INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND

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NOTES OF THE WEEK.

Capital Issues Drought in America.

What is holding up President Roosevelt? The slump in issues of capital for public investment. That is the answer given by the Midland Bank Review for July-August, 1934. Why the slump? The writer quotes the Securities Act as a cause put forward in the United States. That Act imposed severe penalties on anybody, to matter who or what he was, whose name appeared on a company prospectus which was afterwards found to have deceived the investor on a material fact. Director, accountant, engineer, assayer, agent, or what not, they Were all and severally indictable for the offence. The argument argument put forward is that this deterred promoters because the legal penalties were so heavy that they were incommensurate with the potential profits of the average commercial proposition. The writer is not particularly Impressed by this explanation. Nor are we. He thinks that the losses to investors in the past have made them hervous. So do we. He explains that although the large capital issues of boom years were largely common stock stock carrying no legal right to dividends, the psychological country in the logical effect of the non-appearance of dividends in the past has been only a degree less potent than that occadoned by defaults on fixed obligations. We can beleve it. When you're caught out, you think twice about coming in. Anyhow, the American public are shy of everything in. Anyhow, the American public how he of everything but Government issues. Notice how he puts it. Puts it: such securities " seem to be the only type acceptable only type acceptable on the securities bearing to the securities of seem to be the only type acceptable on the securities of seems of the securities of the securitie ceptable to the public and to the banks." In this artless sentence we begin to get warm. For obviously the teason why any security at all is acceptable to the public is that it is acceptable to the banks.

The readiness of banks to buy any given security asthe readiness of banks to buy any given security by brivate the convertibility of that security into money by brivate is convertibility of that security into money by private investors, not to speak of the banks' demand keeping up the price of it. The private investor is naturally, participated by the price of it. naturally more interested in preserving his "capital"

intact than in getting dividends on it (dividends which, in so many cases in the past, he has afterwards discovered to have been paid to him out of his own capital.) Again, any security that the banks are willing to buy, they are willing to lend money on. So, in the absence of prospects for adventuring money profitably in private enterprise, the investor buys, so to call it, one of these super-securities to hold until trade revives. He could, of course, leave his money on current or deposit account, but he usually rejects that alternative because of the higher interest obtainable on the security.

It is not surprising to hear that in the first six months of this year the U.S. Government have raised 3,141 million dollars of "new money" "mostly in short-term securities." Thus the Midland Bank Circular, which points out, in contrast, that capital issues for private enterprise during the same period amounted to no more than 153 million dollars. It publishes the following table showing fluctuations in capital issues as between selected years since the war.

New money raised in the United States capital market

First six months:	(\$ millions) United States local authorities	United States industrial and other undertakingst	Exteri	Total
1921 (post-war slump) 1928 (peak of foreign let 1929 (peak of boom) 1932 (depth of depressi 1933 (financial crisis) 1934 (recovery)	467 nding) 750 663	925 2,500 4,205 190 71 153	216 941 566 —	1,608 4,191 5,434 666 280 604

States, municipalities, etc.

*Including farm loan issues, and issues by railway and public utility The writer asks why the "old machinery of investment " is working so slowly when there are such " vast quantities of money seeking suitable employment " and while "the basis has been provided" by monetary policy for the "creation of still larger supplies" as soon as the possibility of their employment arises. The Securities Act has been referred to previously as an obstacle, and no more need be said on that point except that it is a poor compliment to private enterprise

to suggest that it is paralysed by the legal compulsion to tell the truth in its prospectuses.

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* * The most satisfying hypothesis is the one which the Social-Credit analysis affirms as a fact, namely, that in general the non-investing majority of the population haven't the money to yield profits to the investing minority via the consumption markets in respect of any new enterprises. This is directly corroborated by the spectacle of old enterprises working short time, proving that consumption is already lagging behind productive capacity, or, in financial terms, that incomes available to be spent in the shops are lagging behind the cost of goods as and when they appear there for sale. If that explanation is accepted, then the only thing to do is to increase the collective incomes brought to the shops without increasing the collective cost of goods put in the shops. And that is what the U.S. Government are trying to do. They are raising money from investors (who these investors are, and what the " raising" of money really means, may be ignored for the moment) in order to carry out "public works" including "house building."

Whether the money raised is (as the writer calls it) "new money" in the conventional sense of credit already in circulation being subscribed for a new block of securities, or in the real sense of credit created for that purpose (in which case the investors are banks, directly or indirectly, as was seen in the case of British war-loan subscriptions) the consequence of its expenditure by the Government is, immediately, to distribute more income to private citizens and thus to empower them to bring more money to the shops. Let us suppose that the collective shopping-money goes up from a token figure of 90 to 100, and let us also suppose that the collective price of goods in the shops to have been 100. In theory the extra 10 units of shopping-money should enable the shoppers to buy all the goods whereas before they could buy only nine-tenths of them. But whether they are actually able to do this depends on the shopkeepers' charging the old price. This they will not do unless compelled to. The United States Government has made no provision for exercising this compulsion; nor on the other hand has that Government done anything to make it worth the shopkeepers' while to keep prices at the old level. Disregarding the Social-Credit remedy of giving them a subvention out of public credit to compensate a universal discount, there would be only one alternative way of trying to alleviate the shortage of purchasing power. It would be that of financing a big drive in the manufacture of consumable goods to take place before the big drive in the constructional work, so that by reason of the lower incidence of overheads on the larger output of consumables their unitcost would work out lower, and would be on sale by the time the wages paid out in respect of the constructional work were brought to the shops. If this were done (and there are reasons why it would not be) at least the shopkeepers would be able to refrain from raising prices without losing money; and, on the basis of their ability to refrain, the Government could justifiably compel them to do so. You cannot force business enterprises to sell continuously at a loss. This idea, as every Social-Credit student knows, is full of snags; but our purpose in outlining it is to focus attention on the fact that unless there is some regulation of retail prices there will assuredly be confiscation of shoppers' incomes. To use an

Americanism, the extra wages earned on the constructional work will be "sterilised" by inflation, which means that, to revert to our token figures, the 100 units of income will buy no more than did the 90 previously.

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. . . If you review the actual situation in the United States against the background of this analysis you will see that the Government, far from attempting to hold retail prices down or reduce them while distributing more incomes, are tacitly encouraging an opposite process At the very time when they are preparing to give the people more money to spend they are permitting the destruction of what the people need to buy. They are shortening the supply of goods in the face of a larger demand, and thus preparing a hold-up of the nation in the name of " national recovery."

Take one point. In the table printed above a footnote says that among the "industrial" undertakings which have borrowed "new money" in the "capital markets '' are agricultural enterprises. The figures in the clude '' frame' clude "farm loans." The amount is not given and does not matter. What matters is this, that whatever the purpose for which such loans were made, that purpose was certainly not to expand output to reduce unit costs for the benefit of the consumers of bread. It was precisely the opposite if the opposite if the truth were known. Readers of this journal are only to the state of journal are only too familiar with the custom of U.S.A. banks to require banks to require farmers to restrict output as a condition of getting loops. of getting loans. This illustrates the mutually irreconcilable character. cilable character of the various plans for recovery." Fundamentally, true recovery is the finance of physical consumer. of physical consumption. But here you see the finance of the recovery of the recovery preventing any acceleration of the rate.

On the other box 2 On the other hand you see it accelerating the rate of non-consumable productions. consumable production. There is a saying about people living by taking living by taking in each other's washing. There is a saying more grotesque still, and yet it fits the situation imposed on a people by the situation imposed on a people by the situation in the imposed on a people by financial policy. It can be pullike this: We live to like this: We live by making things we can't live of

Another significant piece of information in the und Bank Raying land Bank Review is that the proposed capital works the be financed by the be financed by short-term securities. (Our italics.) is to say, long-lastic is to say, long-lasting property is to be created by mean of quickly-capealled of quickly-cancelled money. Obviously if that properly is to be slowly transfer to be slowly transfer. is to be slowly turned into money (whether through rates or taxes) down rates or taxes) during its life, the money to finance construction should be a solution of the money. construction should be slowly-extinguishable money, of finally disappearing finally disappearing when the property is worn out. hardly needs saying that the bulk of the short for securities will be tolsecurities will be taken up by banks and paid for the scount credit created for the credit created for the purpose. As soon as the security mature the Government of the purpose. mature the Government will be legally liable to return the money (which they will have spent). Now, whatever the Government ower to the second to return the money (which they will have spent). a Government owes to the banks the taxpayers of the Government the Government. The taxpayers in this case will had the handling of the had the handling of the money, but will not have varied tained possession of it. The money will have varied travelled back to travelled back to the banks and paid off earlier loans advanced to loans advanced to the banks and paid off cand loans advanced to private enterprises. It will have spent partly in the spent partly in the shops and partly in investments by whatever route. by whatever route it has gone it has cancelled a proposed and the end of the loan at the end of its journey and been destroyed, ably much of it will ably much of it will have been used by the most agent recipients in the purchase and send about the most agent recipients in the purchase and send about the most agent recipients in the purchase and a send about the most agent a recipients in the purchase of the very short-term ties which we are it. ties which we are discussing; in which case the

will have been destroyed just the same_for when banks sell securities that is what happens--" deposits are destroyed," as Mr. McKenna has put it. Of course to the extent to which this happens, to that extent the Government's liability to the banks is reduced. But the Government is liable for the full amount just the same, only now, in part, to " private investors." The taxpayers as a whole have underwritten the whole redemption. That is the legal position. The financial position is that they no longer possess the means of redeeming the debt. Their money has gone to redeem earlier debt.

