

# THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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## NOTES OF THE WEEK.

### The Brewers and the Public.

On three occasions during last year we devoted considerable attention to the waning fortunes and influence of "the Trade," namely in our issues of February 18, March 3 and December 1, 1932. In the first two we discussed the significance of the tax on beer, and the consequences of its imposition. In the third we dealt on the same lines with the tote clubs. During that year, and up to this month, there had been no sign that our words had made any impression in the quarters to which they were directed; but on March 23 the *Morning Advertiser* came out with a leading article which shows signs of an awakening, on the part of the Trade, to some of the realities and requirements of the situation in which it finds itself. The awakening does not extend to recognition of the technical cause of our economic stresses, or of the political subservience of Westminster to Threadneedle Street; but it does manifest a realisation of certain facts logically attributable to the combined influence of these two factors on the Government's fiscal policy. When, for example, the writer of the article can say, as he does:—

"Unfortunately, the politician of to-day is less concerned with the grievances of the people than with the way those grievances are taken."

he is talking the plain brass-tack sentiment which every reader of this journal appreciates and tries to inculcate. It suggests that the grains of Social-Credit commonsense germinate in the philosophy of the "Wets" more readily than in that of the "Drys." It is true that one "swallow" doesn't "knock back a pint," as they say in the tap-room, but when people can size up the politician in the above manner they are well on the way to stringing up the financier behind him.

The writer's article was inspired by a crowded demonstration held at Queen's Hall on the previous day under the auspices of the National Consultative Council of the Retail Liquor Trade. A Resolution

was carried there which arraigned the present taxes on beer and spirits on three grounds:

1. As being ruinous to the Trade.
2. As failing to produce revenue.
3. As inflicting "hardship on the public at large."

The writer, commenting on the first two grounds, pays a tribute to those in the Trade who have so efficiently assembled financial statistics likely to make "all the desired impression on the persons immediately concerned, on the Treasury officials and on members of Parliament." But he immediately proceeds to declare:

"The time has come when attention must be principally directed to the last of these aspects of the matter. . . . The last Budget is responsible for the fact that they [the public] are still unable to get beer of reasonable quality at a price they can afford."

He goes on to say:

"It can be taken as perfectly certain that 31s. off the beer duty will mean the sort of beer men want at a penny a pint cheaper."

and to emphasise that suggestions to the effect that a reduction in the tax will be used to benefit the brewer and retailer are unfounded.

Assuming that the *Morning Advertiser's* declaration reflects the intentions of the Trade, there are matters of policy and technique which should be borne in mind by those who are responsible for educating public opinion and otherwise mobilising pressure on the Government. For brevity we will hereinafter refer to these as the "Directorate."

Now, such evidences as we have noticed of their activities during the last twelve months suggest that they are ignorant of the realities behind present-day politics. The chief of these was a poster which they got displayed in licensed premises and in which customers were invited to signify their dissatisfaction at the prices of beers and spirits by signing their names, with addresses, in a space provided on the poster—thus making it a petition. Now, petitions are troublesome and wasteful instruments of persuasion at any time; but this petition was quite

futile, for it was to be sent in the name of local signatories to the local Member of Parliament. However impressive such a person may appear to be as a public man in his constituency, he is what is called a Private Member when he is at Westminster, and is treated by the Treasury and the Cabinet in much the same way as a private soldier is treated by his general. He is drilled by, and takes orders from, the Party Whips. "What the soldier said isn't evidence"—and certainly what the constituents of the Private Member think is inadmissible in the High Court of Parliament.

The copy of the petition we have in mind contains about thirty signatures, after hanging up on the wall for six months. This poor return is probably typical of all, and even if Members of Parliament were able to initiate reforms in taxation they would not be moved to trouble themselves to do so. There was, as a matter of fact, a deliberate boycott of the petition, one reason which we heard expressed being in something like this form: "If you stick your name up on that thing you're a fool: your're advertising that you use this house; so any spy from the Means-Test Committee or your boss can walk in when he likes and find out you've got some money to waste." Those of our readers who know what sort of investigations officials of the Public Assistance Committees are obliged to carry out will realise the force of this argument. Anyhow, the petition-idea is a failure, and the forms will ultimately become food for bonfires.

Recently a new poster has appeared. It is useful in an educational sense, but does not tell the public what to do to remedy the abuse it discloses. It records the steady increase in the taxation of beer and spirits since 1889, naming the successive Chancellors of the Exchequer responsible. These are shown in order; namely, Goschen, Harcourt, Hicks Beach, Austen Chamberlain, Lloyd George, Bonar Law, Baldwin, and Snowden. In 1889 when Goschen held office the taxes were: Beer, 6s.; Spirits, 10s. In 1932 when Snowden had laid on his instalment, they were (and now are) 134s. and 70s. respectively for the same unit quantity in each case. (These figures are approximate.)

According to what we can hear from people whose recollection goes back to 1889, the price of a pint of beer was about 1½d. To-day a pint of the same beer (nominally the same) is at least 8d. According to these figures the price of beer has been multiplied by five during a period in which the tax has been multiplied by twenty-two. As we have no knowledge of the constituent costs of production we cannot draw any close deductions; but a comparison of these multiples affords strong ground for presuming that the brewers have either been able to cheapen their productive processes, or been compelled to reduce the standard of quality. As has been seen, they themselves say that the quality is lower; and no doubt could show that it would have been much lower still but for technological developments in manufacture and organisation.

As we say, this poster will have no further effect on the ordinary patron of the public-house than that of impressing him with the idea that he is unjustly taxed. And even those interested in public affairs, who might feel an impulse to agitate for the removal of this grievance have an uneasy notion that if the issue came under the scrutiny of skilled Parliamentary debaters the remedy demanded could be shown to create grievances elsewhere if conceded. And of course it always can while conditions persist in which no taxpayer can get relief without placing an extra burden on another. The public regard such conditions as natural and immutable; hence, though this poster may stir their resentment it will not change their spirit of acquiescence.

This is a problem that the Directorate, as we have named it, must solve—the more so at this juncture

when they are abandoning the attitude that it is "the Trade" which is attacked, and saying in effect to the "wet" public: "It is *you* who are being attacked: we are the helpless instrument of the attack, and it is up to you to help us to resist the transmission of the burden." The Directorate cannot stop there. The promise of better beer at a penny a pint less is neither in nature nor in dimensions the detonator required to explode acquiescence into agitation and action. The appeal must be deeper. It need not be dissociated from the objective of "cheaper and better beer"—on the contrary, the association of the two is an advantage because the objective as formulated is a graphic illustration of the application to a given problem of the principle underlying the appeal. The principle should be such that the specific objective "cheaper and better beer" is seen to be one part of a general objective "cheaper and better everything"—a principle which, when explained, would show the public that the so-called natural and immutable conditions which are paralysing their will to action are in fact artificial and removable. That means that the appeal must embrace the politics of finance, and let loose as much information about the policy and practices of the bankers as the public are able to absorb. When once you can make a man see that by absorbing all out for something for himself he is furthering, and not threatening, the interests of others who want something for themselves, you have half-enlisted his co-operation. And when, moreover, you show him that in the pursuance of this objective by himself and others, they are conjointly in process of exposing and smashing the most subtle and callous political tyranny in history, you have enlisted his co-operation completely.

Such a thing can be shown to-day to anyone who will listen to the explanation. Whether the Directorate know it, or are prepared to act upon it, we cannot say. But unless they get to know it, and impart it—or, alternatively, enlist the services of exponents who do know it—they may as well save themselves the trouble, time and expense of trying to mobilise "wet" opinion. We pointed out in our articles previously referred to what wide potentialities for effective political agitation were resident in the tied-house system. And what we now say shows that the politics of "the Trade" can be reconciled with the interests of everyone and that therefore there need be no hesitation on the part of the Directorate to exploit the machinery of publicity at their disposal to its utmost capacity. We are not underestimating the practical difficulties at the top end. Breweries, like other enterprises, are dependent on the favours of the banks; and the banks are not going to allow any "subversive teaching," as they regard it, against themselves if they can prevent it. Yet, in the last analysis, their powers of prevention rest on the ignorance of non-banking interests as to the fact that they have these powers, the ways in which they use them, and the object for which they use them. This power can be exercised in two ways: (a) collectively with the public object of smashing the money-monopoly and perfecting the money-system; (b) individually with the anti-public object of making a bargain with the money-monopoly. It is the very opposite of our intention to encourage the latter policy, nevertheless we are bound to record our belief that if "the Trade" had, let us say, a year ago, put their publicity allocation (whatever sum it may have been) into Social Credit propaganda, and had privately let it be known that this was their reprisal to over-taxation, and that it would continue until their complaint had been attended to, they would have got what they wanted, and pretty quickly too. For there are some thousands of public-spirited men and women in this country ready at any time, and without personal reward, to engage in any publicity-work along these lines which the provision of funds made possible.

