the young people who are learning their job in an excellent training ground. What seems to me less excusable in this production is the general stage management of it. The crowd scenes create no sense of excitement, neither do the numerous "noises off," upon which this play so much depends for the suggestion of the important background of events talked of by and affecting the conduct of the persons on the stage. "Couldn't something be done with a tea-pot?" asked the gentleman in Dickens, anxious about the with a few tin-cans and supers, I ask, to give some entered Preysing's skin that his over-bearingness ing brutality, and his over-bearingness Germanic.

Virtuosity also describes the Kringelein of Barrymore, an engaging, pathetic, and

notion of the battle for the lighthouse and the rioting before the palace at Alexandria? The dramatist, in his stage directions, which I have consulted, asks several times for the terrible sound of the Roman battle trumpet. All we hear at the Old Vic. is something that sounds like a trombone with a sore throat. Which reminds me that the incidental music on this accession on this occasion is enough to spoil a far better production. Is it is enough to spoil a far better production. duction. Is it supposed to be music of Egypt or of Rome or of just a vaguely Oriental kind? It seemed to me to be merely an annoyance.

#### The Films.

Grand Hotel: Palace.

To say that this very ambitious production, which has been an immense box-office success in America and will no describe the success in America and will no doubt be the same here, does not live up to the superlatives of the live of the superlatives of the live of the superlatives of the live o to the superlatives of the Metro-Goldwyn-Mayer publicity department licity department, is merely to assert a foregone conclusion. Very few file clusion. Very few films are anything like as good as they are advertised. they are advertised to be, and the adaptation of Vicki Baum's povel with the adaptation of the adaptation. Vicki Baum's novel was a work of unusual difficulty. Let me say at once that E Let me say at once that Edmund Goulding, the director, has in the main done the work very well.

Cally, the film is a dark in the work very well. cally, the film is admirable; the restless, impersonal atmosphere of a made in the restless impersonal reproatmosphere of a modern luxury hotel is well reproduced; the photography and the settings—the latter designed by Cedric Gibbons—are excellent; and in addition to the beauty of much of the camera work, addition to the beauty of much of the camera work, the camera itself is here. But the direction and the remarkable cast have failed to make a really outstand

film does not come to life as the book does.

possible that this is, at least, partly because ends
meticulous care was taken as to defeat its own adjustic meticulous care was taken as to defeat its own and over-produce the players. meticulous care was taken as to defeat its own ends and over-produce the players. Also, the episodic treatment used by the director has not yielded a flow ing continuity; the episodes seem largely unrelated to each other, and the film is thus leaking in unity. to each other, and the film is thus lacking in unity.
This is a rather unusual defect, since the American studios have in recent years learned so much of construction. studios have in recent years learned so much of corrective editing from the D

But the two basic faults of the film are that that the two basic faults of the film are that that the two basic faults of the film are that that the two basic faults of the film are that the two basic faults of the film are that the two basic faults of the film are that the two basic faults of the film are that the two basic faults of the film are that the two basic faults of the film are that the two basic faults of the film are that the two basic faults of the film are that the two basic faults of the film are that the two basic faults of the film are that the two basic faults of the film are that the two basic faults of the film are that the two basic faults of the film are that the two basic faults of the film are that the two basic faults of the film are that the two basic faults of the film are that the two basic faults of the film are that the two basic faults of the film are that the two basic faults of the film are that the two basic faults of the film are the two basic faults of the film are that the two basic faults of the film are Garbo is, as usual, hopelessly miscast, and that that attempt has been seen to be attempt has been seen to be attempt has been to be attempt. the young woman she is in reality. The most mother and dramatic incidents in the state of the state of the fact the state of the state and dramatic incidents in the novel hinged on that fact that Grusenskare are the novel fifty, but from fact that Grusenskaya was well over fifty, but her age did not detect. her age did not deter the youthful von Galgerih her falling violently and wholeheartedly in love with Here we have merely to the state of the state Here we have merely a quite ordinary ends with of youthful love, and the whole psychology farry tion is thus lost. Incidentally, John Barry on the wooden side as the lover; it is possible the very limited range of emotion that Miss allows herself to display in an unusually emotion. allows herself to display in an unusually emotion display in an unusually emotion.

The picture is stolen by Joan Crawford and Missing the lace Possessing to display in an analysis and Missing the lace Possessing to display in an analysis and Missing the lace Possessing to display in an analysis and Missing the lace Possessing to display in an analysis and Missing the lace Possessing to display in an analysis and Missing the lace Possessing to display in an analysis and Missing the lace Possessing to display in an analysis and Missing the lace Possessing to display in an analysis and Missing the lace Possessing to display in an analysis and Missing the lace Possessing to display in an analysis and Missing the lace Possessing to display in an analysis and Missing the lace Possessing to display in an analysis and Missing the lace Possessing to display in an analysis and Missing the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing to display in an analysis and the lace Possessing t lace Beery, as Flaemmchen and Preysing. the Crawford has here again one of those parts show her to be a distinguished, if uneven acter of the Flaemmchen is not Visit Raum's Crawford. If her Flaemmchen is not Vicki Baum's character or, at least, not my concerting the Miss Crawfoll is just for the concerting the state of the concerting the or, at least, not my conception of it—Miss Crawfold the poort is justified in saying that she was entitled to the part. It is an admirable creation—that hard-boiled and sophisticated to woman we hard-boiled and sophisticated young woman who give herself to men from the was enter that ho give herself to men from the was enter that ho give herself to men from the was enter that ho give herself to men from the was enter that ho give herself to men from the was enter that had been the was enter the was e give herself to men from who she recoils because offer her money and among the can love for give herself to men from who she recoils because with offer her money and amusement, who can love for denying the existence of love. Mr. Beery's Phase ance is one of remarkable virtuosity; his blustly entered Preysing's skin that his carriage, essenting brutality, and his over-bearingness are essenting of Lindon.

figure. Here again, I did not feel that this was the novelist's conception, not so much because Mr. Barrymore embroiders on the part as because he strains rather too much after effect. But the result is very good Barrymore. Those always finished actors, Jean Hersholt and Lewis Stone, do very well with the parts of Senf, the hall porter, and the lonely Dr. Otternschlag. It is regrettable that Mr. Stone's role was not made larger; his appearances are too few and too casual.