Next, let it be borne in mind that the real propertyright in created credit belongs to the taxpayers, who constitute the community. That is inexpugnable as a fundamental proposition. As a body, they are the ultimate creditors of the economic (including the fiscal) system. If at any time they appear to be debtors to that system, i.e., if all of them (as consumers or taxpayers) owe to some of them (producers and investors) a body of costs representing official and business property (buildings, plant, tools, unfinished goods, etc., etc.), then, to the extent to which they are short of the money required to meet that body of costs they have the right to put in a counter-claim for the difference. Against whom? Certainly not to the "some" who are the titular creditors for if the "all" can't pay the "Some" who are part of the "all," the "all" must Present their claim outside, or, if you like, the "rest' must refer the "some" outside to get the money which they are entitled to receive. The "outside" is, of course, the banking system where the public's money is created and destroyed. If the bankers say they haven't sot it, the short answer to them is: "Have another look, and if you don't find it, make it, and enter it to our credit." It is on this fundamental ground of reasoning that Social-Credit research affirms the right (as well as the necessity) of the community to a National Dividend (the "all" getting the money to pay the "some" or the "some " or the Compensated Discount Scheme (the "some setting the Compensated Discount Scheme (the Compensated Disco getting their money without the "rest" paying it). In the light of the fundamental fact that credit is public property which can be brought into existence and banished out of existence by a stroke of the pen, it is a truth amounting to an axiom that a community's shortage of thoney is the proof of its right to receive money. Also that the that the measure of the shortage quantifies the right. As the Price is, so shall the Purchasing-power be. If any ledgen ledger says No, the ledger's a liar. In fact the whole body. body of bank-accounting law can be comprehensively descrit. described under the figure of The Book of Ananias. And one day the feet of the young men will again be heard coming to consign that evil book—the Father of Lies to the place where it belongs.

The Morality of Force.

Events in Germany have created in all the progression of the state of sive elements in this country a strong hostility to the organisation and use of what are called "private armies," which betoken an intention to impose policy by intimidation without first submitting it to the test of public opinion. It is only on this condition that democracy Sanctions the use of force, and even then only when when such use is necessary to make refractory minorities abide by the will of the majority—that is to say, when the Principle of democracy itself is challenged.

Many derisory things can be truly said about the will of the majority," how it is the plaything of poli-

tical organisers and advertisers, how it is manœuvred into choosing between alternative programmes which beg the question of policy, programmes which conceal an obnoxious purpose within innocent-looking methods of accomplishing it. But the very fact that this is true -that the people can be cheated into an absent-minded surrender of their power of judgment and vetostrengthens the case against the "private army," and creates the presumption that the policy to be implemented by the display and use of force is one which its promoters dare not submit even to absent-minded inspection by the public. It stands to reason that any promoters who are able to mobilise and equip an army of sufficient dimensions to effect major political changes are to that extent able, as an alternative, to use existing "constitutional" facilities for swaying "public opinion." It is largely a matter of spending moneylegitimately or otherwise. The democrat has the right to say to them: If you think it probable that your policy will need to be implemented by force, then you must secure a mandate to use the recognised forces of the

The "general" of the "private army" might retort that his successful adoption of peaceful persuasion, resulting in his return to power with an electoral mandate, would not necessarily give him the effective control of the nation's armed forces. The army has been known to develop a "conscience," a notable example being just before the war when the late Lord Asquith's Liberal Administration enacted Home Rule for Ireland and was threatened with resistance in the north. It will be remembered that in spite of the fact that the Government had a constitutional mandate to pass this legislation, certain influential officers in the army wanted to make terms with Col. Seely (Secretary for War) as to the conditions on which the army should be used to put down insurrection in Ireland. Naturally the Liberal Ministerialists were scandalised about it, and Col. Seely was obliged to resign his office in favour of the Premier, Mr. Asquitha dramatic re-affirmation of the constitutional principle that the armed forces of the Crown must be subordinate to the civil Administration. What would have happened. however, had the war not supervened, nobody can say for certain, but there were indications that arrests for high treason were contemplated. All this took place at the time when the Suffragettes were waylaying Ministers and destroying property in pursuit of the Vote, and when the Big Three transport unions were preparing for a mass strike in pursuit of wages. The Government had its hands full enough, and there are some cynics who have said that if Germany had not presented us with an occasion for going to war we should have had to improvise one in order to provide disaffected soldiers, subversive young women, and direct-actionist workmen with a useful outlet for their militancy. There is, of course, a plausible answer to this, namely that these embarrassments to the British Government encouraged Germany to precipitate war in 1914 instead of two years later.

However, the main point of this reminiscence is that the armed forces of the Crown were not the blind instrument of the Party in office that the Constitution assumes; and if they could, as they did, even make the gesture of disputing the Government's orders twenty years ago when the illusion of electoral initiative was believed in, they certainly will not be less liable to repeat the gesture to-day when the cooking of popular mandates is pretty

clearly understood. But insofar as this is the case, it can be an argument against, as well as for, the promoters of "private armies." For if their policies are such as might win the sympathy of the regular military heads or some of them, an appeal to their potential sympathy can be made by the ordinary process of broadcasting it. A private army does not, in itself, explain a policy or prove its desirability; although it might attest the strength of conviction behind it. And when all is said and done, the private army cannot conquer by physical coercion alone unless it is more powerful than the regular forces, who will of course obey orders from the Government in regard to policies to which they are indifferent. The education of public opinion is also the education of military opinion-the soldier listens in to what the civilians are talking about. So, logically, a private army organised and equipped to use force is not necessary as an adjunct to public argument, but only as a substitute for it—a reflection with sinister implications. One can reasonably say that "private armies are

This brings us to the occasion of our writing on the subject of force, namely a new book* by Lord Davies. This author was responsible for an earlier book to which this is a sequel. In the first he advocated the control of armed force being exercised by an international body like the League of Nations. In the present; entitled Force, he affirms and expounds the morality of the use of force by a centralised body. You might call this body the Geneva Gunmen, or better, the Basle Bombers.

Let us set down some names. The name of Lord Davies's publishers recalls that of Sir Ernest Benn, who once wrote in a preface to a book (called, we think, Capitalism is Socialism) how proud he was to have shaken Colonel House by the hand. Colonel House's name links up with that of Mr. Bernard Baruch—the two of them being Wilson's backers for the United States Presidency, and his wet-nurses before and after he became president. It will be well remembered that Wilson's war-time electoral victory was won on the policy: Let us keep out of the war; but it is perhaps not so well remembered that Baruch was privately financing certain mobilisations and drills at that time in contemplation of, and preparatory to, America's entering the war. (This came out in an official inquiry reported by the Dearborn Independent after the war.) Of Colonel House, one of the things which connect him with the war in our recollections was a story we heard that he came canvassing British Ministers in November, 1918, on the suggestion that the Allies should not agree to an Armistice until they reached Berlin. If this is true, the idea is intelligible enough. The Allies would have borrowed more dollars and bought more munitions from Mr. Baruch as sole director of American capitalism at that time; and opportunity would have been afforded the American troops to prove more definitely their ability to win the war for us; and lastly, to a man of Colonel House's megaloscopic vision there was something thrilling in the idea of President Wilson's laying down terms of peace in the German Capital-it would suggest, in a way, that he and the Kaiser were the two principals in this the greatest drama of the age.

The last name to be mentioned is that of our old friend Dr. Nicholas Murray Butler. He comes into our

picture because he, of all the others, is most manifestly afflicted with sublimity in his mental structure. This affliction, which all of them suffer from in various degrees, causes its victims to mistake bigness for "bestness." The faculty finds its exercise in evaporating realities and building immensities in the vapour. In a speaker and writer it shows itself in exaggeration and grandiloquence.

