

THE
NEW AGE

A WEEKLY REVIEW OF POLITICS,
LITERATURE AND ART - - -

EDITED BY ARTHUR BRENTON

VOLUME LII (NEW SERIES)
NOVEMBER 3RD, 1932, TO APRIL 27TH, 1933



LONDON:
THE NEW AGE PRESS, 70, HIGH HOLBORN, W.C.1.
1932—1933

INDEX.

VOLUME LII (New Series).

A
 A + B in "The Post." 297.
 A Theorem, The. 246, 257.
 American Debt Situation. 234.
 Around Music. 189.
 Art Exhibition. 189.
 Australian Affairs. 17.
 Australian News. 9, 290.
 Australian Notes. 117, 139.
 Austria and the League. 208.

B
 Bankers in Ermine. 256.
 Barter and Bankers. 256.
 Birmingham Debate, The. 267, 285.
 Breaking the Monopoly of Money. 174.

C
 Capital Products. 298.
 Cartoon. 303.
 Christian Ethics of Money. 313.
 Church and Tax Evasion, The. 296.
 Coming off Gold. 314.
 Copland and Social Credit. 7, 18, 28, 41, 56,
 131, 142, 155, 167, 178, 191, 202, 214, 226,
 239, 251, 261, 280, 290, 302, 315.
 Credit Cost and Capital. 296.

D
 Dismissal of Mr. Lang, The. 186.
 Douglas Plan, The. 81.
 Draft Social Credit Scheme for Scotland.
 221.

E
 Economic Objective, The. 196.
 Economics of the Grid. 186.
 Education Circular 1421. 18.

F
 Facts and Fancies. 165.
 Fairy Tales. 187.
 Films. 17, 33, 45, 58, 69, 81, 92, 107, 117,
 129, 141, 153, 164, 177, 188, 201, 210,
 225, 238, 251, 261, 280, 312.
 Fred Henderson and Social Credit. 222.
 Fred Henderson's New Book. 298.

A
 A. B. 301, 303, 314.
 Aickman, R. F. 71.
 Alabak. 67.

B
 Brougham, Kathryn Lincoln. 299.
 Burbidge, Dighton W. 7, 18, 28, 41, 56, 66.

C
 Carrol, Richard. 10, 22, 45, 58, 80, 94, 130,
 141, 154, 176, 188, 200, 211, 250, 260,
 288, 311.
 Coleman, A. W. 31, 108, 210, 298.
 Cousens, Dorothy. 187, 302.
 Cousens, Hilderic. 15, 106.

D
 Douglas, C. H. 4, 54, 126, 221, 234, 244, 267.
 Duck, R. L. 165.

F
 F. B. 18.

G
 Goldmines and Sterling. 265.
 Green Shirts, The. 91, 115, 163, 175, 185,
 200, 222, 236, 259, 287, 300.
 Gregory on the Roosevelt Ramp. 248.

H
 Higher Dialectics, The. 236.

I
 Irish, Election, The. 154.

K
 Keynes on Economists. 266.

L
 Landlords and Social Credit. 285.
 Laws and Outlaws. 209.
 Leon Frazer, B.I.S. 301.
 Lord Melchett on Money. 15.

M
 Machine's Wages, The. 151.
 Meaning of the Budget. 79.
 Medicine Men. 198.
 Men and Business. 312.
 Money and Markets. 105.
 More A + B. 210.
 Mr. Norman's Speech. 3.
 Music. 33, 92, 238, 288, 310.

N
 Nature of the Present Crisis and its Solu-
 tion, The. 4.
 New Britain. 10.
 New Zealand Affairs. 21.
 Notes of the Week. 1, 13, 25, 37, 49, 61, 73,
 85, 97, 109, 121, 133, 145, 157, 169, 181,
 193, 205, 217, 229, 241, 253, 265, 281,
 293, 305.
 Note on Interest, A. 301.
 Notes on the Kabala. 67.

O
 Obiter Scripta. 15, 106.
 Official Secrets. 209.
 On Swapping Goods for Goods. 31.
 Organisation. 249.

INDEX TO AUTHORS.

G
 Geraldine, Marie. 223.
 Golder, J. 9.
 Gould, F. J. 237.
 Gray-Fisk, Clinton. 189.
 Grimm, John. 197.

H
 Hargrave, John. 7, 20, 104, 162, 249, 258,
 286.
 Hawtry, R. G. 267.

I
 I. A. R. 91, 115, 163, 175, 185, 200.

J
 J. G. 69, 79.
 J. H. 31.
 J. S. 248.

K
 Kilowatt. 186.

P
 Passing of Parliament. 131.
 Pasteur and Béchamp. 103.
 Pastiche. 71, 93, 303.
 Police and the Government. 20.
 Postage Stamp Currency. 197.
 Potash and Perlmutter. 9.
 Professor Robbins on Social Credit. 77.

R
 Reflections upon Indian Music. 223.
 Relation Between the Money System and
 Industrial Organisation. 54.
 Reviews. 23, 34, 46, 69, 118, 142, 166, 212,
 225, 257, 302, 313.
 Rome and the Banks. 212.

S
 Salaries and Credit. 175.
 Sale of Honours, The. 208.
 Shall Men or Money Rule. 152.
 Snowden and Norman. 3.
 Social Credit and Employment. 104.
 Social Credit and the Church. 199.
 Social Credit Directory. 83, 179.
 Social Credit Library. 289.
 Speech by C. H. Douglas. 244.
 Stock Exchange Tote. 69.
 Successive Approximations. 31.

T
 Technic for the Happy Ending. 299.
 Theatre Notes. 10, 22, 32, 45, 58, 80, 94,
 130, 141, 154, 176, 188, 200, 211, 250, 260,
 288, 311.
 This Technocracy. 126.
 Thirteen Douglas Years. 237.
 Three Phase Ideopractic, The. 258.
 Trail of the Bankers' Subsidy. 139.
 Two Problems of Power. 162.

U
 Unemployed Demonstration in Hyde Park.
 7.
 Unemployed, The. 286.

V
 Velocity of Circulation. 27.

W
 What Shall I Be. 302.
 Wisdom of Childhood. 223.

M
 Montgomery, Neil. 103.

O
 Ockham, David. 17, 33, 45, 58, 69, 81, 92,
 107, 117, 129, 141, 153, 164, 177, 188,
 201, 225, 238, 251, 261, 289, 312.

P
 P. McD. 93.

R
 Rushworth, Captain. 131.

S
 Shand, John. 32, 288, 311.
 Sorabji, K. 33, 92, 223, 238, 288, 310.
 S. R. 10, 312.
 Symons, W. T. 199.

W
 Wood, B. 175.

THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

No. 2095] NEW SERIES Vol. LII. No. I. THURSDAY, NOVEMBER 3, 1932. [Registered at the G.P.O. as a Newspaper.] SEVENPENCE

CONTENTS.

	PAGE		PAGE
NOTES OF THE WEEK	1	THE UNEMPLOYED DEMONSTRATION IN HYDE PARK. By John Hargrave	7
The second cut in police-pay— <i>The Times's</i> defence of the decision—what the Police Federation can do about it.		AUSTRALIAN NEWS	9
MR. NORMAN'S SPEECH (Editorial)	3	Perth Synod approves examination of new methods of approaching economic problems. Notice of motion in Parliament of West Australia for Royal Commission on the Douglas Proposals.	
Reactions in the United States—Senator Borah's reproof.		"POTASH AND PERLMUTTER." By James Golder	9
SNOWDEN V. NORMAN (Editorial)	3	Story, and appreciation, of the play of this name revived at King's Theatre, Hammersmith, this week.	
Conflicting testimonies as to Norman's confessed incertitude.		THEATRE NOTES. By Richard Carroll	10
THE NATURE OF THE PRESENT CRISIS AND ITS SOLUTION. By C. H. Douglas	4	<i>Once a Husband.</i>	
COPLAND AND SOCIAL CREDIT. III. By Dighton W. Burbidge, LL.B.	7	"NEW BRITAIN." By S. R.	10
		<i>New Britain</i> ; organ of the XIth Hour Group.	