The Misses Crawford and Garbo do not, of course, ever appear together, which is very fortunate for Miss Garbo. Miss Crawford animates the picture all the time she is on the screen; Miss Garbo merely contributes yet another impersonation of Garbo.

"Arms and the Man," which I reviewed on its London presentation last month, is having its first Uniform" is being revived at the Academy and the first Swedish talking to be succeeded by "En Natt" ("One Night"), the first Swedish talkie to be seen in England, and a film of a film of unusual beauty. "Mata Hari" will be at the Stall at the Stoll until Sunday. DAVID OCKHAM.

## Nature Notes.

By R. R. ARTIFICIAL MANURES.

am certain in my own mind that when our farmers started doing away with lime and dung and went in for the went in for these here chemical manures they started a packet of Packet of trouble for themselves. twenty-five years ago or more, down at my home near ling the farmers to try the stuff. Well, side the old way of manuring. We laid out differthe old way of manuring. a field in squares, preparing the ground different old-style manuring. We laid the squares and new-style in ent old-style ways in some squares and new-style in it all came in the growth of It all came up there were differences in the growth of course. looked for quantity first. He'd have said to him-And when he patch throws up the most grass?" And which patch throws up the most grass. That's the had found out he would have said: manure was. He wouldn't have troubled about the quality of the wouldn't have troubled about the source. He wouldn't have troubled he? For we'd source, of the control of the said: quality of the grass. Why should he? For we'd sowed the same seed all over the field; and so that same would have thought to himself: "Same seed growth in some of the patches he wouldn't know have said to us chaps that we couldn't tell any more than he to us chaps that we couldn't tell any more than he to us chaps that we couldn't sure have said to us chaps that we couldn't tell any more than he could than he could. And he'd have been right, sure that we couldn't tell any more than he could. And he'd have been right, sure that we could. We weren't experts, no more than he'd find our experts. But being countrymen we knew where to Not have experts. And d'you know who they were? Not human beings. No; they were a flock of sheep. liked; we turned them into the field to go where they out! Ah, Never they liked. Then watch the sheep where they liked. Wever they liked these animals. Never no hesitation with those animals. they knew. The consequence was you'd see ground patches in that field cropped down to the And while others were left growing a foot high. grass those charge patches. Sooner than touch that others those charge patches. when we came to notice, those others were the ass those sheep would wait for the good grass in the places there was our Iswer, wrote down plain by Nature for all men to

Since that time farming has gone further and down, against Nature. Lime kilns have closed by the or spread over it. Horses have been driven out falling. Instead of good natural horse manure falling upon the fields, there is now petrol or paraffin

drippings. No farmer in my days would have put up with such things; but they've had to give way because they've been forced to save labour. They've got to produce cheaper, as the saying is. I'll hold out against any man that everything they do to make things cheaper makes them worse. Take this ploughing, or sowing or dressing with tractors. This is against Nature for a particular reason I've got. 'Tis this. Nature meant the land to have animals walking on it at tilling-time. Nature made horses the right weight to press upon the earth; and the weight of the horse is distributed in the proper manner on his four hoofs; and the action of the horse in drawing the plough or harrow—the thud, thud of his feet as he goes over the fields is all a part of the tilling: it sends little quivers down under, and encourages the earth to give out the harvest. You can laugh so much as you like; but I'm sure in my bones that animals coax the fields to do their work just so

much as when I pat a horse to get him to do his.

Then take another thing. A farmer will come along and sling a lot of chemical dressing over a field, hoping the rain will come and wash it in. Well; the rain doesn't come. What's the consequence? The animals grazing in that field get some of this powder into their insides. It doesn't poison them; no. But it's against Nature, and it's bound to make their condition worse. And when an animal is out of condition, nobody's to say what disease mayn't strike him. You can add to this what I said about our experiment with the sheep. To-day, grazing animals have got to eat the sort of grass that those sheep wouldn't touch. They've no choice; and so they cannot show us humans what Nature means them to have and what we ought to give them. All these cursed "up-to-date" notions are like an eclipse of the sun: they hide the lessons which the animals

were made for to teach us.

There's a lot of talk about foot-and-mouth disease. Nobody seems to know what causes it or where it comes from. There's a sort of notion that an animal opens his mouth and a microbe flies in. My notion is that it's all to do with the condition of the animal. I can't prove my words, but I will always hold that the clue has most to do with the feeding. A gentleman told me the other day that there was such a thing as a human growing microbes inside of himself, and that it wasn't proved that microbes always got in from the outside. He said that there are many scientific gentlemen who hold that view: a "school of thought," he called them.

