NOTES OF THE WEEK.

Action and Counter-Action.

Implications of Mr. Evans's Plan.

When outlining and discussing last week the Currency Reform scheme put forward by Mr. Warren Evans we confined ourselves to a review of its technical nature and consequences. There is, however, another aspect of it which needs to be examined. It raises the question of whether that scheme, or some variant of it, could be used as a weapon against Social-Credit enthusiasts of the Money Monopoly. To begin with, it should be noted that the Currency Committee of the Cardiff Chamber of Commerce had had Mr. Evans's plan before it and had issued a report on it which was generally sympathetic with his main proposals. In fact Mr. Evans's article in the Certified Accountants' Journal was based on this report. Further, the idea of taxing time-deposits has been allowed discussion even in The Times on occasions, while criticisms of the banks for not showing separate returns of deposits on current-account and time-account have frequently appeared in City articles in the Press generally. Such phrases as "Idle deposits," and "Money on strike" have been coined in this context, so that it would appear as if the ground had been prepared already for currency reformers to come along with positive suggestions on Mr. Evans's lines.

Naturally, any scheme for taxing money lodged in the banks must provide for taxing money drawn out of the banks; else people would hoard currency to avoid the tax. Hence the monthly stamping of unused currency notes which Mr. Evans proposes shall proceed alongside the monthly deductions from unused deposits. Both are necessary for breaking the money-strike.

The Bankers' Three Scapegoats.

Students will see that this scheme implements the old, old strategy of the Money Monopoly, which has been to create scapegoats to bear the odium and penalties of its own misdeeds. First it was the Landlords who were extracting rents by holding land off the market; then it was the Capitalists who were extracting profits by holding goods off the market; and now it looks as if it is to be the Deposit-Hearders who are extracting interest by holding money off the market. Always has it been the owners of wealth (in some form or other) who were inflicting poverty on the masses, never the custodians of money! How should it have been when the bankers could claim that they had no right or power to interfere with the way in which wealth-owners dealt with their property? Of course we have all learned a good deal since Mr. Lloyd George launched the final attack on Landlordism at Limehouse; and today the bankers are obliged to modify their old story. In the face of the disclosures of the Technocrats they can no longer back the proposition that poverty is caused by misappropriations of real, consumable wealth, that the rich have got what the poor lack, and in forms corresponding to those in which the poor need to have it. They now have to admit that the wealth is here, but is rendered inconvertible or inaccessible by a fault in the system of distribution. Yet, with the obscurity of that fault which alone can correct it, namely that it is a technically unsound principle of accounting costs into prices which, instead of implementing the proper objective of clearing goods out of industry, implements the precisely contrary objective of keeping them inside. No, the diagnosis that they put forward is that the fault lies in the behaviour of wealth-owners, but with this change of emphasis, that the motivation is now safety-seeking rather than profit-making. They are wise to do this, for where are profits, or prospects of profits, to be discerned in the situation of to-day? In fact, Mr. Evans's arguments embody an implicit reproach of wealth-owners for not going after profits, and for holding deposits out of use in case they lose them. The old scapegoats of aggressive cupidity have given place to the new scapegoats of defensive caution. Prosperity must still be sought in the sphere of morals!

Thus the new plan, though it contains some striking innovations in its administrative side, involves no
brach of the broad political and technical principles of orthodox finance. Unfortunately these innovations are likely to be interpreted by unsophisticated observers as signifying the retreat from the main positions.

Two Prophecies About Social Credit. There stand recorded in the pages of The New Age two prophecies—perhaps ten years old or more. One was this: That after that the Social Credit movement had captured the outskirts of public opinion by the fact that the bankers would offer a scheme indistinguishable from Social Credit. The other was this: That as soon as Social Credit achieved the success just described, the Movement would blow up. The incident which took the shape of the achievement of this success was the Birmingham Debate held on March 22, 1933. The Treasury, by pleasing Mr. Havelock to 'star' opposi-
tion Major Douglass, thereby linked to the world of bankstockdom that Social Credit was now officially licensed as first-class public debating-matter. A year before this, namely on February 20, 1932, the Daily Telegraph published a prominent article by Dr. Robert Eisler on its leader page, in which that Austrian 'economist' outlined a scheme of monetary-reform. At the same time other London dailies were giving him generous space to develop his views. His scheme could not be distinguished from Social Credit, but it made an approach towards an attrac-
tive alternative. It provided that money in the hands of people should have its purchasing-power regulated according to movements of its value. For example, he said: 'The Bank of England pound note would be declared legal tender only to the extent of the number of days on which it was paid in.' He illus-
trated this meaning by indicating case of a work-
man with a shilling in the bank received by him when the closing index figure was 100. If the index rose to 133 before he was clearing the shilling out, he could go to the bank and claim 3 shillings for his shilling. If the index dropped he would draw out less than 1.