NOTES OF THE WEEK.

In a leading article on October 25 *The Times* discusses the announcement published in the Press that morning, that the pay of the police will be subject to a further deduction on November 1. Every member of the force should thoroughly understand that every pronouncement and argument in *The Times* relating to what is called "national finance" in any aspect is disguised advertising put out in the interests of a private monopoly comprising the banks and the insurance companies, who work together under a controlling company camouflaged by the name: "The Bank of England," and represented in the person of a financier trained as such in the United States, appointed to the Governorship, and maintained in that post, by a parallel private monopoly called the United States Federal Reserve Board. That person is Mr. Montagu Norman.

The international aspect of this arrangement does not immediately affect the present issue; so it may be ignored, and the group regarded as a private British enterprise which, for convenience, let us call the Norman Combine. We can call *The Times's* leader-writers Norman Announcers. The matters announced by these writers are relayed to the other newspapers, whose own leader-writers are so many Norman Sub-Announcers. This is an important fact not only for the police officers, but for their leaders, as they will, because otherwise, when they find colour speaks of the "necessity" for the cut, they are likely to be deluded into the idea that they are confronted by a majority consensus of independent and informed opinion. They are not. Wherever they listen in, it will be Norman calling; and not one of the fifty or so great newspaper-transmitters of his voice need understand a word of what he says. If he sneezed, they would all sneeze.

They will print arguments all right, but it is vital for the police, whatever they may first think of these arguments, to reflect that they proceed from a ridicu-

ously small group of citizens who have a particular common purpose of their own in using them. If the police will so reflect they have wit enough to see that the reasons given out for the cut may be false ones; and they will be disposed to listen to arguments challenging the validity of those reasons. They are men of the world, and they will at once agree that any policy which is put forward by a small group of financiers is unlikely to be for the advantage of the community in general. Yet it is this very concern for the community which pervades the Norman broadcast. Here is an example from *The Times's* article:—

"The duty laid upon private citizens is, at the least, no lighter [i.e., no lighter than the two police-cuts when accomplished], and there is little to ease it but the knowledge that the present necessity is unanswerable, and that none escapes.

"Had the second cut [the police cut now decided on] been dispensed with altogether . . . other classes of citizens would have been able, as the Scottish Police Council foresaw, to protest that the rule of necessity, applicable to all, had not applied to the police . . . [who] had, in short, been singled out for a privilege irrespective of its financial effect."

Here are two implied facts: that if the amount of the new cut (£640,000) is not deducted from police-pay (a) it will have to be added to general taxes: (b) and, even if not, the general public would resent the favouritism extended to the police. The second consideration can be washed out, because under an all-party "national" government the public are powerless to express their resentment effectively either now or at an election—they could not visit the responsibility on any one party more than another. So it is the first consideration which is relied on and which is the plausible one.

But it is true only on the assumption that the Budget must be balanced. If the police accept it as true they will be unable to rebut the bankers' argument that if they escape the new cut they will be "sponging" on the community. They can, no doubt, put up a case that this is not "sponging"—that the work they do is worth more than they are getting; but naturally the argument cannot be

popular with the rest of the public, nor convincing to most of them, who could make the same plea as to the value of their own work. What is any man's work worth? One could debate a question like that for a hundred years without getting anywhere. No; the issue is not the value of the police service, but the present ability of the public to pay for it at the old rates.

What can the police do about it? They are prevented by law from enjoying the privilege (whatever that may be) of a Trade-Union form of organisation; and have latterly been prohibited by "Orders" from contacting the public in respect of (a) holding open meetings of their organisation—because it was found that all the discussions invariably settled on economic questions; and (b) collecting money by the sale of tickets for police-charity functions, etc. There must apparently be no "fraternisation" between the police and the public—a significant reminder that in the view of the Government the public are "the enemy." It will also be noted that this policy of isolating the police disposes of the second of *The Times's* arguments quoted above; for if the public are so ready to expostulate against concessions being granted to the police at their expense, the logical conclusion would be that contacts and discussions between police and public should be encouraged so that the police should be directly dissuaded from seeking the concessions.

However, the policy of insulating the police from currents of political agitation is obviously necessary at the present time. Nor do we see that the police would gain anything if they were allowed freedom of contact. On the contrary, having regard to the types of Labour philosophers and agitators who would rush to exploit the fraternisation, the rank and file of the force—quite apart from the question of subversion—would be miseducated into sponsoring all sorts of nonsensical and ineffectual notions. They would do better to accept the advice of *The Times* to wait until things get better than to try to speed them up by any form of action prescribed by Socialists—let alone by Communists. Policemen enjoy already the contact and knowledge that really matter, which are, their contact with each other inside their Federation and their knowledge of the politics of their pay-envelopes. There is at least this to be said for isolating the police force from the Labour Movement, which is that we are spared the spectacle of Police-Federation "resolutions" and "views" on Free Trade, Peace, Disarmament, and all fudge of that sort. Would that every earner of a wage or salary, both personally and through his organisation, voluntarily adopted the same attitude as is imposed on the forces of the Crown—an attitude expressed by the young maid in the song: "My face is my fortune, sir, she said." "Our pay is our politics, sir, they said." These are the people who can do something to get a real move on—people, who, when told by the affected dandies of the Socialist Movement that "we can't marry you while you're so selfish," are ready with the pretty maid's retort: "Nobody axed you."

It is a novel and pleasant experience thus to be able to applaud the policy of the Government. Its measures to mould the mentality of the police for its own purposes are producing an effect conducive to our own purposes. That is bound to happen in the nature of things—as everyone who understands the self-jamming properties of the bankers' monetary technique will agree. And we shall see evidences of it multiply fast as time goes on. Let us record a few.

1. Recent case of a motorist who crashed into a lamp standard and was "knocked out" when backing away

by a man who thought he was an escaping smash-and-grab raider.

2. Report last week that in the course of the street disturbances a special constable mistakenly clubbed a plain-clothes policeman over the head.

3. Another report last week. A car containing plain-clothes police drives up to a house where a burglar is supposed to have broken in. A lady, not liking the look of them, flies to a telephone to warn the occupants, who, consequently, refuse admission to the police until the misunderstanding is cleared up. Meanwhile the burglar, if any, disappears.

4. Motorists on lonely roads now frightened to lend assistance to their stranded fellows. Recent case of decoy used in the person of an apparently unaccompanied lady with a broken-down car.

The recent theft of a mailbag on a London terminus station under the noses of the public has again stimulated suggestions that it ought to be a penal offence for the plain citizen to refrain from assisting the police. That wouldn't help. There are as good brains pitted against the law as for it—and a far greater number of them, thanks to the bankers' economy-policy. Supposing a law was passed. In every instance of a sudden open raid on a mailbag, the good honest citizen, being unprepared, would automatically hesitate, if only for a moment, before intervening; and since he would certainly prefer to leave the job to some other honest citizen, he would hesitate for probably several moments. Good. So the thieves, when preparing a coup, would arrange to plant confederates of their own on the proposed scene of action, and these, foreknowing what would happen, could rely on being the first to pounce on their friends the thieves, whereupon all the really good honest citizens would breathe a sigh of relief and pass on, or at least watch from a safe distance. Now, ask yourself, what would you do if you suddenly saw this party of, say, half a dozen apparently honest citizens hustling two thieves and their spoils towards a waiting motor car? Would you join in? Not you. You'd be still gaping when the lot of them drove off. Again, once lead the public to expect to see civilians capture raiders, what is to stop them from a busy place "detaining" some gentleman from Hatton Garden with his bag of diamonds, pretending that he had just snatched it from one of themselves? Think it out. No; if the police's job is made everybody's job, the organised thieves will know how to exploit the confusion—not to speak of the opportunities opened up for free-lance pickpockets during the scramble. Imagine some dear old Mr. Pickwick "assisting justice" along with others in such a case, receiving a black eye from the major thief in front, and parting with his wallet to the minor thief behind. Who compensates him?

