NOTES OF THE WEEK

New Zealand and Trade Reciprocity.

Readers will remember the boast made by Mr. Burnham, the American banker, about how undesirable proposals in the legislature could be sidetracked and defeated by the device of what he called "passing the buck." He illustrated this by the remark that on frequent occasions Congress had passed measures only because it knew beforehand that the Senate would reject them. Australia exhibited an improvement on this device when the New South Wales Legislative Council passed the Legislative Assembly's Bill to abolish the Council, having first got assurances that their action would be pronounced invalid by the Courts. Last week another variant of the same device was unveiled during the debate in the House of Commons on what was called New Zealand's "offer" of trade-reciprocity. And on the following day, namely May 9, The Times presented its readers with a close-up view of its pattern. This was an article entitled "The New Zealand Tariff," contributed by "Our New Zealand Correspondent." In the first paragraph he says:

"The New Zealand Government certainly sought the British Government's view on a quota-tariff bargain, but the inquiry was made only to obtain an effective answer to those who are demanding that such a bargain be made." (Our italics.)

The "effective answer" was given; and the debate in the Commons was about whether that answer ought to have been given. Sir Herbert Samuel led for those who said no, and Mr. J. H. Thomas replied for the Government who said yes. In the concluding part of his speech he said:

"... the New Zealand offer was not taken by the Government as an offer, because they knew perfectly well that no New Zealand Government could entertain the proposition for two minutes." (The Times, May 8, Parliamentary report, p. 9, col. 1.)

The Times's Correspondent quotes Mr. Forbes, the Prime Minister of New Zealand, to the same effect. Mr. Forbes has recently stated:

"The cable we sent makes it perfectly clear that there was no offer to lower tariffs."... as the statement [that an offer had been made] still persisted we sent a cable in order to obtain a public statement from the British Government."

Accepting this as true, which it appears to be, it ought to have been within the knowledge of Sir Herbert Samuel, and ought to have restrained him from wasting the time of the House in discussing what would have been the advantages to this country if the Government had accepted the "offer," and prevented certain sections of the British Press from raising an agitation about the "stunt" to New Zealand.

If the British Government "knew perfectly well that no New Zealand Government could entertain the proposition," surely the New Zealand Government knew it too, and presumably knew the reasons why. In that case Mr. Forbes and his colleagues should have accepted the responsibility of making those reasons known to the public in that Dominion. If, for example, as has since been argued, the Ottawa Agreement and the World Economic Conference really had tied the hands of both Governments, that could have been explained by Mr. Forbes to his constituents, who were chiefly concerned with the matter. Why drag this country in to fulfil a function which was properly his own as leader of a representative Government?

The writer of the article in The Times hints at the reason. He refers to the fact that the New Zealand farmers, when faced with the necessity of cutting down exports of primary products to Britain in accordance with the Ottawa quota arrangement, sought to avoid this by suggesting that New Zealand should drastically reduce her tariffs on British manufactures in return for Britain's removing the quota-restrictions on New Zealand's exports to this country. Then he proceeds:

"This submission quickly became a demand which was embarrassing to a Government largely dependent on rural support." (Our italics.)

Apparently, then, Mr. Forbes got rid of the embarrassment by exporting it. Surely he could have produced
reasons plausible enough to weigh with the public if only on the question of the internal complications which would follow the dumping of British manufactures into New Zealand. He might have raised the moral objection, and the personal objection of the community at the sacrifice of the other. We can see that he might have encountered some embarrassment arising from the comparison of the expenditure of the two sections, but the democratic principle of counting heads is nowhere driven to the fantastic length of denying rights to minorities, although, causal and intermittent. He will discover, if he goes into the matter, that everything commonly reckoned to be a necessary and reasonable cause of a chain of causes behind leading back to the master, the flaw in the costing-system.

The writer of the leading article referred to is clear of this phase of the question, Mr. Mander has left open opportunities for technical criticism, and instead, objects on political grounds. The proposal would constitute a breach of the Ottawa Agreement, which envisaged the Empire as an economic unit with a measure simile by working of goods privately under economic conditions and with the elimination of waste and loss due to the existence of unessential inter-calculations.