They would take the chance of being let down by a deal of the "b" character, because even so their work for the "a" objective would not have been wasted. We have never known a time when the itch to be in action was so intense throughout the Social Credit Movement. And when we compute the force of the enthusiasm and talent held in check for the want of adequate avenues of expression we are inclined to wonder how much longer it will be before somebody wakes up and makes use of it. It need not be the brewing interest—beer is only in the picture because of the circumstance stated at the beginning of these remarks. Let it be cocoa, jam, coal, steel, or anything—for prospecting in any direction must eventually strike the lode of general prosperity.

To students of credit-politics the poster last mentioned will be of special interest because it shows in tabular form a vivid picture of the relentless continuous progress of drink-taxation throughout a succession of Administrations of all colours—Conservative, Unionist, Whig, Liberal, Radical and Socialist. It would puzzle the most intelligent man who knew nothing of political history, to guess, from inspection of the table, which Party was the friend, or the enemy, of the drink trade. He might, indeed, pick Snowden's Party out as an enemy because of the burden laid on by the Socialist Chancellor—easily the record jump in amount. Even so, the guess would be wrong—for Snowden belongs to no Party; he constitutes a Party to himself—the Party of Spoilsport. Having done more than anyone else to degrade the beer in the public-house he has been moved on to debase the Peerage in the Upper House.

It is opportune here to refer to the fact that there is now on the market a new edition of Ludovici's *A Defence of Aristocracy* (Constable, 7s. 6d.). A large section of this admirable book (which our old departed, colleague, A. E. R. leapt at when first published) is peculiarly appropriate to the present subject for in one place he relates the degradation of beer specifically with the debasement of aristocracy. His historical setting here dates back to the days of Charles I. and Cromwell. Whether his thesis is proof against criticism we are not competent to pronounce, but he stands out to show that Charles I. was beheaded for standing between, and protecting, the consumer against the food-adulterator and the profiteer. In that sense, Charles I., according to him, exhibited one of the qualities of true aristocracy. The theme of the book is that the principle of aristocracy has been mistakenly attacked, and that the abuses which evoked the attack were due to the neglect by "aristocrats" of the responsibilities belonging to their order. The book rings true (we speak some years since we last read it) for while it may be argued that Parliament was in the right on the principle of raising and controlling taxation, there is an anterior question which concerns the origin of the substitution of money for things and services as the medium of taxation—a question which might embrace trading transactions as well. Ludovici's facts and arguments do not go into this, as far as we remember, but they open up ideas bearing upon it. In any case the fact that to-day price-inflation can be disguised by quality-debasement lends special interest to the older story which this author constructs.

#### Joseph Chamberlain's Money.

Chapter V. of Garvin's articles on "Chamberlain," appearing in *The Times* of April 3, contains one or two remarks worth recording. This chapter gives an account of Chamberlain's attitude to money and of the declension of his fortunes in his later life. Thus:

"He never again [i.e., after his retirement from business] gave the concentrated, unceasing thought to money that its best management demands."

This sentiment places Garvin as an upholder of pure bankster philosophy, and a fitting candidate for an Order, to parody Isaac Walton, of "Compleat Wangers." In a sound financial system the management of money would at the best require no thought at all, and at the worst, merely diluted, intermittent thought. Good for Chamberlain. He had the divine spark of financial righteousness in him.

A little later Garvin says:

"He liked spending, improving, creating; and he had no taste for hoarding."

Here the author is found talking sense by accident—implicitly identifying hoarding with debasement and destruction.

In 1890, Chamberlain suffered a reverse. He was a large holder of South American securities, and "suffered disastrously from the violent and continual shocks to credit and values in the Argentine." Subsequently he lost £50,000 in a business venture in the Bahamas by which he had hoped to retrieve his previous losses. After this "his finances never recovered." But he bore it all "like a stoic."

Further disappointment was yet to come.

"He had to begin the melancholy course of selling out. On very high advice . . . he sold out Canadian Pacific at 68. Of all his investments they were the very holdings which would have done much to retrieve his affairs had he hung on."

It is quite on the cards that the "high adviser" was a buyer of the very shares he was detracting. Anyhow, that sort of thing is constantly taking place, and it only shows you how "concentrated" and "unceasing" must be your thoughts if you want to "manage" your money, that is, guard it against thieves and swindlers.

Thenceforward Chamberlain made long strides in his pilgrim's progress towards financial wisdom, until there came a juncture where, as Mr. Garvin says, "he lived deliberately on capital." Such "His level word was: 'It will last my time.'" Such a decision on Chamberlain's part exactly accords with the estimate which Mr. Garvin gives of his character in the opening passage of his article: "No man was ever less abstract in his mental interests than Chamberlain." Would that "Joe" could have infected the whole statesman-class with the same characteristic.

There are in all probability many Birmingham business men who, if they had decided in the year 1918 or 1919 to live deliberately on the capital which the war-years had brought them, would to-day be entirely free from the financial anxieties which beset them on all sides. "It will last my time." There is a sound of selfishness in the reflection, is there not? For what of posterity? Posterity, yes: but what does "posterity" connote, as the term is used in these days? It connotes something analogous in atmosphere to such a word as "patriotism"—which induces the reflection that were Dr. Johnson alive to-day he would declare "Posterity" to be the last refuge of a banker. What Finance calls *savings* for posterity is really *strangling* posterity. Savings are investments, and investments are woven into a noose of Debt.

The deepest truth emergent from the Social Credit Analysis is that when we of our generation transmit our health, our knowledge and our ideals to our children we transmit all that we are, and all that they need in order to become better and happier beings than ourselves. When we pass out of this stormy world we can imagine our last will and testament appearing in the form of a rainbow—the tri-colour arch of Real Credit, assuring our children that the achievement of our body, our mind, and our spirit are absolutely indestructible, and eternally transmissible and infinitely expandible.

It may be more than chance which decreed that the first important public debate on these deep matters

should take place in the city made famous by Joseph Chamberlain—the Statesman who liked spending, improving, creating—and had no taste for hoarding. To-day the citizens of Birmingham could not better honour the memory of “our Joe” than by emulating the spirit of his attitude and mobilising their forces against the philosophy of the hoard and the powers of the hoardmongers.

#### Roosevelt on Bank Soundness.

The news-film theatres gave the Roosevelt broadcast a show last week. The picture showed him seated at a desk in (presumably) his room and addressing remarks of reassurance and advice to the great American people. Clutched in his hand were several sheets of paper; and it was plainly evident that he was reading out word for word what was written or typed on them, neither adding or subtracting anything. He was doing it so carefully, and his face so clearly “registered” care (“I must not make a mistake”) that the proceedings were highly amusing. Even the audience sniggered a little; but whether at this, or at Roosevelt’s accent, or at his sentiments, it is not easy to say. Anyhow, there he was, an animated loud-speaker reproducing a collection of statements which in all probability had just been run off on a duplicator in the office of J. P. Morgan and Company.

The passage which seemed to be most emphasised was where he told the American people that because of their nervousness *even the strong banks* were caught short of currency. Their strength, he explained, lay in their possession of a large quantity of thoroughly sound securities. They were always in a position to pay out their depositors, but the rush of withdrawals was so large and quick that the strong banks could not turn their thoroughly sound securities into cash at a commensurate speed without *selling them at far below their real value.*

Does not this refreshingly candid admission exactly fit the picture we drew recently of the New York bankers resolving themselves into a Court of Official Receivers to administer their own property? *Toujours l'audace!* The very sublimity of the cheek deceives the mind. There must have been hundreds of thousands of citizens listening to the original broadcast who had failed to meet their financial obligations—whether in the Stock Exchange, in commerce or in their private affairs—and had paid the penalty of bankruptcy. And every one of those listeners must have had in his recollection the experience of standing by and watching his assets being dispersed at any old scrap price that would suffice to meet the claims (partly or wholly) of preferred creditors. Not only so, but probably in the story of every case the preferred creditors would have been members of the banking profession, and would have been the people who forced the liquidation on the defaulter. But how many of those listeners, we wonder, realised that Roosevelt was in essence telling them that the defaulting banks had got him to suspend the rules of the game in their favour—that the prime inflictors of bankruptcy on others were now escaping the infliction at the expense of others?