Well; I've never had that sort of schooling, but I feel they are right. It's a puzzle anyway to know where the first microbe ever came from, whatever sort it is. I've thought about it a lot, especially where there's been mention of lockjaw. In some farms this tetanus germ, as they call it, is everywhere, and there is danger to man and heast whenever they get there is danger to man and beast whenever they get a cut or other wound that draws blood. In other a cut or other wound that draws blood. In other places you'll have horses passing years and years at the plough, constantly bruising or grazing each other's shins (which happens when they turn at the end of a furrow) and yet never no sign of this trouble. I am sure that these puzzles will be found trouble. I am sure to do at the beginning with the out one day to have to do at the beginning with the health of the land, as you might say.

### Notice.

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

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

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

#### More Psycho-analysis.\*

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The more one reads of the technique of psycho-analysis the more one is struck by its air of hocus-pocus. It has already been called a game of confidences for rich orphans. but it is more. One is tempted to stigmatise it as trifling with the affections of rich orphans, only "trifling" hardly the word. The technique proceeds on the lines of a lovers' quarrel. First the patient is allowed (or seduced?) into falling in love with the physician. This is called establishing the "rapport."

"The second main task," I quote from Dr. von Hattengberg, "is breaking off the personal attachment to the physician. . . . Practically the way is paved for this by arranging the analytical interviews at greater intervals-the break should never be carried to such an extreme that it is impossible to keep the patient under observation " (Author's

This, of course, would be the most abominable medical coquetry, were it not for the undoubted disinterestedness of the physician, whether it is justifiable, even so, depends entirely upon its therapeutic results.

The gain to theoretical psychology has been so striking, especially if one counts the critical reactions evoked by psycho-analysis, that it may seem carping to point out that the types of cases which respond most readily to the technique (hysterics, psychasthenics, and sufferers from anxiety neurosis), are also those which respond equally well to less scientific methods (e.g., hypnotism, faith-healing, miraculous statues, etc.).

No doubt the psycho-analysts would claim that all such cures are really triumphs of their method, though applied in a clumsy, unscientific, and, above all, uncontrolled manner. But it must be difficult even for the psycho-analyst to control these tempestuous love-affairs. Remember it is rare, except with the most conscientious exponents, to get an account of the unsuccessful cases. Yet a hint of the kind of thing that may happen is given by Dr. von Hattengberg, who tells us that "Even the methodical completion of an instructional analysis could evidently not prevent many psychotherapists being entangled in a crisis whose violence was attested in shocking fashion by the suicides among

I should be the last to deny the real importance of Freud's discovery, but this book strengthens a growing impression that psycho-analysis as a technique is as yet more dangerous

#### Reviews.

The Robinsons. By Thomas E. Lawson, L.R.C.P., L.R.C.S., Ed. C. W. Daniel Co. 1s.

By skilful manipulation of a family of Adlerian robots, Dr. Lawson demonstrates very clearly the Adlerian views of the effect on character of the family environment. M.

Britain's Trade and Agriculture. By Montague Fordham, M.A. (Geo. Allen and Unwin. 7s. 6d.).

Mr. Fordham has given us a lot of sound common sense, but like most of the new "Plans" now pouring from the Press, it is only a reshuffle of the old economics. He has told us nothing really fresh. It is indeed very essential that Britain should become as self-supporting as her agricultural production will permit, because agriculture is still our first line of defence: the Great Wor did at least drive that first line of defence; the Great War did at least drive that lesson home into our "liberal" breasts with a vengeance. In pre-war days, Prince Kropotkin, in his "Fields, Factories, and Workshops," showed how we could feed 90,000,000 with the knowledge then available, but agricultural science has made great strides since then. Mr. Fordham is good enough to inform us the baseloned Nan to inform us that he suffers from a highly developed Nonconformist conscience—which explains his work-complex. He has forgotten that the industrial revolution applies equally to agriculture as to industry. Having compelled everybody to work like niggers on the cabbage patch, he has propounded some ideas about the stabilisation of money coupled with guaranteed standardised prices for the main articles of food. Imports would be controlled. It is not surprising when the controlled articles of food. prising when he informs us that his proposals have the support of the Prime Minister, Mr. Ramsay MacDonald. Mr. Fordham is proud to state that his mentors have been Plato, Einstein, and Bergson. What a pity he could not add the name of Major C. H. Douglas. Before writing again Mr. Fordham would be well advised to sit down and ponder over the fact that a farmer who grows a ton of potatoes does not grow the purchasing power equivalent to the potatoes. Let this be his first premise for his next book.

The Scientific World View. By William Kay Wallace.

In his Introduction the author writes, "The foundation of a civilisation is economic. It is only after social forms have routed themselves to the social forms have routed themselves for a social forms." (Simpkin Marshall. 15s. net.) have rooted themselves firmly in the economic life of a people that political and religious life is possible.

"When a new economy takes shape the political as well as the religious systems previously existing inevitably decay, as they are inadequate to meet the demands of the new economic purpose.

"Thus the real cause of the rapid decline of religion in our own times is to be sought in the fact that we have entered upon a power sought in the fact that we conomy entered upon a new economic era. It is the new economy of industrial similar social of industrial civilisation that has transformed the social life of our times. life of our times. In due course new political forms will no doubt be devised, and it is not impossible that ultimately a new all wife. mately a new, all-wise master, a new Moses, Buddha, of even a new Jesus may arise. But the era of a new gion is remote. gion is remote. In the meantime a period of irreligion will intervene when the frield in the replaced will intervene when the faith in religion will be replaced by a faith in science."