He refers also to the wider implications of international and the necessity for restoring it through the reduction of emigration to the normal interchange of commodities. Here is the old doctrine that nations live by taking each other’s exports—that the same thing as absorption—swamping as smothering. The first can be the means to the second, but only when the two parties to the exchange, or the two parties on which the other depends, have no money in their own right equivalent to the price registering the exchange. If the exchange is not conducted by agreement, the money is not equivalent. Your currency which you must give in exchange for a penny in your own currency, is not a silver penny. Your currency is just as inaccessible as your bank. Well, that is what foreign trading is today—the exchange of one currency for another. The solution of economic insecurity is now and then a matter of accountancy. If it is not possible to get the money, none can have a collective deficiency, no matter how many are affecting it put into their collective account. One of the things which nature has withheld; but this is not a question.

If you are to produce what you want, you must first spend on and the other end, without the assurance of the other, that you can do so. The pyramid of human machinery of coercion directed by these bankers, and by which they have hitherto been making their veto effective, is honeycombed with defect and disfigurement. The beehive is a close, and the bees are in the mind of the pyramid. It will mark an event when, by the efforts of Messrs. Montague Norman and the Board of the Bank of England, the “collapse” of the whole “structure” of capital is to be met by the establishment of a new police force to render protection to the people and fulfil the demands of the bankers at one and the same time. The event will of course, be precipitated, not as a matter of words, but as a matter of action and the form that it will take.

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International Complications.

President Roosevelt is preparing to put a stop to the toleration of debt-payments. Mr. Neville Chamberlain’s boast of the return of British prosperity has stiffened Congress to stand firm on the return of American money. Since you’re doing it to Washington and thereby its sentimental attachment to the one, too. It serves our Government right—or would it do the demand mattered. We see that Mr. Wigglesworth, the editor of The Times, has been disporting himself in The Times on one or two occasions during the last month or so, writing in the issue of August 21, 1934, as to the demand for the boycott of sterling credits in favour of the United States, to be used by her in the purchase of sterling goods required by her. It was suggested that the boycott of sterling credits and the exchange market would not be deranged by the operation as it certainly was before. He points out that this was the operation by which Britain’s “lax policy of credit” resulted in the discovery of the discovery of the truth. We published it in Public Welfare of September, 1922, in the form of a reprint of Major Douglas’s letter on the subject of the American Debt, and have reproduced it twice since then in The New Age, and in the issue of later, in September, 1922, and the suggestion was not put forward with that primary object, but as a practical way of meeting our debits with London and securing that the American citizens—whether it did or not being a consequence which, as readers will understand, we deplore, but that this might not be injurious to him if they shared his leavings.

All this is self-evident in theory, but will be looked on as visionary in regard to practice. At the moment, the economic regulations of this country are in the hands of the people. There is no such thing as the economic regulations of the Empire, but it is still possible to change the system.

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MAJOR DOUGLAS’S DEBT-REPAYMENT PROPOSAL.

September 15, 1932.

I have received your letter of September 8, and regret that you are unable to afford me an interview, but note, however, that you are prepared to give attention to the subject of Finance.

In view of this, I have the honour to submit for your consideration the following propositions, which I trust may prove of service,

(1) That the British Government should issue a further Note to the Australian Government setting forth in the fullest manner the reasons why, in the case of sterling debts which are made to the United States, the United States should be made to pay the debt to the United States, and that the British Government should, in order to facilitate this, lend to the United States a sum equivalent to the amount of sterling debts to the United States, to be repaid by the United States, at interest, to the British Government.

(2) That the British and American Governments should, in the case of sterling debts which are made to the United States, lend to the United States a sum equivalent to the amount of sterling debts to the United States, to be repaid by the United States, at interest, to the British and American Governments, respectively.

(3) That the British and American Governments should, in the case of sterling debts which are made to the United States, lend to the United States a sum equivalent to the amount of sterling debts to the United States, to be repaid by the United States, at interest, to the British and American Governments, respectively.
the outset of this period the credit-capitalisation of such firms would be assessed at ten times the profits of 1922.

