NOTES OF THE WEEK

The Buck and the Bonus.

So the U.S. Soldiers' Bonus has gone west once more. The manner in which it was put to sleep recalls yet again the classic boast of Mr. Benjamin Anderson some years ago about the passing of the buck. It will be remembered that he elaborated it by stating that at times measures were passed by the lower legislature in the knowledge that they would be thrown out by the upper legislature. The beauty of this arrangement was (though he did not say so) that politicians who could be thrown out by the electors were (as they still are) able to pledge themselves to all sorts of objects which the popular fancy or win the public conscience without incurring odium and penalties when those objects are not attained.

It may be unfair to suggest that on this occasion the members of the lower house voted for the bonus in the hope or with the foreknowledge that it would be rejected upstairs. There seems to be sufficient evidence for the conclusion that most of them, if not all, were stampeded by the exuberance of their imaginative benevolence, and the impressive dimensions of the intended benefaction, into rushing the measure into the Senate with the impetus of a huge majority. Yet, allowing full weight to this probability, it remains open to question whether, if the financial interests behind the scenes had had reason to fear that the Senate would be unable to withstand its momentum, there would not have been a greater display of what are called "moderating counsels" in the lower house. The Senate, it is true, had the appearance of wobbbling under the impact, but, though an actual majority slipped over the cliff-edge of inflationary extravagance, they had been roped to a heavy-weight minority who had cut foot-holds for themselves and were able to support the jerk. Owing to the two-thirds-majority clause in the mountaineering code, each Senator on the cliff could support the weight of (up to) two over the cliff; and, since less than this proportion fell over, the remainder struck fast, the rope held, and the whole expedition was saved. Or, as the London Press put it, "Roosevelt" has been "Saved." In a figurative sense a versifier might amusingly hint at the process in these lines:

Will ye no save the President
Ben Anderson, my Boy?

Well, time must now show whether there is enough decision, perseverance, and ingenuity down below to join the issue again with the powers above. The difficulty besetting proponents of the measure is that it costs many times the energy to renew the attack that is required to defeat it, which is the same as saying that preparations to meet the attack can be completed in a fraction of the time needed to deliver it. Hope deferred weakens the resolution—and all the more effectively when, ranged against the inexhaustible purses of those who hope stand the inexhaustible purses of those who would frustrate the hope.

We are far from preaching that this disparity between the financial resources of the respective sides, and the tactical resourcefulness made possible by these resources, need necessarily and finally settle the issue. "Justice, with courage, is a thousand men." But a check to the courage sets up a challenge to the justice. It lays upon the leaders of the attack the task of reviving the courage. The essence of the task lies in renewing the conviction of the justice which first animated the courage. Now, in political struggles affecting the economic well-being of men that thing which we call justice is an abstraction or a policy according to whether means of implementing it exist, are understood and are feasible. If there be no "how" there is no "what," except in the arid region of speculative contemplation. So the courage based on the "what" must inevitably, when successfully obstructed, be driven back for renewal on the basis of the "how." If there
President Roosevelt has opened up this fundamental aspect of the issue. On the one hand, he was careful not to impugn the "what," and confined himself to the declaration that there was no "how" that would achieve the "what." And he is right. It was a given fact that victory would be the only way of weakening his hold on the idea that war is an act of God.

Lord Hewart slips up in his logic. After declaring it is wrong for anyone to feel about war if it comes — that is, if it comes at a time when the soldier was ultimately dependent on the well-being of the community generally. Unless or until measures for regulating prices accompany measures for distributing the burden of the taxation — until the government assures the American people that the money will be those who make prices against those who have to pay them. That is the immediate consequence. The next consequence will be the investment of excess profits, and the final consequence will be the distribution of new Government investment-securities on the pro- fitters by the bankers who will have advanced the bonus-money, and who will now collect the money back. This plan, however, will not do, because the money will not be used to purchase the community's needs.

Under the present unregulated price-system it necessarily happens that new money in the hands of the community creates new debts against them without securing for them any extra goods.