That is the theme of this book, and the author develops it and elaborates it. and elaborates it against a clearly drawn historical hack ground. Science and the scientific attitude of mind is to take the place of religion. The time has come when we can do without God altogether and wet he highly moral and even do without God altogether and yet be highly moral and even do better than quote the last few sentences of the chapter, "The New Morality":—

"With the advent of a scientific world view the novicials mind has been served. I then world view the novicials mind has been served. of mind has been served. Life in its richness and sensured ous beauty, its passionate striving, its unconquerable eagureness, its immortality, is part of the world of experience where science dwells. The progress of morality is marked by the rearrangement of the facts of this experience in by the rearrangement of the facts of this experience i more orderly sequence. Science offers a better way to of the sever existed in the post more orderly sequence. Science offers a better way to so than ever existed in the past. . . Mind in coming for age is making possible a new morality, man-made such men. Here personality emerges as mind organised in so fashion as to discover the one best way, the moral way in the moral way of the moral way.

The author uses the phrase, "The One Best Way, "The discovering the One Best Way, trying to discovering the One Best Way, trying to discovering the One Best Way, trying to discovering the One Best Way, the the One Best and shows that science is always trying to discover and is discovering the One Best Way of doing everything.

In Chapter IV. "The Scientific Economy," we read the out of the principle of exclusive egoism which was that now so widely are that now at the now at t out of the principle of exclusive egoism which was read natural corollary of the utilitarian doctrines that now spring the middle classes, came the It taught thrift and saving are virtues of the highest order. It taught the magic of money, that 'money can beget money, as that it is not a scientific and saving are virtues of the highest order. the magic of money, that 'money can beget money, that it is the duty of every self-respecting citizen to safer much of it as possible. Such are some of the more that the features of the first effects of the collicial economy of the features of the first effects of the political economy of placed mercantilism." The political economy of placed mercantilism." The most significant factors of new scientific economy are summarised as follows: (1) elimination of competition; (2) the adoption of production in industry: (2) the standardisation of productions. 

#### Social Credit in New South Wales.

During the past month the State President, Mr. Mac-Readie, was invited and visited Griffiths, on the Yanco Irrigation Area, which is about 300 miles from Sydney. He addressed a number of meetings throughout the area, and a branch has been formed at Griffiths. Two car loads of speakers, headed by the State Secretary, Mr. Taylor, and Mr. Bull, visited Newcastle at the end of last month. On the way up they addressed meetings at Terrigal, where a branch was formed, and at Gosford, where a branch already exists. At Newcastle they addressed a large meeting in the W.E.A., and a branch was formed. On the Sunday they met a large number of the previous night's meeting and spent two hours in personal explanations, of the proposals. In the afternoon the party were the guests of the 2nd Battalion (A.F.).

In the Metropolitan area we now have sixty-seven branches, an increase of twenty-one in the last month, and our country branches now number twelve, an increase of five in the month, making a total increase of twenty-six branches. branches. Besides this, we have now five speakers' classes throughout the speakers' classes throughout the Metropolitan area. There are another fifteen branches in the course of formation. We anticipate very shortly to have shortly to have a hundred branches in the State. All branches are report are reporting increased attendances. Our lecturers are now addressing increased attendances. addressing from eighty to ninety metings per week, all these last these lecturers being supplied from headquarters. Our staff to cope with being supplied from headquarters.

to cope with the work are working to 10 p.m. each night.

The circulation of the New Era is now in the vicinity 14,000. We have now commenced on the third edition of Lt.-Col Powell's Deadlock in Finance, and are experiencing periencing a greater demand than ever for this work. We are hoping the second of the s are hoping that we will be publishing the fourth edition of this work at a very early date.

Last week a letter appeared in the financial page of the which was for-Sydney Morning Herald (a copy of which was forwarded to you at the time) warning people from joining the Douglas Association Douglas Association. At the end of the week there appeared a half-hearted withdrawal. On the 9th inst., on the leader page and withdrawal. the leader page of this journal, there was an article entitled in the Douglas Diagram, there was an article entitled From "by the Financial Douglas Diagram," by the Financial Error, "by the Financial Error," "The Douglas Plan, Its Fallacy and Error," by the Finansial Editor. This is enclosed. The conspiracy of silence
On Friday, 5th inst., three speakers addressed the execuin the World on Saturday, enclosed. We objected to
the World on Saturday, enclosed.

the World on Saturday, enclosed. We objected to din later editions us with the Federal Labour Party, later editions us with the Federal Labour Party, later editions us with the second control of this appearance with the world associating us with the Federal Labour Party, later editions as a later edition. out that we addressed all political parties, and were associated with none.

We are forwarding, later, a circular of The National lacy of Australasia, Ltd., which sets out to show the fal-The Pirst Conference Social Credit Proposals.

The First Conference of the Association was held on Sattrday, 6th inst., at the Adyar Theatre. Mr. Pollock, in the an attendance of the State President, was in the chair. There was configured and the State President, was in the chair. There was configured and the State President, was in the chair. an attendance of the State President, was in the chair. There was adjusted to the State President, was in the chair. This conference of 180 delegates from sixty-six branches. This ing of the Association of the 20th, and the annual meet-server the Association and the August 27 at the Conserver the Association of the 20th, and the annual meet-server the Association of the 20th and ing of the Association will be held on August 27 at the Con-and derium of Maria (The Conference was most successful Vatorium of Music. The conference was most successful On the 2nd incompanion will be held on August 27 at the Conference was most successful On the ge amount of organising work was accomplished.

