NOTES OF THE WEEK.

"The Times" on Italy and Alberta.

A correspondent has written to call our attention to the juxtaposition in The Times of September 25 of two items, one being the first editorial article, and the other the special article on the same page. The editorial article discusses the financial consequents of Italy's bid for power, and the special article discusses the calculations and plans of the orthodox parties of Canada for the present election campaign in relation to the Alberta result.

The correspondence points out that this juxtaposition of matters concerning Italy and Alberta, and the manner in which they are dealt with, have greatly sanitised the Abberhart-Mussolini parallel which was the theme of our Notes in September 26 (which were written four days earlier). Readers who are able to look between the lines will have no difficulty in understanding what he means if they take the trouble to consult the two articles.

They confirm also our suggestion in the Notes of September 19 to the effect that the significance of Mr. Abberhart's success is a no less weighty factor in the counsel of high-financial statesmanship than Signor Mussolini's disturbance of the peace.

Perhaps the key passage of the editorial article is this:

"Statesmen and peoples in all countries resent the fact that an enormous boulder has been heaved into financial and economic waters which were at last beginning to show sign of placidity after years of disquieting turbulence." (Our italics.)

This will be seen to be a picturesque epitome of our reference last week to Italy's having upon the delicate rationing-operations which it is the problem of the Bank for International Settlements to co-ordinate throughout the world. The delicacy of the problem is very much like that with which every child is familiar whose ball has sprung a leak and let some air out. The problem is to get the air back again by the same procedure as forced it out. It is a temper-trying task to refate the ball: you have to pitch it ever so gently, exerting just that amount of deflationary pressure that will produce inflationary consequences. And oh, how long and wearisome is the success of gingerly pinchings; how endless the perversity with which when the caved-in part of the ball bulges out some other part un-bulges itself. We have more than once seen a child give the refractory object a final vicious squeeze and flatten it out. Of course there is no trouble if you enclose the leak—get a round ball at once—but then the thing won't bounce.

Now the Basle ball is pinholed with leaks all over. These leaks are the flaws in the national cost-systems. And Mussolini has suddenly trodden it in just when the Basle magnates were getting it into the state of perfect spherical placidity. No wonder that they resent it, and no wonder that "statesmen and peoples in all countries" catch the resentment.

An impeccable rule for interpreting The Times on the subject of international finance and economics is to substitute for the phrase "public opinion" the phrase "banking opinion" or "money-market opinion." For example, ask yourself how many "people" in this country realise, let alone "resent," the inner and fundamental financial consequences of the impact of Italian foreign policy on the mechanism of the Basle rationing system? The question needs no further answer than is to be seen in the more fact that the writer of the leading article under discussion feels it necessary to explain to the elect minority who read The Times the causative factors which constitute the "enormous boulder." In that minority are included all statesmen of any rank to speak of; and not even they, much less the "people," are generally cognisant of the reasons why Italy's policy should be "resented." If the author had written frankly he would have said: Such and such are the facts and reasons why the statesmen and peoples of this country ought to resent Italy's policy. For then the real truth would have been appreciated, namely, that The Times was not reporting an existent opinion but was attempting to create one by prompting its states-
Capitalism in Arms

Since these words were written there have been great changes in monetary policy throughout the world. Britain was forced off the gold standard. The U.S.A. banking crisis brought Roosevelt into power as the monetary dictator with an inflationary policy. In the meantime elsewhere Governments were chopping at their currency-stocks seeking to protect their paper from deflation. Britain’s attempt to stabilize its trade was successful, and this development in its turn has made it easier for other countries to do the same thing. As a result the world is moving towards a system of international co-operation, which will eliminate the risks of a world economic collapse.

But J. M. Keynes has shown that there is no way of escaping the principle of the sliding scale of interest rates, and that this can only be avoided by world or national co-operation. Keynes has been an advocate of this view for some time, and his recent book "The General Theory of Employment" is an attempt to show how this can be done. He points out that if the world’s Governments were to cooperate, they could avoid the dangers of a deflationary policy, and that the world’s money would be more stable.

Hence, up to quite recently, the world’s Governments have been in the following dilemma: they had to either cooperate or they would suffer the consequences. The lesson is clear: if they wish to avoid the dangers of a deflationary policy, they must cooperate, and this cooperation must be on a world basis.

