

THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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NOTES OF THE WEEK.

Banks and Suicide.

Charles Smith (aged 57), of Albert Street, Walworth, took his life by gas-poisoning rather than apply for unemployment benefit. Dr. Cowburn at the inquest at Camberwell, recording a verdict of "Suicide while of unsound mind," said: "One cannot help feeling great respect for a man who is out of work and yet too proud to apply for help from public sources." (*News-Chronicle*, April 6.) Dr. Cowburn is a good Christian but a bad Nietzschean; and if we are to accept the views of certain leaders in the Social Credit Movement who have variously identified Social-Credit principles with both the canons of morality here indicated, it is impossible for us to pronounce moral judgment either way on the coroner's sentiment in the name of the Movement as a whole. "Greater love hath no man than this, that a man lay down his life for his friends." Charles Smith appears, from the newspaper report, to have acted in this spirit. Nietzsche, however, would have wanted to know whether Charles Smith's "friends" were worth the sacrifice. So we had better hedge and say that whereas Dr. Cowburn's feelings regarding the dead man will be shared by everyone, his expression of them in the hearing of the living is regarded as inexpedient by a large number of good and wise sociological thinkers.

You cannot praise one man's deed without tacitly exhorting other men to repeat it. Dr. Cowburn would probably repudiate any such intention. And we will allow that if the matter is argued in the frame of reference of mental pathology, he can formulate a *prima facie* case for his defence. For assuming that the recorded verdict is a statement of fact, Charles Smith was not responsible for his act at the moment he committed it. But was he of unsound mind when he decided to commit the act? And was he of unsound mind when "reasoning out," so to speak, whether to come to that decision? At what point did he cease to be morally responsible? It is open for Dr. Cowburn to say that Charles Smith was sane up to the moment of concluding that it was the right thing for him to cease to be a

burden on his friends, and that at that exact moment he providentially became insane and was thereby absolved of the responsibility for implementing a right motive with a wrong deed. On this interpretation Dr. Cowburn could say that what really killed Charles Smith was his reasoning from material facts to a moral conclusion, and that when he realised the nature of that conclusion his brain gave way, and the rest happened to him. Thus:

I am without work.
I cannot find work.
I cannot earn money.
I can get a dole.
But doles come out of others' wages.
So I should burden them.
And I should feel humiliated.
I must not claim a dole.
There is no-one to leave me money.
There is no place where I can find money.
I am cut off from money.
I am cut off from life.
That's it: I'm cut off from life.
From life.
I am not alive . . .

And at that juncture it was as if he were not alive—his hand became the instrument of lethal auto-suggestion, and turned on the gas. (What a picture Walt Disney could make of that finale.)

Poor Charles. He little knew that someone had indeed left him money, that past generations of his own proper ancestors had bequeathed to him a goodly heritage in this world now flowing with milk and honey—a heritage with a real existence, a local habitation, and a name, giving him access to needful Plenty in the midst of peaceful Leisure. At one time or other in his lifetime he may have heard the Salvation Army singing

There is a fountain filled with blood
Drawn from Immanuel's veins,
And sinners, plunged beneath that flood,
Lose all their guilty stains.

But how little he realised the majesty of the new dimension of that profound symbolism which is now becoming manifest to mankind, and transfiguring for them the

fulfilment of the prayer: "Thy will be done on earth as it is in heaven." * * *

And what shall be spoken of the principles of wickedness in high places, of which St. Paul spoke, and which St. John saw in the figure of the Whore of Babylon? The new perception which has come to many of us now reveals the Whore of Babylon in the Whore of Basel—the woman decked with gold... having a golden cup in her hand... the mother of harlots and abominations of the earth... with whom the kings of the earth have committed fornication, and the inhabitants of the earth have been made drunk with the wine of her fornication."

Students of the prophecies will know that what are called the "historical" and the "futurist" principles of interpretation are both followed by different exegists—the first school seeing their fulfilment in the events of the last nineteen hundred years, and the second deferring it to, and confining it within, a brief period marking the end of the present Dispensation. On the futurist system, the rise to power of the central banks, "giving their power and strength" to the Bank of the Central Banks in Basel, and "receiving power as kings" one hour with the beast, could not have been more appropriately symbolised than in the words of the Apostle. And in fact it would not be unduly straining language to describe Mr. McNair Wilson's *Monarchy or Money Power* as the sequel to the prophecy. The Basel-ridden central banks do answer to the progeny of harlots begotten of the Whore of Babylon—all of them "drunken," as the Apostle said, "with the blood of the saints," or as we may say it, with the suicides and bankruptcies of innocent citizens of every nation and tongue. * * *

A committee appointed to enquire into the causes of insanity recently stated in their Report that the predominating cause was worry. To that statement we can add another, namely that the predominating cause—practically the sole cause—of worry is a matter of money. The case of Charles Smith is therefore typical of all suicides. That which the recorded verdict designated as an "unsound mind" was in reality a sound mind self-doped by the exercise of reasoning from false evidence. Charles Smith was killed by the administration of poison. Not that a ready-compounded poison was administered, but that he absorbed ingredients which united to form a poison under the catalytic influence of his reasoning powers. Unbalanced evidence unbalanced his mind. It would be too much to declare that had he grasped the import of the Social Credit discovery, he would not have taken his life, but it is not too much to say generally of such cases that the knowledge of what Social Credit is and implies would have been the most potent moral agency for saving the desperate from self-destruction. "Where there's life there's hope," is a saying whose inapplicability to the situation of the unemployed is becoming more and more manifest every day, particularly to those who cannot conceive of an "honest living" apart from hired labour. If we turn the saying round and declare: "Where there's hope there's life" we shall be speaking a greater pragmatic truth. For the effect on every sensible and conscientious man who grasps Social Credit is to regenerate in him the sense of the value of his life to his fellows—it is to crown his natural instinct for survival with scientific sanction—it is to make manifest to his moral consciousness the contributory value of his self-seeking to the welfare and happiness of his neighbours. Such a man, even though he felt that, as things

are at the moment, his acceptance of a living without working did entail his being made a charge on his neighbours, could reconcile this acceptance with his self-esteem on the ground that his new knowledge, and his efforts to spread it about, rather laid society under an obligation to him than laid him under an obligation to society. Charles Smith was denied the opportunity to see this. Let his death, however much we may account it to him for righteousness, stimulate us to greater effort to defeat the conspiracy of silence or misrepresentation which sent him to his grave. * * *

We referred a week or two ago to an instance of the sort of thing we mean. It was the recommendation of the anonymous author of the articles in *The Times* on the plight of Durham that on the backs of forms given out to drawers of relief there should be printed information as to how much the relief cost and where it came from. In other words every Charles Smith was to be impressed with the reminder that whatever he ate to be impressed with the reminder that whatever he ate to come off the plates of his friends. "We don't want to lose you, but we think you ought to go," was the refrain of a well-known war-song sung at young men eighteen years ago to shame them into the army. That same refrain fits the policy of the bankers and their agents today—shaming men, young and old, who are not wanted in any army, economic or military, into "going" where? They do not mean that these people should take their lives; oh no; they only mean that they should tolerate the intolerable for the sake of the Budget.

The Budget and Seditious.

It is not surprising that the Government have thought it advisable to stiffen their measures for suppressing seditious. On the face of it the ordinary citizen might be a bit puzzled to understand why this should happen just at a time when the surplus of our Budget up to go down so much, and the surplus of our Budget hearing the much. But of course the ordinary citizen, hearing the bankster claque applauding and cheering, thinks there is a good show on. He does not realise that the rise in the employment is being offset by a stealthy rise in the cost of living. And he does not realise that the Budget surplus reflects a communal deficit. One indication of a such deficit is suggested in the published accounts of a certain insurance company where it appears that where the new life insurances effected during 1933 represented an annual collective premium of £32,000, surpluses of life policies (as distinct from maturities and death-claims) in the same year came to £41,000. The Balance Sheet of this Company (whose assets and liabilities are under £4,000,000) shows that loans on policies at the end of the year were £182,000, and "outstanding premiums," £72,000. Without going back a year it is impossible to say what has happened during 1933, but these figures in themselves afford some guide to the nature and measure of the sources from which taxpayers have been deriving the wherewithal to meet their liabilities otherwise than out of current income. It would be useful if some reader could get the comparative figures of all the large insurance companies for the above categories of transactions. * * *