The Significance of Eisler. The particular provisions of the Eisler plan do not matter for the purpose of the present argument. The significance of his publication lies in the fact that it pre-
duced the official recognition of Social Credit, and that it is at least challenged comparison therewith in the same quarter of the Social Credit case that economic prosperity depend on some modification of monetary policy. Probably the attitude of a bank@man spokesman and press men was definitely of economy were not connected at all with exist-
ing monetary policy and principle, but arose from the mis-
ness of the monetary situation. As Sir George Paish frequently insisted: Even a perfectly sound bank would break down over the stumbling block of the unregenerate. So it was something gained to get this belated admittance. The changes in the existing system could contribute something to ease the burdens of the community.

On the other hand, that admission afforded tacit encouragement to sponsors of all sorts of credit-reform through their theories into the arena of public discussion. It is true that the authorities, after giving Dr. Eisler a year's start, signed out Social Credit for the distinction of popular publicity (in the Birmingham Debate) followed by the Robertson wireless debate, then by the late A. R. Orme's wireless address, and those of Major Douglass shortly afterwards in this country and more recently in Sweden). But in every case this has been accompanied by the innuendo that Social Credit, though in a proper subject of debate, is not to be accepted as a basis of action. 'Talk about it, but don't do anything about it,' said long ago. There has been a thing known throughout to the effect that investigation is not yet complete—that more research in all sorts of quarters is still to be done before it will be expedient to press for the adoption of the scheme. Of course some take part in the research will be the bankers, together with econ-
omists, accountants, and other graduates of the 'Bankers' University.' The 'Right Plan' will emerge sooner or later if nobody tries to hurry it!

In the meantime there is no reason why public opinion should not be brought to bear on the results of this investigation. The nature of these results has been broadly indicated by no less a person than the Prince of Wales, who has spoken words which can only mean that the system of dictatorship is a disaster to be made efficient. To this extent Social Credit receives the tacit patronage of High Society as well as the tacit recognition of High Finance. All accept the technical possibilities and the moral desirability of a system of Economic Amal cohesive. And provided that the Social Credit plan remains unknown supporter of the Right Objective need fear for his job, or for his career in society, politics, or commerce. There shall be no victimisation proceeding from the Lord Chancellor, or the Bench, or any of the Lords of the Treasury. All may safely prophesy in the name of Efficient Distribution provided no-one is minded to lay down the law on how it is to be achieved or when. The word 'how' in this context does not refer to methods (e.g. the 'Scheme for Scotland'), but to principles governing methods.

The "New Age" and the Boycott. Someone may now reasonably ask why it happened that the bankers saw out Social Credit for distinction when it is borne in mind that for fourteen years their name connoted certain technical principles and declared them essential to the agreed objective. Why, they insisted, had they not principles out of sight when they had given a free world-wide advertisement to the subject and its author by name, and set every student of public affairs, professionals and amateur alike, picking up and reading the authoritative literature? Why was this immunity to implementation and financial, support of the proposals by the advocates of new and revolutionizing doctrines? The answer is that they were obliged to do so because of the progressive and progressive effect of exposure of their policy by boycott which was built up in Travajanian times and continued during a period. Facts were quoted in this journal, and allegations quoted on