**War Risks.**

Lord Hewart at Radcliffe last week, when he opened a Trenchard drill, declared that, if a war came, the "noblest of dying," and not all about the "wickedness of killing." That is true enough. The Press, Wireless, and Press Association do nothing more but extol "the nobleness of dying," and so on. The Government was works to the detriment of every citizen of fighting age; and those various forms of exertion and compulsion would be defended on the old, old ground that the country was resisting foreign aggression. No Government ever broke a peace like that, is invariably the innocent victim of the fraternity! No Government at war is attacking liberties or stealing property—it is defending both against tyrants and robbers! To those who themselves would be justifiable homicide even under civil law: how much more so under martial law.

And in another war a new factor is promised which will heighten the sense of nobility that will animate the dying soldier. It is that—in this country at any rate—the Government will sternly put down attempts to make profits on munitions, etc. Lord Londonderry has said so, and his Under-Secretary, Sir Philip Sassoon has also said so. Doubtless it would be a beautiful thing to stop that that was six years ago, and during this interval its agents have been digging themselves down deeper in their bolt-holes; and the appearance Lord Hewart's efforts to arrest that have been waste of time. It is true that on more than one occasion, and of some of his judicial colleagues, they have made dramatic protests and gestures in defence of their prerogatives; but disinterested as their motives were, the issues on which they took this action left the public untouched, because enlightened as to the practical implications of it, and believing in the principle of the Independence of His Majesty's Judges. It was what the Irishman would call "a private row." No attempt to open the breach in such a way as to enable the public to see where they came into the story and what part they might play in it. The protesting judges hid their light under a bushel, a practice which is generally commendable when you are trying to be good by stealth. The sinister stealth prevents greater good being done through the force of your example. When the bureaucrats, at the instance in question, tried on their new rams—or the old ones in new directions—resistance to them ought to have been publicly based on the wide factual material and conclusions provided in Lord Hewart's book. No one should have been left unturned which could be picked up and used which would be used without the complicity of Departmental had been explained in that work.

Why was the conflict localised? The general reason is that other parties than the Bureaucrats on the one hand and the Judges on the other were intent on localising it. The explanation lies in what we wrote in these pages when The New Despotism was published in 1939. We showed that the bureaucrats had a defensible war against Lord Hewart's indictment. We argued that the nature of that defence was such that the Government could command an absolute prerogative of power in the absence of any checks from the judiciary, and that the present political situation, marked by the King's evidence against the banking oligarchy, the war was (and is) that the bureaucrats do what he does because he is being kept in a given position within a given time, the bank's control, and the truth is chosen and imposed by the bank's oligarchy. The banking oligarchy are represented in the Governmental System by the Government Warren. The Treasury appoints the Chancellor of the Exchequer. The Chancellor holds the trust the power of veto over the Cabinet's policies. He exercises the power in such wise as to ensure that the Cabinet's policies shall subserve the Treasury's policy. The Treasury is to say it is the cabinet's and technical, and that it is in its way to try to prevent war merely by attacking its morality. He would have won the assent of all readers of this journal if he had declared that war is an act of war, which is a useless pacifist campaign, and that it is a fact that war is unnecessary as well as immoral. It happened specially opportune enough, that Lord Hewart himself provided that material for his writing of The New Despotism, at a time when his subsequent behavior and his failure to make the mechanism, he proved conclusively that the liberty of the subject was being killed by the usurpation of the judicial functions by Departmental officials. The enemy of the people is not a parallel set to that in which it is popularly believed that the existence of peace is the mitre of the pacifists. Both are agents of the State which are immoral in purpose and practice. Thus Lord Hewart was occupying the same ground of attack as that of the pacifists against whom he is calling on the public to wage their time. He was preaching the despatch which the New Despotism is seeking to destroy. Lord Hewart was seeking to destroy the public the only way of weakening his hold on the idea that war is an act of God.
present to a sufficient extent to receive revenue, which provide a minimum of employment to its population. Foreign trading does not provide that amount the internal political stability of every country is threatened. The Government of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.

The Environment of that country will be faced with the alternatives either of suppressing internal discontent or prolonging its existence. The threat of discontent into external war. The one alternative may be as futile as the other, but there is no question that both Government and people would prefer the "noble" "futility of the war to the ignominy of political stability of every country.
The Problem of International Trade.

By A. S. Ewett-Sutton, R.N. (Retd.).

It is always the complaint of the Social Credit that the difficulties of international trade often make it less desirable than expected. The Social Credit seeks to eliminate the difficulties by making gold the standard of value, and by doing so, it seeks to ensure that the value of goods is not subject to fluctuation. The Social Credit believes that if gold is the standard of value, then the value of goods will be stable and predictable, and the difficulties of international trade will be eliminated.