Well 2nd incompliance to the 20th, and the Conference was most successful the Section of the Conference was most successful the Section of the Conference was most successful to the Prince was accomplished. On the amount of organising work was accomplished. Wales and inst. we sent a cable to H.R.H. the Prince ongress in appreciation of his speech at the International Congress of Commercial Education. The speech as reported the property of Commercial Education and economic distribution of the conference ongress in appreciation of his speech at the case of Commercial Education. The speech as reported transfer of Commercial Education. The speech as reported transfer of Commercial Education and economic distribution of world-wide trade depression and economic distribution of the case bance the world-wide trade depression and economic distribute has been largely caused by maladministration of fore. If The potential output is far greater than ever le number of hours per week the world would have at its able a volume of commodities and services that would nator the entire population to live on a higher level of bring dreams of the social reformer. Our urgent task is to bring comments of the social reformer. Our urgent task is bring consumption and production into a proper relationation, not a simple but quite impossible task."

or ring uset and well-being than has been contemporated the social reformer. Our urgent task is bring consumption and production into a proper relationation.

On A a simple but quite impossible task."

or ring uset and well-being than has been contemporated task is bring contemporated the following cablegram:

of Prince of Wales desires me to thank you for your telegram Sydney University of Prince of Wales desires me to thank you for your telegram R. P. Congratulations."—Private Secretary.

August 10, 1932.

# TO READERS IN LIVERPOOL.

system any reader willing to lead a debate on the banking us anged from the Social-Credit point of view which is being this to take place on Wednesday, November 30, send at a terr of the debate? It will be held under the auspices uncorn.

#### The Social Credit Library.

We announce the publication of a new pamphlet entitled The Douglas Theory and Its Communal Implications, by Fred. Tait (Stephen H. Wilson, 170, Bensham Road, Gateshead-on-Tyne; 3d.). Mr. Tait, whose work for Social Credit is well known and appreciated in the North, has done the exposition competently for his purpose. As his choice of title indicates, his main object is to clear up misunderstandings about the social implications of Douglas Finance. Since his activities are carried on in a hard-hit area, there are plenty of Communists competing for the attention of the poor, and they are prone to interpret Social Credit as a modification of Capitalist technique designed to hoodwink the "worker." Mr. Tait endeavours to combat this idea. In so doing he naturally has to throw chief emphasis on those possible "communal" developments which appeal to the unpaid and underpaid classes of society. He appear to the unpaid and underpaid classes of society. He does this quite temperately, but nevertheless calls attention to the fact that his ideas are his own, and must not be held to commit Major Douglas, who has "not been consulted" about them. We have not studied them closely, but our impression is that there will be little or nothing in them which Social Corolits supporters will heritate to endorse which Social Credit supporters will hesitate to endorse. There was room for such a pamphlet and Mr. Tait is to be congratulated on writing it.

# MAJOR DOUGLAS'S FORTHCOMING MEETINGS.

Kilmarnock Rotary Club, on September 29th. Newcastle City Hall, ", October

#### WHY PAY TAXES?

This is the title of Major Douglas's coming address at Newcastle-on-Tyne.

# WEST RIDING SOCIAL-CREDIT ASSOCIATION.

First general meeting for election of officers and committee, Saturday, October I, at 3 p.m., in the Central Cooperative Library, Cheapside, Cleckheaton. Copy of Agenda, proposed constitution, and rules from J. J. Taylor, Claremont House, Cleckheaton.

# "MYSELF WHEN YOUNG . . ."

Cheerful news from the Professional Economists: Monetary theory is still so far from a state of perfection that even some of the most fundamental problems in this field are yet unsolved, that some of the accepted doctrines are of very doubtful validity . . . and so long as no agreement is reached on the essential theoretical questions, we are also not yet in a position drastically to reconstruct our monetary system." *Prices and Production*, by F. A. Hayek, monetary system." Prices and Production, by F. A. Hards, Vienna University Lecturer in Economics, with foreword by Professor Lionel Robbins, London, 1931, pp. 109-110.

H. C.

# ECONOMIC WISDOM FROM THE EAST.

One of the sages of fourteenth-century Japan, while crossing a river at night, lost a few pieces of money in the stream. He paid a number of men with torches to search for the coins. When reproached with extravagance and folly in spending several times the value of the lost money in an endeavour to regain it, he replied that the money he paid the men was merely put in circulation, while that fallen in the river was likely to be lost to society for ever.

H. C.

## THE PRINCE OF WALES ON PRODUCTIVE CAPACITY.

"The potential output of the existing means of production in the world is far greater than ever before. If all the employable labour were employed for a reasonable number of hours per week the world would have at its disposal a volume of per week the world would have at its disposal a volume of commodities and services that would enable the entire population to live on a higher level of comfort and well-being than has ever been contemplated in the rosiest dreams of the social reformer. The urgent task for the world is to bring about the adjustments necessary to bring consumer. the social reformer. The urgent task for the world is to bring about the adjustments necessary to bring consumption and production into proper relationship—not a simple, not an easy, but quite a possible task.

(From a speech delivered by the Prince of Wales at the International Congress on Commercial Education on July 29

Hattengberg. Translated by Arnold Eiloart, B.Sc., Ph.D. (C. W. Daniel Co. 5s.)

#### LETTERS TO THE EDITOR.

#### MAJOR DOUGLAS TO CORRESPONDENTS.

Sir,-For the information of your readers who may wish to communicate with me at any time I should like to point out that while many associations have been good enough to forward letters, none of these can be regarded as an official address, and any correspondence which is intended for me personally should be addressed as below.

C. H. DOUGLAS.

8, Fig Tree Court, Temple, E.C.4. Telegrams: 28, Temple, London.

#### PROFESSOR COPLAND'S ADDRESS.

Sir,-I am afraid I cannot agree with your admission to Mr. Townend that there is no direct reply to Professor Copland's argument. The argument published in your own columns on November 26, 1931, is, I think, a conclusive inductive reply, as is also that included in the correspondence in "The New Statesman," which arose out of Mr. J. A. Hobson's review of my book, "The Monopoly of Credit." Neither of these proofs of the correctness of the conclusion arrived at by the A plus B Theorem has ever been answered.