But apart from this, and assuming that all taxes have been paid out of income, the communal deficit would still persist. The reason is derived from the Social Credit analysis. Whatever the community buys through the Budget it pays for at full financial cost (plus profit) to that section of industry which gets Government contracts. The community's total income is less than the full financial cost of the whole of industry's output. And the balance of the community's total income left available after taxation to buy directly through the Government, the balance of output not bought through the Government, is short of the cost by an amount which is proportionally larger or smaller according to the ratio of Government purchases to all purchases. To illustrate, suppose the Government took all the community's income in taxes, then either industry as a whole would

have to sell to the Government below cost or else the Government would have to borrow the difference from the banks. There would thus be either an industrial or a Budget deficit. In practice there would be a Budget deficit, since there is no precedent for the Government's requiring contractors to supply goods at a loss. On the other hand, at the opposite extreme, suppose there were no Budget and no taxes, industry would then have to sell at a loss to the community. It would be free to restrict supplies and so exact higher unit prices; but that could not raise its collective revenue above the total income of the community. * * *

The political implication of this is that in the case where the Government bought everything for the community, and insisted on balancing the Budget, it would have to bring compulsion on producers to sell at least a sufficiency of goods at a collective price equal to consumers' collective income (i.e., taxes). For it could not say (as it virtually does to-day) that the consumers' difficulties were due to "unwise spending," etc., etc. But in the case where the Government bought (as it does) only some things for the community, it could bring compulsion on consumers (as it does) to pay the producers of those things the full price, while leaving both to haggle outside the law about the prices of the other things. (In neither case would industry recover all costs: but this is irrelevant to the specific question of compulsion here raised.) It will be seen that the larger the proportion of cost compulsorily defrayed in full by the community through taxes, and mostly for things they don't want, the fiercer will be the haggling between producers and consumers about the things which the latter do want. Hence a large Budget threatens to provoke more disorder than a small one, and therefore to drive the Government more quickly into the position of having to regulate prices—the last thing it wants to do or that the bankers would desire it to do. * * *

The danger can be tabulated in token figures thus:

Total Industrial Costs.	Total Communal Income.
100	80

If the Budget is balanced at 20, the remaining figures, relating to the goods to be haggled about, will be

Industrial Costs.	Communal Income.
80	60

If, alternatively, the Budget is balanced at 50, the remaining figures will be

Industrial Costs.	Communal Income.
50	30

Now the precipitation of disorder may well be a question of whether the ratio of costs to incomes is as 80:60 or as 50:30. In the first case the producers' financial deficit will be 25 per cent., but in the second 40 per cent. In the first case the producers would feel compelled by their rules of accountancy to demand all the money for 75 per cent. of their stocks, or, in the second case, all the money for 60 per cent.—their object being to retain stocks representing the costs not recovered. It may further be noted that the higher the ratio of Government purchases to consumers' purchases the more will the character of production tend to take the form of what the Government wants. So if we assume total industrial production to be fixed at the quantitative token figure of 100, then if the Government were normally expected to buy 20, the other 80 could be manufactured in the form required by consumers. But if the Government normally required 50, there would be only 50 manufactured in that form. Assuming the latter there would be a double risk of disorder, because not only would producers seek to retain a larger proportion of their stocks (i.e., 20 out of 50 instead of 20 out of 80) but the whole quantity in their possession (i.e., 50) might well be below subsistence requirements even if they let consumers have it at their own price. This conclusion rests, of course, on an arbitrary assumption and must be treated accordingly. * * *

However, the foregoing analysis, taken comprehensively, discloses reasons why the Government should be

displaying some degree of trepidity in the midst of "prosperity"! Events are treading on each other's heels, events of such character that each separately would be sufficiently embarrassing. They will raise problems in such quick succession as to present the authorities with a complex of problems shrieking out a "seditious" moral. This will be because while they will be seen to have arisen from the policies of one and the same Government, they will also seem to demand mutually contradictory remedies. The Government will be put in the dilemma of prescribing such remedies simultaneously, or of explaining why not. Seditious is a word derived from the Latin, and its primary meaning is going apart. Legally it is something like treason, but not so bad. Conventionally it means prompting citizens to obstruct the administration of policy in order to discredit and bring down the Government. Very well; then truly speaking the element of seditious lies in the situation itself, and its danger lies in the facts rather than in any agitational action organised thereon. No Government can give mutually contradictory orders and claim freedom from obstruction. It would be asking for obstruction, and would encounter it even if every agitator in the land were safely in prison. * * *

One clause in the Bill provides that magistrates may order a search for seditious literature to be made at any place where it is reasonably supposed to be. Hitherto you could only be proceeded against by indictment for distributing it. Now you are to be punished summarily for being in possession of it. The excuse is put forward in *The Times* that since the possession of obscene publications is illegal, so ought that of seditious publications. The real reason is that a larger and larger number of good citizens are being driven into the habit of harbouring so-called seditious sentiments, probably more or less unwittingly in most cases, attuning their minds to the idea of some quick dramatic short-cut out of their difficulties. They are psychologically in a state of incipient revolt against the "New Despotism" described and denounced by Lord Hewart. They belong to all classes of society; and, for that reason are not likely to respond to the brand of seditious hitherto preached by the Communists. On the other hand they are more than likely to respond to a form of "sedition" which consists in tracing all their troubles to a group of people above the Government and unconstitutionally usurping its prerogatives. In short, the simple teaching of Social Credit is constructively seditious, because when conducted frankly it proves that the real Government whose policy is the cause of the trouble consists of bankers who are not going to alter it, and whom it is impossible to depose except by methods hitherto regarded as "unconstitutional," or methods which the Courts would be obliged to pronounce to be such upon appeal. * * *

There is no need for seditious to incite people to obstruction. Examples of actual or potential obstruction are spontaneously emerging in all parts of the economic system, or, rather, of the economic pandemonium. Here are a few of them, taken at random from last week's newspapers.

1. Boom in country-house robberies.
 2. Taxpayers (Pottsville, Pa., U.S.A.) break into the chamber of Assessment Commissioners, manhandle them, and compel them to hear complaints in public.
 3. British farmers getting ready for a united kick at the Milk Board.
 4. Trade unions preparing new wage-demands (presumably taking the Government's "returning-prosperity" publicity at its face value).
 5. Japanese cycles at 12s. 6d. New motor-cars at £50.
- These activities, if spaced apart in time could be dealt with seriatim by the appropriate diplomatic, fiscal and other methods. But when you have them crowded together for treatment while Big Ben strikes twelve, you

have a situation which not even the most efficient seditious organisation could bring about. It is the synchronisation of discontents which creates their dynamic "divinity"—and it is this dynamic quality which the Government fears, and because of which it seeks to insinuate that discontent and sedition are identical phenomena. If Dick advertises his grievance, and Tom and Harry will listen peacefully to the Government's reasons why Dick's demands would penalise them, then there's no need to search Dick's house for seditious literature. And so with Tom, or with Harry. There would be two against one in each emergency. But let Dick and Tom and Harry start agitations simultaneously, then the situation is altered. The Government can't afford to risk this, and must take powers of house-searching right away. During the "General Strike" of Labour in 1926 there was one newspaper, run by the Government. During the "General Pandemonium" about to descend upon us, the Government will have the more urgent need to monopolise all pamphleteering in the same way. But it will be without the excuse it was able to improvise in 1926, that it must defend the majority of the population against the subversion of Trade Unionists. The problem of removing or mitigating all grievances together can only be solved, temporarily, by producer-credit expansion; and only solved finally by downward price-regulation compensated to producers by remissions from their borrowings which will not be charged to the public. The bankers object even to the temporary, let alone the final, solution. And any agitation logically requiring the bankers to act against their own will is certain to be interpreted by them as seditious, and declared such by their tame secretariat, the National Government.

What needs to be emphasised more than anything else is that the so-called Bank of England has no more title to call itself such than have Messrs. Guinness to call themselves the Brewery of Ireland. Lady Astor has charged brewers with bringing irregular pressure to bear when legislation has been contemplated affecting their trade. The irregularities, in so far as they can be proved, will be found to be dainty miniatures of the colossal masterpieces of effrontery on the part of the bankers that have accompanied and shaped financial legislation since the war.

Readers do not need us to tell them how to elaborate the argument, but they will find it useful to note an article in the *Evening News* of Saturday, April 14 (p. 4, last edition), entitled "A Big Job, this Budget," by its "Political Correspondent." This gentleman spills the beans, and no mistake. He dots the "i's" of Social Credit and blacks the eyes of the bankster journalists.

... the truth is that the Chancellor of the Exchequer is not a Lonely Man Grappling with Millions sitting all by himself and making momentous decisions at the last moment."