It is a dangerous faculty to have in excess, and particularly in those who have a call on the ear of the public. For they hypnotise the public with their own enthusiasms, and open the way for the exploitation of the public's condition. Dr. Butler, on the one hand, and Lord Davies on the other, are twin hypnotists. Dr. Butler has long been broadcasting his picture of a World State consisting of Citizen Nations. Lord Davies, as already pointed out, has been painting into the picture a World-State War Office—or perhaps we should say Police Directorate. Well, we are all familiar with the liar with the arguments of advocates of these ideas, so nothing need be said about them. If you agree that a politically unified world is a necessity for peace, Progress and that sort of thing, you have to agree that the instrument. instruments for enforcing unity in any country now should be merged and handed over to the League of Nations or other central body. Having done so you cannot were cannot very well turn round and question the morality of using those instruments. From this point of view Lord Davies's latest book is superfluous.

But there is another point of view, and from that point of view the book is irrelevant. It is that in the merging and transfer merging and transfer of armies, etc., from national from trols to international control you change them round public armies to a private army. This brings us round to our opening round to our opening round there to our opening remarks. It has been stated that there are deep-seated are deep-seated moral objections to the use of private armies within the O armies within the State, yet the very people who urg such objections will have no hesitation in applauding the idea of allowing the idea of allowing the International Banking Combine the exclusive upon the International Banking Combined the exclusive upon the idea of allowing the International Banking Combined the exclusive upon the idea of allowing the idea of allo the exclusive use of force within the World State.
might, perhaps, have their suspicions awakened if the idea ware ware the various. idea were presented by the Directorates of the various central banks; and the central banks; and that is why they keep out of sight and turn on since and turn on sincere idealists of the Butler and Davies type to capyage the type to canvass the proposition. If it is wrong left. Peter to use force to rob Paul, or Paul to rob Peter you do not right the you do not right the wrong merely by depriving both of the use of force. of the use of force; you must first make sure that neutral third names. neutral third party in whom you repose the force is not going to use it to going to use it to rob both Paul and Peter. a curious coincidence that just at the time when Peters and Pauls of the world are discovering that a neutral third pour neutral third party has been robbing them both, and has deceived them in the model of the model. has deceived them into fighting each other over the sing property, then sing property, they should be invited to give up the arms to him, the arms to him, the very party against whom they now they have to protect to give up now they have to protect they have the have they have the have they have they have they have they have they have the have they have they have they have they have they have they have the have they have the ha they have to protect themselves, not to speak of giving him his deserts. him his deserts. And the joke is in the proffered as neutral as ne son: Because he is neutral! Neutral, yes as neutral the spectators at the spectators at a cock-fight. Armaments to-day like the traveller like the traveller's cloak. They will be discarded the wind of advantage of prosper the wind of adversity falls and the sun of prosperit arises.

Ten years ago the Home Counties Traffic Committee de Counties advised that priority should be given to the construction of the new dockland of the new dockland-road opened last week.

ago a Royal Commission reported that traffic conditions in the dock area were a public scandal. Four years ago the scheme was put in hand. "The interval between conception and execution seems long," remarks The Times, "but it is not surprising . . ." (No, it is not, is it? But wait a bit) "that so complicated a scheme should have taken time to mature." (Our italics.) And what made it complicated? Well, if you let yourself be persuaded by The Times you will attribute blame to "those who failed to foresee and to provide for the development of London and of its commerce." But if you cast your mind back, say, only a dozen years, and remember what happened to those who foresaw and provided for replenishing the world with wealth destroyed in the warthose long-visioned Lancashire operatives, for instance, who mortgaged their homes to finance the cotton revival you will perhaps take a more kindly view of the lack of enterprise charged against our forefathers. Of these The Times remarks that if they had only followed the sage counsels of those who, like Sir Christopher Wren, had some conception of town-planning in their day,' we should have been spared many severe economic handicaps and "would have been saved many millions of pounds." This may be so, but we notice that The Times, even in the midst of its celebration of the new road, says that it is adequate to the needs of the future so far as can be foreseen." Well, and that is probable. ably what our forefathers said in their time. After all, how were they to know that London would develop? Indeed, how do we know that they wanted London to develop when it is remembered what this development has involved in terms of agricultural declension and other symptoms of our lost economic self-sufficiency? Silvertown Way—"the Road to the Empire" as someone once prophetically baptised it. Yes, but also a road from the Empire, and from anywhere else for that matter. of course, as economic realists, we welcome imports as additions to our wealth; but as things are at present we are entitled to make the point that Silvertown Way is a two-way way, and that there is no occasion to recite thetorical formulae suggestive of "favourable balances

But let us revert to the "complications" which delayed the scheme. What were they? Well, "the local authorities were quite unable to carry out unaided a project costing £3,000,000," and even after it had been decided. decided that the Road Fund should bear three quarters of the of the cost, "prolonged negotiations" were necessary to settle the proportions in which the balance should be met locally." Money as usual! The Times seems to anticipate the proportions in which the balance seems to anticipate the proportions in which the balance seems to anticipate the proportions in which the balance seems to anticipate the proportions in which the balance seems to anticipate the proportions in which the balance seems to anticipate the proportions in which the balance seems to anticipate the proportions in which the balance seems to anticipate the proportions in which the balance seems to anticipate the proportions in which the balance seems to anticipate the proportions in which the balance seems to anticipate the proportions in which the balance seems to anticipate the proportions in the proportion of the prop anticipate such a comment, for it assures its readers that the scheme was " not delayed for a single minute by the need for public economy so insistent three years ago."

The The point of this is not clear. Nobody supposes that there there was any delay after the bankers sanctioned the scheme four years ago. Time costs money, and for that reason the work would be kept going. What one would like to like to know is why six years elapsed between the Royal Commission's condemnation and the commencement of

Work has been provided on the site " for 770,000 mandays." Well, there have been millions of man-days running Well, there have been militions of the land of material to waste even since the war, not to speak of material to waste even since the war, not to speak of material to waste even since the war, not to speak of material to waste even since the war, not to speak of material to waste even since the war, not to speak of material to waste even since the war, not to speak of material to waste even since the war, not to speak of material to waste even since the war, not to speak of material to waste even since the war, not to speak of material to waste even since the war, not to speak of material to waste even since the war, not to speak of material to waste even since the war, not to speak of material to waste even since the war, not to speak of material to waste even since the war, not to speak of material to waste even since the war, not to speak of the war, not the w inaterials lying unsold and machines resting idle. Nothing was wanting but the banker's nod. It may be remarked was wanting but the banker's nod. marked incidentally that £3,000,000 divided by 770,000

man-days works out to \$24 per week per man, whose wages were-shall we say? - about f4 on the average. So there is indicated a healthy proportion of "B. expenditure in the enterprise, as the Social-Credit exponent would say.

The Australian Election.

The final returns in the Commonwealth elections are as follows: -

United Australia Party (Lyons) ... United Country Party (Page) 14 Federal Labour Party (Scullin) 18 State Labour Party (Lang) ... 8 Independents

The News-Chronicle Correspondent cables from Melbourne that Social Credit candidates polled unexpectedly well on the average, but that several have lost their

Presumably most of them ran under the banner of the "Douglas Credit Party" which was formed in the middle of July on the basis of an electoral programme formulated by the Douglas Social Credit Association of New South Wales. Its formation was announced in The New Era (Sydney), of July 19. The New Economics (Melbourne), of August 3, questioned the wisdom of submitting the programme—or indeed, any programme to the electorate. We publish some of its arguments elsewhere. In principle the attitude of The New Economics is undoubtedly right, namely that it is not the business of an electorate to approve programmes or plans, nor to encourage their Members of Parliament to hammer out the technique of economic direction in debates in the House; but it is simply to say what they want, and to instruct the Government to give order to technicians to give effect to the mandate. An electorate ought to vote for results, and to judge by results. Unfortunately, just because that ought to be the attitude of the electorate, the Money Power takes good care to make it as difficult as possible. Implicit in all banking propaganda is the subtle prompting: Demand a programme. It does not matter what programme, or whose programme, because if it is a programme it is bound to create differences of view on irrelevancies, and to divide the electorate into factions. The "Scheme for Scotland," it will be remembered, aroused criticism from certain Social-Credit supporters; and since that could happen among a selected body who had given thought to the principles and technique of Social Credit, how on earth could a complicated, as well as unbalanced, code of technical devices hope to survive the attentions of ignorant electors suddenly crammed with false information and prompted by the other side to fancy themselves technical experts?

We can appreciate the point of view of the Douglas Credit Party. Seeing that, by running their own candidates, they were requiring voters to transfer their allegiance from other parties, they would have found it supremely difficult to take up the attitude that they were not going to submit themselves and their policy to the same kind of test as the other parties invited for their policies-the test of the plan. The bankster Press would at once interpret this as an " insult to the intelligence of free and independent citizens" or else as a confession of unfitness on the part of the candidate to take part in the deliberations of the Legislature. Only a long, sustained, antecedent course of instruction in the realities of political procedure under the existing centralised system could persuade the electors to scrap means for results.