At the moment we are not advised as to the exact status and rights of the police Federation. But this body is entitled to "make representations," and therefore we should say that any general condition which can be shown directly to impair the efficiency of the force or overstrain its capacity is properly a subject for the heads to investigate, and for members of the Federation to bring to their attention necessary. In our judgment the Federation should not merely protest against economies at their own expense, but should press for a review of the necessity of economies in general. This should be concentrated upon, because it can be proved that not only has previous general wage-cutting, but that it has been almost the sole factor in extending and intensifying the lawlessness with which the police are called upon to deal. This is most important, because though it is quite pertinent to call attention to the strain imposed by the police cuts on the men's morality, honesty or loyalty, such an argument should be left for outsiders to use—for if used by the police it would be interpreted by the bankers' Press as a veiled

threat and exploited against them. Let them place all their emphasis on the demonstrable fact that economy automatically generates lawlessness; and on that basis let them point out that the police pay-cut must itself produce that consequence irrespective of the personal feelings or attitude of members of the force. The policeman can put the case, and quite accurately, in the words: "The less I take the more I'll have to do."

We record this view, not simply because we hope that the police will make representations along these lines (whatever our hope is worth) but in any case to elicit information as to whether the regulations governing their organisation prohibit it. How do the authorities define the "politics" from which policemen are to hold aloof, or the nature of participation in political activity from which they are prohibited? For example, would a branch be allowed to receive and hear a representative of the Social Credit Movement?—at what places and in what circumstances are the police free to meet in groups for instruction on any subject if they choose? If not allowed, whence are they supposed to acquire knowledge on which to base representations to the Government? Are these representations simply petitions to be granted or not without argument. In short, is the statement in *The Times*, previously quoted, namely that the "necessity" for wage-cuts is "unanswerable," itself unanswerable in the sense that the police are prohibited from answering it or from briefing someone who can do so on their behalf?

Mr. Norman's Speech.

Senator Borah has told Mr. Norman off (*Times*, October 27) for making his pessimistic speech at the Mansion House. The *Times* adds a footnote to its Correspondent's cable saying that Senator Borah has evidently misinterpreted the speech, which, it says, was far from pessimistic! In our young days there was a popular music-hall song about a "bloke what come into a little bit of brass," the title or refrain of which was: "E don't know w'ere 'e are." Last week Miss Gracie Fields was singing a song, about her "sister's fiancé"—"four foot high"—"aged 103"—"no teeth, hair or anything"—the last line of each verse being: "'E's dead but 'e won't lie down." These songs respectively remind one that it is possible to be pleasantly bewildered, and also to muddle along all, he has the consolation of his hobby—he can fiddle about with his furniture and pictures while Rome burns.

Another point arises. According to the *New York American* of August 26, when Mr. Norman reached the United States (as Clarence Skinner) he was visited on board by the son of Mr. Pierpont

*Some policemen receive a certain sum in wages and spend it at a particular shop. They suffer a wage cut. They take that much less money to the shop. The loss of that custom threatens to turn the scale between profit and loss to the shopkeeper. He gets rid of assistants. Later on the assistant have to apply for public assistance. The Means Test is applied, and there is a row about it. The assistants demonstrate in the street. The policemen have to stand guard over the shop. Some of them are taken back on stretchers. So are some of the assistants. The shop window is smashed, and the shop looted. Insurance companies lose confidence and raise premium-rates to the shopkeeper. The rise goes into prices. Customers can't pay. Shopkeeper cuts wages. Employed assistants go on strike. And so on. Mr. Montagu Norman comes along and impotently watches this interplay of forces. He's struck Montagu Heep. Reflects that Uriah rhymes with Maria. Black Maria? But he doesn't want to be taken for a ride. One step enough for him. And so on.

Morgan, and had a private interview with him. May it not be that the things which so puzzle Mr. Norman do not puzzle Mr. Pierpont Morgan, and that the one-step-at-a-time which contents the humble trustee of British financial interests really means the one-order-at-a-time which Mr. Morgan issues to him? In 1930 the Treasury tried to get the Admiralty to send *Rodney* and *Nelson* to sea with dummy guns on grounds of "economy." If the Admiralty had done so, the fact would have been known in Washington via the Bank of England, Dr. Sprague, and the Federal Reserve Board. When one remembers that the beer-taxes are welcomed by people like Lady Astor as a temperance measure, it is easy to see that general taxation can be used as a disarmament measure—which means that it would be to the interest of the United States to impose a drastic economy-policy on this country. It is on record somewhere that at the time of last year's crisis the Labour Cabinet were kept waiting (for an answer to their plea for the exemption of the workers from certain cuts in wages or benefits) while someone cabled to New York, and that when the answer came—a refusal—it was communicated to them by Dr. Sprague. That is one clue to the truth; and we are entitled to adapt the Norman formula and say: "One clue enough for us." We know that, under the Official Secrets Act, Ministers are bound to keep the secret of how the interests of their several constituencies are subordinated to those of the "State." Presumably a similar principle of secrecy prevents Mr. Norman from talking plainly. But it is a tall order if the interests of Britain are being subordinated to those of the United States without the knowledge of Parliament itself, let alone the electorate. The only satisfying feature of Mr. Norman's speech lies in the possibility of its being a cryptic indication to alien interests that British finance is getting fed up with having to shoulder responsibility for policy which it does not initiate.

Snowden v. Norman.

A CONFLICT OF TESTIMONY.

"I have said little of the personality of Mr. Norman. He has, like all strong men, the faculty of arousing admiring devotion and strong dislike. He pursues his own course indifferent to either. Like strong men, too, he is something of an autocrat. He knows his own mind; his course is quite clear to himself, and he does not like interference." —(Snowden on Norman, quoted in article in *The Free Man*, October 22, 1932, by M. Stewart.)

[We suggested on October 13 ("Snowden on Norman") that Lord Snowden had fallen out of touch with his prompters at the Treasury. It appears now that he has also been left out of Mr. Norman's confidences. On October 21 Mr. Norman publicly told the bankers that he did not know his own mind, and that his course was not clear to himself. On October 8 Lord Snowden was saying the contrary in the *Spectator*. We do not deny the possibility of anyone's losing his bearings in the space of a fortnight, but in this particular case we doubt it.]

"As a matter of fact, one of the most revolutionary changes made at the Bank under Mr. Norman's leadership is the establishment of the Banker's Industrial Development Company. This company was formed, backed by the resources of the Bank, for helping big industries, particularly iron and steel and cotton, to reorganise themselves so as the better to equip themselves to 'capture' foreign markets. The results have been most disappointing, on account of the reluctance of these industries to set their houses in order." —(Snowden in the *Spectator*, reviewing Einzig's book on Montagu Norman.)

[This apology might pass if the failure were on the part of a political statesman. But one demands more from a high-financial statesman. One expects him to foresee "reluctances" and to provide for overcoming them before making "revolutionary changes." Mr. Norman has the means of getting all the knowledge and exercising all the compulsion necessary to succeed with any policy of this sort. We attribute his "failure" to the fact that he subsequently got nervous of the consequences of succeeding.]

The Nature of the Present Crisis and Its Solution.

An Address Delivered at the City Hall, Newcastle-on-Tyne, October 7th, 1932, by C. H. Douglas.

It might occur to a number of persons on first seeing the advertised title of this address that it was a little presumptuous on my part to assume that the nature of the present crisis required any explanation to the population of Newcastle. I can easily understand that you might say that you are experiencing the practical effects of the crisis, and that no one can teach you anything of its nature. This may be so, but there is very little doubt that there is room for a great deal of misunderstanding on the point. As a doctor would say, it is one thing to be suffering from a pain, and quite another thing to be able to describe accurately the nature of the pain, and still quite another thing to know the organs affected and the suitable treatment necessary to provide a cure.

The situation is complicated by the existence of vested interests, each of them anxious to maintain and increase its importance—interests by no means confined to one class or stratum of society, just as the evil effects of the present crisis are by no means confined to any one class of society, although it is commonly assumed that what is called "labour" is the chief sufferer.