That's a good start. And the author's description of the technique of composing a Budget is equally frank. The Budget is started on "six months" in advance: "Civil Servants"—the "Financial Secretary to the Treasury"—"Ministers of Departments" are shown in their true roles, and at the end comes the passage: "Finally the Budget speech is prepared and approved." (Our italics.)

By whom is not stated. By the Cabinet, you are expected to infer. But even so the author, earlier in his article, pictures the individual members of the Cabinet as being paraded for examination by Treasury officials as to the finance of their respective Departments. So the Cabinet gives a collective "approval" to a Budget of which each member of the Cabinet may quite easily disapprove the part that affects his Department. As above, so below. The Budget must be approved because it smells equally nasty to all its approvers. Speakers and writers will do well to keep the article for reference.

Banks' Assets and Values.

The following extracts are from a letter from a correspondent in South Africa which reached us just after we had closed for press last week. It will be noticed how perfectly they dovetail into the analysis supporting Major Douglas's proposals to the New Zealand Monetary Committee published last week.

The *pièce de résistance* is to come. On the 7th instant the acting Minister of Finance announced in the House of Parliament that 219 (two hundred and nineteen) farms were owned by the Land Bank, distributed as follows: 114 in the Cape Province at a cost of £79,883; 91 in the Transvaal, cost £90,574; 5 in the Free State, cost £4,519; and 9 in Natal, cost £9,880. This works out at a cost per farm, as follows:—

Cape Province	£701
Transvaal	995
Free State	906
Natal	1,098

or an all-over average of £844! It should be understood that the "farms" alluded to above (the announcement was discreetly silent as to size), or indeed any "farm" in this country, is not a farm at all in the sense accepted in England: it is a small estate. It is a common circumstance in this country for farms to change hands at anything from £10,000 to £20,000. It can be accepted without the slightest hesitation that the above propositions represent the farming cream of the country; the Land Bank wouldn't bother itself about anything else. And these estates have fallen into their hands at the fantastic figure of £844 apiece. It is no wonder that the acting Minister added that the Government had no intention of taking the farms over from the Land Bank. I should like to see the Government trying!

It will be further noticed, in confirmation of what has been previously said, that the largest number of farms is in the Cape Province, that wonderful farming country, with its marvellous soil, abundant and reliable winter rains, its equable and constant summer sunshine, tempered by occasional showers, and its complete absence of the devastating hail, so common in up-country areas; the least number is in the Free State, hail-swept and droughty; the next largest number is in the Transvaal, also a fertile province with large tracts outside the hail belt; the next lowest in Natal, where the farmer is, generally speaking, a more enterprising sort and less likely to fall into the hands of a mortgagee.

Capitalise the farms at £10,000 apiece, a conservative estimate, then you have property of the value of £2,190,000 falling into the possession of the Land Bank for barely a tenth of its worth. Assess its profits at 20 per cent., a very much more conservative estimate. Doubtless some of the numerous graduates of the many agricultural colleges in South Africa would be put in charge and run the concerns competently at a mere pittance. A juster estimate of the profits would be 100 per cent., especially of the Cape Province concerns, where fruit farmers commonly make such profits, and in some cases more. Sticking to our figure of 20 per cent., we have the Land Bank gorging itself to the tune of £438,000 a year on a capital outlay of £185,000!

Johannesburg, March 21.

The Midland Bank's Progress.

The following table gives some idea of the Bank's progress since the issue of its first published balance sheet in 1879. It is issued by the Bank.

Year	£ millions				Total Assets	Number of Branches
	Paid-up Capital	Reserve Fund	Deposits	Adv nces		
1879	.3	.2	2.2	1.4	2.7	317
1900	2.5	2.5	38.3	19.8	45.3	867
1913	4.3	3.7	94.3	51.3	108.6	2,103
1932	14.2	11.5	421.0	170.4	462.3	

SOCIAL CREDIT AND CIVIL SERVANTS.

Mr. E. J. Pankhurst asks us to acknowledge, on his behalf, letters from civil servants which he has received in response to his recent letter in *The New Age*, and to state that he will be directly communicating with these correspondents within a few days.

"The Times" and Monetary Policy.

CORRESPONDENCE.

On April 4 *The Times* published a letter signed by a group of business men generally laying out a case for another inquiry into the operation of the present money system in view of the paradox exhibited by the simultaneous appearance of financial scarcity in the midst of physical abundance (or means of it). A recital of the case need not be discussed because the evidence constituting it is a matter of frequent comment even in the dependent Press.

As is usual, when proponents of a problem confine themselves to posing it in physical terms only, they afford an easy opportunity for every person with a monetary theory of any kind to insinuate it into the discussion: much more so when those proponents virtually invite such "assistance" by indicating in general terms that the remedy for the physical paradox is monetary in nature.

The correspondence has been continuing from April 4 until the date of writing, with hardly a day's break. Taking it comprehensively, its impression upon the ordinary reader of *The Times* must be that the whole question of money in connection with economics is too complicated for anyone to pronounce upon who is not a professional financier with long experience. It reminds us of the preparation of the Christmas pudding, where all the members of the family take their turns to give it a stir. Every day when we have opened *The Times* and read the letters we have said: "Hallo! These fellows have mixed it up some more."

Another feature of the correspondence is *The Times's* signal to "people who matter" that it ranks, as the Post Office would say, as second-class matter. It has been consistently relegated to the Dick-Tom-and-Harry section of *The Times* instead of appearing on the centre page where approved (not to say commissioned) correspondence is featured.

This circumstance makes it a matter of comparative waste of time for advocates of Social Credit to counter the numerous fallacies that characterise the majority of the letters—even if *The Times* would print replies, which is a policy they could reasonably refuse to follow, considering the large number of theories which (whether published or not) must have been submitted for publication. There is no particular object at this time of day in discrediting writers who are not authorities on the financial system, or who are not openly sponsored by such authorities. The nearest that the bankers have ever come to this was when the *Banker's Magazine* had a smack at the *Veil of Finance*. But even this was unsatisfactory, because the discrediting of the author of that booklet would not have necessarily discredited Major Douglas. Conversely, even Major Douglas's success in discrediting more or less obscure defenders of the present system would not necessarily discredit the inspirers and operators of it. Whichever way you look at it, there is the same dodging of the issue—a phenomenon for which, it need hardly be said, the proponents of the Social Credit Theorem are in no wise responsible. Taking an analogy from the boxing ring, it is as if the champion heavyweight refused to meet, or was prevented from meeting, another heavyweight, and was always matched against bantam-weights or lightweights. It may be that the bankers have not made up their minds who is their champion—in fact, every aspirant for that honour might easily terrify all the rest, like Lord North's generals. On our side, however, there never was, nor is, any doubt whom we put forward.

The correspondence is useful, however, because it does afford an indication that thought in non-financial circles is crystallising round financial policy, and tends to bring into the arena of political discussion issues previously thought to be purely matters for technical

experts. Incidentally, it has allowed an opportunity for the Southampton Chamber of Commerce to slip in a reference to its excellent report on monetary policy, and to the fact that approximately 8,000 copies were applied for by inquirers all over the country.

In short, the correspondence does serve as a thermometer measuring public temperature in respect of financial policy and theory.

McQueen on Douglas.

In a series of six articles which appeared last month in "The Leader-Post," of Regina, Canada, Professor R. McQueen has offered a criticism of the Douglas analysis which may be commended for fair-mindedness and total lack of acrimony.

But it is not easy to discover anything new therein. We are treated to an elaboration of the old "staircase costing" diagrams, splitting up the production of shoes into four stages, viz., hide-producing, shoe-manufacturing, wholesaling and retailing; and we are shown the B costs in the prices of the retailer's shoes being met by the A payments made by the other three processes during any given week. The Professor shows that, week by week, the shoes can be bought; he demonstrates that there is no lack of purchasing power once the continuity of industry is assumed.

Once the continuity of industry is assumed! And so our old friend, the uniform-velocity process, slips into the picture.

In the original formulation of the theorem, Douglas stated that "since A will not purchase A + B, a proportion of the product at least equivalent to B must be distributed . . ." by other means, and he proceeded to show "that this additional purchasing power is provided by loan credit or export credit."

That is how industry proceeds. Manufacturers and others obtain bank credits for the production of intermediate products, and the A payments which they distribute in the course of this new production will be used to meet the old B costs in the prices of current consumable goods. And the current consumable goods can be bought so long as the production of new intermediate products is maintained at an even rate, and no modification of process is undertaken.