^{*}Force. By Lord Davies. Benn Bros. Price 21s. net.

A New Political Party.

[The following is an editorial comment in " The New Ronomics" (Melbourne), of August 3 on the formation of the "Douglas Credit Party of Australia."]

It is to be hoped that the formation of a new political body known as the "Douglas Credit Party of Australia," to which reference is made elsewhere, does not develop into another political party of the type with which Australians are already familiar, and generally to their disgust. Pre-selection ballots, the signing of "pledges," and all the other paraphernalia usually inseparable from political movements, besides the intriguing for place, power, and compromise, are things to be avoided at all costs, if this new body is to escape the fate and ignominy to which other political parties have fallen. The recent split in the Country Party, the unhealable breach within the Labour Party, as well as the vacillations of the United Australian Party, in all of which principles and aims have become quite secondary affairs, are warnings that every Social Creditor should give thought to.

INDIVIDUAL INITIATIVE.

In view of these dangers it is to be regretted that those responsible for the emergence of this New Party did not give consideration to the idea of allowing individual freedom and initiative full play in moulding political activity, at first at any rate, if only for the reason -and it is a good one, too-that it was upon this policy that the Social Credit Movement both in England and Australia has developed to its present extent and influence. Our Movement certainly has something new to show all other political parties in economic doctrine, and it could have proved that it held new ideas also on political strategy. We believe that very soon, if some have not already done so, members of this political party will realise that independent action and individual initiative unhampered by "party" or "organisation" considerations and trappings, is the best and only workable policy in the political sphere, just as experience and success in propaganda has shown it to be the best in the private sphere. He travels fastest who travels alone is a maxim that applies here.

Plans and Politics.

[From an editorial article in "The New Economics" (Melbourne), August 3.]

The State Council of the Douglas Social Credit Association of New South Wales has drawn up a list of measures suitable for enactment by the Federal Government of Australia, and which, it is claimed, outline a way to the implementation of a full Social Credit

The policy is divided into three parts: the "Objective"; the "Ultimate Policy"; and the "Interim Policy."

This Interim Policy is divided into several sections containing specific provisions for each. The sections are as follow: Social Services; Public Works; Marketing of Primary Produce; Property and Real Estate; Arbitration and Wages; Taxation Rebate; Finance; and

In commenting upon this Legislative Policy, which, to do its compilers justice, is admirably set out, one is, of course, bound to remember that the Interim Policy, as the one which will naturally receive the whole of the public attention and criticism, is put forth as being

The publication of this Legislative raises the question of the propriety of issuing raises the question of the propriety of the prop

an initial step only. Nevertheless, it has also to be borne in mind that this Interim Policy will be regarded by many as the main, if not the only, policy bearing upon Social Credit, and consequently will be taken as expressing Social Credit principles.

THE NEW AGE

From this viewpoint it will, no doubt, surprise many Social Credit supporters, who for years past have been familiar with the incessant public advocacy of the Just Price, Price Regulation, and the National Dividend as indissoluble features attending Social Credit, to find that the Interim Policy contains no overt and direct reference to these features. As a result of this, is it not highly probable, as one thing, that the public and certainly our opponents—will construe this omission as evidence of some weakness in the practicability of the Douglas Proposals?

The only statement so far advanced in justification of dropping the Just Price and National Dividend is that given by the Editor of "The New Era." But far from serving to explain the matter and allay criticism. unfortunately, his statement is likely to have quite the reverse effect upon intelligent people and students of

"The fact must be faced," writes Mr. C. Barday Smith, "that no Government, even if it had the will could put the Just Price and the National Dividend into operation in less than six months. The necessary statistical in less than six months. sary statistical data isn't available. A dictator would probably get it probably get it in three months. But democracies

This is the kind of thing which is frequently voiced by ill-informed critics of Social Credit, who are quite unaware that the unaware that the application of the Just Price prociple and the National Dividend need not wait statistical data which would ensure their operation with mathematical with mathematical precision. The principle of the Just Price and the National Dividend, however, could be in operation within in operation within a month at most following legislative enactment tive enactment. All that is necessary—apart from machinery much of which already exists—is the knowledge showing to viledge showing to what extent it is prudent to apply that principle. And if the principle. And if the investigations of the Social Credit Movement so for Movement so far made, and the observed economic facts, do not institute. facts, do not justify a substantial and immediate pro-Discount to consumers plus a National Dividend, it can surely be alleged the surely be alleged that we have a very poor case indeed.

Moreover, what will the public and our oppo be likely to think of a policy which avowedly drops principle of the Leville principle of the Le principle of the Just Price and yet proposes a Rebate of an amount of a policy which avowed Taxis Rebate of an amount of a policy which on the proposes a principle of the proposes a policy which on the principle of the principl Rebate of 25 per cent, on prices; and which, face of it has been specified and which face of it, has been determined with certainly for statistical evidence—if as much—than exists determination determination, through the Just Price formula, straightout Price formula, straightout Price Discount? Do we not underrate intelligence of the intelligence of the public if we imagine we can away " with this sort of thing?

We would rather not have had occasion these remarks. And let it be said at once that reason for doing reason for doing so is not merely because terms have been omitted from this Interim Policy are no sticklers are no sticklers for terms alone. We believe such a policy as this could be enacted we should to be the first to rose by any other name would smell as sweet. to be the first to congratulate its sponsors.

The publication of this Legislative Policy ises the country

at all at this stage. Major Douglas has declared that in evolving a strategy for the achievement of Social Credit, the "plan" should come last. That the "plan" should be preceded by the attainment of power or the means to have a plan adopted. And that until this position is gained, the drawing up of plans is tantamount to furnishing the enemy with information which they may use against us. These remarks, however, may bring this question to the minds of readers: Assuming that persons submit themselves as candidates at the Federal elections, can they do so without some definite plan or policy to advocate?

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Well, in reply to this, we can point to the instance furnished by Mr. Carruthers in Tasmania. As far as we know, Mr. Carruthers did not propound any plan or legislative policy to electors. What we do know for certain, however, is that with the aid of some splendid leaflets and in speeches, he set out the facts of the economic situation and their cause. And in the same way he indicated in general terms what the Douglas Social Credit proposals would do to cure the trouble and also gave the names of prominent people who supported those proposals. And everyone knows what the result of this was. Mr. Carruthers was elected in spite of the presence of "party" candidates, each of which flourished a plan or a policy.

Electors, after all, as Major Douglas has said, are not concerned with "plans" or the way to do things. They are concerned simply with the things they want done. done. Electors express desires when they vote; they do not approve plans. And it should be the aim of the would be parliamentary representative to sense what those desires are; and if he succeeds and consequently the desires are; and if he succeeds and consequently the succeeds are the succeeds and consequently the succeeds and consequently the succeeds are the su quently is elected to Parliament, he should strive for the satisfaction of those desires.

By way of suggestion, suppose all Social Credit candidates in the coming elections dropped all reference to plans of any sort; and beyond stressing in broad terms what could be done, and should be done, to meet the absurditude of plenty, they absurdity of poverty in the presence of plenty, they announced to Parliament announced determinedly that if elected to Parliament and with power to do so, they would instruct the controllers of the Financial System to immediately inaugurate a policy of the range of the range of the transfer of the rate a policy which would permit the transfer of the abundance in the productive system and shops to the homes of consumers. See how this declaration would at once the consumers. at once throw the onus upon the Credit Monopoly, not only for the onus upon the Credit Monopoly, not only for the responsibility for the present state of affairs, but for the power to alter it. Moreover, this declaration was the power to alter it. declaration would cut beneath the questions of Nationalisation. alisation of Banking or Political Control of Banking; for it would be appropriate to the proposal to for it would embrace nothing more than a proposal to instruct the bankers to do a job which they, as controllers trollers of the money system, should be able to do. And that is a proposition which no normal person could fail to und fail to understand nor could cavil at.

But what if the controlling bankers won't do event, someone at the meeting may ask. "In that who the candidate could retort," we'll get others who will the candidate could retort, we is got power of the parliament represents the sovereign power to see of the will. Parliament represents the soveress see that the people, and it will be our duty and power to see that the people's wishes are carried out." position, that is the attitude to adopt on the platform, and, what is more, it is the right attitude.

Parliament would thus be presented to electors in property would thus be presented to electors in proper light; not as a place where schemes should be propounded, but as a place where general desires are represented, but as a place where general desires are represented and where orders are given for their fulfil-If this were seen to be the function of Parliathen the duty of its members would be clear; and if duty were carried out Parliament would surely were carried out Parliament would surely wightful and becupy in the minds of the people the rightful and nonourable place that it should. And since a number tical sphere, we trust that apart from using it as a generally to establish that conception.

The True Cost of Living.