(4) At the end of each three-monthly period subsequent to the outbreak of war, a percentage of the capitalisation of British firms will be made on the basis of (3), and the collective increase will be taken as the increase for that period of the general credit. Fifty per cent. of the financial equivalent of this credit will be applied to the provision of the floating credits required for finance (1), and so on. Strong efforts will be made to enable retailers to supply goods for home consumption at reduced prices.

If this could be done it would be the case that the influence, effective through the United States Government, is not concerned to secure the liquidation of the debt, but rather to use it as an instrument for the imposition of reparation or for the guarantee of concern to the people of Great Britain and the United States.

The financial relationships between London and New York bankers are nothing like so close today as they were when this letter was written. Although it is true that every London banker knows many of the New Yorkers in the region of high-political prestige, there is a strong sense and certain that they are all ready to support each other in the face of common antagonisms against political interference, then the People's Bank is in a position in which they can and so form ad hoc combinations to deal with specific problems. We are a long distance from the time when a combination of this sort was able to clamp the gold standard on the world's banking, and hardly less distance, in respect of changed circumstances, than Wall Street discussed the Labour Government, from which Britain has subsequently been off, and, most recently, when the American banks dropped their shares in a dramatic reversal of their deflationist policy. Events have shown how mutual policy between central banks is a matter of extreme difficulty. The time has come for bankers and capitalists to be able to measure its effect on their own country without the intervention of governments and the directors and exporters. Thus the world of Governments is a variety divided under three monetary standards, and has lost the old central-bank project of stabilising the exchanges.

So it will be appreciated that American pressure for repayment of debt has much less significance today than in 1922, when the ideas that were studied the matter had foundations for supposing that the Japanese, which may have lurked behind that pressure from Wall Street. The Dawes Plan and the Yellow Belt are, evidently, simply where financial policies for Britain and Japan are concerned, and the impotent way in which Parliament has let those formidable gaps at passing aeroplanes—suggested that they bore the necessary To-day the basis of understanding between Wall Street and London is a pertinent exercise power belong to it in less amount and less one-sided in its object. From all accounts American legislators, who have come to dominate financial politics in so largely, are in some of the quadrant of Jurgin, who, having influence into the throne of God, couldn't think of any orders to give, and got down again. It might be that a predisposition for debt-liquidation is still too strong for Mr. Douglas and his down would make a fruitful topic of discussion in both countries at the present time.

So much for America. Next for Japan. Britain is restricting imports of Japanese textiles into the Crown Colonies, charges of cheating in the Japanese are calmly waiting to see what will be the

able block of imports. But, as everyone knows, she is bringing in another way the same sort of movement that raw materials contemplated in the scheme. She does not want to lose them, but she gets them, on terms which do not hinder her from capturing market on price in the world-market. The way she does it, broadly, to open yen credits on the security of foreign orders, which credits are rejected by her exporters or others and remain in the country. The exportation of the goods gives her access on foreign currency which she can issue to her importers and with which they can buy materials now under the operation of orthodox financial, a prospective exporter would have to get an order at a price that suited his cost. For, assuming to work with bank-currency, and cash, the money is reflected in his loan. If the proceeds of the sale were left in London, he would not go out of business. Or as a generalised proposition all countries' industries can only survive by selling at cost, or with a turnover on the banks, for they are in international in the last analyses and are affected by the question of what country does most selling or any selling at all. Their own orders are, to a man; that is, how they are taken as a whole. It is likely, for instance, that the export prices of manufactures, if foreign manufacturers out of business, tend to cut out of business the producers of raw materials, if the manufacturers are still paying them, and they must find other buyers. These latter, in theory, would be the Japanese, who would be able to buy the materials, even at their own price so long as there was competition to sell.

The immediate answer to this, the imposition of tariff by tariffs or military intervention, as some writers are other than the following.

The only alternative is to follow their examples. The American tariff taxes. This tax causes no moral shock to the Japanese, but it tried all over the West (as it would have to be) and the results would be amazing.

Forthcoming Meetings.

The New Age Club.