In other words, the Professor selects a static state of affairs which does not correspond to anything in the economic world to-day, and then shows us that there is sufficient purchasing power distributed to buy the product. One can only say to him: My dear Professor, that is precisely what Major Douglas told you eighteen months ago. Turn again to p. 24 of "The New and the Old Economics":—

" . . . If we can imagine the modern industrial system doing only so much work upon capital goods as to maintain them indefinitely in exactly the same state of efficiency, then, quite obviously, consumption would be exactly equal to production. Under these conditions, the amount of wages distributed on maintenance would obviously be added into the cost of the end products, and collectively with the wages paid to the final producers of end products would be sufficient to buy the end products *always providing that no charges in respect of the original plant, buildings, and other capital goods which were merely being maintained, were charged in the prices of either intermediate or ultimate goods, and that no one made a money profit.*"

Later, in considering the subject of depreciation, the Professor is found still fast in the grip of the uniform-velocity process. He takes Professor Pigou's illustration of ten capital plants, each lasting ten years, and being renewed or re-conditioned at the rate of one per year, and he maintains that the wages, etc., distributed to those employed on capital production, year by year, balance the depreciation charges, year by year. Major Douglas would agree with him, for there is being carried out "only so much work upon capital goods as to maintain them indefinitely in exactly the same state of efficiency." The Professor must leave his hypothetical

world of uniform-velocity economics, and enter the real world of capital growth and development, if he is to get to grips with the problem.

The Professor is more interesting when discussing the effect of the investment of savings. Naturally, he sides with Mr. Hawtrey in the Birmingham Debate. He takes a community in which 20 per cent. of the total income is invested, i.e., spent on new capital equipment, and he argues at length that "there is as much being passed out in wages as before, but the cost per unit and the price per unit has fallen because each worker produces more units of product for his given day's wage," etc., etc. That line of argument has allurements of its own, but the wise Social Creditor will refuse to follow it. He will keep his opponent to the problem of total costs, in relation to total incomes.

On this line the argument is simpler. Omitting profits altogether, industrial costs are incurred when money is paid out as wages, etc., to consumers, and industrial costs are defrayed when those wages are spent on ultimate products—goods or services. That is the only way in which industrial costs can be defrayed. It is not possible to defray industrial costs by spending wages and salaries on capital products, i.e., by investment of savings; that procedure only transfers costs within the industrial organisation, leaving the discrepancy between costs and incomes widened by the amount so transferred.

A. W. COLEMAN.

Obituary.

JAMES CROSS.

We announce with deep regret the death of Mr. James Cross, who was one of the original members and supporters of the Douglas Credit Movement in Newcastle-on-Tyne. At one time he was a frequent correspondent to THE NEW AGE, and continued so until the increase of his local activities absorbed his leisure time. Several readers of THE NEW AGE will recall him as having taken part in the Social Credit Conference at Swanwick, where Major Douglas laid down his three basic principles for a sound monetary system. Mr. Cross was a keen and enthusiastic worker, and most of his spare time and money went in extending a knowledge of the Douglas Proposals in his district. His loss will be keenly felt by all those who were in association with him.

Notice to Social Credit Groups.

An important resolution on Social Credit was proposed at the General Council Meeting of the League of Nations Union in London last December.

The Executive Committee of the League of Nations Union has arranged for a memorandum on Social Credit to be prepared and to be available to all branches which apply for it.

An Ad Hoc Committee of the Social Credit Secretariat has been formed, and aims at the following specific objectives:—

1. To induce branches of the League of Nations Union to obtain the memorandum from their headquarters.
2. To induce branches to hear speakers on Social Credit.
3. To gather support for any resolution in support of Social Credit which may be proposed at the next General Council Meeting of the League of Nations Union, to be held at Bournemouth, June 26 to June 29.

In the opinion of the Committee its objectives will be better achieved by Social Credit groups paying due regard to the special aims and ideals of the League of Nations Union, which is primarily a peace organisation. A leaflet, drawn up by a member of the Union, will be found useful in this connection. Copies may be obtained from the undersigned, who will also be glad to hear from groups and individuals, especially in the South of England.

L. B. FORREST,
Secretary, Ad Hoc Committee.

28, Enborne Road, Newbury.

Calculation, or Revelation?

By B. J. Boothroyd.

During the past few weeks loud splashes have been heard in certain of our cathedral cities as of elephants plunging into forest pools. They were the sounds of Bishops plunging into the controversy about the disposal of the Budget surplus.

The loudest splash was that of the Bishop of Gloucester. He has discovered the exact relation between taxation, output and employment. Takes a bit of doing, but a Bishop is no ordinary man, anyhow.

He says, "One of the most fruitful causes of unemployment is excessive taxation, and in particular of incomes. I am convinced that nothing would ease the present situation more than a substantial reduction of income tax, for it is very largely a tax on industry."

The idea here presented is that money for production comes mainly from investment, that if you tax the would-be investor he has less money to invest, therefore there will be less work.

Now, I do not say that this has not been said before. Indeed, I have been listening to it man and boy going on ninety-two years come Michaelmas. Unless my memory fails me, it was one of the songs my mother



It is simple to a Bishop:—the doler goes back to the taxpayer, the taxpayer invests them in industry—

taught me. Grandma tells me she used to work it on samplers in coloured wool. Every time I hear it there leaps to my lips the words of the grand old hymn, "Tell me the old, old story."

We all love the old songs best. These old refrains are woven into our hearts. Rugged the breast they cannot tame. How oft, when we are gathered with old friends round the fireside, talking with sweet sadness of the dear dead days beyond recall, has someone, at the call for just a song at twilight, got up and given us the one about taxation being the cause of unemployment?

Now you can bet your shirt (preferably your Sunday shirt) that the Bishop makes this remark on the relation between taxation and work as a proved and ascertained fact. A man in his exalted position would not suggest, without reflection, that the unemployed are getting too much relief unless he knew it was against their interests. An ordinary man might, but not a Bishop.

Did he work it out? Not necessarily. A Bishop's special qualifications give him other means of obtaining knowledge. We have heard of Higher Mathematics; there may be such a thing as Revealed Mathematics. We need not ask him. We can have faith in our lords spiritual.

Let us see what it involves. Clearly, it means that the reduction of income tax will result, proportionately, in increased employment. Does this mean that the complete abolition of taxation is necessary to the maximum industrial output? The Bishop does not say. There may be an alternative. There may be some point ascertainable only by intricate calculation, to which taxation may be reduced so that it is high enough to

provide the necessary revenue and low enough to increase industry to the limit.

The attempt to find this point has engaged the attention of mathematicians and economists for many years. Not long since, a university professor rushed into the staff-room shouting, "Eureka! I've found the formula for fixing the right amount of taxation consistent with the maximum industrial output!" But when they came to look into it, they found it was only a formula for measuring the curves of light-waves. The professor burst into tears and became a grocer.

Personally, I don't think the Bishop had such a point in mind, or I feel sure he would have mentioned it. The direct and uncompromising simplicity of his utterance gives it only one possible interpretation, namely, that trade, and consequently employment, will increase in proportion to the reduction of taxation, and that therefore the way to abolish unemployment is to abolish taxation.

Some of you, proud in your worldly wisdom, will observe that there is many a slip between money invested in industry and wages that come out of it. Lacking the simple trust of the true believer, you see Finance as a complex thing.

But the Bishop, looking at economics with the clear eye of Faith, sees it as a simple process. Learned though he is, he shuns the schoolman's subtle art, for he knows that the law of simplicity is compatible with what is most sublime. As Wordsworth, I think, observes, "To extract A from B is not his trade; to trace the Loan he has no ready arts. 'Tis his delight, alone



—and the unemployed automatically get work—or should do. in summer shade, to pipe a simple song for economists' hearts."

Therefore, the remedy he puts before us is as simple as it is obvious: Unemployment benefit comes from taxation; taxation causes unemployment; take away unemployment benefit, and the unemployed will automatically find work.

And now leteth thou thy servant depart in peace—but half a mo. Before we part there is one necessary final observation to be made.

The Bishop's pronouncement relates to industrial conditions as they are at present. He was able to make it only because he knows, of course, the exact relations between the various stages in the process—investment, production, and labour. He knows, therefore, just how much output results from so much investment, and how much work and wages that output entails. But if one single detail of the process is altered—if, for example, any improvement is made in machinery, resulting in a greater output for less labour, immediately the unemployment between investment and labour is changed, and [or Revelation] will have to be made again.

You will see, then, that if the Bishop's simple and practical remedy for our troubles is to be put into effect, invention must cease right now.

That need not trouble us. As the Bishop himself says elsewhere, the Government's first duty is to abolish unemployment. No good Churchman will need to be reminded of the view that Man was sent into the world to work, and that if he doesn't, he shan't eat.

And the Bishop would, I'm sure, dismiss the idea of letting machinery do the work. The National Dividend is not one of the Thirty-Nine Articles.