The subject of diet in relation to health has been discussed by the British Association. In the same relation The Times discusses infant and maternal mortality statistics. The same journal alludes at length to health in Manchukuo under a standardised diet of bread and meat. These items, coupled with the Minister of Transport's crusade against street noises, seem to suggest some obscure relation between the people's health and the bankers' nerves.

The solvency of the Health Insurance Fund has to be protected, and it may be that actuaries have calculated that claims for street accidents will not absorb all of the saving which it is hoped to effect in the cost of routine medical attention and prescription among the masses. It has been discovered by the Japanese that the standardised limitation of dietary to bread and meat has been followed by a harvest of rickets. In the Annual Report for 1933 on the Health of London, material for puzzlement presents itself in the phenomenon of a falling infant mortality proceeding alongside a rising maternal mortality. More babies stay alive than before, but more mothers die than before. The average annual deaths from childbirth per 1,000 live births for the six years 1928 to 1933 are actually more than for the eight years 1920 to 1927. The infant rate of survival, 59.51 per 1,000 live births, is only .34 above the lowest ever known, namely, 59.17 in 1930. The Times points out that the birth-rate has been falling continuously for many years, and remarks that when the birthrate is falling the "average risk" is greater, seeing that " more women relatively are becoming mothers for the first time." It passes from this unsatisfying theory to lay emphasis on the importance of correct feeding to prevent infection and to support bodily resistance to diseases (e.g., puerperal fever and erysipelas, two diseases which are thought to be inter-related). We suggested in a former article on dietary that the correct dietary for a pregnant woman was what she fancied. The deduction from that, in the present system, is that most dietaries are incorrect, because for most women there is a financial veto on fancy.

But leave fancies apart, and come to the standard of life itself-bread. Machine production of bread is not only driving husbands out of work, and off the means of buying bread for their expectant wives, but it is driving the wives on to an inferior food. Firstly let us mention that whereas with hand production a man can turn eight sacks of flour into, say, 720 quartern leaves in a week, a man in an up-to-date mechanised bakery can turn forty sacks into 3,600 quartern loaves, that is, five times as much in the same time. But the main point is the quality of the machine-made bread. One hears the claims: "hygienic bakery," "untouched by hand," and "dust-proof wrapper," and so on. The truth is that in the process of preventing the man poisoning the loaf the loaf is made to poison the man. We use these words in a rhetorical sense, but they are essentially true. This it what happens. In the modern bakery all the ingredients are assembled and to a given total weight 6 lb. of yeast are added. The charge disappears from sight through mixers, dividers, shapers, ovens, coolers, and wrapping machines, coming out parcelled up ready to go on the lorries. Total time three hours from start to finish.

Now with hand-made bread the baker, supposing him to use the same quantity of ingredients, adds, not 6 lb. of yeast, but # lb.-one-eighth the amount. He

mixes it by hand slowly. He has got his dough ready by, let us say, 5 p.m. He has tea, goes out, goes to bed, and gets up at 5 a.m.—and not until then does he disturb the dough; for otherwise he would interrupt the natural rate of ferment uniformly laid down by nature. The dough is now ripe for the heat just as the grain was once ripe for the harvest. By the time it is baked perhaps fifteen hours have elapsed since the assembling of the ingredients.

Now, nobody can easily prove on paper that the hand-made loaf is better than the machine-made. But you can safely say that if the one is bread the other certainly is not. Hand-made is God-made; and many will respond to the reflection that perhaps the ill-health that afflicts society is a punishment for setting machines to hurry God's handiwork.

Forthcoming Meetings.

Birmingham Douglas Social Credit Group.

Syllabus 1934-1935.

September 26.—Where is the Dividend to come from?— H. R. Purchase, Esq.

October 10.-Inflation and the Dividend.-E. W. Harri-

October 24.—The Machine and the Dividend.—C. Kenrick, November 14.—Before Social Credit and After.—J. G.

November 28.—The Meaning of Democracy.—G. Hick-

ling, Esq.
December 7.—ADDRESS BY MAJOR DOUGLAS IN THE TOWN HALL. CHAIRMAN, THE DEAN OF

December 12.—The Social aspect of the National Dividend.—T. F Evans, Esq.
January 9.—Subject to be announced.—Dr. J. E. Purves.
January 23.—The Common-sense of Social Credit.—L. D.

February 13.—Resistances to Social Credit Propaganda.—

P. R. Mason, Esq.
February 27.—Life or Money?—A. L. Gibson, Esq.
March 13.—World Affairs from the Social Credit standpoint.—E. H. Bill, Esq.

March 27.—The Emergent Order.—Dr. Tudor Jones. April 10.—The Advance of Social Credit.—J. R. Morton.

The Green Shirt Movement For Social Credit.

National Headquarters: 44, Little Britain, London, E.C.1. Wednesday, September 19th, 8 p.m.—Green Shirt Glee (Social Credit in Song and Mime).

Wednesday, September 26th, 8 p.m.—" Problems of Propagandists." (Questions invited.)
Wednesday, October 3rd, 2.30-10 p.m.—Exhibition of The Great Log—an Illuminated Record of the Foundation and Development of Kibbo Kift and the Green Shirt Movement.

The New Age Club.

[Open to visitors on Wednesdays from 6 to 9 p.m. at the Lincoln's Inn Restaurant (downstairs), 305, High Holborn, W.C. (south side), opposite the First Avenue Hotel and near to Chancery-lane and Holborn tube stations.]

"The Times" on the Australian Election.

"There is certainly no encouragement for them [the Labour Partyl in the surprisingly large poll secured in New South Wales and in Victoria by candidates advocating the Douglas Credit System."-The Times on the Australian election (leading article).

"The 'Douglas Credit' candidates received surprisingly strong support in many places in New South Wales and Victoria, often exceeding the Labour vote, but in no case did they poll sufficient to win a seat."—The Times Melbourne Correspondent on the Australian election.

"Mr. Lyons had an easy victory over two 'Douglas Credit' candidates in Wilmot."—The Times Melbourne Correspondent on the Australian election.

The Point of the Pen.

By R. Laugier.

No. 12.—HAVE WE SOLVED THE PRODUCTION PROBLEM?

That they may indicate the more sharply the precise point in our economic machinery where breakdown occurs and chaos may ensue, certain authors make a statement to this effect: The production problem has been brilliantly solved, but not the consumption problem.

I want to examine this statement, which involves certain conceptions that I am unable to accept. By way of preamble I would suggest that new Faiths are always under the necessity of creating new language, and, in fact, invariably furnish such language: there is danger to the such language. is danger to fresh ideas when those who would expose them employ the worn-out terminology of their orthodox adversaries. It is orthodox economy that separated those processes of "production" and "consumption," as naturally allied in human life as inhaling and exhaling in our breathing.

If an engineer sets up a rotary converter in a field and then runs his wires to "earth," he has accomplished little in the way of production: he has produced a machine and the machine, and then so dealt with it that it cannot benefit

Is the present breakdown due entirely to a failure h arranging distribution of product, and consumption. think not. I imagine that, so far from the "production problem" heips and problem "being solved, it has never been wisely tackled.

The only problem been wisely tackled. The only problem attacked and solved has been problem of foreign problem of forcing consumers to part with their money for no matter what kind of goods—if any! And the is not the human is not the human problem of production: and I decline to consider human to consider human problem of production: and I decorate to consider human economy from any other point of view except the human problem of production.

Let us suppose we have a community of 120 mills They need boots. The producers turn out 360 mars pairs of boots. The producers turn out 360 materials problem of provider. Have they solved the nation problem of provider. problem of providing boots? I think not. I think the have behaved about 1 have behaved absurdly. It is suggested that the consumer's problem of sumer's problem of getting boots will be easier when roughly 300 times the roughly 300 times the number required have been produced. I doubt the duced. I doubt this The stream of distribution choked with both choked—with boots. Those who couldn't plan the quired provision quired provision can no more deal with the muddle have brought about a have brought about than violent revolutionists, who no scheme can be the scheme can no scheme, can think of a scheme when they have loose their violence. The word "planning, circulation, is a good word, even if badly used at moment; in circulation moment: in significance it is antipodal to laissed.

It will be a

It will be a mistake to imagine that producing such will make a much will make the problems of distribution and sumption easier. sumption easier. The modern machine is too planning and delicately adjusted for such errors in planning

Under-consumption must be wisely studied before luction begins duction begins. Every bullet of production must be billet of correction its billet of correction must be wisely studied below the below its billet of consumption. The target of potential sumption must be sumption must be accurately hit. To put a shot yards over the yards over the target, and then a solv erralls "short" is not "1 "short" is not "brilliant"—it is merely erratic.