When a group of assets, such as factory and equipment, are disposed of at “far below their real value” it can be said in a comprehensive sense that what the bankrupt loses through the forced sale the purchaser gains, and by extension the community benefits by, as would be the case if the purchaser were able to sell goods cheaper by reason of his cheap acquisition. From this point of view, which is the only and proper point of view when bankers are concerned (for they are clearly demarcated in obvious respects from the rest of the community), it will be seen that the American bankers’ successful avoidance of incurring loss by sale of their securities was to that extent inflicting commensurate loss on the com-

munity, or depriving them of the benefit of a profitable bargain.

This is, of course, an ordinary common-sense argument which does not require a special knowledge of the credit question to appreciate. Its cogency turns on the particular significance of the words “real value.” Obviously, the context of Mr. Roosevelt’s recitation requires this term to signify that the said securities could have been sold at good prices, given time. This means that hypothetical purchasers of the securities at scrap prices from the banks would have gained by the banks’ default.

But in the deeper, Social-Credit, frame of reference this term “real value,” in the sense required by the context, is a myth. Any realisation of any securities by any people at any time to any considerable degree will send prices tumbling down. The reason is that the ratio of nominal values of securities to the quantity of money collectively existing is extremely wide, even supposing that the whole of the money were available for purchasing those securities. In the London Clearing Banks’ returns as at June 30, 1931, it was shown that there were about £1,800,000,000 of deposits against £900,000,000 of advances. Neglecting all other items which could logically be brought in, you have a nominal net balance of £900,000,000 of deposits for the whole country. Against this those same London Clearing Banks themselves show a list amounting to £290,000,000 of investments (and grossly undervalued at that). If you now proceed to add the investments of the insurance companies, and then compute what must be the additional holdings of other institutions and private individuals, you will arrive at figures to show that even in theory these securities are largely unrealisable at anything like their nominal value or “market” value even supposing willing buyers.

And no account is taken, in this ratio, of the enormous sums of invested money subscribed in the past for the construction of capital assets and subsequently written off in liquidations or “reconstructions.” These assets probably still exist and are the physical basis of securities, but the nominal value of the securities is probably as much below the original cost of the assets as the market value of the securities is below the nominal value.

In Herbert Jordan’s *How to Form a Company*, it is stated that whereas during the last sixty years £9,000 millions of nominal capital has been registered in this country under the Companies Acts, the value of paid-up capital in 1926 was about £4,000 millions. Allowing a generous margin between the paid-up and nominal capital, there still remains a discrepancy reflecting the equivalent of, perhaps, something of the order of £50 millions average loss per annum during the sixty-year period. It would be interesting to count up how much money has been sunk in railway construction in this country during the last hundred years; and to compare the total with current valuations of railway stock.

Taking all securities in all countries their “value” can be expressed in the following ways:

- Cost of constructing the physical assets.
- Nominal price (i.e., price of issue) of existing stock secured on them, or what remains of them.
- Market price of the stock at any given date—i.e., the price that a tiny fraction of it has been sold for at that date.
- Potential selling-price of the stock if the whole were offered for sale at one time.

The last figure—whatever it might be computed to be in theory—would, under a practical test, be zero. Then, going up through the list, you have a progressive increase in valuation reaching its maximum at “a.” Leave “a” out of the reckoning as representing bygones or might-have-beens, you have a superstructure of conventional expressions of financial value erected on a foundation of potential financial worthlessness.

There is a foundation of worth embodied in physical assets, but the bankers do not recognise physical

assets as the basis of financial credit. They encourage, and even force, the community to convert their incomes into securities representing physical assets, and, having done so, refuse thereafter to let them convert the securities back into incomes, notwithstanding that the physical assets cannot otherwise be converted into the means of life. For the investment system is a credit-destruction mechanism. It is the main channel through which the banks retire money from circulation and cancel it. Unless and until they revoke the cancellation and restore the income, the community are powerless to enjoy the use of their assets; and their powerlessness is truly reflected by the potential market-value of their securities when offered for sale *en bloc*—namely zero.

“The soundest financial system,” so Roosevelt admonished his listeners, “cannot work if you people lose confidence in it.” The proper reply to make to the bankers who inspired this admonition would be: “The most resolute confidence must fail while you people remain arbiters of financial soundness.”

Notice, now, what the American banking classes are doing. They are arbitrarily suspending for their own benefit as investors the very rule which denies that benefit to the rest of the community. They are revoking a certain proportion of their past cancellations of money—that is, they are manufacturing new money—in order to create a market value for their own securities. Technically, the operation will mean the levying of a poll-tax on the American public, the proceeds enabling the bankers either to fulfil their “solemn contractual obligations,” or to ride out of them with impunity—whichever way you like to look at it.

#### Landlords and Social Credit.

One or two correspondents have recently revived the old query as to how Social-Credit “deals with” landlords who exact exorbitant sums for their land. The general answer is that the exaction would be compensated by the consequent automatic lowering of the Price-Regulation Factor. Assuming, first, that over a given period the measured cost of total production is 4, and the cost of consumable products sold is 1; then the Price-Regulation Factor for the ensuing period would be one-quarter of the nominal cost of the consumable products available for sale. Assuming, next, and alternatively, that owing to the exactions of landlords, the measured cost of total production is doubled, and becomes 8. Then 8 now becomes the denominator of the Factor, instead of 4. The question then arises: What will the numerator be? The answer is that it will not rise above 1 unless the landlords buy a greater quantity of consumable goods in the latter alternative case than they are assumed to have done in the first case. It is quite feasible to suppose that they will not buy a pennyworth more, but will “save” all their gains. In that case the new Price-Regulation Factor becomes one-eighth instead of one-quarter. This means that each £1 in the community’s hands will now buy £8 worth of goods instead of £4 worth; the community will get the same quantity of goods in spite of the doubled cost.

But suppose the landlords do spend part of the proceeds of sales in the consumption-market. The question is: To what degree, compared with the collective cost of all the goods available there? What are they going to buy?—and how much of it? For it is only inasmuch as they take goods out of the consumption market that they can inflict sacrifices on the rest of the community. The question at bottom is a physical one. What disturbance to the distribution of things could these landlords cause by even the most extravagant personal expenditure that can credibly be imagined?

The putting of the question: “How will *Social Credit deal (sic)* with landlords, etc., etc., is evidence of misunderstanding of what Social Credit is. The questioners seem (as do many others) to have got a notion that upon the inauguration of Social Credit the community will relinquish all their present measures for limiting the activities of obnoxious citizens. This is a mistake. We certainly claim that in a Social Credit system coercive safeguards will largely become unnecessary—but that is a very different thing from saying that Social Credit excludes recourse to them. In fact, by its very provision of the means by which anyone can enjoy economic security compatibly with good citizenship lends added sanction to measures necessary to prevent or cure bad citizenship. Supposing Social-Credit had not contained the technical safeguard just described, there would be nothing to stop the Government from compelling refractory landowners to sell land at a prescribed price. Major Douglas’s exemplary scheme for Scotland clearly envisages the retention of coercive safeguards—at any rate during the early administration of the Social Credit policy: and these are seen to be right because they are a means to an understood and generally approved object.

#### The Birmingham Debate.

##### A CORRECTION.

Mr. R. G. Hawtrey writes to point out that in the seventh line from the end of column 1 on page 270 in our issue of last week some matter has been omitted. The omitted matter is as follows:—

“that excess is in general small in comparison with the annual”

Its inclusion makes the whole sentence from which it was omitted read as follows:—

“The actual amount of resources supplied by the banks for the purpose of investment over any interval of time is no more than the excess of new advances over repayments, and that excess is in general small in comparison with the annual amount of savings.”

We hope that readers will mark this on their copies because it makes a considerable difference to the sense of the statement.

We have looked up the original manuscript covering the Debate, and find that it does not contain the words now added, so presumably they were missed during the shorthand reporting, or the subsequent transcription, of the Debate.

#### Forthcoming Meetings.

##### KIBBO KIFT.

A lecture, entitled “The Historical Development of England,” will be given by Hilderic Cousens, Esq., B.A. Cantab., at the London Headquarters of Kibbo Kift, 35, Old Jewry, London, E.C.2, on Tuesday, April 25, at 8 p.m.

##### GLASGOW DOUGLAS CREDIT ASSOCIATION.

At Headquarters, 160, Bath Street, Glasgow, a further series of meetings will be held, each meeting commencing at 8 p.m. The next meeting will take place on Tuesday, April 18, the speaker being Captain Norman Turner. His address will be on “A Martian visits the Earth.” Classes will be run at Headquarters every week in conjunction with these meetings.

#### Reports of Meetings.

Further to the lecture given by Mr. R. Kenney, in the Technical College, Blackburn, on March 16, the final of three lectures was given. The room was filled to capacity, and from the audience of approximately 300 over one hundred people handed in their names and addresses to attend a conference to arrange and assist in the organising of a further series of lectures by Mr. R. Kenney, before 1,000 to 1,500 people, in largest hall in the town. Financial backing is assured. The enthusiasm was remarkable, and a local Douglas Social Credit group will be formed.