[Open to visitors on Wednesdays from 6 to 9 p.m. at the New Age Club at 304 West 42nd Street (downstairs), 305 High Holborn, W.C.]

[2. The Quadrant Avenue Hotel and near to Chancery Lane and Holborn tube stations.]

Lunch at Clubhouse, Red Bank Restaurant, 304 West 42nd Street, No. 6 - Reconstruction Proposals. May 25.


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Birmingham.

On Wednesday, May 16th, University College, Parish in the Rev. F. H. Drinkwater will open a discussion on "Social Credit." Time, 6.30 p.m.

Glasgow.

At the Bath Street, Tuesday, May 22, at 8 o'clock. Topic: "Social Credit." Speaker: A. F. Stewart. Subject: "Why the Bank of England should not be abolished," and "Social Credit system in the future regular, because it will be held during the summer months, a large attendance is desired.

Separation of Opinion.

Dr. Tudor Jones has had a correspondence with the Prime Minister and the Attorney-General on the subject of the operation of the representative principle in Parliament. In February last the press reported Mr. MacDonald as saying:

"...the views of all sections of the community are made known in this House through their elected representatives..."

Dr. Jones wrote the Prime Minister on March 3rd asking him if the right course to take would be for him to take steps to correct it and to explain what the constitutional position is. Dr. Jones wrote the Attorney-General on the same day asking to be informed by what legal or other process this constitutional principle defined by the Prime Minister may be applied to a subject whose representative in Parliament is most able to deal with it. On March 29th the Law Officers Department wrote Dr. Jones saying that:

"...the Attorney-General, as principal legal adviser to the Crown, is precluded by the terms of his appointment from giving legal advice to private individuals, and that, therefore, he is unable to express any opinion as to the legal remedy which should be pursued in the circumstances..."

On April 2nd Dr. Jones wrote Mr. MacDonald quoting the above reply, and adding:

"...I am prepared to be able to inform you of an alternative to the legal remedy proposed..."

On April 1st Dr. Jones wrote Mr. MacDonald abolishing the above reply, and adding:

"...I am prepared to inform you of an alternative to the legal remedy proposed..."

Major Douglas in Canada.

We have received from various correspondents the following reports:

[Select Standing Committee on Banking and Commerce. Minutes of Evidence, No. 6 (April 17, 1921), and No. 7 (April 17, 1921), covering the existence and CHARACTERISTICS OF THE CANADIAN ECONOMY.

[Calgary Daily Herald, April 9. This contains the report of Major Douglas's address to an audience of business men in Calgary.]

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[Calgary Daily Herald, April 9. This contains the report of Major Douglas's address to an audience of business men in Calgary.]

"The Jew of To-day."

[Excerpts from Sidney Low's book of this name."

To me the new morality is utterly damnable in its revolutionary attack on the bases of Catholic civilisation, which I would hold up to those who are not as a reductio ad absurdum. I would rather die in a church than see the Church pass into the hands of a group of people who are not Christians, and I think their end is near. (p. 116.)

If monogamy comes to be regarded as a harmful limitation of experiment and adventure, and the future is destroyed, then Christianity will be, remembered as the common impulse of human action and self-control, and the Church will suffer the apparent eclipse of the Dark Ages. And this may well happen. (p. 117.)

The Jews, for more than the Greeks, are the fathers of European culture. To Western Europe the Jews have given a much greater service than the Greeks, and there is no doubt that we have a great deal to be learned from them. (p. 117.)

K.
Principle, Plan and Policy.

By L. D. B.

The main issue which has been raised in the recent dual credit-control controversy falls within the category under consideration. It has been implied that the nationalisation of banks might be a necessary step to provide for the retirement of consumer credits. While it was rightly pointed out, this ignores the reasons why consumer credits are necessary. It also ignores the dynamic nature of the process by which money is created and retired. Let us consider the matter with the aid of a diagram:

**Diagram: Banking System**

- **Flow of Production**
  - No. 1: £100
  - No. 2: £100
  - No. 3: £60
  - No. 4: £80

- **Flow of Purchasing Power**
  - No. 1: £100
  - No. 2: £100
  - No. 3: £60
  - No. 4: £80

- **Flow of Prices**
  - £100
  - £100
  - £60
  - £80

*(Note: Savings and profits have been ignored. The figures enclosed thus: (£100) represent depreciation and other 'outflows' which can be described as 'allocated costs'.)*

Assume that the Just Price factor of 1 is applied to this illustration. (For purposes of argument, let us postulate the operation of the Just Price without the National Dividend. The introduction of the latter would merely result in a smaller Just Price.)