The statement of the sta

The statement that the "production problem" been solved implies that a certain body of production beautiful to the husiness man has solved implies that a certain body of property of the prop of solving any problem. The engineers

some brilliant exceptions (should it be one brilliant exception?) the engineers have failed, and are frustrated, because they take their costing from the pawnbroker. So we have clogged canals, unsatisfactory railways, deadly accidents by rail, automobile and 'plane, an intolerable, mechanical noise, motor-tyres that puncture, razor-blades that last a month instead of a life-time. We have streets in our rich cities that would disgrace a Manchurian village. (For the last seven years, in the Avenue des Ternes, two minutes from the Etoile and the Arc de Triomphe (!) we have had large " shellholes," filled in the winter with rain and mud.)

No: the engineer cannot claim that he has solved the production problem, only that he could solve it: no one knows this better than he. Also, so far as this generation is concerned, he may never solve that

The scientist (using the term widely) has failed humanity. Regarded by a superstitious age with a veneration that superior savages reserve for lunatics, the scientist is, nevertheless, not a leader, but a wretched hireling, a camp-follower of Big Business. Science resembles the whore's daughter who, in giving evidence as to her profession, stated that she "helped mother." Your scientist will just as readily produce poison-gas as assist the lowest money-grubber in his noble task of adulterating food and producing "shoddy." Without the scientist these things could not have been done.

The sublime "detachment" of our scientists has led them so far above (or below) their fellow creatures that whether life goes on—outside the laboratory scarcely interests them. Whilst artists fight for humanity and starve, the scientist is not without honour in his own country-or profit. His talents have commercial value; thus he can afford to be de-

There has followed, of course, the ruin and degeneration of the mass of scientifically trained men who have been seduced, one way or another, by Business. Even the internal that the internal three wanished. the intellectual probity of the scientist has vanished. He no longer examines his authorities; he accepts vital states. statements (on finance) without question. Lastly, his boasts at the control of th boasted ability to measure things has gone sadly astray. He reckons cost of production in money—falsely and without apprehending the nature of money. So we have the have the spectacle of medical bodies gravely stating that a poor man or woman may live upon a quantity of food to be called "five or six shillings' worth." After which await confidently the day when some "scientific" unind will make a statement like this: "An ohm is the tesistance offered by a column of mercury about fortyseven shillings' worth in length, and fivepence in cross-section section, heated to a temperature by four pennyworth of gas."

God help any artist who attempted to sculp, paint, or write by such "scientific" measurement, as our scientific by such "scientific" measurement, as Businessscientists continually manifest. . . But, in a Business-Puritan being: age the artist is an unpractical dreamer, besides being immoral. Nevertheless, he it is who anticipated thost of the discoveries of science by using an imagination capable. capable of seeing the unseen. It is the artist who told the scientist the scientist what to measure. It is the arust who long that to measure. It is because the scientist to longer works with the artist that science is dehumanised. Incidentally, the artist alone has solved his production problem. The artist alone has solved and ignormer problem. The artist is not competitive, and Ignores Finance, even though he dies for it.

Long ago the artist Ruskin pointed out that if Governments did not control production, and maintain certain standards of quality, then Business would fill the world with shoddy. That is a fait accompli, with the proud help of modern science.

For my part, whilst I have to accept Eggo, Milko, and Kreemo, and refuse all substitutes, I decline to agree that the production problem has been solved-even brilliantly. My soul knows a passionate craving for blottingpaper that will blot, water-proofs that will be " proof," fountain-pens that will be more pen than fountain, matches that will strike, lighters that will light, windows and drawers that will open-and then shut. I long for fires that will warm me, food that will nourish, a roof that will keep out the rain, and a wall that will keep out my neighbours' radios.

Yes, above all, I desire peace and quietness, for that is a thing of the spirit. I dislike eating my food in a restaurant beneath a naval searchlight put there for publicity purposes. I do not enjoy canned music, and do not see why I should be forced to try. I resent having my ears and nerves violently assaulted in the streets because some gentleman is carried to and from his labours upon a low-powered motor-bicycle which makes a noise like fifty machine-guns. Engineers produced a motorhorn which is harsh, low-pitched, grating, metallic. Any wireless-operator will tell you that a high-pitched musical note may be heard at a far greater distance than any other. The Marconi Company went to some trouble in this matter. Note that once the engineer has produced something for Business, so long as it's cheap and "works," it is thrust upon the community, however intolerable. The unpleasantness begins with the technical designers, and very often they don't even know their job, even if it is making a noise.

I suggest that if a reform of the monetary-system facilitates a distribution of our products, then, and then only, will the two twin problems of consumption-production be attacked wisely and undertaken humanly. At present the humanities are disregarded by those responsible for production, and, under the present system, they can, and will, be disregarded financially with impunity.

The Films.

" Treasure Island" Empire.

This picture has had a more eulogistic reception by the American Press than its merits warrant. Not that it is not good melodrama, and the scenario writers, save for a few jarring American anachronisms at the beginning, have wisely used Stevenson's own dialogue throughout. But the production lacks spontaneity; the endeavour to re-create a classic for the screen is too evident, and one has the impression that the producers approached their task with excessive awe, and were, if anything, rather too conscientious. And yet not entirely so. As Jim Hawkins, Jackie Cooper pouts his way through the picture, in which connection I note that some of the publicity matter refers to the re-invocation of the "tear-dimmed sentiment" of one of his previous films. In fact, Master Jack is a bit too much of a cry-baby for his robustious surroundings. Wallace Beery is admirably unctuous as Long John Silver, and plays the part as though he enjoyed it, but the most finished impersonation is that of Lewis Stone as Captain Smollett. This is acting of real distinction.

In general, the production is too stagey, and many of the outdoor settings are too obviously lath and plaster. But "Treasure Island" should fill the movie theatres during DAVID OCKHAM. the Christmas holidays.

A Slip in Time. By Seth Howard.

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Mr. Sells wrote Utopias-scientific Utopias. They were, for a time, very popular, written in a slick and easy style that appealed to a large, newly educated middle-class public. There was, of course, only one snag in these Utopian novels, a fatal snag from the point of view of story-telling. In Utopia-especially a scientific Utopia-everything in the garden is lovely; everything works smoothly and enjoyably; nothing goes wrong with the works. Consequently, the chief factor in story-telling-struggle-is eliminated, and, once the characters have arrived in Utopia, the story goes

Mr. Sells, however, had been very ingenious in his methods of introducing an element of struggle into his visions of Utopia. As a rule he found this struggle in the conflict of ideas between Earth-bound humans and the Utopian super-humans. There were even real struggles, physical fights, wars between the Earthmen and the Better Men.

Mr. Sells had just finished the last chapter of a new Utopia. He laid his pen aside and sat back, looking at the pale sunshine that swamped the garden in a pool of honeyed light. He glanced at the clock. Strangely enough, both hands seemed to be missing. The face of the clock, with its circle of Roman figures, was clear enough. In the centre was the pivotal dot and nothing else. It was impossible to tell the time from that blank disc. Very much astonished, Mr. Sells took out his watch-

and was even more astonished. His watch had no hands! Quite suddenly, whizzing round and then slowing down to normal, the hands appeared. They stopped at 6.10. He looked again at the clock. Yes, the hands were there now plainly enough. They stood at 2.56. In trying to wind his watch, he found it was fully wound. So with the clock.

He crossed the room from his desk to the window, and saw an amazing sight. At one second the garden was bare and wintry, the next it was in full bloom, then autumn tinted and leaf-falling, wintry again, blossoming again—! It flicked moment by moment through the seasons. The speed increased, until finally the garden swam into a blur. The next instant there was no garden, nothing but a fog of white light. He turned away, and found himself in a gray haze. The room was lost to sight, and yet he knew or rather felt—that it was more or less there. He looked down at himself, expecting to see the usual foreshortened view of his own tubby waistcoat, his socks, and yellow slippers. But he was also lost, smudged as it were. And yet he knew he was there. He could feel himself, every part of himself, absolutely there. He decided to say a few words aloud to reassure himself,

"This is very strange," he said. The sound of his voice reached his ears normally.

And then, in a flick, everything was clear again-and everything was changed.

The garden was in its place, but what an amazing garden it was! The paths, for instance, were of some kind of glassy metal, and it was flooded, not in that early Septem-

ber haze of honeyed light, but in a blaze of artificial sun-light. There was something fadeless and eternal in the look of the lawns, the flower beds, the shrubberies, and the

The room-his room-his own very private sanctum, where he wrote his books, was transformed into a kind of where he wrote his books, was transformed into a kind of all-metal fusilage, a spacious cockpit built of sheets of bent glass—or was it aluminium or something? It had about it a crazy concertina effect. The floor seemed to be made of one great slab of opaque ice—some new composition, no doubt. And no fireplace. Mr. Sells hated central heating and loved an old-fashioned open log fire. All that had gone The room was warm enough, but never again would he be able to stand with his back to the blazing log fire. It had been part of his simple routine of life to go out from his study and spend half an hour a day, during the autumn and winter months, sawing up logs just outside the wood-shed near the garage at the back of the house. This log-sawing kept him fit. However, all that—all that primitive and useful exercise-was now impossible. He was in a world that had organised itself and cleared itself up. It was a tidy world, a world in which wood and coal as fuel had long since given place to direct solar energy.