T. CARYSFORTH.

## The Unemployed,

As the key to the Political Situation.

By John Hargrave.

Some nine years ago it was my considered opinion that what is called the "problem" of unemployment (there is, of course, no such problem) would wreck Government after Government, and could become the one effective threat to the Banking Combine. We gave this threat a sloganised name: "The Power of the Empty Purse." At that time there were something like 1,000,000 unemployed in this country; to-day there are over 3,000,000.

We understand, of course, that the political situation is the emotional effect given off by the economic conflict; and we understand that the economic conflict is produced by the fundamental contradiction in the financial system.

I am to-day more than ever convinced that the key to the political situation (the emotional conflict) is to be found in the existence of The Unemployed—"The British Lazzaroni," as the Bishop of Durham has called them.

So long as there was no serious breakdown of the employment system, there was no serious threat to the governmental system (and behind it, the credit monopoly that sustains it).

The publication of the Douglas Analysis and Solution was, and remains, the only potent threat to the credit monopoly (and the façade of Parliament that is its camouflage-curtain). That threat operates on the theoretical plane, and, until it is destroyed on that plane, not only by an incontrovertibly logical refutation of its basic principles, but also by the formulation of an equally logic-tight counter-theory that adequately explains the practical results of the present financial system (widespread poverty in the midst of plenty), it will continue to disrupt and disintegrate every orthodox and semi-orthodox economic teaching.

Alongside of this theoretical threat (and in absolute confirmation of it) there has arisen this other threat on the psycho-physical plane—The Unemployed as a flesh-and-blood fact. But how, you may ask, do they constitute a threat to the credit monopoly and its parliamentary puppet-show? What can they do—are they not quite helpless and powerless?

On the purely physical plane they are, of course, quite helpless and powerless. They can do nothing against tanks, gas, and bombing-planes. That, however, is equally true of most of the rest of the community.

It is on the emotional plane that The Unemployed constitute the key to the political situation. In saying so we ought to explain what this emotion is, in whom it arises, and what effect it has. The emotion is fear, and it arises in those who are supposed to steer the ship of state, and also in those who have deranged the economic compass so that no true course is possible. This fear is the fear of having to deal with 3,000,000 starving citizens, and it forces a certain line of action in regard to The Unemployed. We may put it quite clearly in this way: no Government dare stop the "dole" (why?—it is obvious); no Government has the dastardly pluck to wipe out The Unemployed in a new Massacre of the Innocents, although someone in a position of some authority has suggested that "the weaker brethren must go to the wall"—but perhaps that referred only to those unfortunate employers, manufacturers and business men in a small way of business outside the great industrial combines?

The Unemployed have become the key to the political situation, not merely because they are unemployed, but because they depend upon the "dole"-system which (a) has brought about a change in the everyday conditions and habits of their existence—

setting them apart as a special class of Rejected Robots—and (b) is a most serious breakdown of the pay-system which hitherto rigidly conformed to the ethic (*sic*) of "No Work—No Money."

In fact, The Unemployed are the poverty-stricken forerunners of that Leisured Community possible within the Social-Credit State.

Their miserable "dole" is the first poor, frost-bitten little bud of an ample National Dividend. To be sure, the banker strives with might and main to get this "dole" back via the taxpayer—but every attempt to do so increases unemployment.

If anyone is forcing the hand of the credit monopoly, it is The Unemployed—quite unknowingly. "Helpless, powerless" (?) they are the impassable morass that swallows up any and every government. By just being alive—by being just alive—they are the Leaf-shape of Sigurd on the body of Finance. (If you remember the Norse legend, young Sigurd dipped himself from head to foot in a magic rivulet to make his body invulnerable to any weapon, but, all unnoticed, a leaf had stuck to his skin between the shoulders, leaving one unprotected spot.)

Those who are outlawed from the money system, but who yet cannot be exterminated *en masse*, nor allowed to starve to death in their millions, have become the key factor in the whole political situation. How vital it is, therefore, that the basic ideas of Social Credit should reach The Unemployed, and that they should *knowingly* and visibly change their begging petition for "work or maintenance" into one clear-cut demand for the National Dividend.

That unemployment has become the touchstone of all internal politics is supported by the following quotation. By the word "unemployment" we must mean The Unemployed: we must not allow a word to "magic" us away from the flesh-and-blood reality.

Mr. R. J. Davies (Westhoughton, Lab.) in the debate in the House of Commons on Unemployment, said:—

"Statesmen to-day are judged on their attitude to unemployment, and this Government will fall on this particular issue. It is failing ignominiously, and has reached a stage of stagnation."  
(From *The Times's* report, March 23, 1933.)

In passing we may note that statesmen to-day are judged on their "attitude" to unemployment. To-morrow they will be judged on what they do about it—and to-morrow cannot be far off.

Without making any effective adjustment in the financial system there is a way (i.) of stopping the "dole," (ii.) of providing employment, and (iii.) of wiping out a large number of The Unemployed. That is—war.

War, of course, would solve the "problem" for a time.

### "Forcing the Issue."

This is the title of a 4-pp. leaflet issued by the Coventry Social Credit Association, outlining a "plan for national action," in pursuance of which it invites personal co-operation and financial support. Copies can be obtained gratis from the General Organising Secretary, Mr. R. J. Scrutton, c.o. of the Editorial Office of *This Prosperity*, at St. Peter's Vicarage, Payne's Lane, Coventry. The plan takes the form of a concerted Press campaign, and the proposed methods of carrying it out are described in detail. The authors state that the principle of the plan has been approved by Major Douglas.

### 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.

## The Green Shirts.

NOTES FROM THE GENERAL SECRETARY.

The following resolution has been unanimously passed by the London Green Shirt Assembly:—

"That it is absolutely essential for Green Shirts to penetrate the workers' movements throughout the country in every district, and to take the lead in developing one great national movement having one clear objective and one method, namely, the overthrow of the Bankers' Combine and the establishment of the Social Credit State by means of disciplined mass pressure using an unarmed military technique. In particular, it is necessary to penetrate, win over to our side, and lead, the N.U.W.M., and any important break-away groupings from this movement, and all unofficial Rank-and-File Committees of the wage-earning masses. That steps be taken immediately by all Green Shirt Sections, and by individual Green Shirts, to carry this decision into effect, and by this means to extend the scope and deepen the influence of the Green Shirt Movement for Social Credit.

At an open-air meeting in Shoreditch, some few weeks ago, a new Green Shirt speaker "got on the box" for the first time, and did very well.

At this meeting the following scrap of conversation—almost too good to be true—took place between the Green Shirt leader in charge of the propaganda-squad and one of a group of youngsters playing near by:—

Urchin: "Where'd you come from, mister? Ireland?"

Green Shirt: "No; England."

Urchin: "Who's he talking about—St. Patrick?"

Green Shirt: "No; Montagu Norman. Know who he is?"

Urchin: "Yes; the bloke who owns the Bank of England, and my money, and your money."

On April 4, John Hargrave addressed a packed meeting at National Headquarters on "Putting Social Credit Over." Once more at least 100 people were crammed into the lecture room.

On February 14, 15, and 16, 1933, the Green Shirts were represented at the League of Nations Union Conference on Unemployment Insurance at the London School of Economics.

On their arrival at the London School of Economics on the 14th, the Green Shirts were greeted by a cheer from some workmen and lorry-drivers at the end of the street. This was no derisive "cheer," but a genuine shout of recognition and greeting.

The Chairman at this session was A. G. Walkden, President of the T.U.C., and on the platform, amongst others, were Miss Margaret Bondfield and Mr. Clynes. The subject for discussion was "The Problem of Unemployment Insurance," but it was quickly noticeable that platform and audience alike would much have preferred to discuss only the problem of Unemployment.

Following some two or three provincial Trade Union delegates, the Green Shirt spokesman rose and asked leave to speak, "as one of the unemployed," causing a shuffle of expectancy, if not of uneasiness, among the audience. He pointed out that owing to technical progress, unemployment was a permanent feature in every industrial community, and that it was consequently impossible to put unemployment insurance on an actuarial basis. He therefore looked upon the conference as being of value only in proving that its terms of reference were wrongly conceived. Insurance was in any event superfluous, as economic security for all was available through our National Real Wealth if the financial system were reorganised on the basis of Major Douglas's proposals. This remark evoked loud applause from the delegates. When the spokesman sat down he received general applause after having been allowed as much time as he required for the discussion of a point technically out of order.