However, the problem of international trade is more complex than this. It involves not only the problem of the value of goods, but also the problem of the exchange of goods between countries. The Social Credit believes that by making gold the standard of value, it will be able to ensure that the value of goods is stable and predictable, and that the exchange of goods between countries will be easier.

Second-Hand Sales.

Sir,—On page 30 of The Douglas Manual there is the following statement:—

"Sales between consumers are an important though often overlooked factor in distribution, and require that the money-value of 'second-hand' goods shall be in existence until the goods have physically disappeared."

The sentence seems to be stating that, for the money with which second-hand goods are bought, unlike money with which new goods are bought, is not cancelled by repayment; and that it has to be merely a transference of purchasing power from one point to another.

Do they mean a similar process of reasoning apply to the question of saving and investment? Social creditors usually argue that if savings are invested, two lots of goods are produced, one of which is sold, and the other is bought back with the money lent, and that the buying of the first lot leads to cancellation of the money, which is then no longer available to buy the second lot, but there is always some money available, and as it will not be cancelled in buying the second lot of goods, it can continue to circulate. As in the case of goods, purchasing power will merely be transferred from one point to another, and it is not clear that a deficiency must arise from this cause.

R.S.S.
industry has lost £1000 because "A" has gone into the business in competition with it.

Subsequently "A" could invest the £1000 or spend it on acquiring other private property. If he invested it, no shopkeeper would get it, and industry as a whole would carry this unproductive cost of £1000. If he bought (say) furniture — this time meaning to keep it — the furniture industry would receive a revenue-windfall to that sum. Thus industry as a whole would be square on the account. But in the last analysis this statistical equilibrium would have involved the writing off of the motor industry's loss, or at least a slowing down of its operations while the car remained unsold. This shows that second-hand selling not only diverts revenue needed by the industry making the same type of goods, but causes that industry to diminish its expenditure on producing them.

As shown previously, if all consumers simultaneously went into the second-hand trade the shopkeepers would sell nothing; and directly that happened all consumers would be thrown out of work and deprived of their incomes.

A. B.

The History of Fire and Flame.*

The best books, like the best meals and the best wine, cannot be reviewed without offence. They can only be enjoyed. The best compliment to pay a good meal is to eat it, and the best wine, to drink it, raising the glass with glad thanks to the host master who kept the best to the last. Mr. Ellis's book is most indeed, and the intellectual boon is drink indeed; at least so it seems to me, for here one sees the true part in the real power house, without the least incongruity.

The style is redolent of Emerson, the substance of Douglass. Neither name is mentioned, but the power is unmistakable, for the self-conscious human spirit, which is typified in amicus graven stone, in later written scroll, or modern literature as inseparable in the body of a flame, moves and breathes through the pages as the author traces the history of man's mental reactions to primal phenomena.

Knowledge always inspires reverence. When Moses glimpsed the principle of indestructibility in the burning bush which was not consumed, he removed his shoes in reverence of the earth beneath his feet. Fire and flame had been well learned in the worship of the Egyptians. Doubtless Moses had seen the fireskind on the altars generating steam in concealed boilers whose pressure opened the temple doors by devise ways; as well as the steam turbines which rotated the horizontal discs like gramophone records, causing the feet of the images to move as in dancing. But such fires went out, and steam condensed, while only prayer could restore heat and thus give life like motion to things considered dead. The idea of perpetual flame without loss is the poetic anticipation of what modern man call protein metabolism, and the genius of this book lies in the linking up of ancient and modern thought into a cycle of perfect unity.

Dr. Ellis traces and shows clearly the differences and similarities between ancient and modern conceptions of primal matter and energy. The differences seem to be chiefly in monologue, but the similarities are striking, for blood and gold, water, fire, salt, wood and stone, all come in for metaphysical treatment and are always related in some way with the powers of the gods in the minds of what superior moderns call "primitive man."

Numerous illustrations and diagrams pervade the book, and although the reader's mind is made to converge upon that of primitive man at a microcosm before the dawn of calligraphy, the author turns the mind completely round in the later chapters, causing it to diverge with radiant con-

* Oliver C. de C. Ellis. (Simpkin Marshall.)