'You're an Earthman, aren't you?" said a voice. Mr.

Sells looked round. There he saw a person clad in what looked like a sheath of spun glass. It was, quite obviously, a young woman. Well, that was what Mr. Sells had somehow rather expected. In his imaginary Utopias the newcomer from the planet Earth was always greeted and shown round by a young woman—usually a particularly good-looking specimen. This one, however, struck Mr.

Sells as a particularly unattractive individual. She was thick-set, sallow, with a painful chinlessness, and pop-eyed. Mr. Sells was tremendously disappointed.

"Yes," he said, "I am-my name is Sells. . the novelist—where, exactly, am I—and what has happened?"

"This is Forty-fifth State, and I suppose that on your planet there must have been a slip in time. It does happen now and then. I'm afraid you've slipped into our world

by mistake. Still, perhaps you don't mind?"
"It's—ah—rather surprising," said Mr. Sells. see, the fact is I've just finished my new novel, and I must see it through the press-"

Novel? I don't understand."

"My latest novel—I've just finished writing it—"
"But why?—what is it?"

"It's a story—a book—I rather fancy it will be a best-

ller. Most of my books are, you know."
"Well, you'll have to see about it when you're numbered to see about it was not see about it when you're numbered to see about it was not see about it was not see about it when you're numbered to see about it was not see about it was off, and after you've been to the Clearing House. I have beard of writing and also of books. We had books during the First and Second Epochs—but that's eight of nine thousand years ago....." "D'you mean to say you have no books, no libraries, no nine thousand years ago-

—ah—literature? "gasped Mr. Sells.
"No," said the young woman. "I never heard of anything of the sort. I'm pretty sure we haven't. Are the any use?"
"But a civilisation without literature—impossible! You must be a line in the said of anything the said of anythi

must have a very high culture here in—in—
"Forty-fifth State," she prompted.

"And such a culture must necessarily be embodied in a literature—in books?"

"No." she teld."

Mr. Sells felt in his pocket for his cigarette-case his matches. Then he remembered having left them on desk. But there was no desk. He was a very heavy cigarette smoker, and now suddenly he felt that he must have 'No," she told him again. "We have no books here. ette smoker, and now, suddenly, he felt that he must have

"I say," he said, "do you think you could get me a cigarette—and—and matches?" Even as he asked he had the horrible feeling that perhaps smoking wasn't allowed.

The period of the perhaps are the perhaps and the perhaps are the period of the perhaps are the perhaps are

The young woman looked at him blankly. It was obvious that she did not understand what he was talking about is quite unknown here?"

"I suppose," he said, "smoking—the tobacco habit tobacco."

"I'm sorry." said.

"I'm sorry," said the female Utopian, "I really can make head or tail of what you're saying. less! The idea of never being able to smoke again can a gust of panic upon Mr. Sells. He turned to other wider issues in order to smother this hankering of the saying and to the smother than the smother wider issues in order to smother this hankering to cigarette. Education, for instance. Mr. Sells was encounted the mously, abnormally, almost morbidly, interested in the counter that the counterpart to under the counterpart to smoother this hankering to consider the counterpart the counterpart the counterpart to smoother this hankering to consider the counterpart the counterp tion. But the young woman did not appear to under the young woman did not appear to under the were no schools. How did they tackle the problem interested in this or that subject were drafted into interested in this or that subject were drafted into itelligence Corps, and had their minds "canalised most people were and had their minds "canalised subject were drafted into itelligence Corps, and had their minds "canalised subject were drafted into itelligence into itellige most people were uninterested in any special subject they just played about and amused themselves in one was another.

"What do you mean by 'canalised '?", Mr. Sells ask 'Oh, it's a very simple "What do you mean by canalised ?" Mr. Sells of the glands. Once it's done your mind cannot wand upon other subjects—the stream of thought of the glands of t and concentrated upon a particular subject. Our commechanical and scientific organisation is run by the interpretation of the comment of the contract of the c

"No, of course not! They're only half-wits."
"Half-wits—"
"Half-wits—"

"Half-wits—?"

Yes, half their wits have been eliminated. specialists—experts—"
"But with us," broke in Mr. Sells, "2 specialist is a specialist is in the specialist is specialist is a specialist is specialist is specialist in the specialist is specialist is specialist in the specialist is specialist in the specialist is specialist in the special spe

most intelligent person."

"Ours are also," said the young woman, or half-wits, of course. They do all the tiresome of half-wits, of course. They do all the majority of production and distribution. The majority of production and distribution.

mentally free and prefer not to specialise.

Mr. Sells then asked about the form?

Was it autocratic or democratic, or what? Was in possible to make himself understood. dictaor, kind of governmental control—a king, a religious dent, or a council? No, nothing but the falligence with the scientific laboratories and producing plant.

Just then in came another Utopian, a man, and rather skinny, and looked bored.

and rather skinny, and looked bored.

"Earthman, I suppose?" he inquired, and then: "How long do you give him?"

"Well," said the girl, "the one we had here about a hundred years ago only lasted just over a month, if you

A growing anxiety was overtaking Mr. Sells.

"I suppose I can get back all right—ah—when I've had a look round?" he asked.

"I doubt it," said the male Utopian. "Time here never slips back."

"But look here," began Mr. Sells in a real panic, "I—I must get back! I've got a wife and family and—and my new novel to bring out—" "What is

"Why not bring it out here?" said the man. "What is

"It's by far the best thing I've done, if I may say sobut I understand you have no books here?"

Can you do anything with it? Does it spin round or tumble about? "

After a great deal of talk at cross purposes Mr. Sells discovered that these Utopians were only interested in new toys that could be made to bounce and spin, turn somersaults, fly out at a tangent, and change shape and colour. The man thought the "novel" must be a new toy that Mr. Sells wanted to bring out.

And now, in a roundabout, tentative manner, Mr. Sells began to hint that he rather hoped a meal might be served. How did they arrange about such things as food, cooking, domestic service, and so on? The fact was he was getting desperately. desperately hungry. It had been just on lunch time when he had laid his pen down after finishing the final chapter of his new down. of his new novel. He was fond of food.

of course," said the girl, "that is going to be your difficulty here. You see, we don't take in food in the crude

No food? " exclaimed Mr. Sells. " No meals?" During the Third Epoch there were still some people

left who took a little food into the stomach "But-but how do you keep alive?"

Sunlight—air—what more dyou want?"

"But—but I can't live on sunlight and air!" Mr. Sells informed them. "I must have food—real food." I expect this one will last about a month, like the other one," said the man to the girl. The girl nodded.

"D'you mean to tell me there's no food of any sort to be manded." he here—except sunlight and air?" he de-

"I never heard of any," said the girl. But—but what am I to do?"

One did, said the man.

"I must get back! I must get back to earth!" shouted
"Nr. Sells. "There must be some way of getting back—" Why? ", asked the girl.

Well, I can't stay here in this beastly place with no and I don't like it."

By this called the girl.

From this beastly place with no and I don't like it."

By this time Mr. Sells was in a dreadful funk.

There might not be another time-slip for thousands of ears, and even if there is it's almost certain to be a slip years, and even if there is it's almost certain to be a slip forward into the future."

But you can't let me starve to death! "
dropped on his face and went stiff."

There was no way out of it—no way back. Mr. Sells no interest in it. The pangs of hunger gnawed. He did kept him got a drink of water now and then, and that but it, with the water, acted as an emetic. Moreover, no The Utopians were polite and kindly, but they could do him, to help. They had no food of any sort to offer standing. How could they? The beings of Forty-fifth years were able to extend life to five and even six hundred out. ate were able to extend life to five and even six hundred sere able to extend fife to five and even six hundred age. In fact, five hundred and fifty was a perfectly normal see of the even then they showed no sign of age, and felt the symptoms of enfeeblement and decay. They did not even then they showed no sign and even the symptoms of enfeeblement and decay. They did trance, which one the unit of the condition which one or another of the sleepers awoke from time to the started another five or six hundred years of Epian life. inplan life.

Eventually Mr. Sells, driven mad with hunger and fear,

managed to electrocute himself by touching a high-tension contact near the Central Solar Energy Station.

They dredged the river. They organised search parties of police and Boy Scouts. Scotland Yard did its best, but a slip in time baffled them. "Famous Novelist Disappears
—Completed MS. of New Novel Found on Desk." The new novel was a best-seller, but Mr. Sells was never seen again. Perhaps it doesn't matter very much . . . ?

Review.