Because I speak to-night entirely without any personal interest to serve, representing neither any special class nor any special business interest, and am merely concerned to tell you the truth (which, I imagine, is a somewhat novel and not necessarily pleasant experience), one of the first fallacies that I should like to expose is that any one section of society is the only sufferer from the present economic system. So far as I am aware, there is practically no method by which it is possible to obtain statistical information as to bearable suffering, and only one method by which to obtain information in regard to unbearable suffering, and this latter is furnished by the statistics of suicides, and it is not an unreasonable deduction that those classes in which suicides, and therefore unbearable suffering, are most frequent would also contain the largest proportion of bearable suffering. We find that the percentage of suicides, besides increasing at an appallingly rapid rate per 100,000 of the population, is higher in classes which are commonly supposed to be more fortunately situated from an economic point of view than in those commonly classed as destitute. My object in touching upon this is to emphasise that this problem with which we are attempting to deal to-night is not in any sense, as commonly supposed, one which can be regarded as being a quarrel between the "haves" and "have nots." It is not a class problem. It is one which affects everyone.

Another fallacy is that the present crisis is a crisis of unemployment, and that it would be solved if unemployment were eliminated (by unemployment is commonly meant human unemployment). This fallacy is deeply rooted, because the ordinary man finds it extremely difficult to separate the idea of unemployment from privation and poverty. But, in fact, all our best brains have been at work for the past 100 years, or more, with the specific object of producing unemployment, or, in other words, of producing more and more goods with less and less labour. In addition to that, the unemployment which exists at the present time is not merely unemployment of human labour, but is also, and to an increasingly large extent, unemployment of plant; and yet there is no difficulty, for anyone with money, in obtaining all the goods and services which they can possibly require. Incidentally, if the problem were one of unemployment, its obvious

solution would be to destroy as much plant as possible, much after the manner of the Luddites a hundred years ago, and to set everyone to work again by the most primitive methods.

A broader generalisation, very popular in Labour politics, is to attribute all our present troubles to something which is called "Capitalism," which is not generally defined, but which, I suppose, might fairly be defined as production for profit, including in this definition administrative relations between employers and employed, although, in fact, these relationships have nothing whatever to do with production for profit and are not sensibly different in a Government Department.

Now, curiously enough, it never seems to occur to those who complain of production for profit that the so-called capitalistic system always works worst when no producer is making a profit, which is, broadly speaking, the case at the present time. It is an astonishing fact, well worthy of note, that the capitalistic system, in the sense in which it is commonly understood, survives shocks and attacks which one would imagine would be quite sufficient to overthrow it, and one of the greatest dangers with which, in my opinion, the world is faced at the present time would be that by superhuman exertion, those in control of the money system will permit into operation such arrangements as will permit the capitalistic system to recover for a time, because I feel confident that if such amelioration can be arranged, the world at large will be only too pleased to return to work on the old terms. So that it is much more correct to say that it is not the capitalistic system, but the breakdown of the capitalistic system, or, in other words, the inability of the capitalistic system to do what it claims to be able to do, and as, in fact, in the past to some considerable extent it succeeded in doing, that is the more obvious cause of our present troubles.

Now what is it that the capitalistic system really claims to do? I think that broadly speaking it would be fair to say that it is fundamentally a system which enables people to combine together under a suitable organisation, so that by combining together they can achieve results which the same number of people acting separately could not achieve. To put the matter in technical language, the capitalistic system is a system of organisation designed to use real capital, by which I do not mean money, but tools, land, scientific knowledge, administrative association, and many other things, so as to produce something which we call the "unearned increment of association." I want you to get this idea very clearly in your mind, as it is probably the most important idea that you can possibly assimilate at the present time. In my opinion, Socialists have made a colossal mistake in arguing about the distribution of what they have called the "product of labour." The product of labour is becoming increasingly unimportant as compared with the unearned increment of association, to which I have referred, the product of the machine.

Now, it is this unearned increment of association, out of which profits, not merely to the capitalist, but to so-called "labour" are paid, and we do not know of any method by which these profits can be paid, the unearned increment of association being called "money." And if, as is most unquestionably the case, there is an enormous and increasing unearned increment of association and yet on the whole, the community is not only not making profits, but is, in a money sense, definitely becoming poorer, we are, I think, inevitably driven to the conclusion that the breakdown of capitalism has nothing whatever to do with the organisation of production, but has everything to do with the money system. I am not suggesting that the organisation of production is perfect, because I am sure it is not, and I think that by

its aggregation into large, unwieldy units it is becoming worse rather than better, but I am quite confident that it is not in the organisation of production that our difficulty lies, and that no reorganisation such as, for instance, nationalisation in place of what is commonly called "private ownership," would in itself affect any change for the better, and might easily result in a very definite change for the worse. The failure of the present economic system is not in production, it is in distribution.

At this point it may be helpful to deal shortly with the object lesson provided by Russia, since there are large numbers of people in this country and elsewhere, by no means confined to any one class of society, who regard Russia as a model for reconstruction. Now, I think that no serious student of these matters can have failed to regard the Russian experiment with the most profound interest, and further, to have felt their sympathy increased rather than diminished by the flood of inaccuracies and biased propaganda which has been a general feature, at any rate of the London Press, for the past fourteen years. I have, myself, been in fairly close touch with reliable sources of information, and have discussed Russia at first hand with Soviet officials. I know Mr. Polakov, the American Consulting Engineer to the Soviet Government, and have within the last few months discussed industrial affairs with Mr. Stewart, who is Mr. Polakov's partner in Russia, and I think that the first point on which to be quite clear is that the problem facing the Russian people at the present time, and for some considerable time to come, is fundamentally and radically different from the problem with which we have to deal in Europe and America. It is a problem of actual scarcity, and therefore is a problem of production, whereas our problem is a problem of glut, and is therefore not a problem of production at all, but is a problem of distribution. It will be many years under the most favourable circumstances before Russia begins to arrive at the situation which is common elsewhere, and I see no indication that the methods by which Russia is solving her problems of production are in any way fundamentally different to those by which they have been solved elsewhere. That, of course, is why there is no unemployment in Russia. I might go so far as to say that I have strong doubts as to whether these problems of production are being solved as successfully as they would have been by merely turning Russia over to contractors for what is commonly called "exploitation," but however that may be, so far as our particularly problems are concerned, it cannot be too clearly understood that we cannot in the nature of things hope to learn anything from Russia. It is only fair to say in this connection that all my information goes to prove that the Russian people are imbued with the most hopeful and healthy psychology, and that that is quite an important matter, but to what extent this is a matter of propaganda upon an essentially simple, childlike, and undeveloped population, I cannot judge. Certainly, there is nothing in the material facts, apart from the atmosphere in which they are enveloped, to justify this psychology over and above a similar attitude in other countries.

I have touched upon this for two reasons, the first of which is that a number of persons, whose confidence in dealing with industrial problems is only equal to their complete ignorance of them; are demanding that what is required for this country is a Five-Year Plan. It seems to me that where you have in operation a production system which has even more successful than is necessary, that even if it is not perfect, you ought to make quite sure that the other aspects of your economic system, those of exchange and distribution, are equally successful before you begin to tinker with it. And the second reason is that I am confident that, so far

from being hostile to the state of affairs in Russia, the international financial groups are beginning to look upon Russia with great favour as providing a field for their activities of exactly the type that they desire, which is to have control without responsibility. The so-called rationalisation policy of the Bank of England is definitely aimed at the same organisation as the Five-Year Plan, and we all know the state of affairs that it has produced in Lancashire and in the ship-building industry. The head of a well-known trust associated with the Bank of England is speaking openly in favour of a Five-Year Plan for England.

If, then, we cannot, in fairness, look to the productive system for the root of our troubles, where must we look? I think the answer is simple and obvious. If you have a production system which demonstrably produces a glut of goods and services, and at the same time not only those who work in it, but those who operate it, are, as the phrase goes, getting poorer and poorer, by which we mean they can get less and less of those goods and services which the production system generates, there can be only one place to look for the difficulty, and that is in the link between production and consumption, and that link is the money system.