There is no doubt that the presence of unemployed men in uniform had a big effect on the "middle-class" minds of the representatives of organised labour. It was encouraging to see that Social Credit was not only known, but approved as the right remedy even by orthodox Trades Unionists in defiance of their political leaders.

At a Green Shirt street meeting in Lewisham a few days ago, a number of workers in the crowd declared that they were "Fed up with the Communists—all they talk about is the Meerut prisoners and Russia! What the hell do we care about the Meerut prisoners?"

This is yet another indication of the inability of the Communist leadership to grasp the fact that any diffusion of focus blurs the edge of action. While maintaining the necessity for "the solidarity of the world proletariat,"

Lenin never diffused the focus-point in dealing with the problems of the Russian workers and peasants. It is time the Communist leadership in this country took notice of the attitude of its rank-and-file, which is ebbing away at a time when economic pressure should have brought over large sections of the working-classes to its cause.

It is also time that an authoritative reply was made to the Green Shirt Correspondence from May 27 to September 16, 1932 (published in *The New Age*, November 24, 1932), since unless this is done the Communist leadership remains intellectually torpedoed, a defeat that is beginning to be recognised by the rank-and-file wage-earners and the unemployed.

So long as no reply is made, the obvious inference will be drawn: that no reply is possible without destroying the economic theory of Communism.

The addresses of three local Green Shirt Headquarters are given hereunder:—

Battersea: 26, High Street, Battersea, S.W.;  
Stockton-on-Tees: 9, Station Terrace, Stockton-on-Tees, Co. Durham;  
Rochdale: 127, Oldham Road, Rochdale, Lancs.

A Green Shirt Section is in formation at Widnes (Lancs.)

A Green Shirt was invited to speak to a Social Credit Study Group in Yorkshire just lately. After the meeting the whole group (eight members) enrolled as Green Shirts. They already have a local Headquarters, and are "ready to get into uniform, and get on with the job."

This group is composed of engineers, workmen, a teacher, and a tailor. More men are expected to join up immediately. The Section will be fitted out in Green Shirt kit as quickly as possible.

From Study Group to active propaganda, and from active propaganda to agitational demonstration—that is the correct sequence of development.

Blackburn (Lancs.): A Green Shirt Section is in formation here, and seven or eight men are ready to wear the green shirt.

A Section is expected to form in Preston (Lancs) very shortly, several Social Credit students having expressed their desire to become Green Shirts.

On Sunday, April 2, eighty London Green Shirts were on parade at the Anti-Fascist Demonstration in Hyde Park, about forty being in full uniform and the remainder wearing the Green Armet.

There was no sham about this demonstration. It was clearly a manifestation of genuine anti-fascist feeling on the part of the working-classes.

The Green Shirt platform held a crowd of about 500 for an hour. Then some Communists with a red flag pushed their way through the audience and tried to sing the Inter-nationale. Things looked like developing into a "scrap" when the police shepherded the Communists away. The Green Shirt contingent marched off in perfect order, singing in full chorus.

Our report adds—"At one blow we have registered the fact that we are neither Fascist nor Communist."

The parade on April 2, was the most effective carried out so far by the London Area Command. The Green Shirt contingent was headed by two side-drummers, and carried the Green-White-Black Colours, as well as three banners. They were the only demonstrators who showed a real marching technique and discipline, which was maintained throughout in spite of a good deal of deliberate pushing, jostling and kicking from so-called "Communists" in the crowd.

It is of interest to note that during and after this demonstration, several Communists came up to the Green Shirt leaders and apologised for what one of them called "our rude and very silly behaviour."

An open air meeting was held at Penge (Kent) on April 1, and the propaganda flying-squad of motor-cyclists visited Chinnor (Oxon) and Chelmsford (Essex) last week.

The following is from a report just to hand:—  
"I watched the Battersea Green Shirts being drilled by the Senior Section Leader of the district yesterday afternoon. After holding an open air meeting about forty of them marched through Battersea. They kept perfect step, and despite the fact that most of them were in civilian clothes (with armet) they looked very smart. In Green Shirts they will cause a stir!"  
H. T. W.

## Theatre Notes.

By John Shand.

"Bellairs."—This new play by Mr. Halcott Glover, produced for six performances at the Arts Theatre, is an attempt at formal comedy in which the author tries to add to the interest of a story the pleasure of balanced design and to the humour of a comic speech the delights of verbal nicety and cadenced line. There is nothing much to be said in favour of Mr. Glover's piece except that formal comedy is a rare thing these days, and is well worth trying to write even when one is quite a long way from being a Congreve; and there is nothing much to be said against it, except that the story which Mr. Glover has made into a design is rather a thin and feeble story, that his comic speeches are not very comic, and that his verbal niceties are too often merely polysyllabism. The result is an entertainment somewhat flat and tedious. The natural flow and sparkle of animated speech in the vernacular is not caught and transmuted—as, of course, it should be—his characters seem only more long-winded than is allowed nowadays except in the dialogue passages of certain recent novels whose authors are at least determined to equal Dickens in point of length. The leading character, Bellairs, is a particularly unfortunate example of the author's failure, being intended for a person of wit and polish and seeming, to me, to be merely one of those persons whom simple people sometimes describe as able to "talk like a book." The fault may have been a little that of the actor, Mr. Frank Cellier, who played the part rather heavily and seemed to be taking his voice up and down the scale in an unduly musical, sing-song manner. There is no need for me to recount the story here; but I would like to say, without trying to prove they were the best written parts, that I enjoyed most the acting of Miss Dorice Forded as a publican's daughter, and of Mr. Alfred Clark as the publican.

"He Wanted Adventure."—This play with tunes at the Saville Theatre has no item to equal the comic musical number, "Horrortorio" in "Tell Her The Truth," but Mr. Bobby Howes and Mr. Wylie Watson, who helped to make that "Horrortorio" such a riot of fun, are again in the cast, and are supported by two good singers—Miss Marie Burke and Mr. Raymond Newell. As light entertainment it may be described as moderately good. Based on "Ambrose Applejohn's Adventure," the plot allows for a scene on a pirate's boat of the old days, and so gives the scene painter and dress designer the chance to splash the stage with plenty of bright colours, and the producer to fill the eye, if not the mind, with a bevy of half-dressed and personable young women. The tune that one hums after leaving the theatre is called "My Heart's To Let," and is arranged into a charming number by Mr. Howes and Miss Judy Gunn.

"All God's Chillun Got Wings."—Why Eugene O'Neill is such a celebrated dramatist in America and Europe is to me one of the theatre's mysteries. Whenever I see one of his plays I have to tell myself (in consolation) that it must be some of his other plays which have given him reputation. This play at the Piccadilly Theatre (transferred because of its success at the Embassy Theatre, Swiss Cottage), is short, sketchy, and lacking in dramatic force. It tells how a bit of "white trash" (female) marries an adoring noble-hearted negro, and how she begins to feel her position acutely as a member of the "superior" race who has lost caste by marrying an untouchable. Our sympathy for the woman character is not asked for by the dramatist, who does not develop what character she has sufficiently to make her woes more than symbolic of the position of any white woman married to a negro in America. That she is true as a symbol, as a figure representing the clash of race prejudice in America, I have no doubt. And she is shown as having been driven mad by her awkward position, which also is probably representative of a white woman's position in America, where she would be utterly despised both by her own race and that of her husband. But all this is so much an American problem, that in England it is difficult to get any emotional reaction from the situation as presented by O'Neill—though I am sure that the problem could be stated in terms of universal dramatic appeal. The negro is a better drawn character than the white woman, more in touch with common humanity, and as played by Mr. Paul Robeson, has some power over one's feelings and imagination. But I found my withers quite unwrung, even by him. As for Miss Flora Robson's much praised performance as the woman, I think it difficult even to begin to appreciate any acting until the player is a great deal more distinct than Miss Robson was for most of the play. The play itself is so loosely written that on the night I was present the majority of the audience were at the end left wondering if it was really

completed. From the Press notices by some of our more eminent critics, you might think that some of the finest tragic acting in years was on tap at the Piccadilly. Unless I am immune to the influence of such acting, I can only warn you that in my opinion a pretty dull evening awaits you, and a badly written piece.

## Music.

Laelia Finneberg. Wigmore, March 29.