The failure to understand the Theorem in its classical form is almost invariably due to lack of a time sense, as in the case of your correspondent, Mr. Townend, who quotes Professor Copland as saying that B payments eventually become purchasing power. B payments were originally purchasing power, and eventually repay a loan. It is the failure to comprehend the obvious fact that B payments are collected from the public as reimbursement of costs which is the stumbling block to most people, and obviously to Mr. Townend.

The only objection to leaving the A plus B Theorem alone is that on the conclusion derived from it depends the fate of a whole economic system, and together with it, a civilisation.

A small booklet by me in reply to Professor Copland and Robbins will shortly be published both in England and Aus-C. H. DOUGLAS.

#### A + B.

Sir,—Re Professor Copland's argument quoted on page 239 of The New Age for September 15, 1932, Mr. W. Townend asks whether there is a direct reply.

It seems to me that there is. Taking the "Argus" report, Professor Copland states that B costs can be "sub-divided a further stage back in the chain of production into A costs and B costs. . . That has always been admitted. These latter B costs can again be sub-divided, a further stage back, into A costs and B costs. And so on.

Professor Copland then says: "In this way, by the establishment of an indefinite mathematical series, it could be shown that the whole of the costs would actually ultimately become A costs. . .

I submit that the snag in this statement lies in the two words ultimately become; there is a note of futurity about them which may be very misleading.

What the series does show is that the whole of the costs did figure as A costs at some past date, if we go far enough

B costs never "ultimately become" A costs, in any present or future sense. On the contrary, A costs are always in process of becoming B costs.

The B payments of any producer represent sums of money which are on the way, via other producers further back in the production chain, to the head, the production chain to the head. the production chain, to the banks—there to be extinguished in cancelling these other producers' loans.

Incomes are composed solely of the A payments of production processes: B payments, as such, are never handled by consumers under any conditions whatever.

Oakdene," Mundesley. A. W. COLEMAN. September 22, 1932.

Dear Sir, -I notice in THE NEW AGE of this week that a correspondent suggests it would be better for S.C. students to drop the A + B Theorem, as it is so very difficult to defend. Personally, I find no difficulty in putting over the A + B Theorem. Admitted that all payments, that is, B payments, represent purchasing power. But they have been disbursed in a cycle of production which has passed, and as inter-mediate commodities move from one organisation to another, have been recouped in prices, in order to repay the initial bank credit. Now, as these intermediate commodities bear all costs, and these costs are finally entered into the price of the ultimate commodity, it is obvious that there cannot be

a sufficiency of wages, salaries, and dividends (A payments)

to buy a product, the price of which includes items which have been returned and cancelled, i.e., B payments.

Whenever the A + P (T)

Whenever the A+B Theorem is brought up for discussion, the main factor in the equation is neglected, that is, the rate It is obvious that numericals in the equation would be equal. 2 + 2 = 4, but if you introduce a factor of time in the equation tion, and agree that this factor is not equal, then the equation is not equal.

C. R. BENCE,
Hon. Secretary, Newport S.C. Association.

#### OSTEOPATHY.

Sir,—The American osteopaths are about to hold a great Convention in Kirksville, to celebrate forty years of progres, in teaching osteopathy. In Britain we are so steeped apathy about this area. apathy about this science that, until Mr. W. A. Streeter began his campaign began his campaign in 1924, and wrote his recent there was very little authoritative information available to the general public.

The sick and suffering are denied the benefits of osteo pathy in this country, though in America they can obtain these boons with coop. these boons with ease. The fault, it seems to me, lies with those who persistently opposed larger than the results of the register of the regi those who persistently oppose legislation, such as the tration and Regulation of Osteopaths "Bill, promoted in 1931 by the Osteopathia D. Osteopaths"

In my opinion, it is not a matter to be dealt with by private member's Bill; I hold that the Government isself should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt with by should legislate in such a matter to be dealt should legislate in such a way that the qualified osteopath shall have equal rights with the qualified osteopath. shall have equal rights with the orthodox doctor or surgeon, whilst those who without a surgeon to the surgeon to the surgeon without a surgeon to the surge whilst those who, without qualifications, shelter behind the present lack of control should be category present lack of control, should be relegated to the category to which they properly belong.

Mere prejudice should a significant to obstruct the category and the category belong.

Mere prejudice should no longer be allowed to obstruct the progress of British contact the pro Mere prejudice should no longer be allowed to obstruct the progress of British osteopathy, nor rob our people of its valuable service as a method of healing. I write as one who has seen the benefit of osteopathic true. has seen the benefit of osteopathic treatment in the case in the boy. D. J. O'CALLAGHAN.

24, Priory Road, Bedford Park, W.4.