I do not think that an occasion of this character is particularly suitable for dealing with technical details, but certain general ideas are indispensable to any understanding of the situation in which we find ourselves. Unquestionably, the first of these is that of the nature and source of money. As to its nature, I think it is sufficient to say that money is an effective demand for goods and services, by which I mean that it is no use wanting goods and services of any description, nor is it any use that those goods and services shall be in existence and available if your request to be supplied with those goods and services is not backed by something which we call money. Now the second point in regard to money is as to its source, and I will put this as shortly as possible by saying that practically all money is actually created by the banks, and claimed as their property. There is now no argument possible about this, nor is it, in fact, denied by bankers themselves. So that the situation in which we are faced amounts to this—that no matter what are the physical realities in regard to food, clothes, houses, and luxuries, and no matter how abundant they may be, we cannot obtain them without obtaining something which we call "money," and all money is derived from the operations of the banking system. Please be quite clear in your mind about this. When the employer, the so-called "capitalist," says that he is making money, what he means, and what he only can mean, is that he is making goods for which he gets money which previously belonged to someone else. He is simply exchanging goods for money, but when a bank makes money, it makes money out of nothing, it gives nothing, and lends everything. It has, as we say in technical language, "a monopoly of credit."

Now there are quite a number of people who are beginning, more or less vaguely, to understand this, and they are by no means confined to any particular interest or class, and, as a result, a number of suggestions, almost as numerous as the numbers of suggesters, are beginning to be made in regard to modification of the banking system, to none of which, I need hardly say, do the bankers pay much attention. But it is fair to say that, so far as I am aware, no one of these, other than proposals which have been put forward under the name of Social Credit, seriously attacks the control over human life and industry which is exercised by the money system as such. I want you to be quite clear as to what I mean by this. It is quite possible, and not very difficult, and it is, in fact, being done at the present time by means of inflation, to go some

considerable way towards relieving a business depression such as that in which the world has been plunged for the last four years, just as it is most unquestionably true that that business depression was proximately caused by what is called "deflation." But you do not fundamentally alter the control of an engine by its throttle valve if you open its throttle valve and make the engine run faster, and it is, at any rate, my opinion that the fundamental evil from which the world is suffering at the present time is the control of its destinies by the money system at all. To push the metaphor, it is not reasonable to slow down an electric light engine when the price of coal goes up. Looked at from any sane point of view, the money system is an accounting system, and if properly operated is of great value as an indication of what is going on in the industrial and productive systems. It is, as one might say, a barometer, or, if you prefer it, a pressure gauge, to indicate the state of affairs in business or industry in a highly convenient form, but it is just as sensible to suggest that the barometer should control the weather as it is to suggest that the money system ought naturally to control the industrial system. The business of a money system or a barometer is to indicate, not to control. Entirely apart from the fundamental and technical unsuitability of the money system as a system of government, which is what it is at the present time, the type of mind which is attracted to banking and finance is not suited to deal with the highly technical organisation of the modern world.

This matter is so important and so little understood that I must try to make it clear to you, even at the risk of some repetition. If you look at the physical reality of the productive system in the western world to-day, you cannot fail to realise that we are living in an age of material wealth and plenty. Not only are the shops full of goods of all descriptions; not only is corn, coffee, rubber, all the metals, and, in fact, every raw material so much in excess of requirements that practically all producers are engaged in all sorts of schemes to endeavour to stem the flow of real wealth, but nearly every farm and factory in this and almost every other country, with the exception of Russia, is working much less than a quarter of its possible output. Yet, if you turn to the Press, and more particularly the London Press, which is paid to express the views of the financial interests, you will be told that only severe economy, lower wages, higher taxation, and other symptoms of severe scarcity can be deduced from the present situation, and that we have to accept them. Now I think it must be obvious to ordinary common sense that one set of statements cannot reflect the condition depicted by the other set of statements. Either I am deluded in telling you that there is plenty of corn, coffee, rubber, and many materials, or else a set of financial figures, which says that we must economise because there is not enough, must be false. In other words, it is impossible that these figures can be a reflection of the facts. So that the first essential in dealing with the situation which arises out of this conflict of facts and figures is to correct the figures. I would point out to you that what the financiers tell us to do is to correct the facts, which is some indication of the state of mind which too much concentration on figures will drive people. Having corrected the figures so that we are in possession of statistics as to what it is we have to distribute, the radical difference which I suggest to you as necessary is that we should decide on the distribution as a conscious act of policy, and not let those figures in themselves control the distribution. The complaint that I, myself, have to make about many of the proposals which are now becoming so common in regard to the financial system is that they seem to be unable to get away from the idea to which I have pre-

viously referred, that it is the function of the barometer to control the weather.

You may quite properly ask me how these somewhat general statements can be translated into something which will form a basis for action. The first step, in my opinion, is to force those in charge of the financial system to reconsider their position in the scheme of things. It is quite beyond dispute that in the higher realms of financial circles the financier regards himself as the vice-regent of God upon earth. The late Mr. J. Pierpont Morgan, who, without using unrestrained language, might be regarded as one of the largest-scale buccaneers that the world has ever known, left detailed instructions as to his funeral, and amongst these instructions was the request that the hymn, "For all Thy saints who from their labours rest," be sung at his funeral. I honestly believe that people like Mr. Montagu Norman, who in his capacity as the Governor of the Bank of England has been directly responsible for more mental and physical misery in the last twelve years than any other living man, are under the impression that it is their divinely appointed prerogative to discipline the country. As I have just said, it is an idea of which they must be disabused, gently if possible, but disabused anyway. We must, then, clear up the defects and inaccuracies of the financial system itself, in which is included the price-making system as well, and quite as importantly as that portion of the system which deals with the issue of credit or purchasing power.

The question of taxation is interwoven with this idea of moral government by finance, and I am strongly of opinion that the whole system of taxation, as at present understood, will eventually, if not immediately, become obsolete. It is altogether too suggestive of allowing the policeman to make the law and pocket the fine. When we have got as far as that it will, in my opinion, be a comparatively short step to the organisation of this country into a co-operative commonwealth, which will not in the least mean anything like the nationalisation of industry. It is perfectly possible to retain and to extend the present system of private administration and private property, while at the same time organising the country in such a way that every citizen shall draw a dividend from the activities of the community as a whole, of such magnitude that almost immediately poverty, financial anxiety, economic depression, and all other features of our present social system will disappear like the bad dream that they are. Let no one suppose from this that I am suggesting a state of affairs in which all men and women will be equal. Men and women never were equal, are not equal at the present time, and, in my opinion, never will be equal, but their inequalities rest on a far more fundamental basis than that of differences in a bank pass-book, and the abolition of such artificial inequalities will not only bring into the light of day the real difference in individuals, but will secure by common consent their general acceptance.

MR. NORMAN'S HOUSE THREATENED.

"Plain-clothes police officers patrolled throughout the night at the home of Mr. Montagu Norman, Governor of the Bank of England, in Airlie Gardens, S.W. An anonymous telephone message was received, threatening that a party of unemployed would attack the house that night. . . . Nothing untoward happened, except that an unemployed man ran into Airlie Gardens early to-day shouting that he was going to 'smash the house.' He was soon persuaded to go away. Shortly after midnight three taxicabs full of young men, some in evening clothes, drew up outside the house. Some of the men leaned out of the windows and shouted: 'We want to see Professor Skinner [Mr. Norman's travelling name]. When they saw three constables advancing they quickly ordered their drivers to move on. . . .'"—*Evening Standard*, October 28.

Copland and Social Credit.

By D. W. Burbidge, LL.B.

[The opening reply to Professor Copland's "Facts and Fallacies of Douglas Credit."]

III.

IV.—THE FACTS IN THE CASE OF REGINALD MCKENNA.

On the question of the creation and destruction of money, there remains a further matter to be considered. It has been the custom of Major Douglas and of his supporters to quote from Mr. Reginald McKenna's book, "Post-War Banking Policy," a passage in which the author, who is a former Chancellor of the Exchequer, and is Chairman of the Midland Bank, England, specifically states that banks create and destroy money.

We have never considered it necessary to quote more than that passage which appears on page 76 of our edition, and reads as follows:—

"Under the system which prevails in our country there is only one method by which we can add to or diminish the aggregate amount of our money. . . . The amount of money in existence varies only with the action of the banks in increasing or diminishing deposits. We know how this is effected. Every bank loan and every bank purchase of securities creates a deposit, and every repayment of a bank loan and every bank sale destroys one.