On the other hand, suppose all the Governments were to ignore the dangers of a deflationary policy, and were to take no action to avoid the consequences. The result would be a world economic crisis, and this would be disastrous for all nations.

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is feasible. And judging by the tone of The Times one may infer that the Bank of England and other powerful European central-banks are prepared to assist the operation wholeheartedly. The question of whether or how long Italy could continue at war with Abyssinia under these penalties is one which Mussolini will have considered, and which it would be idle to speculate about here. As things are, he must be said, that as was proved by Germany in the last war, it is possible for a nation to show miraculous powers of self-sufficiency under conditions of economic strangulation. The Allies’ sanctions against Germany, for example, did not prevent the financial machine of Berlin from pushing on with the war.

What is going to happen next? Mussolini may give way, in which case the bankers will have gained their object. But if he persists and brings down penalties on his people...
Campaigns and Competition.

The Midland Daily Telegraph of August 30 published a paragraph descriptive of the policy and activities of the Prosperity Campaign. This, we are informed by the Daily Mail, is the first of a series of weekly paragraphs which are to be published in the newspapers. The present paragraph states, on the authority of the organizers of the canvass for the Petition to the King, that "the average collection of signatures is 1,900 a week" and that "the public behind them are working at full speed to achieve full success." As is obvious from the names of the leaders of the movement, the "Society of Credit and Prosperity," and the "New English Weekly," the latter not being new at least to "the citizens," it is probable that the most that can be expected is that the organizations will have made good. "The numbers of our readers" and "the numbers of our subscribers" will be increased, but the real test of success will be whether the campaign will bring about a change in the existing currency system. It is true that the campaign is based on the idea that "a moderate increase in the value of money" will increase the public's confidence in the currency system. However, the question of whether the campaign will have any practical effect on the currency system is debatable.

Mailing Lists.

It is remarkable how quickly the campaign has grown in size. The organizers of the campaign have already obtained the signatures of over 200,000 people. This is a large number of signatures, but it is not surprising when one considers the popularity of the campaign. The campaign has been supported by many influential people, and it is likely that the signatures will continue to grow.

Social Credit at Norwich.

The Social Credit Movement, Norwich, Lambeth, Jadehill, St. John's Wood, and Kilburn, Brixton, for weekly meetings on Wednesdays at 8 p.m. at the Salvation Army Hall, Broadwood Park, on Tuesday, Press correspondence, and a copy of the Secretary's letter is prepared for the petition to the King, which has been completed by Social Credit, together with Social Credit, expressed in broken letters, and the Parliamentary constituency.

Publications Received.

King, Parliament, and People versus Money Power.

A pamphlet sent to Members of Parliament, for distribution, is entitled "The League of the Nation, and the National Dividend." It contains a foreword by the leader of the League, and a letter from Lord Tavistock as "Director of Education." It is, however, only a foreword, and the letter is too long to be copied, but it is a useful piece of propaganda. The pamphlet is freely available, and is distributed by the League through its "manning lists." It is interesting to note that the League is using this method of propaganda, and that the pamphlet is being distributed by the League in this manner.

The Green Shirt Movement for Social Credit, of which Mr. Harvie Connolly is the leader, is receiving a great deal of attention in the press. The Green Shirt Movement is a strictly voluntary basis. Donations, and surpluses on sales, are allocated exclusively to the maintenance of headquarters, and the provision of more rooms for meetings. Contributions to kind are not required, as they are all to be given to the local organizations. The Green Shirt Movement is a strictly voluntary basis. Donations, and surpluses on sales, are allocated exclusively to the maintenance of headquarters, and the provision of more rooms for meetings. Contributions to kind are not required, as they are all to be given to the local organizations.

Some of the organizations are now using the "Prosperity Campaign" as a means of raising funds. This is a step in the right direction, and it is to be hoped that the campaign will continue to grow in popularity. The campaign is based on the idea that "a moderate increase in the value of money" will increase the public's confidence in the currency system. However, the question of whether the campaign will have any practical effect on the currency system is debatable.

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and this notwithstanding that the Treasurers were actuated by disinterested motives.