Now, in the context of the diagram, it is clear that the "outflows" are not a "sinking fund" but rather a "squeezing fund". The Just Price factor, through its effect on the prices of goods, will therefore be a measure of the rate of profit.

In terms of the credit system, it is evident that the Just Price factor will reduce the rate of profit and consequently, the rate of interest.

**Velocity of Circulation.**

The velocity of circulation of money cannot, rationally speaking, be anything but a function of its own. There is an implied or admitted belief that by increasing the velocity of circulation of money there is a coincident increase in the velocity of the consumption of goods. This, in turn, is said to straighten away the difference between a velocity of turnover of goods and a velocity of consumption of goods. Goods may be bought by the person to person without being capable of consumption, but as the velocity of consumption is in constant demand for the same goods, as this is all that matters. Quite apart from the circulation of goods among traders and others who may not consume at all, it is also possible for the same goods to increase the velocity of circulation of money in such a way that it does not affect the consumption of goods. As the National Dividend may partly be of the nature of credit floating about on top of one drop of purchasing power falling on the consumer.

There is no such simple type of circulation of money. For instance, transactions in which there is an exchange that have nothing to do with the turnover of goods or the consumption of goods. It is also possible for the advocates of the increased velocity of circulation of money to say that the advocates of the increased velocity of circulation of money are in a state of mind that is not necessarily related to such transactions. I also think that many of the advocates of the increased velocity of circulation of money are in a state of mind that is not necessarily related to such transactions. I also think that many of the advocates of the increased velocity of circulation of money are in a state of mind that is not necessarily related to such transactions.

The above suggests that the velocity of circulation of money is not necessarily related to such transactions. I also think that many of the advocates of the increased velocity of circulation of money are in a state of mind that is not necessarily related to such transactions.

Although the individual debts have been wiped out, no reflection of the community as a whole has been recognized. The nationalisation scheme would not have any greater success than the mere issue of fresh credit to a single amount. Apart from Silvio Gesell's theories, I...
Mon Bon Vicomte!

“When the belly is full, the bones are at rest. (Proverb.)

It has always seemed strange to me to see, if readily a part of the story, the food piled up in front of him, whereas the same one who is himself the vendor of food, has to eat in all sorts of questions about a medical pension preserved by his doctor, has to eat in all sorts of questions about a medical pension preserved by his doctor.

My contention is that he would not need the latter if he knew more about the former. (Vicente de Maunfroid.)

Now Vicente de Maunfroid knows all about these things. Having "personified cooked" as a passion, this wise and winning Frenchman says:—

"Eating is the upkeep of life itself; cooking affords the most intimate of all the arts."

A dinner of superb cuisine, which receives unconscripted but apt support from a Professor of Divinity who, in recently delivered sermon, peremptorily said—

"the body is a thing, not a tool distinct from our selves which we have to put our hand to.

We are the hand of our own selves, and our body, which is a sort of a tool, is an animal partner to which we are temporarily shackled, but the sacramental expression, the body, is the hand of our deepest selves.

That is good divinity, sound common sense and pleasing to all good lions who can discriminate between grain and garbage.

And it is a lot more that might be said about dinner and divinity, but that will serve for this occasion."

"We get back to "The Vicomte in the Kitchen," and the suggestion is true that he is up to it. It would be as well to know that he is a good cook, and that he has a sort of a tool which he can use to good effect."

From Hors-d'oeuvre to Savour, all through the courses, the Vicomte gives us, served with humour, a succession of wonderful recipes that simply call for culinary demonstration. Moreover, he is thorough. He begins at the ground and calls certain axioms that can only be neglected at peril to body and soul in a restaurant.