"People often talk of money going abroad or of foreign money coming here, but as a fact when gold is not in use money is incapable of migration."

If any further authority for the proposition that banks create and destroy money is required, we generally refer to H. D. McLeod, who in "The Theory and Practice of Banking" says:—

"A bank is therefore not an office for borrowing and lending money; but it is a manufactory of credit." . . . "In the language of banking, a deposit and an issue are the same thing." . . . "A bank which issues credit only in exchange for money, never made, and can by no possibility make, profits. It only begins to make profits when it creates and issues credit in exchange for debts payable at a future time."

Or to the Macmillan Report, which in para. 74 says:—

"It is not unnatural to think of the deposits of a bank as being created by the public through the deposit of cash representing either savings or amounts which are not for the time being required to meet expenditure. But the bulk of the deposits arise out of the action of the banks themselves, for, by granting loans, allowing money to be drawn on an overdraft, or purchasing securities, a bank creates a credit on its books which is the equivalent of a deposit."

In fact, it is so widely recognised now that banks create and destroy money, that it comes as a great surprise to us that Professor Copland or anyone even less well-informed than he is should express any doubt about the matter.

In his attack the Professor used these words:—

"Even a man like Mr. McKenna, for whom Major Douglas has considerable admiration in as much as he quotes him in his book, and to the Douglas Credit people, I will remind you that to quote from one page of the bankers' powers to create credit and to ignore what happens on the next page, is, I suggest, not a fair proposition. Neither Major Douglas nor his supporters in Melbourne should make these quotations from Mr. McKenna without giving the full text from which they are taken. In January, 1924, to the shareholders of the Midland Bank, I refer you to his book. In making the annual address he dealt with the problem of the banks' powers to create credit, and from page 90 of the book, Major Douglas has quoted, and on page 91 there is a long paragraph which shows the way in which the quotation may be used, and it proves that Mr. McKenna recognises the truth of what I say to-night."

The passage on page 90 to which he refers is presumably that which we have quoted above (p. 76 in

our edition). The passage on page 91 which the Professor states that we ought to quote is as follows (p. 94 in our edition):—

"A bank loan creates a deposit, and therefore it creates money. . . . Anyone who cares to study the monthly statements of accounts published by the London Clearing Banks will see that, though there may be temporary variations in the proportion of cash to deposits there is in each case close conformity to an accepted ratio. Now, although a bank loan increases the aggregate of bank deposits, it does not increase the aggregate of bank cash, and it follows that, so long as each bank adheres to its conventional cash ratio, the power of the banks to create money is limited by their power to obtain additional cash."

Or else this passage on page 77:—

"While banks have this power of creating money it will be found that they exercise it only within the strict limits of sound banking policy. Any one who studies the monthly statements of the London Clearing Banks will see that these banks keep a reserve of cash fairly constant in relation to the amount of their deposits. If banks increased their loans and investments the result would be to increase the aggregate amount of their deposits, but to add nothing to their cash resources. The proportion of cash to deposits would be reduced, and, in the judgment of those responsible for the management of the banks, would be less than sound banking principles dictated. Thus a limit is placed on a bank's power of lending by the amount of its cash, and, so long as the canons of conservative banking are conformed to, additional loans can only be made if this cash is increased. Banks lend or invest up to the full amount permitted by their cash resources, but they do not go beyond that point."

We submit that these passages which we are accused of suppressing do not materially affect the truth of the passage on page 76. It is true that McKenna suggests that the power to create money is limited "so long as each bank adheres to its conventional cash ratio," but it is not suggested that there is any limitation to the power to destroy money, other than that the banks can only destroy money to the same extent to which they have created it. In other words, the banks can destroy only about fourteenth-fifteenths of the total money in existence. The remaining fifteenth, being tangible, and created by the Government as representative of the people, cannot be destroyed by the banks except at a real loss to themselves.

(To be continued.)

The Unemployed Demonstration in Hyde Park.

By John Hargrave.

On October 27 I went to Hyde Park to observe events attending the mass-demonstration of unemployed. With this in view, I arrived at 2.30 p.m., and left at 5.35 p.m., when the demonstration was ended, having been an eye-witness of all the "incidents" that took place; in particular the two main baton charges of the mounted police, and the fierce pelting of them by the crowd with sticks, stones, gravel, mud, and lumps of turf.

The march to London of unemployed contingents from various parts of the country was organised by the National Unemployed Workers' Movement.

The demonstration was a protest against the Means Test and against the National Government.

Here are certain conclusions arrived at after a careful consideration of the whole proceeding:—

1. The responsible authorities charged with the maintenance of law and order appear not to know the correct technique for handling a peaceful mass demonstration. That is a serious indictment, and I make it with full deliberation.

The unemployed marchers and the enormous crowd that gathered to see them were a very good-tempered crowd indeed, entirely peaceful, but bitterly resentful of the disgraceful economic plight of millions of people in this country.

2. The responsible authorities charged with the maintenance of law and order reveal a "blind spot" in their psychology when dealing with booing, hissing, and pushing, in an otherwise good-natured crowd.

There is a tendency on the part of authority to be "rattled" and to show it. This is especially so as regards the

every emergency of domestic love, patriotism, and keen business.

The tragedy of all social relationships is the conflict of loyalties. The comic element in this play is the surprising adroitness with which these two partners keep up their respective ends as they make their joint escape from crisis after crisis, vibrating with alternating strains and stresses.

The whole gamut of human emotion is traversed in this little family affair. The top note of surprise and passion is reached when Perlmutter refuses the offer of his versatile lawyer to save the firm at the expense of the young refugee! The deepest depths of dark despair are registered by Potash as he sinks on the sofa in contemplation of the ruin of the partnership, and his own incarceration in gaol. As for sympathy, there is nothing more perfect than that of Morris Perlmutter's forgiveness for the honourable disloyalty which caused his ever blundering partner to wreck the firm for his daughter's sweetheart. "Never mind, Abe, we can start all over again," he says, with an encouraging pat on his friend's drooping shoulder. "Vot! Mit me in gaol?" retorts Abe.

The third figure in the play is the lawyer, Mr. Feltman. This gentleman acts for all parties, and gets a rake off each. What's everybody's business is his business; and it is no small part of the genius of Mr. Glass that he has cast this subtle role into the mould of a Gentile lawyer who quotes copious Latin with a Yankee accent.

This propensity for the classical quotation draws a gem from Abe. "Mr. Feltman, we conduct our business in English, not in Swedish!" On another occasion when Feltman's trail is seen, Abe says, "Von would tink that man was a relation of ours, the trouble he cause us." And in the final scene, when Mr. Feltman, with colossal cheek, suggests that for five hundred dollars he will give advice in their distress, Abe Potash answers him, indignantly: "If it was possible for us to get into any worse troubles, more advice from you would do it."

This is a play that must be seen. My pre-war good opinion of it is enhanced by its post-war revival. In Hebrew culture I am convinced there lies concealed all the treasures of wisdom and knowledge. The Hebrew is still with men, unreconciled, but not irreconcilable. If Shakespeare has mangled and misrepresented him in Shylock the bondholder, demanding that a legal right is a moral permit, the Jew is entitled to reply that Uriah Heap is a Gentile. If ever Jew and Gentile are to be completely reconciled, it will be by the influence of the Potashes and the Perlmutter, rather than by the Esaus and the Jacobs. Consciously or unconsciously Mr. Montague Glass has effectively cleaned the Hebrew slate in the creation of Mr. Feltman of little old New York. Apart from the central figures, the cast is somewhat changed, but nothing is changed for the worse; and the result is a production calculated to appeal to all persons with human feeling, and particularly to those who have solved the mystery of the vicissitudes of business life so vividly pictured in Mr. Glass's story.

JAMES GOLDER.

Theatre Notes.

Once a Husband.