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to ask, seeing that all of them, in their various profes-
sions, were accustomed to conditioning truth for public consumption—also to being made acquainted with the reasons (if they did not appreciate them already) their reception or rejection. What sort of appeals they got will be known until the bankers are put out of the way, and the economic muddle is cleared up; but it is obvious to students of Social Credit that the bankers are not the only people who can see that Social Credit is not a delusion. If they have once seen it as they have seen it, they would be challenged: 'Why not publish the proof?' 'If they ad-
mitted that it was sound, they would be charged of insincerity in adopting it.' It is probable therefore that the bankers will say as long as ever they could, but foresaw that their continued suppression of external publicity would create currents of infor-
mation publicly so much more damaging to their interests and, in the last long, would be finally extinguished. So what they did was to set about consolidating their power with the object of making themselves immune from the consequences of external publicity by the time that they saw themselves with the Bank of England as Basin to pass back to. In 1933 that international bank-passing in-
stitution was well under way. In this connection it should be noted that the financial relations between the Bank of England and the Basle bank now form part of the Constitutions of those countries. And if a close scrutiny of the relationship of this country with Basle could be made it would disclose the fact that the Constitution now has itself no more to do with the saving than with the saving demand and consumer's delirium of the time. And so in other countries, the British Constitution may be part of the European Constitution, and the British Chancellor of the Exchequer in each case shall make a semblance of constitutional procedure within that country.

Campaigns and the Constitution. From the point of view of the Social Credit Order this difficulty is aggravated in two ways. Firstly, it is impossible to imagine whether actions which it may yet be legal to take to-day won't be made illegal to-morrow. Secondly, it is quite probable that the bankers might put their weight behind a plan like that of Mr. Evans with the object of making the Central Bank subject to the action of the banks. As the Social Credit Order is at present a minority and in the hands of individual enthusiasts it is a dilemma. It is said to the electorate: 'It is your function simply to show results' they could reply: 'Well, this plan is a proposal, but it is more, Mr. Evans' people say, it is a Universal and by a universal prejudice against getting something for nothing and also to a widely-spread revenge-complex which wants to see somebody penalised. The Social Credit Order could appeal to the electorate by saying: Down with the false Depositor and Up with Jobs and Wage.' The Social-Credit advocate could not overcome them in this, perhaps, as catharsis reponses. The way in which he could appeal to the electorate can be explained by examining why they should be abandoned; and directly he began to do that he would find himself teaching the mechanics of action and the technique of finance. The same thing would happen if the Social Credit Order took another line and said: 'This plan won't give you the jobs you want to have because to prove it would have to show the technical reasons why a deadlock in the distribution would supervise, which are beyond the power of any practitioner, and you must despair the first to eradicate the second.

Turning from the electorate to Members of Parliament or candidates, the proposition that it is their function to insist on results without accepting responsibility for technical principles and methods can be pressed with very little better effect. It is easier to make them see it for themselves than it is to get electors to see the truth and bring to bear their influence. The bankers are fewer in number, and have been better equipped, by virtue of their calling and training, with the tools and talents which experience, to assess the cogency of the arguments that theتكاملor promises to make about the way their parties can be brought to bear over the heads of the bankers, or, in case the latter are not to be provoked, in an intemperate from Mr. Ramsay MacDonald's dictum against the making of promises to the working classes. It is likely that these candidates to consider the various candidates of the princple of representation a lot about subject of delegation, and it may happen that every candidate drawing support from the party of the Emperor will be pledged not to back the National Government in any proposal for social and economic reforms unless it is likely that these candidates to consider the various candidates of the princple of representation a lot about delegation, and it may happen that every candidate drawing support from the party of the Emperor will be pledged not to back the National Government in any proposal for social and economic reforms unless it is likely that these candidates to consider the various candidates of the princple of representation a lot about delegation, and it may happen that every candidate drawing support from the party of the Emperor will be pledged not to back the National Government in any proposal for social and economic reforms unless it is likely that these candidates to consider the various candidates of the princple of representation a lot about delegation, and it may happen that every candidate drawing support from the party of the Emperor will be pledged not to back the National Government in any proposal for social and economic reforms unless it is likely that these candidates to consider the various candidates of the princple of representation a lot about delegation, and it may happen that every candidate drawing support from the party of the Emperor will be pledged not to back the National Government in any proposal for social and economic reforms unless it is likely that these candidates to consider the various candidates of the princple of representation a lot about delegation, and it may happen that every candidate drawing support from the party of
The Point of the Pen.

By R. Laugier.

No. XLII.—EDUCATING FOR LEISURE.