No more interesting debut—if this was Miss Finneberg's debut—has taken place since Eva Turner thrilled us all with her amazing performance as *Turandot* a few years since, after winning universal recognition and admiration in Italy. The same, or much the same thing would appear to have been the case as far as Miss Finneberg is concerned, for I confess that her name was quite unknown to me, though it appears that she has a very considerable reputation in most of the important musical centres of Germany and Austria. Handicapped by a severe cold, which would have placed lesser people completely out of the running, Miss Finneberg yet succeeded in giving us singing of an altogether exceptional quality, rising, in the truly breath-taking performance of the tremendous closing scene of "Salome," to heights of supreme accomplishment. If Miss Finneberg can sing like this, crippled by a cold, what can she do, or rather what can she not do—for there must be precious little that she can't—when up to the top of her form? The voice is a superb organ, bright, firm, and clear, with a most attractive edge like that on the tone of a first-class trumpet-player in the Bach trumpet parts—the sort of thing that the idiots who like the escaping-gas wheeze so beloved in the drawing-rooms of the uncooked will call, naturally, *hard*, so it is for them to do—finely balanced and splendidly, may consummately controlled, with a power of sustained phrase that is quite phenomenal in these days.

Some feats of breathing in the Mozart "Non mi dir," and in the most interesting and unacknowledged Schubert group, including the terrific "Die Allmacht," with which few living singers can hope to come to grips at all, were reminiscent of the dead and gone great days of singing. Miss Finneberg's *mezza-voce* is masterly and exquisite, and her power of sustaining it for a long period is really remarkable. Tiring either herself or her listeners is really remarkable. "Nacht und Träume" of Schubert, and the same composer's "Du bist die Ruh" were wonderful exhibitions of combined artistry and virtuosity, only spoiled by the singularly wooden and unimaginative treatment of the accompaniments, which quite marred and overclouded with too much sonority, some of the singer's finest effects. Next followed a most welcome departure from the too-well-worn groove of the *Lieder* programme, in a very fine specimen of Karol Szymanowsky's middle period, a moving imaginative and subtle setting of a lovely poem of Dehmel—"Aufblick"—and three examples of the, to London audiences, almost totally unknown Hans Pfitzner, "Singt mein Schatz wie ein Fink," "Schwill an mein Strom," and "Ich fürcht' nit Gespenster." These were sung with wholly admirable diversity of tone-colour, interpretative eloquence and imaginative insight.

But it was in the closing scene of "Salome" of Strauss, one of Strauss's very greatest works—as vivid, vital and gripping now as it was twenty-five years ago, remaining one of the most profoundly original conceptions in modern music—that Miss Finneberg revealed the height of her great powers. The sheer intensity of the thing was positively overwhelming, and the evocative power that was able to produce all the atmosphere of this baleful and menacing closing scene on the concert platform has been no performance of this music comparable with that of Miss Finneberg. It is abundantly obvious that Miss Finneberg is a born operatic artist and actress and she has made us thirst furiously to see and hear her in the complete part, with which she is obviously familiar to the last degree. The perverse and voluptuous character of the daughter of Herodias was conveyed by means of a power of vocal colour and inflection that it is difficult to imagine being surpassed, and with it all, Miss Finneberg always sang, and beautifully.

A very great artist, and yet another to add to the growing total of first-rate English singers... it would appear, however, that this is not an accurate description, for Miss Finneberg is Irish. Is there any chance of hearing Miss Finneberg at Covent Garden? And if not, WHY not? Finally, more than a word must be said for Miss Finneberg's splendid German diction, and the absolute command she obviously has of the language, as of her complete grasp of

the tradition of the singing of *Lieder*, which she sings as one to the manner born.

How many of those who heard Miss Finneberg and the much-boomed Gigh, if any did hear both, realise that the art of such a singer as this begins a long way beyond where that of the Italian tenor leaves off? It would be interesting—if painful—to know, painful because the number of auditors capable of such discrimination gets less and less almost every minute.

KALKHOSRU SORABJI.

## The Films.

Men Must Fight: Empire.

The Russians have deliberately and openly adopted the cinema as a vehicle for effective propaganda, and one is in no doubt as to the meaning and purpose of the Soviet films. But with producers of other nationalities there is often doubt as to whether pictures into which a propagandist element can easily be read were, in fact, made with an eye to anything but the box-office. On the face of it, "Men Must Fight" was made in order to cash in both on the success of Diana Wynyard in "Cavalcade" and on the pseudo-pacifism of Noel Coward's play. Its actual effect on the spectator may either be to convince him or her of the folly and futility of war, or to strengthen the convictions of the much larger number of people who, when faced with war, are whipped into mass hysteria, are doped with the honour of the flag, and adopt that so convenient formula, my country, right or wrong. And as the majority of people belong to the flag-wagging school, this film is in the main an animated recruiting poster, sauced with melodrama that—intentionally or not—obscures the real issue of War or Peace. To the minority, it will represent yet another of the screen's essays in that pink pacifism which plays directly into the hands of the warmongers. For it does nothing to suggest—even in the most casual manner—that wars are caused by the struggle for markets, the need to distract attention from internal affairs, and the necessity to maintain and expand the profits of the International Armaments Ring, whose components will as readily sell to the "enemy" as to the governments of the countries in which they are domiciled.

Prior to its public presentation, this film was privately shown at the Phoenix last week, and over three hundred members of both Houses, ecclesiastics, and other public men were invited to attend the showing and to debate on the issue, "Would you in any circumstances fight for King and Country?" I found the discussion extraordinarily interesting and symptomatic for its omissions, which were precisely those of the film. Neither Lord Ponsonby, who envisaged the gas horrors of the next war, nor Commander Locker-Lampson, who trotted out the expected cliché of the professional fighter's hatred of warfare, but admitted that he loved a scrap, said a word to indicate how wars are caused. Commander Locker-Lampson did go so far as to contend that war is ennobling because it makes for national unity, but his panegyric omitted any reference to the self-seeking of the profiteers and the politicians who capitalise such unity for their own purposes.

If we are to have propaganda films, let the propaganda be clear "Men Must Fight" straddles on the fence, and is consequently insincere. It is not a good film; the dialogue and photography are mediocre; and Diana Wynyard is much too good for the production. But it will possibly make a good deal of money.

The Film as Teacher.

The "International Review of Educational Kinematography," which is issued from Rome by the League of Nations, covers a much wider field than might be implied from its title. The January issue, which I received only a few days ago, has a suggestive article by Margherita Sarfatti on "The Revolutionary Fifth Estate," to which I hope to return at an early date, and a report on Belgian scholars' impressions of war films. In the February issue, Robert Herring writes on "The Contribution of the Success of the Untrained Actor," with special reference to "Tabu," the "Kameradschaft," and "Mädchen in Uniform." The Review, which is published monthly at 2s., is to be obtained in England from the Central Bureau for Educational Films, 103, Kingsway, W.C.2.

New Idea Department.

The following was sent me by the publicity department of Radio Pictures. It requires no comment beyond the statement that no British film producing concern could so far forget itself as to encourage originality in this fashion—or any other.

"A month or so ago, a young publicity man, Russell Birdwell by name, astounded Hollywood when he produced a short film entitled "Main Stom" for the sum of 408 dollars.

"He produced the picture on his day off.

"So original was the idea upon which the film was based, and so competent the direction, allowing, of course, for the restrictions imposed by shortage of cash, that Hollywood sat up, and now Russell Birdwell seems to be launched upon a career as film director.

"Merian C. Cooper, executive vice-president in charge of all Radio Pictures production, has chosen Birdwell to direct a feature picture at the Radio Studios.

"The film is based upon another original idea of Birdwell's."

Der Träumende Mund.

"Der Träumende Mund," in which Elisabeth Bergner plays the leading part, had its English première at the Academy last week. I have not seen this picture at the time of writing, but it comes to us with a great reputation, and introduces a very great actress to the British public.

The Kine Year Book.

A very small minority of the large number of works of reference deserve that overworked epithet, invaluable. In this category belongs the "Kinematograph Year Book" (Kinematograph Publications, Ltd., 93, Long Acre, W.C.2. (Kinematograph edition is now on sale. Its contents ros.), of which the 1933 edition is now on sale. Its contents include a Who's Who, a very comprehensive list of last year's films, exhaustive particulars of theatres, producing concerns, klms, distributors, a condensed history of the film industry in and distributors, a condensed history of the film industry in 1932, and a mass of other features. An improvement in the present issue is the inclusion of coloured index tabs that greatly facilitate reference. Altogether, an admirably compiled and edited handbook.

DAVID OCKHAM.