Recent Events.

It will be within the experience of many readers, when asked to give a lecture on a subject, that if ten minutes can be snatched at the outset to give an extempore commentary on the events of the day, then that ten minutes has often eclipsed the carefully prepared lecture as really interesting matter to the audience. It is proposed here to run over very lightly some recent events which lend themselves to such commentary.

First, let us take the recent report of the Yorkshire Electric Power Co., capital £4,123,000, in 1,623,000 6 per cent. Preference and 2,500,000 Ordinary shares of £1 each. The dividend on the Ordinary has remained the same for several years at 8 per cent. Profit in 1932 was £372,000; in 1933, £439,000. In 1932 £149,000 was placed to reserve; in 1933, £185,000; and another £30,000 to form the nucleus of a pension fund. Leaving aside the implications from a Social Credit point of view, it must be remarked, however, how this business, alighting on a good time for itself, begins doing its utmost to reduce purchasing power; while a business with a bad year often distributes some of its reserves as dividend, as has been seen lately with the English railways. If these people in control would only try and understand what they do!

Mr. J. Gibson Jarvie, a well-known financier, Chairman of the United Dominions Trust, in a recent lecture to business men in Glasgow, made several very sensible and vigorous assertions, among them being: "It was sheer wickedness to contemplate restricting production until every possible human need was satisfied"; and, "there could not be any prosperity that was not based on agriculture." This last, to my mind, opens a wide field for Social Credit.

Professor Irving Fisher, by many looked upon as the greatest living authority, recently asserted before the Committee of the Senate that there were only eighteen people in the world who understood money, and only two of them resided in England, Professor Keynes and Mr. McKenna. At last we have academic authority of the very first water for holding up to ridicule the lucubrations of all those others of professorial rank who have the impertinence to advise such bodies as our Chambers of Commerce. Prof. Fisher, of Yale, is untiring in inveighing against what he dubs the "gold fetish."

The Right Hon. Reginald McKenna gives us a nice little home truth every year. This time he remarked that the Central Bank was working a process of controlled inflation, keeping prices at a constant level by buying gold and buying securities. Quite so; that denotes the extent of their ability in regard to money (vide Fisher passim). Things must remain as they are; agriculture on its road to ruin, and last week, a London firm spent £5,000 on accounting machinery, and discharged sixty clerks.

By way of further demonstrating the wholesale hash our money amateurs are making of things, it has to be noted that there are over 120 loan stocks quoted on the London Stock Exchange that are in default, and seven out of the nine League loans are in default. Among the loan stocks praised to the skies as offering sound security are the various Australian loans. Our old and greatly esteemed friend Professor Copland, of the Faculty of Commerce, Melbourne, made the definite statement in the last Australian supplement to *The Financial Times* that Australia had never yet paid a penny in interest, but had always added that to debt. Evidently the only sound security nowadays is the one that can retain the power of adding its interest to the debt. The time is fifty years overdue when we should have left off talking about debt and concentrated on goods as the desirable possession in this life.

This brings me to the subject of distraint on goods. All those defaulters just indicated have enjoyed a favoured immunity from this degrading experience, and the activities of the distrainting fraternity have been centred on those who are on the borderland of ruin already, and only wait this last calamity. For the last forty years I have endeavoured to pour ridicule on all those addicted to this, the last loathsome remnant of the worst days of slavery. Distraint on goods is one of the first things to be knocked on the head to clear the road for social improvement, and the every person who is directly or indirectly concerned in the continuance thereof is a confirmed supporter of unemployment, industrial depression, and general poverty. The farmers of Denmark have recently succeeded in getting distraint set aside, ostensibly for a period, but in reality for all time, a movement that has been called "the Jutland epidemic." Political parties have no policy whatever to put before the people, and the group taking up this cudgel, if they only had the pluck, would, in the present

temper of the people, simply romp home. Get the stuff in a programme and the game is up.

That twisted bundle of monstrosities that we call finance is sometimes cynically dealt with by me in the following strain: That we should enter into a contract with the Man in the Moon to build him a bridge with a 50-mile span costing £200,000,000. That the cost and the cost of making approaches to the bridge should be "financed" by floating a £300,000,000 loan, principal and interest being guaranteed by the British Government. The bridge to be made in sections, and delivery deemed to be complete by dropping the pieces beyond the 100-fathom line. The other £100,000,000 to remain in the books of the Bank of England to the credit of the Man in the Moon, to be drawn on as required. If our whole structure of Finance does not in the meantime collapse, there will be no difficulty in "adding the interest to the debt." And see how our export trade will improve, and see, too, how unemployment will be relieved, and another step taken in the advance to prosperity!!

V. I. go.

The Green Shirts.

NOTES FROM THE GENERAL SECRETARY.

In the course of his address at Sydney, Major C. H. Douglas said:—

"We have an army . . . the Green Shirts, and I am very proud to say that every one of those Green Shirts carries a little piece of Douglas tartan on his shoulder. . . . Every one of these (Green Shirts) probably has at least twenty adherents who are not in uniform, and the number is growing daily."

On Friday evening, January 26, Professor R. C. Mills, Dean of the Faculty of Economics at Sydney University, broadcast from Station 2UW an attack upon Major Douglas and his Social Credit proposals. This was supposed to be a reply to Major Douglas's speech at the Sydney Stadium, broadcast from the same station on the previous evening. Before proceeding with his attempt to expose the analysis and proposals, Professor Mills made facetious references to "Green Shirts" and "green cheese."

Wit is a weapon that can be used with devastating effect by those that have the wit to use—and the wit to use it. But, as we have always pointed out to our own propagandists, facetiousness is a cardboard sword that crumbles at the first thrust. It is the toy weapon of the weak, the defeated.

The Glasgow Bulletin (February 21) prints the following paragraphs:—

"I wonder how many people, reading yesterday's account of the minor clash in London between Black Shirts and Green Shirts, found this latter denomination a little mystifying. The full title of the organisation is the Green Shirt Movement for Social Credit, and most of its followers have been drawn from the ranks of Major Douglas's supporters. Their original function was to guarantee undisturbed hearing for Douglas Credit orators."

"Since the rise of National Socialism in Germany, however, they have taken a definite anti-Fascist stand. Recently they canvassed Whitechapel for support, and I understand there is a strong Jewish element in their ranks. The Communist Party, however, has dubbed them 'social-fascists,' and the Green Shirts, less numerous than either the red or black detachments, have been made political whipping-boys, and are coming in for rough handling from both sides."

By way of correction: (1) Most of our members have not been "drawn from the ranks of Major Douglas's supporters"; (2) our original function was to carry the message of Social Credit into the wage-earning masses and the unemployed—and that is still our function; (3) we have always taken "a definite anti-Fascist stand"; (4) we have not "canvassed Whitechapel for support"; (5) we have not "a strong Jewish element" in our ranks—we have some Jews in our ranks; (6) the political position we have taken up and maintained is deliberate, and we are well able to look after ourselves physically if need be.

The People for March 4 contained the following paragraphs under the heading "Uniformed, But Not Fascists": "Last Sunday, writing of many-coloured shirts, I quoted that thought-provoking slogan: 'Does the maggot starve because the apple is too big?' I was speaking of the way in which our leaders appear to be baffled by surplus and shortage alike, and, carelessly, I described the users of this slogan as 'a body of Fascists.'"

"Several readers have called my attention to this error. The 'Green Shirts' are by no means Fascists. They are the representatives of the Social Credit Movement. They do not seek a dictatorship; on the contrary, they would like to overthrow 'the dictatorship of the money merchants.'"

"I still maintain, however, that no political or economic movement calls for the wearing of distinctive uniform. Nowadays, whatever the views of the wearer, a coloured shirt may be dangerously provocative to the public."

It will be noted that the slogan about the Maggot and the Apple, although unsuitable as a banner-slogan standing alone, is effective as a journalistic "tag," and can be useful in drawing attention to the tragic absurdity of Poverty amidst Plenty.

The idea that the wearing of the Green Shirt uniform "may be dangerously provocative to the public" is nonsense. We who wear the green shirt are able to judge what effect it has on the public better than anyone else. It has the effect of drawing attention to Social Credit, which is exactly what it is intended to do.

As regards the wearing of a uniform, *The People*—and other people—may be interested in the outlook of Colonel T. E. Lawrence ("Lawrence of Arabia"):

"And it came upon me freshly how the secret of uniform was to make a crowd solid, dignified, impersonal: to give it the singleness and tauness of an upstanding man." Every soldier understands this—every Green Shirt understands it—and we have nothing to learn about effective organisational technique from the disintegrated, tragicomic, hotly personal crowd—"individualism" of a defeated liberalistic social-democracy.