The Bloch Publishing Company of New York send us for review a play called "A Jewish Tragedy," by Baruch Bernard, a writer whose work would be of more interest to THE NEW AGE readers if his name could be reversed into Bernard Baruch. The price is two dollars.

The story is strongly bathed in anti-anti-Jewish feeling. The hero is a Jewish stockbroker who, in the play, would seem to spend most of his time giving money to charities instead of getting a rake-off from gambling fools. The villain is a German-American with plenty of Aryan contempt for the Iew and heaps of the ordinary theatrical passion for the Jew's handsome wife. Such lines as: "You are an Aryan, proud of your Aryan race. You should not love a Jewess," give you an idea of the tone of this piece, which might please the particular audience to which it is addressed, but is not likely to have much entertainment value for English audiences.

LETTERS TO THE EDITOR.

"THE NEW AGE "-A TRIBUTE.

Sir,-Those words of the Psalmist: "Oh, that I had the wings of a dove," have often expressed a deep-felt desire of mine, thus enabling me to meet some of my Social Credit friends in England.

More especially have I felt this since the starting of the New Age Club, for then would I have had the very pleasing privilege of expressing in person my great indebtedness to The New Age generally, and you, Sir, particularly, for the most excellent and invaluable work you have been doing and are still doing for the Social Credit movement.

As one of the earliest of S.C. pioneers in Australia, one, who has, in season, and perhaps out of season-with tongue and pen, platform and Press-taught and preached Douglas for some thirteen years; and whose little bookwith all its shortcomings-succeeded in moving the dry bones in Australia (not to speak of New Zealand), causing S.C. to become a live movement, permit me to say how very much of this is wholly due to THE NEW AGE. I cannot but think how scant my equipment for such work would have been without the boon and the blessing of the weekly message of THE NEW AGE. Always instructive and informing; rarely other than inspiriting and inspiring; and a never-failing source of encouragement, oftentimes coming when one sadly most needed it.

More times than I like to admit, had it not been for the tireless, unwearied and assiduous example you set before all of us, week after week, year after year, never failing, I cannot but fear that without your inspiriting and inspiring help, I should have failed, when, with that help, I have succeeded.

I gather that there are those who are not satisfied with the policy of The New Age. Where, I ask, would the S.C. cause be to-day had it not been for the present Editor and its policy? Who picked up the torch when it had been thrown down? Has it not brought us to where we are, in spite of every difficulty?

Personally, I am concerned about the deviation from that policy which has taken place out here in Australia. Decentralisation is giving place to centralisation! Hitherto, it has been our boast that we are not a political party-have no concern with politics-have drawn our supporters from all parties. But that can no longer be said. Vote seeking is

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now the order of the day, and places in Parliament are being

If numbers are to be the deciding factor, then, I ask: Which are the most numerous, the wise or the foolish? So why make your appeal to the foolish? I have no faith in the majority, whether in Parliament or out.

After over fifty years of somewhat intimate experience of politics, I most heartily agree with you, Sir, when you say: . . without the effective command of money, all voting is ineffective."

Events dispense, man suffers; events dictate, men sign, or Parliament registers, but before we get S.C. "registered," great events accompanied by great individuals must, I feel, take place-not political expediency, not the crowd who cry, "Hosanna in the highest" to-day, and "Crucify him " to-morrow, will bring S.C. into operation.

I recall your closing words in your article on "The Birmingham Debate" (New Age, March 30, 1933). They still Sincerely yours,

W. H. RHYS. "Rycroft," Kenmore, Brisbane, Queensland, Australia.

P.S.—The Queensland Green Shirts, of which I have the honour to be the Head Man, have nothing to do with politics. nonour to be the riead wan, have nothing to do with politics. Our present objective is to gain recruits for S.C. by street corner propaganda, thus making the Douglas principles and our movement known. At our first rally we mustered fifty-six members, forty in full uniform, with band and banner.—

THE BRITISH ASSOCIATION.

Sir,—It is to be hoped that we may be afforded the oppor-tunity of becoming acquainted with the views of your able contributors upon the platitudes emanating from the British Association. I say platitudes, because it seems to me that observations and opinions, no matter how truthful and scientific they may be, degenerate into mere platitudes when constantly reiterated without purpose. Most intelligent people are sensible of the potentialities of applied science. Many may be of the opinion that the moral failure (Sir James Jeans) of mankind has led to its abuse. But what some people would like to know is: why that moral failure?

THE TRUE COST OF LIVING.

Sir,-You are to be thanked for your article of the above title, which appeared in the issue of September 6, in which you exposed a few of the tricks to which traders are forced in order to secure a share of the inadequate purchasing power which the banking system allows to their customers.

One or two more examples of similar trickery have come to my notice: the first concerns butter and margarine. In certain shops the assistants show great skill and verve in beating with a kind of flail the butter or margarine before weighing it in the presence of the enraptured customer. They are beating the fatty substance in order to force water Incy are beating the fatty substance in order to force water into it, and thus increase its weight; and they are bound to do so because, from a 56 lb. box they must sell at least 56 lbs. over the counter, or lose their jobs; and, if fair weight is given, then at least ½ lb. is lost on the turn of the scale. A second example. When the duty was imposed on tea (2d. per lb. on Empire and at our lb. on foresitts), a pertain

A second example. When the duty was imposed on tea (2d, per lb, on Empire and 4d, per lb, on foreign), a certain large firm announced that the retail price of their packet teas would remain unchanged despite the duty. Now it is simple to provide a tea which will give a strong infusion by raising a proportion of fannings and dust, and to increase the contract of th the gravity by a judicious admixture of iron filings, the latter, of course, having the advantage of introducing a little iron into the system.

I am told that in restaurants a small tin of salmon must produce eight portions, and 1 lb. of tea, costing 6d., anything

[The editor of the Bank Officer proposes to reprint our article, above referred to, in an early issue of that journal.—

THE ESTATE DUTY RAMP.

Dear Sir,—Apropos of "Lincoln's Inn's" letter, "The Executor's Year," I could tell of one estate in which I was Executor's Year," I could tell of one estate in which I was personally interested on which the executors paid £8,000 death duties. After many months it was discovered that the estimate of the whole estate had been grossly overstated—but—the legatees never recovered that £8,000, which would have meant £1 per week income for each ever after!

No doubt this is not an isolated case. The Treasury

seldom, or never, disgorges anything.

A SUFFERER.

Credit Research Library.

"Democracy at the Cross Roads."

A limited number of copies of this book, by Leslie H. Hollins, have arrived from Australia and are on sale at 5 each, post free. It was reviewed in The New Age of June 2h Following is an extract from the review:-

"Here is an outstanding book on Social Credit by an engineer. These engineers always get at the root of thins as soon as they see the 'Money Economy' under which we work to be just a mechanism. The foreword is written by John T. Lawton (a clergyman who is doing good work on behalf of Monetary Reform), and he expresses there very basic truth, 'moral exhortations do not, and cannot atone for errors in arithmetic.' This gives the key to the book, for the author, after confessing to the trouble he had in understanding the A + B theorem when applied to the whole of index whole of industry, was finally able to satisfy himself as it its accuracy. The book is written clearly and concisely, and some years. some very useful diagrams are given showing how method of Banking accounting must produce unsold gods (or alternative) (or alternatively debts). There are fourteen chapters in well reasoned sequence from the problem 'Man's Problem to its solution (Carlotte and Carlotte an to its solution 'Social Credit in Operation.'

Current Events

(Dates refer to reports in Press.)

Monday, September 10.

Fire disaster to s.s. Morro Castle.

Tuesday, September 11.

Morro Castle enquiry begins.

Munitions inquiry in U.S.A. continuing.

Russia and the League—admission still under discussion and the farmer. British Association discusses " science and the farmer.

Wednesday, September 12. German imports—Dr. Schacht takes entire control.

Friday, September 14. Poland denounces treaty protecting minorities.

Manchukuo—Japan unifies machinery of control in deferent

Australian election—polling taking place on this day. Saturday, September 15.

Who's Who?

[See reference to Lord Davies in the "Notes."] The Right Honorable Lord Davies (Plas Dinan, In an Co. Montes of the follows) The Right Honorable Lord Davies (Plas Dinardian, co. Montgomery), is a director of the following (among other) enterprises: Cambrian and General (ies, Ltd. (chairman); Cambrian Estates, Dinardian Co. (governing); Dinardian Trust Corporation, Ltd.; Ltd. (chairman); Great Western Railway Co.; Maclaurin Carbing); Great Western Railway Co.; Maclaurin Carbing, Great Western Railway Co.; Midland Bank and and Trustee Co., Ltd.; National Alertsliaw Line and Stone Co., Ltd.; Ocean Coal and Wilsons, Ltd. (chairman); Co., Ltd. (chairman); Taff Merthyr Stean Co., Ltd. (chairman); Taff Merthyr

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