"Never cook in enamelled vessels," he says—

"For all cooking produces tartaric acid to a greater or lesser degree and this attacks the enamel, producing tartar emetic, which is poison. So you know."

We try, and we can guess the cause of much chronic indigestion and the vomiting of the intestinal combustion engine "on thek" on occasion. As for the utensils that form the very least requirement of a good kitchen," he says—

"It is an art, not a science—two-five-liners, and circles, amongst other things unfamiliar to this generation, a roasting-jack—of which more anon—and "one tasing of it must have, amongst other things, a good palate.""

"In a word," he concludes, "one must be more fit for, judging from your valuable experiences at home and abroad, cook's palate is in a better state of health, for there is nothing more dangerous than to handle with care, with a sensitive nose, the vegetables and meat cooked in enamelled vessels."
A + B

Answer to a Correspondent.

In your illustration you say that:
A manufactures a machine at a wage cost of £10,000. B buys A's machine for £10,000.

...and you then point out that there have been inside payments.

I believe that the fundamental error is yours. Rather than blaming A or blaming B, the fault lies with you and the rest of the society of which you are a part. It is your failure to understand the nature of the problem that is at the heart of the matter. The true cost of A's machine is not just £10,000, but the full cost of producing the raw materials and labor that went into its production. This cost is not reflected in the price paid by B, who is simply buying a finished good. The true cost of labor and materials is borne by those who produce them, and it is this cost that must be considered when evaluating the fairness of a transaction.

J. S. Kirkwood ("Old and Crushed").

LETTERS TO THE EDITOR.

Agriculture and Finance.

Sir,—I have read with great interest V.I. Lenin's article on Agriculture and Finance. There are two statements in it which I find particularly interesting.

1. The production of grain is not only a matter of state, but it must be treated as a social problem. It is not enough to produce grain for the state; it must be produced for the people, who are the real consumers.

2. The state must control the production and distribution of grain. This is necessary both for the maintenance of the state and for the welfare of the people.

These two points are essential for the success of the policies of the state in the agricultural sector.

J. S. Kirkwood ("Old and Crushed").

ANSWERS TO CORRESPONDENTS.

The Cooperative Commonwealth Union.

J. M. Thanks for cutting from the Scotsman Times of April 5th, reporting meeting. We note that the speaker, Mr. C. F. J. Rees, has been asked to trade with the Union.

His reasoning in blaming the Union is that they have increased production, which has increased costs, and that this has led to higher prices. He also states that the Union has increased production without regard to the value of the product.

We believe that these statements are false. The Union has increased production with a view to meeting the needs of the people, and has done so in a way that has benefited the community as a whole.

J. M. Thank you for your letter. We appreciate your support.

MONTAGUE FORDHAM, F.R.E.C.O.L.

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Social Credit in Summary. 17.

The Key to World Politics. 17.

The Veil of Finance. 17.

Through Consumption to Prosperity. 17.

C. G. M.

The Nation's Credit. 17.

DEMENT, V. A.

This Unemployment. 17.

God's Economy. 17.

DOUGLAS, C. H.

Credit Power and Democracy. 17.

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These Present Discontents: The Labour Party and Social Credit. 17.


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RANDS, R. S. J., B.A.


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

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Instructional Works on Finance and Economics.

BARRON, D. A.

Cash and Credit. 17.

CLARENCE, J.

Outline of Central Government. 17.

The Normal Mind
By B. J. Boothroyd.

And here is the Government’s new Sedition Bill. It is designed to save the country from the peril which was threatening it. It was not a moment too soon. We offer a prize of a handsome pair of vases or a cuckoo clock for the best essay of not more than two hundred words saying what the writer’s opinion actually is the peril threatening the country.

The main purpose of the Bill seems to be to give the police greater facilities to search people’s houses for sedition documents. Its chief effect will be to make it easier to become a criminal—a gratifying concession to the increasing regularity of crook stories.

The exact nature of a sedition document is not defined. But you need not fear that everybody possessing one will be arrested and indicted, even when it is defined. The law is no disreputer of persons. The Bill distinguishes between persons who will do harm with a doubtful document and those who will not. It states that such documents may be possessed by “persons of normal mind.”