There are many who will point out that this analogy does not hold good in the case of Social Credit. That is agreed; but it serves only to raise the question of why it should not. The proper way to approach the question is obviously for each actionist organisation to publish the results achieved and the figures of cost. There are, of course, sound reasons for not broadcasting statistics unless or until they look imposing to the public. Nevertheless, while there are rival organisations open or implicitly claiming to have the "best" scheme you must either put your claim to such a comparative test if you want to form an opinion on whether this or that scheme should be abandoned in favour of another, or whether all should be supported, and in that case, in what proportions of the total money available for Social Credit purposes.

J. G.

Alberta Notes.

Broadcasting on September 22, Mr. Aberhart declared: "Social Credit is taking hold everywhere in the Prairie Provinces—Ontario, and even Quebec is ripe for it." (Financial Times, September 24).

The final convention of the Social Credit Party on September 27 almost unanimously decided to oppose Mr. Bennett, the Federal Premier, in the West Calgary constituency, at the General Election on October 14. (Financial Times, September 24).

"A recommendation at the above convention that Mr. Bennett's return should be supported so as to further the Alberta Government's chances of financial support from Ottawa in case it seeks the Conservatives' defection, caused an uproar." (Financial Times, September 23).

At the recent election in Alberta seventy candidates lost their deposits. The deposit for provincial candidates is now dollars.

The Canadian Correspondent of The Times (September 25) referring to the Alberta result, remarks that—

"It gave the old parties cause to think seriously, as there is evidence that the huge vote polled by the new-born Social Credit Party was due not so much to a fanaticism of the spurious money programme of Mr. Aberhart as to widespread dissatisfaction with the record and promises of the senior parties."

In other words, the Social Credit vote was not a demand, but a protest—Mr. Aberhart was apparently appointed to intervene with the "senior parties" for a prosperity plan that will "work, O Lord, well."

As a result, Mr. Aberhart has shown "an upholder of orthodox finance to the Alberta's Resources.

A correspondent in South Africa writes to correct a statement in a recent article in this journal referring to the "limited resources." If he will read again what was said, he will see that the writer did not make this statement, but Aberhart's critics. Our correspondent gives the following details about the resources of the province:

Coal deposits constitute 15 per cent of the world supply.

Bitumen present in large quantities.

Profluous supplies of natural gas.

Petroleum occurs in the largest outside the U.S.A. Water power practicably unlimited.

Millions of sheep.

Alberta supplies the bulk of the United States' cement requirements.

Alberta wheat acknowledged to be of the finest quality.

Total wealth of province estimated to be 3,500 million dollars.

Manufacturing plant capacity equal to an output of 15 million dollars. (Actual production is about one quarter of that amount.) Population 700,000.

NOTICE.

Social Credit at the Albert Hall.

The London Social Credit Club is organizing a Douglas Social Credit meeting at the Albert Hall on Friday, November 28, 1919. The Marquis of Tavistock and Mr. Norman Smith will be the principal speakers. Other assistance will be gratefully received and should be sent in to Dr. Joyce Mitchell, 32, Bromley Common, Kent, Hon. Sec., London Social Credit Club.

LETTERS TO THE EDITOR.

THE SOCIAL CREDIT PARTY OF GREAT BRITAIN.

Sir,—The announcement in The New Age this week of the formation of the Social Credit Party of Great Britain is perhaps the most important in the history of the movement. It comes at a time when old campers are not so painfully aware of cross-purposes, indecision, and lack of cohesion in the movement.

While it is arguable that differences of opinion with regard to the methods of propaganda are not harmful so long as the propaganda is carried out, it is not arguable, to my mind, that divergent policies can serve any purpose whatever in the face of a concerted campaign of counter-propaganda by the bankers, more especially as that propaganda will doubtless be bogus Social Credit.

Neither is it arguable, to my mind, that an electoral campaign for Social Credit, which expressly forbids the mention of it, can be anything but abortive and highly dangerous.

True Social Crediters (and bankers) know perfectly well that economic freedom is only attainable by putting into practice the three cardinal principles of Social Credit:

Nothing less. Then, what is the harm in saying so? The hour demands decision and leadership. I, for one, believe that the Social Credit Party, led by John Hasleton, has the power, the will, and the technique to bring Social Credit to this country. (Who's afraid of the big bad wolf?)

A. H. Blackman.