[We give publicity to this letter, which has presund to been circulated to the Press generally, on the ground any discovery which purports to relate exceptions.] any discovery which purports to relate psychological phenomena to physical conditions mena to physical conditions is worth investigation. osteopath looks first to the anatomical structure of We for clues to physiological and mental disturbances, a notion that osteopathy is boycotted for much a reasons of State "as were recently alluded to as for ing the boycott of phrenology. The two are akin, the same the boycott of phrenology. The two are akin, the same treatment of the same and osteopathy alluded to as for the brain-box "is made of bone and osteopathy and sky, and s "brain-box" is made of bone, and osteopathy bones and treats bones. A fragment of a fractured pressing on the brain. pressing on the brain can produce marked mental change that percentage that produce marked mental changes that percentage that percentage the product marked mental changes the product mental c And there is antecedent probability in the idea that properties and logical, as well as other probability in the idea that properties are the control of the logical, as well as other, irregularities in females prinitially from distortion initially from distortion and other conditions of the Our late collection and other conditions of used Our late colleague and contributor "A. E. R. factory is forth with great earnestness on the havoc of factory young girls enterline at the same and contributor "A. E. R. factory young girls enterline at the same and contributor "A. E. R. factory young girls enterline at the same and contributor "A. E. R. factory young girls enterline at the same and contributor "A. E. R. factory young girls enterline at the same and contributor "A. E. R. factory young girls enterline at the same young girls entailing their sitting for long periods in positions at repetitive processes. He could have said more to-day. In many such cases the radiographic anatomist could probably find cut more in five other anatomist could probably find out more in five nothing about some girl who, for example, "cries for without than the psycho-analyst would in five weeks—and without asking her "rude" questional. But they won't get as bird. asking her "rude" questions! But they won't get a Their researches and process. Their researches and practices spread about too much lime to suit the Oozelp Pint Productions as a product of the product of t

Sir,—With reference to your "Notes", last week, Ltd., above journal is published by the Republican C. Eason, 12, St. Andrew Street, Dublin

Sir,—With reference to your recent comments on on sit iticisms of Phrenology I think the following synopsis criticisms of Phrenology, I think the following synoption the proceedings at a recent phrenological demonstration, the Essex Hall will be of interest aspecially to at the contract of the con the Essex Hall will be of interest, especially to It your readers who are in the teaching profession. Pure Dr. Burt (mentioned below) who recently made some first criticisms of Phrenology

Opening a phrenological exhibition and demonstration of the Essex Hall, Strand, on Tuesday evening, Society, Corporated, said: "Recently Dr. Cyril Burt, of characteristics of the British Phrenological the Corporated, said: "Recently Dr. Cyril Burt, of characteristics of teaching the colored that the first duty of teachers was not to study the mind of the pupil. The next duty are reached the pupil's mind. to study the mind of the pupil. The next duty was Ted the pupil's mind. the pupil's mind, correct it, and give it help.

would do far better by standing by and observing the children than by rushing in and drilling them without studying their varying mentality at all. It can make a tremendous difference to the child, and the treatment he will receive if the teacher knows whether his incapacity is inborn, or simply

SEPTEMBER 29, 1932

due to lack of opportunity."

Commenting upon this, Mr. Sewell remarked that "every member of the control of th member of this society would indorse Dr. Burt's advice. A most important part of the work of the phrenologist is to observe the size and shape of children's heads and, in the light of the temperamental conditions, to diagnose their character and ability. This is the most certain way of assessing the 'incapacity that is inborn or simply due to lack of opportunity."

It is perfectly correct, as Dr. Burt says, that a great many teachers are still inquiring if there is anything in phrenology. More than this, an increasing number of teachers are getting a working knowledge of the subject and are finding it useful in guiding the pupils' minds. In view of the insection of th view of the importance of the subject, from the psychological stand-point, it is surely time that teachers were given facilities to become ties to become acquainted with science which can help them so much in understanding the child mind."

There is but one logical outcome of the advice so seriously given," declared Mr. Sewell, "teachers must be phrenologists and the educational authorities should forth-with add the educational authorities should forthwith add 'phrenology' to the curriculum of their training colleges."

In declaring the exhibition open, the President said, "I have heard of people disguising themselves before visiting Phrenologists, but such a proceeding was quite unnecessary. To deceive a qualified phrenologist you must alter the shape of your head your head, and that you cannot do on the spur of the oment. The moment. The shape of the head alters only in response to the particular particular use made of the mental faculties, necessarily a slow process."

In the search for truth the fair and square method is the one search for truth the fair and square method is judicedly suitable one. The society invites every unpreferst hand."

The society invites every unprefers hand."

fine collection of casts, skulls, and photographs was exhibited on the five tables, at each of which 15-minute demonstrations. demonstrations were given throughout the evening.

A variety of such as the fo

A variety of subjects were dealt with such as the forward backward and backward position of the ear, denoting the relative and the intellectual and social faculties; brain shapes are the relative the relation of the effect of excessive and the relation of the intellectual and social faculties; brain shapes are the relation of the intellectual and social faculties; brain shapes are the relation of the relation of the intellectual and social faculties. and the intellectual and social faculties; brain sarry and the relation of brain to skull; the effect of excessive because of any of an activity of any part of the brain in causing the skull to ecome thin in the corresponding region. In proportion as fail to use our brains, our skulls thicken making it and more die brains, our skulls thicken making it. the term "numskull" is not inappropriate in certain cases.

Sir, The COTTON TROUBLES.

World It is west trade is the most wonderful trade in the holds. It is west trade in the most wonderful training, and each holds his job by merit. Directors of mills do not direct—hand the by merit. find the money, and the management is put into the hands of experts.

The experts.

The cotton and textile trades are native to Lancashire and and the trades are native to Lancashire and the men, the machines, dyeing, money for the world's cotton spinning, weaving, ping trades. Before the world's cotton spinning, and ship-cotton crop was financed by bills drawn on London, with a cotton crop was financed by bills drawn on London, with a

The horizontal "system was described by bus and the horizontal system was described by bus and specialisms. did the brokers in Liverpool specialised on cotton; London by, and finance. the finance. Spinning, weaving, agenting, merchant-the cloth from the weaving firm, pay the money in three his Sive cradii. and, and give credit to the merchant for a longer period, this commission is 1½ per cent., or 30s. for each £100. bank be an interesting experiment to calculate how for export

export. A minimum of seven bank transactions merchanting, dyeing, bleaching, finishing, packing, and take its some four takes some toll

Herr Stinnes in Germany and Madame Sukias in Sought to Sought to Germany and Madame Sukias in Company and Madame Sukias in State picture. Dr. sought to cut the bankers out of the picture. Dr. could make goods but couldn't make the money to workmen and had to give in beaten. His father won through.

the Bank of England has the control of the cotton din its Bank of England has the control of the American adviser its British commercial interests.