We note with satisfaction that the heavy Press barrage, directed against "coloured shirts" and "political armies," which, as we foretold it would be (*The New Age*, September 21, 1933), has been developed at high premium in almost every newspaper throughout the country for months past, has strengthened our position as a uniformed and disciplined agitational organisation enormously. For example, the question "Why do you wear a uniform?" is becoming less and less frequent. This is largely due to (i) ridicule, and (ii) the campaign in its two phases of (i) ridicule, and (ii) scare-mongering—"laugh-'em-out-of-it" and/or "put the wind up" the public—has made the idea of a uniformed political movement in this country familiar to everyone. So far as the Green Shirts are concerned, the campaign

of these has lately been brought to our notice by the Birmingham Green Shirts. At their open-air meetings they distribute the following handbill:—

"DOUGLAS SOCIAL CREDIT. ERDINGTON CAMPAIGN."

The Social Credit principles which the Green Shirt Movement exists to propagate point to a flaw in the present price system as the cause of prevalent poverty due to unemployment, the absurdity of destitution amidst plenty, and the danger of war.

Such a case deserves further investigation than can be made at an open-air meeting.

You are invited to join a group for study which will in no way commit you to the Douglas principles or the Green Shirt organisation.

Groups will meet one evening each week for six weeks. Kindly put your name and address in the space below, indicating by a cross which evening will suit you best, and hand this leaflet to a member of the Green Shirt Movement.

You will be informed later of the place of meeting. [Space for name, address, and dates is provided on the handbill].

This helps to bring in new recruits to the Study Groups, and when the course of study is completed, those who are suited can pass into the Green Shirt Sections. From our point of view there is only one danger here, and we must speak quite plainly about it. Men who might otherwise do the Green Shirt and become active in our work of carrying the message of Social Credit to the masses, may find a comfortable "resting-place" in a Study Group.

We are bound to guard against that, and we feel sure that Study Groups will wish to help the proper development of what Major Douglas has called the Green Shirt "army," by not making it too easy for types that could, and therefore should, be with us in uniform on the streets, to "settle down for life" (so to speak) as students.

We happen to know that in the Birmingham (Erdington) district this danger is being consciously and carefully avoided on both sides, and—as in a good many other districts—the Study Groups encourage and help members who may be able and suitable to join up as Green Shirts.

While we are dealing with this matter there is one other point to note: many a man who has seemed not in the least "cut out" for this kind of active service has—by being "pushed into it" in a friendly way—become a first-rate Green Shirt activist within a week or so of putting on the uniform. It is almost impossible to tell whether a man is "the right type" or not. This makes it all the more difficult, for once a man who has the idea that he "wouldn't be much good as a Green Shirt" can find a place where he can settle down, it is not so easy to get him to move.

Since the Green Shirts exist to take Social Credit into the masses, and are very largely recruited from the masses, it may seem a little strange that we should be so anxious about enrolling men from the middle strata. The fact is, however, that no mass movement can hope to succeed unless it can find organisers and leaders drawn from the middle-classes.

It is because they recognise this fact that the Green Shirts are able to show effective organisational technique in action. F. G.

Area Reports.

NORTHERN IRELAND. BALLYMENA.

January 12.—An inaugural meeting was held at "Rostherne," the residence of Mr. and Mrs. E. Butterworth. Thirteen local people were present, and six members of the Belfast Group. Speaker: Mr. Northridge. All those present were keenly interested.

January 22.—Six people met again at "Rostherne," and discussed Mr. Northridge's speech and the literature which had been bought at the inaugural meeting. It was decided to hold a meeting on January 30 in Whiteside's Hotel. At this meeting the speaker was Mr. N. F. Webb, of Randalstown, a member of the Belfast Committee. He described the history of the Movement, and dealt with the Douglas Analysis and Proposals, particularly in the light of "The Cost of Production is Consumption." There was a spirited discussion. Thirty-two people were present.

February 2.—The six people who met on January 22 formed a committee, and met to discuss future activity. In view of the interest shown at the last meeting, a further one was arranged for February 16, at which Mr. J. Scott Kyle, Belfast, spoke. He dealt more particularly with the "A+B" theorem. There were many questions, and a lengthy discussion followed. It was suggested that a small Study Group should be formed to read one of Major Douglas's books.

On February 26, ten people having joined the Study Group, the first meeting was held. The Group has now met three times, and is studying "Credit Power and Democracy."

March 20.—Meeting in Whiteside's Hotel. Mr. McColl, of Randalstown, gave a paper on Foreign Trade and the Douglas Proposals. Mr. N. F. Webb was in the chair. Lady Clare Annesley was present, and, following the discussion of Mr. McColl's paper, gave a short account of the Douglas activities in England.

In addition to these activities, Mr. Butterworth addressed a group of about a dozen men in a working-class home in Harryville on March 8, and was invited to return for a further discussion on March 22.

BELFAST. (Area Headquarters: 17, Cregagh Road, Belfast. Hon. Secretary: Jas. A. Crothers.)

Following the very successful meeting addressed by Major Douglas in the Ulster Hall on November 21 last, the Belfast Group organised two Study Classes:—Primary and Advanced. These were held on five successive Tuesdays and Wednesdays respectively, in the Grand Central Hotel, and attracted audiences averaging about fifty persons. A "combined" class was held on the Tuesday in the sixth week, at which it was decided to form a large group, for the purposes of study and propaganda. As a result about ninety members have joined.

The speakers at the Study Classes were:—Primary: Mr. J. Scott Kyle. Advanced: Messrs. R. L. Northridge and Alex. Thompson.

The first Monthly Meeting of the new Group took place on March 6, when it was decided to hold a further series

of Study Classes, commencing on Tuesday, March 13, under the leadership of Mr. J. Scott Kyle. These have attracted an average attendance of fifty.

A Special Meeting was arranged for March 19, when the Group was given an address by Lady Clare Annesley, who outlined the work being done in Great Britain and throughout the world by Social Creditors. Mr. N. F. Webb occupied the chair. Attendance, about seventy persons.

Meetings have been addressed in Lisburn by Mr. M. Wallace, and in Armagh by Mr. Northridge. A Study Group is being formed in the latter town.

One of our new members—Mr. J. R. Coulter—has had an article on Social Credit published in the *Insurance Guild Magazine*.

FUTURE ACTIVITIES.

The Study Class under Mr. Kyle will resume on April 10 in the Grand Central Hotel, and be continued on the 14th and 21st. The next monthly meetings of the Group will take place on April 5 and May 1, both in the Grand Central Hotel.

Note.—It is found that it is much the best to get the people to come for a series of six study lectures, when the whole ground can be covered more or less completely. A charge of 2s. 6d. is made for the series, to cover expenses.

LONDON AND HOME COUNTIES AREA

Credit Study Group.

(Area Headquarters: 28, Woburn-square, W.C.1.). At its weekly meetings during the past two months this Group has had under consideration a lengthy questionnaire on the Douglas Proposals drawn up by a committee of engineers, which has been set up to investigate the various proposals for reform of the economic and monetary systems now before the public. The questionnaire and the answers to it, received from the advocates of various reforms, will, it is understood, be published eventually.

The Group has also criticised and assisted in the writing of several articles for the Press, and individual members have been responsible for letters in various trade and technical journals.

Members of the Group have addressed meetings in London and other parts of the country.

Richmond Social Credit Group.

This Group reports steady progress. Drawing-room meetings are held fortnightly and public interest is increasing. On February 21 the Marquis of Tavistock addressed a conference of the students at the Wesleyan College, Richmond, Hill, and was the speaker at a very successful public meeting.

Arrangements are now being made for the lectures and discussions under the auspices of four local churches.

Ruislip Douglas Social Credit Group.

Between thirty and sixty people usually attend the meetings of this Group.

Mr. J. E. Tuke addressed a meeting, under the auspices of the National Council of Women, on March 23, on which we hope to report later.

Wanstead Douglas Social Credit Association.

Weekly meetings are held for study and discussion. The Group has only been in existence for a short time, but is making progress.

The secretary of the Group addressed a meeting of the Young People's Fellowship at the East Ham Presbyterian Church on March 25.

Watford Social Credit Study Group.

Mr. J. E. Tuke addressed a meeting at the Co-operative Hall on February 20, under the auspices of the Co-operative Society Women's Guild. On February 23 the same speaker addressed a meeting at the Methodist schoolroom, North Watford. As an outcome of this second meeting a study group has been formed.