## Social Credit Library.

Two new pamphlets on Social Credit are to hand. One is called *The A B C of Finance and Social Credit* (The Scots Free Press, 1, India Buildings, Victoria Street, Edinburgh; 24 pp., price 4d.). The other is called *The Abolition of Poverty*, and is by R. S. J. Rands, B.A. (W. E. Harrison and Sons (The Ancient House Press, Ipswich; 24 pp., price 4d.). The first-named pamphlet is a compilation by "R. L.", and consists of what is best described as an "economic catechism." It is divided into twenty-three sections, and under each section there is a series of any-questions, and under each section there is a series of answers. The first section is headed "Money." It commences: "What is Money?" and goes on: (2) "Should Money have any Value in itself?" (3) "What, then, gives Money its Value?"—and so on. The following sections similarly treat the subject of "Economy," "The Economic System," "The Financial System," "Kinds of Credit," etc. Section 14 is headed: "Major C. H. Douglas," and consists of biographical details concerning his life and work. Even the A + B Theorem is briefly outlined on this plan. The pamphlet is thoroughly to be recommended. It builds up a well-balanced synthesis of Social-Credit ideas and principles and their application to economic life, and does so in plain and their application to economic life, and does so in short, easy stages. Speakers and writers will find the pamphlet valuable as an embodiment of logically assembled notes and points for speeches and articles. Any one of the questions and its answer could be made the text of a useful article. It is interesting to notice how, as the elucidation of each section proceeds, there come junctures where it interlocks with elucidation elsewhere. All the sections are convergent on the central issue, and their mutual coherence and logical symmetry must strike every thoughtful reader. Now and again the author permits himself a sly dig at professional misleaders of public opinion, as in the passage: "Q.—Does that explain why the Prime Minister advocated 'wise spending'? A.—It is not safe to-day to infer why a Prime Minister says anything."

Mr. Rands' pamphlet is a most competent digest of the essential features of Major Douglas's analysis and proposals. He writes lucidly and concisely throughout. His plan of approach is first to sketch out the administrative changes which would be made at the inauguration of a Social Credit policy. In the process of doing so he gives short replies to typical hypothetical objections, and later on expands these replies in the course of explaining the facts of the economic problem and the correct principles to be derived from them. In an appendix Mr. Rands devotes four pages to the "A + B" Theorem, and has contrived, even within that narrow limit of space, to explain and argue it satisfactorily. This pamphlet will be found particularly appropriate to dis-tribute among business men. It is free from emotional

appeal, and, if anything, rather tends to defend the capitalistic system, as such, against some of the indiscriminate attacks which have been made upon it both by Socialists and Communists. At the same time, nothing is said to cause offence to left-wing idealists. We are inclined to think that Mr. Rands' work tones in with Mr. Allen Young's *Ordeal by Banking*, and would serve as an introduction to that book.

It is rare that two new pamphlets on Social Credit which are so conspicuous in merit, each in its own style, have appeared independently from new writers. Both these authors deserve praise and support for their enterprise. It is a great encouragement to find signs of exponential ability, multiplying within the movement.

A. B.

## Australian News.

REPORT FROM THE D.S.C. ASSOCIATION OF NEW SOUTH WALES.

*The Douglas Social Credit Association (N.S.W.).*

Dear Sir,—Branches in the metropolitan area have increased to 101, Ladies' Auxiliaries to 12, and the Junior Douglas Groups to 8, and country branches still remain at 12, with a large increase in study groups (which will ultimately form into branches), making a total of 133. The country branches are at Grafton, Erigolia, Katoomba, Lismore, Lake Cargelico, Parkes, Sutherland, Wagga Wagga, Woonoona, Weethalle, Gosford, and Bathurst.

The interest in the Douglas proposals is growing rapidly, and we are receiving numerous invitations to address outside bodies to explain them.

During the Christmas holidays the Association went into recess (from December 16 to January 9), and during this period the following speakers went into the country: Mr. Hession, to the North Coast and Rivers; Mr. A. Pollock, to the South Coast; Mr. Fretwell, to Dubbo and district; and Mr. Rose, to Wagga Wagga. These speakers found that Douglasism had penetrated into the country by friends in the City writing to country residents about it, and by country people who had visited the City and become infected by the virus, talking about it among their friends. It was little trouble to get good audiences, who were intensely interested.

There are now twelve District Councils, and they met early this year to discuss a common policy for 1933. It was decided to hold a series of rallies, and to move at such meetings a resolution to Members of Parliament that the Douglas Proposals be immediately put into action. The Reid District Council (in whose area the State seat represented by Mr. Lang is situated) have already arranged rallies in the next ten weeks taking place in various portions of their district. They started in the most conservative portion of Strathfield, and at the Town Hall, where the chair was taken by the Mayor, they had an attendance of over 400. Last year, in the Five Dock area, this Council held a rally at which the attendance numbered over 1,000. At Bondi an open-air rally was held, the speakers addressing the meeting with "loud speakers," the attendance being over 500. To estimate the actual number who heard the addresses would be extremely difficult, as Bondi is one of Sydney's seaside resorts, and there was a constantly moving throng on the promenade, and cars were parked all around.

A "Business Men's Economic Research Association" has been formed, and temporary officers appointed. This movement is entirely dissociated from our movement, but will work entirely among business men, to whom it will introduce the "New Economics," and after they are converted, and lost their fear of the Douglas Proposals, which is being subtly worked up in the Press, they will doubtless be willing to join the Association.

Any meeting or person speaking against the Proposals is given an excellent Press in the "Sydney Morning Herald" and "The Daily Telegraph." The Bank of New South Wales is distributing, free, Professor Copland's "Facts and Fallacies," a book by a Mr. McConnell (who is a University Tutorial Lecturer), against the Proposals, and a leaflet, by Mr. Hartley Withers, all nicely done up in a large envelope. This is the first instalment of "something for nothing," for the market price of these booklets is about 2s. 9d. We understand that the bank has 50,000 of these for distribution. The best way for any young author who wants to sell his book in this country is to write one attacking the Douglas Proposals. A fortnight ago the Political Summer School was held at the Hotel Ranelagh (one of the most palatial hotels in the State) at Robertson, where the experts assembled to put the Australian Constitution right. One of the proposals was that the Loan Council should be invested with the power to veto financial legislation which was not "sound." The Loan Council was to be comprised of members of the Government and "Independent Econo-

mic Advisers." Mr. A. B. Piddington, K.C., and Miss Grace Scobie were invited, and we are informed that they "tore into" the Proposals on the first day; that thereafter they were not allowed to speak. Out of this School developed the Australian Economic Advisory Council.

Mr. Lang has declared for the socialisation of Credit and dropped the Socialisation of Industry by the wayside. But so far he has made no definite pronouncement of the issuing of consumers' credit. It may be a straw in the wind that the Australian Labour Party has notified all its branches that the Douglas Social Credit Association is a banned organisation, and that any person belonging to it is not eligible for membership of their party, and any person who is a member of both will be expelled from the former. In yesterday's "Sydney Morning Herald" there is a subtle attack on us, joining us up with Communism.

Despite the attacks being made upon the Proposals by those in high office and through the Press, Social Credit is spreading, for enthusiasts are making new converts every day, in every place, by personal contact.

P.S.—THE NEW AGE of January 5 to hand, which, in "The Notes of the Week" deals with "Spurious Enquiry." The Association dissociated itself from this enquiry. Will write you later in this connection as mail is closing.

## LETTERS TO THE EDITOR.

### DON'T READ NEWSPAPERS!

Sir,—At a discussion group a good piece of advice was proffered by one individual to another—it was that a reader of the Press and orthodox books should give up reading entirely—and commence to reason things out for himself. I mention this because on thinking it over I gave up reading entirely—except for THE NEW AGE, and I find myself with a clearer head. I conclude that the average man is misled and "unconsciously bewildered" by absorbing daily doses of our degenerate Press, that is subservient to the credit side of the balance-sheet and the Money Monopolists; and this despicable subserviency towards the Money Monopolists, preached by the Press to its readers with pernicious subtlety, tending to keep diligent readers in a frame of mind submissive to the veiled commands of the money monopolists and their mouthpieces.

F. W. F.

## Events of the Week.

(Compiled by M. A. Phillips.)

March 25. American Government alarmed at failure of oil-restriction plan: more rigid control of production probable. Tariff Commission's "quid pro quo" for protection of steel industry suggested. Motor banditry increasing in this country. Geneva welcomes Four-Power Pact. Forty-hour week being talked of. All leave stopped for Austrian troops: State of emergency feared. Riots in Spain continue. Tea restriction plan fails. German trade unions to be forced to become State corporations on Italian model. Japan turns down Four-Power Pact. Indian States: seven of nine with financial deficit. Commodity prices since December, 1932: Declines—wheat, copper, jute, cotton; Advances—wool, sugar, tin, rubber. Silver price still advancing. £ very steady at 3.42-3.43 \$.