The one feature of the new play at the Theatre Royal, Haymarket, which makes the production worth seeing is the reappearance of Mr. Cyril Maude on the stage that made him famous after an absence of twenty-seven years. "Once a Husband" is at best a dull comedy by Margot Neville and Brett Hay, and it is only the delightful acting of Mr. Maude and his associates, notably Miss Fay Compton and Mr. Owen Nares, which enables an intelligent member of the audience to sit it out. Not that the play does not contain a number of ingenious situations which a few visits to the bar, or, in the case of bachelors, the presence of a fair companion, may make really amusing for the theatre-going habitué; but the situations are difficult to make the most of and one can only say that the well-chosen cast at any rate has done its share. If the play is of any worth it shows how husbands and wives may fall in again after having fallen out—and that is always something!

Gerald Graham (Mr. Owen Nares) has left his wife for the East in a fit of temperamental incompatibility, taking with him a flat-chested violinist as far as Tilbury, to provide the necessary evidence for a divorce. A few days before the decree is to be made absolute Mrs. Graham (Miss Fay Compton) gives a dinner party to meet Bobbie Fanning (Mr. Robert Andrews), the young man whom she now proposes to marry and who fondly imagines that he is in love with a woman at least thirteen years his senior. The guests include her uncle, Sir Rupert Ellis (Mr. Cyril Maude),

a retired admiral with the usual gouty and "Damme, sir, but I'm a gentleman" symptoms. In the middle of the party who walks in but Gerald Graham, after four years in Malaya, where "there are no lions" and the women aren't black but "a lovely golden brown"! In point of fact, he has been continent all the time, and the moment he appears one knows instinctively that he has come to make it up with the wife and see to it that all's well that ends well in such a long journey. However, this is only Act I., and it is too soon to end the fun yet, so while Graham is looking after his baggage his wife and the rest of the party slip away to Sir Rupert's seat in the country. The faithful husband follows in due course, having already got strong wind of all proceedings past and contemplated. He puts up at the local pub., and the next two acts are devoted to straightening out the tangle.

The bright young people are introduced to liven up the country life, and those who like that sort of thing cannot fail to be amused by their childish antics. Mrs. Shaw (Miss Martita Hunt), an enthusiastic gardener and a mother of one of them, professes an open preference for tulips, since the latter "at least stay in their own beds." The effete products of the cocktail age are always on the move "for fear of missing something," little imagining that no one in his right senses would miss them if the scene of their inanities were altered. Bunny Shaw (Miss Jane Baxter) is an excellent example, and she crowns her bibulous exploits by kissing Bobbie Fanning in mistake for Gerald Graham in the dark when the lights fail, and being discovered by the aid of the butler's electric torch! Bobbie Fanning also blots his copybook by making himself sick on a mixture of champagne and whiskey. The most that can be said for their bright young people is that they know no better. For their elders, who ought to know better than scold and jabber like schoolchildren, there is no excuse."

Whatever may be its defects as a play "Once a Husband" is redeemed by splendid acting. The plum, I think, must go to Mr. Cyril Maude, who, as Sir Rupert Ellis, though he has nothing much to say, says it magnificently and is on the stage for the greater part of the performance.

What dear, dead, never-to-be-forgotten days at the Haymarket, when seats were cheap and drinks were cheaper, must Mr. Maude recall to the mind of the old playgoers? He is a white-haired veteran now, yet without amazingly brisk and vigorous. It was pleasant to watch the younger generation in its place and cursing that "my five per cents are all two-and-a-half now"! Such are the fruits of economy, and one can only regret that there will be many who cannot afford to see this exquisitely acted if unexciting comedy.

RICHARD CARROLL.

"New Britain."

The XIth Hour Group is evidently a sort-of-a-kind-of-a "merger" grouping of several groups fading into one another, and reappearing as something else that is much the same, only somehow different. That, we think, is not an unfair description, for the whole thing is (or seems to be) very hazy in its outlines as a group, and also in its objective.

*New Britain** appears in its bright green cover, and with its strange typography; a typography in which (for some reason—or for no reason at all) there are no full stops at the end of paragraphs. (You see?—the New Typography.)

This publication is the quarterly organ of the XIth Hour Group, but also, it seems, of the New Britain Group (is this group a unit of the XIth Hour Group, or is it quite a different group?). But then, and also, this publication appears to be shared (or mixed up with) the New Europe Group, but whether the New Europe Group has been merged into the New Britain Group, or the other way about, one cannot tell. . . . and besides all this, there is something called New Britain Sociology (in some way connected with the Adler Society?) together with (New?) Individual Psychology which, one imagines, really is the Adler Society, or is it the New Britain Group working within and through the XIth Hour Group? It really is a little difficult to disentangle the co-operating interplay of groups within groups, re-forming and drifting into each other. . . . Or is it all really much the same set of individuals who keep finding the need (psychological need?) to make use of New Names. . . . ? Anyhow, perhaps none of this really matters. . . . we turn to our copy of *New Britain* and read its full-stop.

*"New Britain: The Quarterly Organ of the XIth Hour Group." (Co-Editors: W. Thompson and D. Davies. Address: 60, Gower Street, London, W.C.1. No. 1, Vol. 1. Price 2s. 6d.)

less paragraphs. We turn to the first article, "Ourselves Announced," and read:—

"It is Money, however, which brings us to the first material plank of our platform: Social Credit. And on this indelicate subject let there be no misunderstanding. We do not subscribe to any one dogmatic system of Social Credit. As reconciliation is with us a first principle, so it is our desire that in these pages the various schools of financial reform should reveal themselves, as the first step towards resolution of their difficulties."

So here we have the Credit Reformers' Fellowship of Reconciliation (calling itself "Social Credit"), and here are the names of some of the advocates of various schools of reform revealing themselves (in this first issue) as the first step towards resolving their difficulties:—

Mr. Arthur Kitson.
Lt.-Commander Kenworthy.†
Professor Soddy.
The Marquis of Tavistock.
Professor J. MacMurray.
Mr. Philip Mairet.
Mr. A. Newsome.
Mr. Stephen W. Wyatt (Verses).
Mr. C. M. Hattersley.
Miss Amelia Defries

In the lecture courses announced in this issue we find, amongst others, the following lecturers:—

Dr. Robert Eisler.
Mr. Roland Berrill.
Mr. D. Mitrinovic.
Mr. Gerald Heard.

We have always been against the mixing-up of Social Credit with mystical, semi-mystical, or metaphysical notions. *New Britain* does but strengthen our objection. Listen to this, from the first article (p. 2):—

"In place of duality—the choice of 'Either . . . or' to establish values—the Above . . . Between, the place of dialectic truth

"Only that can be true which belongs to the Immediate. All meditation is preparation towards a future good

"This mystery cuts deep. For it is by virtue of immediacy that humanity must rise to a new plane of existence."

Oh dear, oh dear—what with the Oneness and the New Man, and the New Plane, and the New Order, and the New Europe, and the New Britain, and the New Health, and the New Creation, and the New Socialism, and the New Generation (that always "is to arise"), and the New Everything—all jumbled up in a horrible hodge-podge of New Mysticism in which the first material plank (what, a real wooden plank made of deal or larch—a real material plank?) is—"Social Credit"—but not any dogmatic system of Social Credit.

Just any old Social Credit
In place of duality—"Either . . . or"—the Above . . . Between

Ah well, well, well.
We'll leave it at that.

S. R.

The Social-Credit Library.

Major Douglas's Forthcoming Publication.

Major Douglas will shortly be publishing a reply to Professors Copland and Robbins. It will be published in Australia and Great Britain. The publishers in Great Britain will be the Scots Free Press, Edinburgh, and the price will be 1s. nett, postage extra. We shall, of course, make a further announcement upon publication, and intend this one for the benefit of readers who reside abroad, and who will need this longer notice in order to prevent delay in ordering what copies they may want. Readers at home need not do anything until they see our next notice.

"Under the present monetary system, as explained here, and as expounded rather differently by Douglasites, and by Soddy and Eisler rather differently again, artificial barriers are erected which can only be overcome by making money, in the form of consuming power, more plentiful. I suggest, however, that the proposals of Major Douglas and his friends are unnecessarily complicated.

There is, however, a simpler method of increasing consuming power by distributing the national dividend. . . . (Lt.-Comm. Kenworthy in his book, "Our Daily Pay," pp. 106-108.)

