NOTES OF THE WEEK

The Debt to America.

The first leading article in The Times of June 6 discusses and defends the Government's decision to suspend further payments to the United States on account of the debt. With Australia in the audience, and particularly New South Wales, the article is relevant to the current debate over the debt.

The article begins with a quote, "The debt is a burden to both countries. It is a burden to us, in the sense that it represents a capital sum which we have borrowed from the United States, and which we must repay, with interest. It is a burden to them, in the sense that they have lent us the money, and we must repay it, with interest." This quote sets the tone for the article, which goes on to argue that the debt is a necessary part of the relationship between the two countries.

The article then goes on to discuss the implications of the decision to suspend payments. It argues that the decision is a sign of confidence in the relationship between the two countries, and that it will allow the Government to focus on other priorities. The article also touches on the economic implications of the decision, suggesting that it may lead to a decrease in the value of the Australian dollar.

The article ends with a call for caution, suggesting that the decision to suspend payments should be viewed as a temporary measure, and that efforts should be made to repay the debt in the future. The article concludes with a note of optimism, suggesting that the decision to suspend payments is a positive step towards a stronger relationship between the two countries.

The article is a clear and concise discussion of the debt to the United States, and provides a useful insight into the current debate over the issue.
any attempt to do so would have on trade and prices." (Our talk.)

Quite from this point, conversion from sterling into dollars valid for the effective discharge of debt to America involves the equivalent importation of sterling-wealth; and when this reaches a high magnitude, American trade and employment, these will in turn give rise to booms which are the familiar sequences of dumping.

This need not be so. The reason why it happens so is that this conversion does not necessarily create the means of payment. That is, that means of payment are the cause of production and not the effect—\textit{the very.reverse}—that proceeds from dumping, which remain in existence (except to a fractional extent) to buy the ultimate product. This happens because industry produces nothing in the first instance except the means of payment, that is, the money that anything occurs to deprive industry of opportunities to sell or earn the effects the bank won't issue loans. That is to say, when foreigners pay off dollar debts with their own products, dollars are withdrawn from American industry.

While new production does not create new means of payment, further, the production is accomplished by the destruction of those means of payment previously existing.

\textbf{Report of Committee of Privileges.}

The Report of the Committee of Privileges on Mr. Winston Churchill's allegations was published on June 14th. It was accompanied by Lord Derby's first leading article in The Times on that date, entitled "Honour Satisfied." The Committee finds that the allegations are unfounded. Lord Derby's letter was written to the Chairman of the Manchester Chamber of Commerce, which had previously written to the Manchester Evening News, expressing the views of the Chamber of Commerce that the Manchester Chamber of Commerce was afterwards modified under pressure, if only the pressure of enlightenment, or reason, or both. Not the Chamber, but the White Paper, which was an indication of the fruitfulness of dinners that are functions where wine is served as well as rocks, and, in many cases, where the results of court-drawings are designed to facilitate the process of wire-pulling by obtaining the hospitality, like charity, covers a multitude of sins. However, the desire to be burdensome to anything—of its necessity do so in these days when they are found to be held to justify any means of pursuing them.

\textbf{The Manchester Chamber of Commerce needs its evidence or change its evidence? The clue to the answer seems to be the paragraph in the Report reading:}... in the light of all the facts that were known to them. The substitution of a second version of the evidence is thereby indicated by the fact that when the Manchester Chamber of Commerce prepared their original statement, certain facts were not then known to them. These facts were afterwards made known to them. Whether the new facts were communicated at the Dinner or not is immaterial—the manner in which they are communicated is the comment on the writer's reference to the White Paper (attributed to Lancashire).

That India's fiscal freedom—a condition which dates from before the White Paper—could ever again be taken away from her. The White Paper is not the product of English manufacturers.

He immediately proceeded to the conclusion that the Indian Chamber of Commerce must be most concerned with the Bankers' interests and the White Paper is a product of English manufacturers.

No sooner had they arrived in India that Mission realised how disastrous to its members might be the results of the first negotiation and its members, under the leadership of the Indian Chamber of Commerce, decided to modify their evidence, with the result that the original Memorandum and substitute an amended version.

\textbf{The Schuster Reservations.}

With this material it is possible to reconstruct the proposal. Broadly speaking it can be condensed into this form: had the terms of the original Memorandum and substitute been subsequently found to be similar to the Schuster Reservations, and therefore had to be modified. That is, by the Memorandum, or inadequate interpretation of the Freedom of the Indian Empire. International Finance represented (until lately) by George Schuster, the Member of the Indian Chamber of Commerce, in this man's financial dominion of India—whether considering the overwhelming importance of London to commerce and industry—had been the price of veto on legislation in this and to the eyes of the Indian Chamber of Commerce, had been modified and published. Such a step as this was the object of the Indian Chambers of Commerce, it would have amounted to nothing else but a partial revision of the master-secret, and Schuster's secret, that it is a convention which must be observed in regard to the use of money. The effect of this is that the Manchester Chamber of Commerce, the only means to modernisation, whereby plenty can be translated into prosperity, and that exercising that control they misuse the means.