To me at least it becomes more and more plain that we must educate the educated; the poor are not in any particular need of instruction, and in England they can look after themselves. The poor require only that their leisure shall not be penalised; but the educated middle-classes need to be told why the poor suffer,—in fact why they are poor at all. The spectacles of class-workers,—young, hard, and increasing in numbers, and so on, for all the benefit of poor capable of looking after themselves, even in circumstances bordering upon the impossible,—is a sight for angels to weep over. They are so well satisfied of ‘social-workers,’ and they know so little of the mental type towards the poor of these ‘workers’ set me thinking fancifully of a pale, young curate endeavoured to convert to Christianity an old and inoffensive Chinese philosopher. The fact is that the English poor are the salt of the earth. They adapt themselves to conditions that would madden and brutalise less tough ones. They have now engaged in the business of remaining alive, sane, and possessed of homes, whilst the wealthier classes are looking after them, and their, ‘better’ are either doing nothing to help, or are engaged in active betrayal of those homes.

These remarks may seem to some unconvincing, and possibly even violently exaggerated, but I propose to prove my statements, and I shall do so from an article in the Times Literary Supplement (dated July 4), referring to the last and ninth volume of "The History of London," by P. S. King (275. ed.).

The gentle and anonymous reviewer begins his long article on a happy, congratulatory note. Wages have risen; prices have fallen; there is more of leisure and sports and games; and the increase in popular tourism and the crowds and big bearers of the popular fame and public business of the cinema in London now make it great enough for a quarter of the whole population on any one day. And every day new cinemas can be seen in process of building.

Though some changes, so pleasing to our reviewer, have come since William Booth wrote in "Darkest England, Asia, and The Way Out." A mere fifty years have produced all this considerable transformation; a period of time barely sufficient to produce the growth of modern, the automobile, and wireless telegraphy and telephones. It is really wonderful what can be done in half a century, but More money means More freedom; More freedom and education mean a decrease in the enormities of all sorts. That is the secret of the thing—despite wealth.

It is good to demand amenities, but, even in the midst of these should joyous sentences, something appears to have been lost to our country, for he goes right on, almost without any ado, with but one remark: between changes in our work have meant a decay of craftsmanship, and big business has taken the personal interest out of work.

To what extent the "personal interest" has been taken out of the modern drudgery misnamed "work," is revealed splendidly enough in the diary of a "social-worker," written in 1905.

A London clothing factory. Commented on to one of the women how they all stopped work and began on make-up five minutes before the whistle went: "What can you expect?" she said, "You don't think we want to be here, do you? We just hang on for six o'clock and wages day."

It is all very surprising, if not baffling, to "social-workers" and journalists; and as the Times's reviewer says: The causes that have led to this state of things do not stop short. That's all right.

The reviewer comes to the conclusion that people have changed less than conditions, and all the less because their employers, if they have brought up eight children, have brought up them with the same amount of work for the same amount of pay, so much romance of your own that you don't want the sort film star give you.

In fact for some queer reason the moving pictures leave the English poor, over forty, strangely unsatisfied. A social-worker, acting as a striker in a poor village, said of the women who frequented the place in the afternoons, and would stay until they had seen as much as anything, "to get a good film to sleep on," the old women scared by being told that the unformed and unlearned was no "bobby" who will "have nothing to do" with them if they don't keep quiet; the baby in another chair much too comfortable, and the other mothers坐在 in a chair much more comfortable than any she has at home, and has her family "minded" while she does.

Well, the truth will out! Here is your great force. The secret of the thing—despite wealth.

The reviewer concludes: The "social-workers" are astonished. They thought anything was good enough for the poor, if they received the right food and were superior, to employ, to understand first breath: Those people don't work at all. They have their lives in the factory, the very factory which was the best and they are the free and they are the free.

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Headline News-Notes.

Labour Victory at West Tewsth. (N.C. July 17.)

West Tewsth (Liverpoo) by-election won by Mr. J. Gibb, Labour, by 14,908 votes to 9,593 over Mr. W. W. Cremlyn, the National Conservative. Total vote cast, 24,473. Total number on the register, 46,720. This means that out of every hundred electors only 27 went to the polls.

Black Areas Abandoned to their Fate. (N.C. July 15.)

This is the story Mr. Malcolm Stewart on his first six months' investigation of the problem of destitue areas. By common newspaper consent the reports sent to the Crown by the solution back to the Government. As things are areas can only improve their position by devices for grabbing trade from other areas or improving their own. In the latter, being less distressed are able to resist unless the Government intervene. And that inverted bowl we call the sky.