To arrive at the definition of a normal mind, let us inquire what sedition is. Seditious persons are those who want to reverse the whole basis of the social and economic order. They are out to upset the seat of authority and power. And what, my friends, is that? It is not Parliament. At one time it was thought that if it were not centralized, it would be a ship with the rudder of the ship; it is regarded rather as the helmsman. All still be within the system, but nobody else’s hand is on the short hulls of the statesman.

Obviously, the seat of power and authority is now the Central Bank, and its support is that sound State. That Bank is a bank with the power to set up a new economic opinion which would maintain the present predominance of the New Age. It is said that the Bank is aimed at the Communists. That is unjust. The Bill would not wish to offend those orthodox economists. I have heard Communists assert that Douglass was an apostate because he was considered by them to be an orthodox economist. The law is not concerned with such a satisfied, impeccable attitude.

I cannot, therefore, believe that the Bill is aimed at the Communists, neither at the single-taxers, the Seven-Day Adventists, the Labour Party, the Labour Party, nor any other assembly which is opposed to the general public. They may be theists, I think, as “persons of normal mind.”

I think we know what a person of normal mind is. A normal mind is one which wants more labour-saving in- stitutions and more work at the same time. It wants more machinery to do the work, and the workers’ leisure to depend on wages. It agrees that production must be cut down to meet purchasing power. It thinks a government’s first duty is to save money, and that prosperity can only come by people being poorer first. It thinks that a govern ment must go on for ever borrowing itself out of debt. Lord Halifax, who told the teachers the other day that the Government has not enough money to buy the banks, has a normal mind. So have the teachers, who believed Halifax.

A person of normal mind believes some or all of these things. And pessimists say that nothing can be done about it until we know more about psycho-analysis.

It is clear from this that the only people who should be regarded as seditious within the meaning of the Act are the Douglasses. They are the only people who are not against the real basis of the social and economic order and remove the present rulers to a subordinate position.

Therefore, all the works of Douglass, together with all Social Credit literature, including all this paper, except the page, should be regarded as seditious and confiscated from all persons who are found, on cross-examination, to agree with them. Incidentally, I demand that Major Douglas himself be impeached, mutilated in toto, seized in seconds, if he’s got any, deprived of land, titles, and titles, and compelled to stand uncovered in the presence of any member of the staff of the School of Economics, and denied burial in consecrated ground when dead (not otherwise).

Normal-minded persons may, of course, retain such documents, provided they sign a statement on oath that in the absence of a person, doctor or magistrate saying that in their opinion A plus B is either incomprehensible or incorrect and that the Bank had not been imposed to retain peace of the nation’s credit to do what they like with.

That test out most people hitherto regarded as revolutionary. Nevertheless, it will not impede the Bill’s operation, but will help in the enforcement of the law. It will become increasingly difficult for the average person, whose mind has not been subjected to sound economic training, or who was not born on the head of a young, to refrain from wishing that the nation’s credit was no longer taken away from the banks and used for the nation interest.

In preparation for this, therefore, the Bill has invested a new crime. This is it: “To do or attempt any act preparatory to the commission of an offence.”

This only has been an offence to prepare for an offence. Now it is an offence to attempt to prepare for an offence. The offence, therefore, starts at the attempt to prepare. Some discussion, I suppose, took place as to whether they should not go further back and make it an offence to attempt to prepare to attempt to prepare.

This, no doubt, was thought unnecessary, as an attempt to prepare may be said to start in the will of the wounding offender. That is enough; it will be impossible for anyone to prove that it was not willing preparation.

Certain lawyers have protested that this offence is too similar to the “indirect interference with the work of the Bank” which makes it criminal. It doesn’t want to do that by law. Any old Bank could specify conduct which one wants to leave it open to the interpretation of a normal mind. It wants to impose in such conduct as it can.

It is a Calvinistic Bill, ye here. It regards all persons being born in the sin of wanting to develop the home market, and conceived in the sin of wishing they had enough money to buy what they have been produced.

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