Arrangements are being made for one or more meetings to be addressed by Mr. Scrutton on April 19.

Members of the Group have succeeded in securing publicity for Social Credit in the local Press.

THE LONDON SOCIAL CREDIT CLUB.

An open meeting of the club will be held at 8.15 p.m. on Friday, April 20, 1934, at Denison House, 296, Vauxhall Bridge-road, S.W.

Speaker: A. L. Gibson, Esq.
Subject: "Life or Ledgers."
Chairman: Mr. J. Ewart Purves.

Members are asked to attend at 7.45 p.m.

Music.

G. Thalben Ball. Organ Recital. R.A. Hall. March 25.

Mr. Thalben Ball's programme was not as interesting as that of Mr. Cunningham the fortnight previous, nor does his playing, in my opinion, equal that of the latter, in rhythmic vitality, suppleness and subtlety of phrasing, or fineness of registration. That he is an exceedingly brilliant and accomplished player however, and definitely, I think in the front rank, no one could deny. It is simply that he lacks those final and ultimate qualities of personal dynamic quality, and masterful individuality that are the hall-marks of the greatest artists. One would rather have heard the Dorian Toccata than the now too familiar Toccata and Fugue in D minor, with which the recital began, and one would have gladly foregone altogether a really dreadful parody of the "Ride of the Valkyries," a lapse of taste upon the part of the recital giver that is all the more surprising in so fine an artist and musician. For all that the performance was an exceedingly clever one—in spite of some inexplicable rhythmic eccentricities—this work sounds really atrocious even upon as grand and noble an instrument as the Albert Hall organ . . . and one hardly knows which suffers the greater outrage, the instrument or the music. It is not that the modern organ cannot—and does not—move with the utmost speed, is more than fully equal to the most exacting and intricate demands of rhythmic articulation, yet there is something in such an essentially orchestral piece as this Wagnerian fragment that defeats it completely. You have the feeling that both are hopelessly miscast. A really astonishing quotation from, so the programme assured us, Mr. Ernest Newman spoke about the "strange nature of the valkyrie, half woman, half animal," an amazingly perverse misunderstanding of the Wagnerian conception of the daughters of the Goddess of Earth . . . the mysterious Fate-Dreaming, ever-sleeping Erda, and of the Father of all the Gods and men, Wotan. It was to be regretted that Mr. Thalben Ball did not give us the entire Fantasia and Fugue on "Ad Nos, ad Salutarem Undam" of Liszt, instead of only the Fugue, and the short slow section preceding it. This work is so fine and so rarely done, in its complete form, that one would have doubly welcomed the opportunity of hearing as fine an organist as Mr. Thalben Ball perform the entire work; which is easily the greatest of its period for the instrument.

We could also have dispensed with a remarkably dull and pedestrian performance by Mr. Kendal Taylor of the battered Schumann Concerto, a work that should go into cold store for at least ten years. The very deft and skilful accompaniment by Mr. Thalben Ball upon the organ was the most interesting feature of the performance.

One's admiration for the instrument in the Albert Hall grows with every hearing, and it is nothing short of a tragedy that our chances of hearing this magnificent specimen of the organ-builder's art will be so rare. Such an instrument deserves a better fate than the mere supplying of an imposing and massive background, and an occasional continuo in a large choral work, which is all the use to which the instrument is usually put. It is plain that the rebuilders of the instrument, one of the masterpieces of old Father Willis, and who I believe were Messrs. Harrison and Harrison, the well-known Durham firm of organ builders, have done their work superbly, for the resource, flexibility, speed, clarity, and crispness of speech and articulation of the instrument are a thing at once to rejoice in and marvel at. I do not yet know to what extent the instrument has been enlarged, but a great many modernisations and improvements have taken place, such as the addition of heavy wind—as to-day understands heavy wind-pressure—tubas to the solo-organ, the effect of which against the full great is of thrilling magnificence. The sheer sound alone of this great instrument would one would think, be a source of endless delight and excitement to any musician worthy of the name; yet, at both Mr. Thalben Ball's recital, as well as that of Mr. Cunningham the fortnight before, the regular concert-goer type was conspicuous by his absence. This is a state of affairs that does no credit either to the taste or knowledge of our music-lovers (alleged) and the sooner they shed their antiquated and discredited superstitions and prejudices against the organ as a vehicle for musical expression the better.

The City String Players. (Conway Hall, March 22.)

This interesting example of purely disinterested musical enthusiasms on the part of city workers deserves all the support it can get, and on this occasion there was a very marked improvement upon the last, when I heard them. Mr. Harold Rawlinson—the conductor—is rapidly turning his players into an excellent body. There is a great improvement in unanimity, intonation, and responsiveness to

control, and at this rate of progress, assuming there are none of those distressing—for the conductor—defections that so often take place in amateur bodies, the City String Players should before long develop into a first-rate light string orchestra. Already in the principal 'cellist, Mr. Clifford Hamlyn, they have a player for whom no damning apologies as to his being an amateur are in the least necessary, for he is an admirable player judged by really professional standards. The programme included a first performance of a work—or rather first movement therefrom—by Richard Tildesley, a sound workmanlike piece of cabinet-work, reflecting accurately enough those influences which one has reason to believe are prevalent in that distinguished Institution of which the composer is an alumnus. The work was well played by the Langham-Smith String Quartet, and Eileen Tranmer (clarinet). The leader of the 'cellists, already mentioned above—Mr. Clifford Hamlyn—played the "Habenera" of Ravel, a composition that has a rather interesting history. Written originally as the composer's contribution to that very remarkable series of vocalises by contemporary composers due to the impulse and enterprise of A. L. Hettich, the well-known maestro at the Paris Conservatoire, it has suffered those many transmutations that Ravel is rather apt to submit his works to, when—as someone has unkindly remarked—he is short of a new work, or the fount of creation is, *pro tempore*, dried up. It was charmingly and gracefully played by the 'cellist.

KAIKHOSRU SORABJI.

Reviews.

Europe at the Parting of the Ways. War or Peace? Published by the "Pesti Hirlap," Budapest. (No price given.) This is an extremely competent piece of propaganda, emanating from the leading revisionist newspaper in Hungary. Well-bound and written in excellent English on expensive paper, it is evidently not a commercial production. It puts the conventional case for the revision of the Treaty of Trianon fully, clearly, and without hysteria. It takes throughout a studiously pacifist line, and its attitude to the relation between politics and economics can be judged from the following statement, one of many printed in heavy type at the head of the sections: "The economic warfare of the nations is the natural outcome of the fear of armed hostilities." And this is responsible for the wreck of the whole world."

If there were grounds for supposing that the revision of treaties would solve even her political troubles, then Hungary has a strong case. From the nationalist point of view she can point to a million and a half Magyars, severed from their country by the treaty, who could be repatriated without great ethnographic complications. But perhaps another two million could not be restored without simultaneously creating racial problems similar to those which such action was designed to correct. The argument at this point therefore aims at proving, first, that the pre-war Slav minorities were more contented than they are in their present independence; secondly, that Hungary was an economic unit which has been deliberately mutilated in the supposed grounds for the Succession States. There seem to be good grounds for the second contention. With regard to the first, the reviewer recalls a conversation he had with Radic in 1922, when that much-loved Croat leader was inveighing against the centralising methods of the Serbs in the new Jugo-Slav state. Asked if the Croats would not in that case prefer to return to Magyar rule, Radic replied, "Never. Because we quarrel with the Serbs, who are our fellow Serbs, do not assume that we should ever again consent to the domination of the Magyars." The Hungarians on their part are able to point to many grievances in the treatment of their minorities by the Little Entente States.

So the problem grows, wrong for wrong, debts, tariffs, discrimination, terrorism and injustice throughout the Danube valley, politically insoluble, the economic solution not yet guessed at. Political passions may take the book to cool in these countries, but the author of the Social Credit office from them by prosperity, and this Social Credit office seems to realise, while unaware that Hungary can point to a thousand years of honourable history as the eastern bulwark of Christendom, and love of his country is a genuine and not a manufactured passion with the Magyar. In a European economic puzzles an anachronism. Meanwhile, there is the evidence of the great industrial countries to show that Hungary as a whole, with her very large agricultural population, may be counted relatively fortunate to have escaped the worst physical and mental degradations of poverty in the midst of plenty.

LETTERS TO THE EDITOR.

CONSTITUTIONALISM.

Dear Sir,—With reference to my note of resentment in your issue of March 8 of the association of the Social-Credit Movement with Communism, I am indebted to Mr. West for the lengthy letter in which he has dealt with the matter.