"Unlucky Harry." (The Star, July 25.)

Sir Seymour Hicks and his Minus. (The Star, July 25.)

Sir Seymour and his wife are shown in a picture celebrating the honour recently bestowed upon him. Mr. J. H. Thomas was standing with him. Sir Seymour was author of an article sympathetic to Clarence Hartle and James White, and was known in the "Two Strange Men." (The London Era of July 28, p. 155.)

Mr. Justice Arvay Leaves £135,000. (Evening News, July 24.)

This is said to be one of the largest fortunes left by a judgment of Lord Justice Grantham left £25,000 in 1914. The will of Mr. Justice Arvay's lines £150,000. Others left £100,000. The point at the present is whether in the 1821. It is recorded that the probate of the will was £21,000. The B. W. G. programme on the first-class staircase of the ship is not a few of which to subscribe.

"No Export Licences . . . to Italy or Austria." (The Star, July 25.)

The Government decided not to license the export of arms to Italy and Austria.

The Man Who Let the Top Run. (Evening News, July 25.)

William Palmer, of Scales-road, Wapping, was convicted of sending secret reports to an adjutant operatic society "scandal and the "toppenny" off a barrow. Middle-class people are not even mentioned, the "toppenny" and the "penny" workers are not even mentioned, the "toppenny" and the "penny" workers are not even mentioned.

"Millpool Was Seaworthy." (Evening Standard, July 25.)

This was the finding of Lord Merivale, sitting as a Commissioner, into the question of the loss of the Millpool, which was wrecked on the night of October 16th, 1888, in a gale. The court, which comprised thirty-two members, found that the Master of the Millpool was guilty of neglect of duty and that the ship was seaworthy. The report is a valuable document for the study of the law of sea.
values be sanctioned—or indeed brought about—by conditions which require owners to pay premiums on £40,000 when there is only half that insurable value, are matters which seem to involve grave consequences, and it may be that attention should be given not only to the permissible standards of insurance but also to the question whether, under modern conditions, not only ships and cargoes, but the lives of seamen should be taken into account in deciding what the risks are to be provided against by those who are responsible for the use and condition of seagoing vessels."

J. G.

The Guano Ramp Again.

Odd readers will remember two or three occasions when we have alluded to the Guano Islands scandal and to Mr. T. C. T. Potts's digressions in expounding it. The scandal consisted in the connivance of the Colonial Office in 1897 in leasing by a private company from the natives of the right to dig up and export guano deposits worth millions of pounds for a lump sum of £300 to be paid them in £50 annual instalments for six years. After that there was to be a royalty of 6d. a ton, but this was to be paid to the British Exchequer. The company's first year of working produced a profit of £50,000. In 1898 the profit was £350,000. During the whole period the natives have gone through some hard times, and Mr. Potts's contention has been, and is, that they should get back at least a portion of what was swindled out of them. The occasion of our present reference to the subject is the receipt from him of a copy of a letter which he has sent to the new Prime Minister, Mr. Baldwin. It is dated July 4, from 38, The Drive, Mortmoor, Fulham, S.W.3, and recapitulates the history of the concession. No doubt he has spare copies in case anyone cares to write him. While his narrative does not bear directly on Social-Credit objectives it contains many authentic data suitable for amending Social-Credit theses. It draws a picture of the transference of the natives' "real credit" to the control of manipulators of "financial credit," and then tells how these manipulators afterwards sold out to the Government, thereby re-transferring the "real credit" to the control of the creators of financial credit behind the Government. Mr. Potts should address himself to the Bank of England rather than to Mr. Baldwin.

Economics at the I.L.O.

In the nineteenth report of the International Labour Office recently issued, a good deal of attention is devoted to the efforts which are being made by various Governments to combat the industrial depression by means of modifications in their monetary policy. It is noted, for instance, that recovery in Germany is following the line of governmental expenditure in order to maintain full employment. High levels of employment which have been shown to be due, not only to a general increase in the number of working days, but also to an increase in the number of working hours, have been maintained in each year since the outbreak of the depression, 1929/30. The report states that the unemployment rate is still high in some countries but that the number of unemployed in Germany is decreasing. The report concludes with a statement that the efforts of the Governments to combat unemployment are being carried out in a manner which is consistent with the principles of Social-Credit.