\textbf{Exports and the Conservation of Resources.}

How they do it is a technical story, and cannot be explained here. It is a fact that the pound is overvalued, and that there is a way of using them rightly, has been demonstrated to the satisfaction of a sufficient weight of judgment measured by the standards of intelligence to place the question beyond reasonable doubt. The practical import of this, stated in its most appropriate phrase, means to translate the loss of markets into a rise in everybody's standard of living. We can convert, e.g., Japan's success in dumping shirt-materials into the Japanese into a success in putting shirts on our backs. The antecedent proof that this most necessary step is being taken is the publication of the statement of natural resources; that is, the economic interdependence, when this reappears in exports over imports (the favourable balance).
The Social Credit Press.

NEW PAPER.

We have received a specimen copy of the first number of The Douglas Review, a Canadian Social Credit journal to be issued monthly by the Douglas Credit League of Canada, Box 782, Station F, Toronto, Mr. C. V. Kerathely. The issue consists of 12 pages printed on thin paper, the type face is not specified, but the present size of the paper is smaller than that of the newspapers. The editor, in introducing it, rightly says: "The contents of this issue justify its appearance. They include a short report entitled "Major Douglas at Ottawa," an excerpt from the proceedings of the Committee on Banking and Commerce wherein an act of 1934 was introduced, a review of the "First Economic Program of the Government," and a criticism of the "Struggle for Credit in Canada." The contents are not extensive, but they are important, and the editor has done a good job in selecting a few items from a large volume of material available."

Droughts and Floods.

The droughts of June are appearing in the News Chronicle of June 11. New York correspondent, after describing the storms that have broken over the North-Western States, makes the following statement: "The droughts of June have been a disaster for the West and a blessing for the East."

"Drought appropriations asked of Congress may have to be used for flood relief." Not long ago The Times was saying how silly it would be to spend a lot of money on wells, reservoirs, pipes, and their other devices of transmitting and conserving water on the English country side, when it was certain that the rain would come down and see us some time. That last shows you what wise the bankers are; and it is a great relief that the Divine Providence has not spared us to build up reservoirs and water in, and embankments for keeping water out, or one can have the one or the other, but not both. You have a drier place on the river bank, but you cannot have the one and water the other, and not both."

Mr. Walter Elliot on Dictatorships.

The disorder and violence attending the Fascist demonstration in Olympia last week presumably moved Mr. Walter Elliot to the question of dictatorships on Saturday in his speech at the Freshfield Club. He appealed to the Sunday Times and the Observer. Mr. Elliot said last week some of the idea about organization and planning. He said: "I am a farmer, and I have been an organiser..." He said that the division of farmers is far too much under the rules of the farmers' organisation. He said: "We must get farmers on our own resources and not on the farm."

We Only Handle Credit.

People at the Test Bank are presented by the spectacle of a captive balloon being sent up at one end of the ground to obstruct the photographing of the scene. The balloon belongs to another company who bought the right to film the play inside the ground. It is a hot day. From this point forward they are presented by the Public Bank Limited on the primary producers in Australia. The contrast between the recognised company and the Nationalist companies is great. The Nationalist companies have been the losing actors in many of the hard work and sacrifice, and we do not intend to give them up to anything, whatever the colour of their shirt."

So far, excellent. But the will to defend liberties needs to be implemented. And though it is natural in times of war to associate ourselves with tyranny, those who propose to resist tyranny will do well to realise that coloured shirts are the progeny of striped towels. The trick to forestall threats against our liberties is to establish that the secret operation of political power is in the hands of an unrecognised existence of this influence and the unperceived trading of promises. There would be no signs on the streets, least of all in the window sign. There would be no signs on the streets, least of all in the window sign.
at the Chamber of Commerce, the Rotary Club, or the local pub, the proceedings took on the nature of a Love Feast. People who had cultivated the "Governor" or "Mayor" of the city were asked to explain how it was that they had been appointed to such a position. This was called Economic Democracy. It was to him what Ruffy's Guide is to the racing man—a guide to form on the financial "Turf." And so, on this point, he said to himself: "Ah, so it's begun at last. This is where I get out of under." Within a week, the newspaper was publishing the prices of stocks for higher prices, our friend's shop was plastered with announcements of a sale at reduced prices. "What the devil do you call the other day?" blustered his companions. "Oh, nothing; I might be thinking of retiring," was the substance of his reply. Naturally the townfolk, accustomed as they had been to the complacent take-it-or-leave-it attitude of traders generally, and prone as they always are for bargains, flocked to the shop and cleared his stocks in no time. With the proceeds he walked into his bank, lent the amount of his overdraw on the astonished manager, and went home to expand his library and a clean bill of financial health. Not so very long inwards his compatriots were in a situation where the cutting edge of the competition of which we had been the beneficiaries to fortune was too much to bear.