Events of the Week.

(Compiled by M. A. Phillips.)

- October 22.
Unemployed riots at Stepney.
Means Test Amendments Act promised.
Mussolini visits Turin (anti-Fascist centre).
- October 24.
Hunger riots in Spain.
Chamberlain makes "spend more" speech.
Cotton spinners accept wage cuts.
MacDonald meets Davis—preliminary talk for World Economic Conference (Disarmament and War Debts).
Fall in £ resumed = \$3.34.
Unemployed demonstrations in Westminster and Bournemouth.
Police cuts (second instalment) to be insisted upon on November 1.
- October 25.
Bacon quota scheme introduces cut of 20 per cent. in imports.
£ falls to \$3.28.
S.A. loan of £8,000,000 being underwritten.
German High Court gives non-committal verdict on legality of von Papen's coup.
L.C.C. "save" £968,000 on education.
- October 26.
Means Test as such to stay with minor modifications.
Commodity prices—cotton and wheat—still falling.
Layton resigns from Preliminary Committee for World Economic Conference.
Lansbury becomes leader of Labour Party.
Higher U.S. tariffs.
- October 27.
Hunger marchers reach London from all over England.
700 farmers bankrupt in last three years.
New low record wheat prices (44 1-8 cents per bushel).
Fall in £ checked at \$3.29.
Unemployed demonstrations in Harlesden and Wimbledon.
Mass demonstration of unemployed against Means Test in Hyde Park. Police baton charge, 65 injured.
Unemployed riots in Glasgow.
- October 28.
£ falls again (\$3.27).
Police Council protest at wage cuts.
Rail traffics down by £12 million.
Bus companies want to raise fares to cover increase in petrol price.
Ottawa Bill passes second reading—423-77.
Short term credits suggested for British farmers.
Sharp fall in U.S. bonds.
U.S. Presidential election. Roosevelt promise to repeal 18th Amendment.
Hunger marchers petition to Parliament.
American radio industry bankrupt according to "Wireless World." Radio Show abandoned for 1932.
London Transport Bill to be retained by present Government.

"We see only what we know."—(Goethe.)

"Let us first understand the facts, and then we may seek the cause."—(Aristotle.)

"Science is, I believe, nothing but trained and organised common sense."—(Huxley.)

"Consistency in regard to opinions is the slow poison of the intellectual life, the destroyer of its vividness and its energy." (Sir Humphrey Davy.)

"If God held enclosed in His right hand all truth, and in His left simply the ever-moving impulse towards truth, and although with the condition that I should eternally err, and said to me 'Choose!' I should humbly bow before His left hand, and say, 'Father, give! Pure truth is for Thee alone.'"—(G. E. Lessing.)

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.

ACADEMY CINEMA, OXFORD STREET
(Opposite Waring's) Gerrard 2981.

Commencing Sunday, November 6th.
THE FAMOUS FRENCH DRAMA
"DAVID GOLDBER"
Last Days—"EN NATT" ("ONE NIGHT")

T.B.—A FREE BOOK.

5,000 TO BE GIVEN AWAY.

Any sufferer from this disease who has not yet read the book recently published at 3/6 by an English physician on the treatment and cure of Tuberculosis, may have a copy, whilst the supply lasts, sent free of charge to any address. Applications to

CHAS. H. STEVENS, 204, Worple Road, Wimbledon, S.W.20.

THE "NEW AGE" CIGARETTE

Premier grade Virginian tobacco filled by hand in cases made of the thinnest and purest paper, according to the specification described in this journal on January 23, 1930.

Large size (18 to the ounce). Non-smouldering.

Prices: 100's 7/6 (postage 3d.); 20's 1/6 (postage 2d.)

Price for Export ex English duty quoted on minimum quantity of 1,000.

FIELDCOVITCH & Co., 72, Chancery Lane, W.C.2
(Almost on the corner of Holborn and Chancery Lane).

Social Credit Reading Course

SET A.

Comprising:—

Social Credit in Summary (1d.).
The Key to World Politics (1d.).
Through Consumption to Prosperity (2d.).
Great Britain's Debt to America.
Post free, 6d. the set.

SET B.

Comprising:—

Set "A" above
The Veil of Finance (6d.).
Post free, 1s. the set.

CREDIT RESEARCH LIBRARY, 70, High Holborn,
W.C.1.

The Social Credit Movement.

Supporters of the Social Credit Movement contend that under present conditions the purchasing power in the hands of the community is chronically insufficient to buy the whole product of industry. This is because the money required to finance capital production, and created by the banks for that purpose, is regarded as borrowed from them, and, therefore, in order that it may be repaid, is charged into the price of consumers' goods. It is a vital fallacy to treat new money thus created by the banks as a repayable loan, without crediting the community, on the strength of whose resources the money was created, with the value of the resulting new capital resources. This has given rise to a defective system of national loan accountancy, resulting in the reduction of the community to a condition of perpetual scarcity, and bringing them face to face with the alternatives of widespread unemployment of men and machines, as at present, or of international complications arising from the struggle for foreign markets.

SUBSCRIPTION RATES.

The Subscription Rates for "The New Age," to any address in Great Britain or abroad, are 30s. for 12 months; 15s. for 6 months; 7s 6d. for 3 months.

CREDIT RESEARCH LIBRARY

Books and Pamphlets on Social Credit.

- BRENTON, ARTHUR.
Social Credit in Summary. 1d.
The Key to World Politics. 1d.
The Veil of Finance. 6d.
Through Consumption to Prosperity. 2d.
- C. G. M.
The Nation's Credit. 4d.
- DOUGLAS, C. H.
Economic Democracy. 6s.
Credit Power and Democracy. 7s. 6d. 1d.
The Breakdown of the Employment System. 7s. 6d.
The Control and Distribution of Production. 2s. 6d.
Social Credit. 7s. 6d.
Canada's Bankers. (Evidence at Ottawa.) 2s. 6d.
The Monopoly of Credit. 3s. 6d.
These Present Discontents: The Labour Party and Social Credit. 1s.
The World After Washington. 6d.
Social Credit Principles. 1d.
Warning Democracy. 7s. 6d.
- DUNN, E. M.
The New Economics. 4d.
Social Credit Chart. 1d.
- GORDON CUMMING, M.
Introduction to Social Credit. 6d.
- H. M. M.
An Outline of Social Credit. 6d.
- HATTERSLEY, C. MARSHALL.
This Age of Plenty. 3s. 6d. and 6s.
Men, Machines and Money. 4d.
- HICKLING, GEORGE. (Legion of Unemployed.)
The Coming Crisis. 2d.
- POWELL, A. E.
The Deadlock in Finance. 3s. 6d.
The Flow Theory of Economics. 5s.
- TUKE, J. E.
Outside Eldorado. 3d.
- YOUNG, W. ALLEN.
Ordeal By Banking. 2s.
- W. W.
More Purchasing Power. 2s 5 for 6d.

**Critical and Constructive Works on
Finance, Economics, and Politics.**

- BANKS, PAUL.
People Versus Bankers. 6d.
- DARLING, J. F.
Economic Unity of the Empire: Gold and Credit. 1s.
The "Rex"—A New Money to Unify the Empire. 2s.
- HARGRAVE, JOHN.
The Great Pyramid—An Analysis of the Political Economic Structure of Society. (With diagram.) 1d.
- HORRABIN, J. F.
The Plebs Atlas. 1s.
An Outline of Economic Geography. 2s. 6d.
- MARTIN, P. W.
The Flaw in the Price System. 4s. 6d.
The Limited Market. 4s. 6d.
- SYMONS, W. T., and TAIT, F.
The Just Price. 2d.

**Instructional Works on Finance and
Economics.**

- BARKER, D. A.
Cash and Credit. 3s.
- CLARKE, J. J.
Outline of Central Government. 5s.

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

Published by the Proprietor (ARTHUR BRENTON), 70 High Holborn, London, W.C.1. (Telephone: Chancery 8479), and printed for him by THE ARDRE PRESS LIMITED, Temple-avenue and Tudor-street, London, E.C.4. (Telephone: Central 1571.)