This foreign control of British monetary policy and

international control of world financial policy that is responsible for our national and the world crisis. Strange that the employers and employed in the cotton trade have utterly failed to grasp the common origin of both their troubles and are at each other's throats in a combat which will put scores of master cotton spinners and cloth manufacturers into bank-

Wages must rise in a period of rising prices and increasing profits and the cost of living. So also wages must fall in a long period of falling prices, losses, "calls" upon shareholders to pay millions of pounds a year to meet bank overdrafts.

Wages went up during the war. Wages have come down since the war, but are 83 per cent. above those of 1914. In some trades wages have fallen with the "cost of living figures, but the cotton operatives prefer to fight each attempt

to reduce wages. Collective bargaining by Trades Union leaders and Employers' Federation leaders have worked well in the past. Free competition has been going on for some months amongst individual employers, who are at their wits' end to meet bank overdrafts, for every week firms are being wound up and machinery broken up or shipped abroad.

Looking over Worrall's Directory for 1932 I find that

the number of firms engaged in the cotton spinning and weaving industry is 1,609, a reduction since 1924 of 333, and 52 in the last twelve months. Over 4,000,000 spindles have gone out of existence in the year, and over 7,000,000

spindles since 1927. We have lost over 167,000 looms since 1924, and over 33,000 looms since 1931.

Employers abrogated collective bargaining, made private agreements with their workers, and stole a temporary advantage over competitors. Strikes followed in some cases and outside workers were taken on. Those on strike demand the reinstatement of every worker who left his or her job. The employers refuse to dismiss the dole-robbed workers who, by accepting a temporary reduction in wages, have helped them to meet overhead expenses. The most humiliating Means Test has robbed thousands of their unemployment pay, although they have paid their weekly instalments and have not hitherto been on the dole. If you have money here War Savings you must spend them. If you have money have War Savings you must spend them. If you have money you must spend it. If you have parents let them keep you. I recently employed an old-age pensioner to do an unimportant task which she was able to do. Her husband has been suspended from highway work owing to the "Economy" ramp along with many others, and was receiving the dole. This was stopped when his wife went into the mill. bined income (wife's 10s. pension, 15s. 3d. husband), 25s. 3d. Wife working, 20s., plus 10s. pension, 30s. Difference between not working and working, 48, 9d.

Both employers' and trades unions are absolutely impervi-

ous to new ideas. It is in vain to point out that "you don't make money by making goods "; that money is a manufactured article under foreign control; that it is a crime to make genuine money; that a million borrowers of £1,000 each for a year must return to the banks a total of £1,000 and fifty millions, yet it is outside the power of any one of them to add a penny to the currency, and that in the struggle for the £50,000,000 some must go bankrupt; and that bankruptcy is an integral part of the present industrial system, duly provided for by the Government in well-paid posts, in the Official Receivers' offices and the Bankruptcy Courts

# Events of the Week. (Compiled by M. A. Phillips.)

September 17.

Educational Economy Order—a scale of free places and amount of grant reduced—teachers protest.

Twickenham By-election:

General Election.

20,161

By-election.

21,688

Conservatives ..... 39,161 Labour ..... 13,763 

ordered.

Brazilian Civil War intensifies.

Brazilian Civil War intensifies.

French conversion scheme announced. £900 million conversion scheme and 6 per cent, to 4½ per cent. verted from 7 per cent, and 6 per cent, to 4½ per cent.

Stresa (Danubian Conference) wants wheat price raised by taxpayer's subsidy, but deadlock reached on currency

problem.
Italian deposit rate reduced.
Italian deposit rate reduced to attend resumed Disarmament
Germany officially refuses to agree to German re-Conference.

Central authority proposed to control municipal borrowing. Very serious unemployed and Means Test riots at Birkenhead. Talks of calling for military aid to police.

Bus employers' new offer to men—no wage cuts. Birkenhead relief allowances to be increased.

Gandhi refuses to leave prison.

Germany asked by Great Britain to reconsider decision on attendance at Disarmament Conference.

Big Labour gains in Swedish General Election.

More police protests at forthcoming (second) wage cuts.

Stock Exchange beaten by banks in fight over commissions.

Unemployed riots in West Ham on reduction of relief rates.

September 22.
Means Test riots spread to Liverpool.

Milk price war (farmers v. distributors) starts.

Disarmament Conference re-opens. Germany absent— Hindenburg reviews German army manoeuvres.

September 23.

No bus strike—men accept employers' terms.

Whitehall economises.

U.S. announces its financial policy prior to World Economic Conference—gold standard adhered to. Mosley forms British United Fascist movement.

#### ACADEMY CINEMA, OXFORD STREET (Opposite Warings) Gerrard 2981.

Sunday, October 2nd.
LEONTINE SAGAN'S PSYCHOLOGICAL STUDY OF ADOLESCENCE

"MAEDCHEN IN UNIFORM"

Also the Himalayan expedition film, "EXCELSIOR"

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C. G. M.

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The New Economics. 4d. Social Credit Chart. 1d.

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The Coming Crisis. 2d.

POWELL, A. E. The Deadlock in Finance. 3s. 6d. The Flow Theory of Economics. 5s.

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