The mechanics of policy-contraction that does the damage; but the psychology of anticipation.

The Individual Reaction to Social Credit.

By Hewlett Edwards

[BEING A PAPER READ TO A SOCIAL-CREDIT GROUP RECENTLY.]

The purpose of the paper is to argue for the participation of the individual in Social Credit proposals and their presentation to some discussion, interest, and agreement, culminating in action. The social justice which may have been done before, and I am very much afraid that many of those here are considering this very problem. Before I heard of Major Douglas, I can only hope that any benevolent and good-intentioned people who, wholeheartedly, with that of previous surveys. At all events, in the discussion, I hope to have the advantage of experienced opinion regarding the points I am about to raise.

The core of the Social Credit writing is the statement that the world already exists, together with proposals towards its efficiency. Following are the implications that economic freedom would really that the essential cause of war would vanish; that crime would disappear, and so on.

We shall be safe in saying that something like $100 per cent. of our public is in favor of these conceptions, and, as Mr. Arthur Bostedt has said, fighting in the army; that is, which is potentially friendly.

Then how does the majority tend to resist rather than accept these proposals? What is it that makes so
Vraileusia."
By "Old and Crueted."

The labour of building up a Christian Commonwealth to replace the financially directed society in which we live is one that presents the greatest difficulties. Nevertheless, those few who are enlightened by the fact that it is not an entire reconstruction but only an amended codification, unequivocally believe that one had a better taste for fruit, no one danced with more elegance vivacity, and no one whispered compli-
cements, than a parent who, having raised his daughter to a point, his repartees were never ill-natured." What a pity that such an amiable fellow should get into such a scrape as this! For, to make a long story short, the Cattle of Chivalry, the standard of quality of out-
put in the field, will set all indications of this. (The Political Challenge of the World. By Geoffrey Davin."

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[Article continues on next page]
res and then proceeded to put paid to Popanilla's little schemes.

On Wednesday, June 6, six members of the Green Shirt Society marched in uniform to No. 70 Dowding Street, carrying a letter addressed to the Prime Minister. This letter read as follows:

On behalf of the women of Great Britain, we beg you to receive a deputation, to be placed before you by the local authorities in the City of London, as a protest against the introduction of the Green Shirt Movement. We have the privilege of being your subjects and we ask that you consider our plea.

(End of letter)

The Green Shirts.

NOTES FROM THE GENERAL SECRETARY.

The green shirt movement has been gathering pace and strength in recent weeks. The growing numbers of followers, particularly in the cities, have made it necessary to take action. The general secretary, in a letter addressed to the Prime Minister, stated:

We wish to make it clear to all who are interested in the present situation that the Green Shirt Movement is gaining strength daily. It has been established as a serious threat to the peace of the country and the safety of our constitutional system. We believe that it is the duty of all responsible citizens to take action to prevent the spread of this movement.

The Green Shirts.

Owing to pressure on space, some of my last editorials may appear earlier than usual. Time is limited, and my readers are reminded that they should read the editorials in full before sending in letters to the editor.

The Theatre.

The Strollers, a new musical comedy, opens at the Palace Theatre on Monday evening. The cast includes well-known actors, and the music is by a famous composer. The story is a modern version of the old fairy tale of Cinderella, with a happy ending.

The Films.

Three were the Days, a British International Production, directed by Charles Bentley, is now showing at the Odeon Theatre. This is a story of love and adventure in the Middle East, with beautiful photography and a fine acting performance by the lead actors. The film has been highly recommended by critics, and is expected to be a great success.

Social Credit in the Press.

Newspaper articles are appearing regularly on the subject of Social Credit, with its advocates claiming that it will solve the problems of unemployment and poverty. However, many critics argue that the system is based on a fallacy and cannot be successful. The question of Social Credit is now being discussed in Parliament, where both supporters and opponents are presenting their arguments.

The Conquest of Plenty.

The following paragraph appeared in the Sydney Morning Herald on January 8:

A total of 6,050,104,000 lb. of coffee, equal to more than the average annual world consumption, has already been destroyed by the New York Coffee and Sugar Exchange. The destruction of this coffee is said to be a result of the speculative buying of the Chicago Board of Trade, which has driven the price of coffee to a record high. The exchange now plans to sell the coffee to the public to prevent a shortage.
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