At the foot of my first letter, the Editor enjoined me to read one of Major Douglas's Australian speeches in that same issue. This I did, and was rejoiced to see that he considered his proposals could be effected "without a bloody revolution," and that the abolition of the present financial system "could be brought in Anglo-Saxon countries by constitutional means." In fact, this speech bristles with Constitutionalism.

Although in British history revolution very often took the course of lawlessness, it is a fact that in these days they need not do so. The changing over from deep-rooted Free Trade to Protection was Revolution indeed, but it was carried out quite constitutionally. And other legislative enactments are often being made which are revolutionary enough, but also have a constitutional basis.

Mr. West ought to know that it is just that class of educated men who would be required to organise and supervise the execution and practice of a Social-Credit System who would refuse to do so if expected to associate with renegades and law-breakers. And what else are the Communists?

Mr. West need not hide behind any subtleties or "niceties of relationship" with the Communist Party. Are we pledged to observe the laws of the Realm or are we not? If Mr. West wishes to have Green Shirts—well, let him have them—if he wishes them to parade, let them parade, but not along with, and, therefore, in support of, pledged law-breakers.

CONSTITUTIONALIST.

["Constitutionalist" would be well advised to examine himself to ascertain whether his constitutionalism is not really pacifism. His letter is an amusing confirmation of the familiar fact that Douglas's writings and speeches lend themselves to interpretations conformable with almost any philosophy you like to name. The Devil can quote Douglas for his own purpose exactly as he is said to be able to quote Scripture—and for the same reason, viz., that Douglas's proposals and their implications fulfil universal needs and aspirations. Anyone whose heart does not condemn him can find support in one part or other of Social-Credit literature. "Constitutionalist" finds Douglas "bristling" with constitutionalism. At the other extreme, only a fortnight ago somebody told us that he was compiling a list of Douglas's subversive utterances. Readers will be familiar with recent evidence that Douglas has been variously praised or blamed as a vitalist, materialist, capitalist, labourite, Christian, Nietzschean, Adlerite, Steinerite, and so forth and so on. In time he will have been credited with as multitudinous an array of appellations as the Almighty. There is no mystery why this should be so, because, when any leader arises whose purpose is pure and whose objective is conformable with natural instincts, he cannot help but stimulate all other persons of like minds and intentions. At the same time, he inevitably brings, not peace, but a sword into the arena of their inter-philosophical discussions. In fact, the one majestic characteristic of Douglas is that he has succeeded in bringing together under the Social-Credit banner a greater number of personalities holding irreconcilable views on all else than has any other teacher within historical times.

One of the most exhilarating experiences that we have had in square-table discussions at the headquarters of the "New Age" Club has been to hear disputations after the following model: Box: "I tell you I'm right. This is the exact passage. It comes straight from Douglas." Cox: "Oh, does it! Then it must have trodden in something on the way." (The original version of this piece of repartee was attributed, we think, to the comedian, Arthur Roberts, who, being served at an hotel with fish for breakfast, and being dubious of its freshness, was assured by the waiter that it had come straight from the beach that morning.) It was only a few weeks ago that we made mention of a mysterious letter of Major Douglas's which *Farming First* was flourishing in the face of other Social-Credit journals in support of its own view on a disputed proposition. More recently, too, our contributor N. M. protested that he was not frightened of having Douglas's name held over him like a "big thick stick" by "A Free Scot." In Canada, credit circles have recently been some perturbation in Social-financial theory claims to have Douglas's authority for propounding it. And so it goes on; and will go on.

We rather welcome this sort of thing, because the obvious moral underlines our own view, viz., that the condition of peace within the Movement is for every believer in Social Credit to cherish his other beliefs in private, or at least only to ventilate them in quarters where they are already shared by his fellows. For an example of the second alternative, it is quite in order to preach that Douglas is Nietzschean among Nietzscheans, with the object of choosing out from among Nietzscheans a people for Douglas's name—an objective which, it should be noted, is exactly opposite to that of exploiting Douglas in order to choose out from among the public a people for Nietzsche's name. Likewise, as regards Mr. Scrutton's campaign among churchpeople, an activity which would justify the linking of Social Credit with Christianity for the objective of enlisting churchmen's sympathy and support for the Douglas proposals. It may be remarked that a concrete sign of the success of such campaigning would be to see an offertory taken in the churches on selected Sundays on behalf of the Social Credit Movement.

Coming to the particular issue raised by "Constitutionalist," one has to bear in mind that rigid adherence to his doctrine would mean in practice that if methods of peaceful persuasion fail to move the bankers from the position of power which they have unconstitutionally usurped, we must all grin and bear it. Further, supposing that the bankers got the Government to forbid even peaceful persuasion. Would he condemn anyone who continued to practise it? The idea is not so far-fetched as it sounds: one banker at least can be cited as having stigmatised credit-reform propaganda as "sedition." And since the bankers can cook the Constitution when and how they like, and in fact are the Constitution, unconditional constitutionalism as a principle means unconditional acquiescence in any ramp they put across.

The real case against unconstitutionality is pragmatic—you cannot get away with it—you are almost certain to be fighting the bankers on their own ground. Unconstitutional action is right if it succeeds. Major Douglas told one of his Australian audiences that if he thought that raising an army to carry through Social Credit would do it he would try to raise an army. That did not "bristle" with "constitutionalism"; it bristled with common sense.

"Constitutionalist's" reference to past reforms having been brought about constitutionally has no bearing on today's problem. Nearly all of those reforms furthered the bankers' purposes, and none of them threatened the bankers' dominance over political policy or even hindered the process of its development. The reformers were cat's-paws.

We will stop here. For in a deep sense it is unconstitutional even to point out that the Constitution is an instrument of the Money Monopoly.—ED.]

A FABLE.

Sir,—There was once an Egotist who Ostensibly undertook a great Task of Enlightenment for the Public Good, but Actually desired its Failure. He, therefore, started a Movement, professedly Democratic but actually Oligarchic, to preach the True Doctrine of Social Salvation. His Disciples he made Distinctly Visible, and they set forth on their Mission to Enlighten the People. At first the People were conjoined to Support the True Doctrine, and many were converted, and the Movement grew and Noised itself abroad with Great Bombast. But after a while the conjuration, with much Hot Vomit of Words, was transferred from Support of the Doctrine to Support of the Movement, and the People said, "Thank you, we have had some!" The Wise Disciples raised their voices in Protest, but were Unheeded, and they were allowed to Depart, leaving only the Egotist, the Oligarchy, and the Uninstructed in the Movement. And the Hearts of the latter failed them, for they lacked the Understanding to Preach unconfusedly the True Doctrine of Social Salvation. Wherefore they taught the False Doctrine of Support for the Movement with much Heat. And the forward amongst their hearers jeered, saying, "Hearken to Bombastes Furioso talking fiercely through his hat!" And 250 became 6, and 60 became 5, and one by one and two by two, and in batches, the Disciples departed until the Movement ceased to be. Whereby the Enemies of Social Salvation were enabled to Point the Finger of Scorn at the False Doctrine and Cry Triumphantly, "Behold! THAT is what the 'True Doctrine' really was! Wise People to heed it not!"

Morals.—(a) Profession is not a Credential. (b) "The essence of sin is the erecting of means into ends."—St. Athanasius.

S.E.7. April 14.

N.80.

FORTHCOMING MEETINGS.

Brighton.

Marquis of Tavistock, Tuesday, April 24, at 8 p.m., Royal Pavilion, Brighton. "Poverty and Over-taxation: The Obvious Remedy." Chairman, Alderman Milner Black, J.P.

Glasgow.

Meeting at 160, Bath-street, on Tuesday, April 24, at 8 o'clock. Speaker: Mr. P. McDevitt. Subject: "Some Objections to Social Credit."

South Africa in Wonderland.

A Johannesburg correspondent sends us the following information:—

"Our Government here 3½ years ago contracted with the Italian Government to take all our surplus beef and mutton at 3½d. per lb. (the average price of beef and mutton in Johannesburg is 1s. 3d. per lb.). Six months ago the Italian Government informed our Government that they (the Italians) could get better and cheaper meat from the Argentine. As a result, our Government gave a sum of £450,000 (subsidy) to two Italian shipping companies to carry the beef and mutton to Italy!

"The Annual Report of our Union's Chief Medical Officer was recently published. It shows that 'thousands of natives (Kaffirs) and Poor Whites have been for long periods without meat—have not tasted such,' the report says, 'for two years.'

"Last year our Government exported our surplus maize (under subsidy) at 3s. 6d. per bag; this year (last month) we had a scarcity, with the result that our Government imported maize (mealies) at 12s. 6d. per bag!"

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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.

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