March 27. Strike at Ford's, Dagenham, over wage cuts. Jewish trade boycott of Germany; Jewish bankers said to approve. Cunard Co.: 1932 loss of £920,000. Argentine £10 M. credit proceeding after stop during U.S.A. "crisis." I.R.A. refuse Irish Government's request to disarm. Conscript labour plans for Germany and U.S.A. American labour protest at \$1 per day (standard rate, \$3.5 per day).

March 28. M.P.s for distressed areas visit Ministries of Health and Labour regarding relief burden. Riots at Ford's Dagenham works over wage cuts: strike spreads. Re-trial of Scottsboro' negroes reopens. Japan formally resigns from League of Nations. Fascist Club in Walworth again attacked and smashed.

Alleged Nazi Stahlhelm quarrel in Germany. India debate opens in Commons.

All-round increase in Austrian tariffs

March 29.

Norman Davis arrives in England on war debt and disarmament business.

Imperial Airways crash: fifteen dead.

Security Sales Control Bill presented to Congress by Roosevelt.

Hitler orders more intensive anti-Jew campaign.

Distressed Areas Committee insist upon urgency of relief position in this country.

Ford's, Dagenham, to close indefinitely as result of strike: many police drafted to district.

March 30.

Communist headquarters fired in Dublin.

Davis denies that his visit is to do with debts.

Anglo-Soviet quarrel over imprisoned Englishmen: British Ambassador comes to London for instructions.

India debate: Tory die-hards defeated by Government.

Pay cuts for Irish Free State Army.

Lincoln City rates increased from 14s. to 16s. on account of relief.

Free State shortly to raise volunteer army.

Ford strike settled: pay cuts partially restored. Briggs Body Works employees strike because of wage cuts.

March 31.

Credit Anstalt again on point of default.

Financial year ends.

Rent control to be removed.

Premier to see Distressed Areas Committee.

Means Test "saving," £16,500,000.

Strike at Hope and Sons, Smethwick, against Bedaux System for increasing output.

Bank still buying gold: stocks now £172 M.

April 1.

Bank of England reduces fiduciary issue by £15 M.

Budget deficit of £32 M.

Failure of Liggett and Co., U.S. drug stores.

Congress attempts to meet at Calcutta in spite of official ban: many arrests.

Socialist and Fascist armies in conflict in Vienna.

One-day boycott of Jewish shops and Jews in Germany; von Neurath restrains Hitler.

April 2.

Anti-Fascist demonstration in London: Greenshirts take part.

April 3.

Morgan and Co.'s affairs to be investigated by Senate Finance Committee.

Niemeyer's diagnosis for Argentine depression: Central banking system recommended!

U.S.A. financial crisis; gold embargo continues; insurance surrender values limited to 100 dollars maximum; gold returning to Federal Reserve banks to some extent; Finance Reconstruction Corporation has bigger holding of Stock Exchange securities than any other institution in world (see *Daily Mail* City page for this date).

April 4.

Morgan and Co. refuse to be examined by Senate Finance Committee.

Unemployment: 2,776,184 (—80,000 in a month).

France kills Four-Power Pact.

World Economic Conference; further delay in fixing date.

Official Secrets Protection Bill rushed through U.S. Congress.

U.S. airship Akron wrecked.

Mr. M. C. Norman re-elected Governor of Bank of England.

Norman Davis leaves London for Paris.

India to have "protection" against Japanese "dumping."

Dagenham strike spreads to electricians.

Bank of England's gold stock £176 M.

Reichsbank profit, £1,300,000 for 1932 (compared with £665,000 in 1931).

April 5.

Bill permitting ban on Russian imports into this country rushed through Commons.

Pullar Dye Works strike.

More strikes against Bedaux system.

Premier to go to Washington at Easter.

British Ambassador to U.S.S.R., now in England, not to return.

Hitler's representatives to visit Rome.

£ still steady at 3.41-3.42 dollars.

U.S. banking "crisis": 14,000 banks now re-opened (total closed during moratorium, 18,000); limited gold exports to be allowed.

Rumanian bank rate reduced from 7 to 6 per cent. War in Manchuria and Jehol continues.

April 6.

Reichsbank to repay loans in gold, thus forcing Germany off gold standard.

Great anti-Russian feeling in Commons on account of Metropolitan-Vickers dispute.

Bank of England's gold stock now £177 M.

April 7.

Scottsboro' negroes re-trial commences.

Distressed Areas Committee see MacDonald: no hope given for relief.

Soviet embargo Bill: limited to three months and to be used in defence of Metropolitan-Vickers' men only.

Prohibition ends in U.S.A.

U.S. Senate passes Thirty-hours Week Bill: before Congress.

France passes Official Secrets Protection Act.

Hindu-Moslem riots in Calcutta.

Strikers riot at Dagenham.

Secession in Australia: West Australia and South Australia want to secede from Commonwealth.

German Government's anti-gold-standard action "causes" slump in German bonds.

Roosevelt drive against domestic gold hoarding goes on.

Provisional settlement of Ulster rail strike.

## Recent Pamphlets.

"The Depression." By Nicholas Murray Butler; 12 pp.

"War and the Workers," by Wilfred Wellock (No More War Movement); 16 pp. 2d.

"The Abolition of Poverty" (a brief explanation of the Proposals of Major C. H. Douglas). By S. J. Rands, B.A.; Harrison and Sons, Ipswich; 24 pp. 4d.

"Control of Finance and the Financiers." By E. F. Wise, The Socialist League, 23, Abingdon-street, S.W.1; 12 pp. 2d.

"Human Nature and World Disorder." By Gabriel Wells. Henry Sotheran, Ltd., 43, Piccadilly, W.1; 16 pp. 1s. 6d.

"The Means to Prosperity." By John Maynard Keynes. Macmillan; 40 pp. 1s.

"The Parent as Teacher." By Dorothy Cousens. H. Cousens, Holly School, Sheringham; 16 pp. 6d.

"The Gold Standard." By A. Back Cunningham. Juta and Co., Ltd., Cape Town; 40 pp. (no price stated).

"The Macmillan Report" (a short summary of its main points, prepared for the guidance of students.) By S. Evelyn Thomas, Director of Studies, Metropolitan College, St. Albans; 16 pp. (no price stated).

"The Centre Policy." The Centre Group, 36, Gordon-Square, W.C.1. (A. G. Pape, Hon. Sec.); 16 pp. 6d.

"How to Stop Deflation." By J. Goudriaan, Professor in Business Economics, Commercial University of Rotterdam; The Search Publishing Co., Ltd., London; 32 pp. 6d.

"World Inflation" (address before the British Association, 1932), by J. R. Bellerby, Professor of Economics, Liverpool University; Richard Clay and Sons, Ltd., London; 16 pp. (no price stated).

"The A B C of Finance and Social Credit." By R. L.; The Scots Free Press, 1, India Buildings, Victoria Street, Edinburgh; 24 pp. 4d.

"Home Rule and Honest Money" ("Douglas Credit Proposals"). Speech by C. F. J. North in the Legislative Assembly, Western Australia, delivered September 14, 1932, and reprinted from Hansard; 8 pp. (no price stated).

"A Prosperity Plan" (Great Britain, United States of America and Germany). By A. J. Siggins; published by Author, 39, Victoria Street, London, S.W.1; 20 pp. (no price stated).

"The Case for Scotland." By C. Stewart Black; The National Party of Scotland, 131, West Regent Street, Glasgow; 24 pp. 2d.

"THE NEW AGE" DINNER PHOTOGRAPH.

Our copy of the above photograph is being permanently kept at our office, 70, High Holborn, W.C.1, and can be inspected at any time by any caller who is interested. We mention this because we understand that not all those present at the Dinner had a chance to see the proof which was shown round during the evening.

## THE "NEW AGE" CIGARETTE

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## 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.

The Douglas Social Credit Proposals would remedy this defect by increasing the purchasing power in the hands of the community to an amount sufficient to provide effective demand for the whole product of industry. This, of course, cannot be done by the orthodox method of creating new money, prevalent during the war, which necessarily gives rise to the "vicious spiral" of increased currency, higher prices, higher wages, higher costs, still higher prices, and so on. The essentials of the scheme are the simultaneous creation of new money and the regulation of the price of consumers' goods at their real cost of production (as distinct from their apparent financial cost under the present system). The technique for effecting this is fully described in Major Douglas's books.

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The New and The Old Economics. (Answer to Professors Copland and Robbins.) 1s.
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The New Economics. 4d.  
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### Critical and Constructive Works on Finance, Economics, and Politics.

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Economic Unity of the Empire: Gold and Credit. 1s.
- HORRABIN, J. F.  
The Plebs Atlas. 1s.  
An Outline of Economic Geography. 2s. 6d.
- LUDOVICI, A. M.  
A Defence of Aristocracy. 7s. 6d.
- MARTIN, P. W.  
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.

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