# THE

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# NOTES OF THE WEEK.

#### The Situation in Alberta. Diary of Current Events.

January 16,
National Loan Council for Canada to be set up. Similar to Australian Loan Council but with difference each Province to have of Australian Loan Council but with difference each Province to have a Council of its own. Distinction makes no difference, because the Dominion Council is to co-ordinate (i.e., for veto or modify, if it thinks fit) the policies recommended by Provinces. Dominion is to guarantee debt funding Provinces. This will involve the ear-marking of specific provincial and the provincial control of the provincial of the provincial control of ovincial revenues for the service of debt (Financial

plan would, it is considered, be the final disposition of social rimes. a practical possibility for Alberta." (Financial

Aberhart has not yet announced acceptance of the above proposals.

Federal Loan of £400,000 granted to Alberta. Proceeds day be fully absorbed in fulfilling obligations maturing to-granted to Charles A. Dunning, Finance Minister, declares loan Toronto so as "not to allow" the Province to default. Toronto Correspondent of Financial Times explains that effect of new financial proposals will be the "rescue". of Alberta from the possibility of default."

The Social Credit Party of Alberta have bought The Albertan (Alberta's only morning newspaper). The purchase includes that newspaper's broadcasting station. It will have the confidence of the Aberhart Government. Frequently and Common stock will be offered to the public. (Financial Times.)

stitutes a veiled threat that unless the Dominion keeps its will be denied facilities for "progress." The article adduces the history of the "Lang faction" in New South Wales, and two progress of the Commonwealth in supressing unsuing financial policies. The meanical manufacture of the commonwealth in supressing unsuing financial policies. monwealth in suppressing unsound financial policies. The meaning of the article is that if the Dominion does not extinguish abort the article is that if the Dominion does not extinguish abort the article is that if the Dominion does not extinguish abort the article is that if the Dominion does not extinguish abort the article is that if the Dominion does not extinguish abort also to convey the hint that the Money Interests are ready to aid and abet any breaches or amendments of the Constitution necessary to extirpate Alberta's financial heresy.

Revolutionary Traditions.

Maclean's Magazine of January I contains a threepage article by its editor, H. Napier Moore, which he describes as " Impartial notes on the progress of Alberta's New Prophet." The article is entitled "What of Social Credit? " (This magazine costs 5 cents and is obtainable from The Maclean Publishing Co., University Avenue, Toronto, Ont.)

The tone of the article generally sustains Mr. Moore's claim to an impartial attitude of mind, and lends antecedent probability to the assumption that his factual material has been properly chosen as to authenticity and relevancy. If, here and there, slight evidences of incredulity peep through when the feasibility of "Dividends" is alluded to, that must be expected of any writer who has not systematically studied and verified the Social Credit Analysis. But this does not matter, because the theme of the article is historical not technical.

The progress of Alberta towards the prime political sensation of the year 1935 dates back, according to one observer interviewed by Mr. Moore, to the days when William Jennings Bryan was teaching his monetary heresies. In those days people were migrating out to the North West States of the Union who might be called 'agricultural gypsies '-people ' impatient of conventional farming and conventional economics." The farther West they got the more receptive they became to change; and they hailed Bryan as a reformer. As soon as Alberta was opened up these people "crossed the border in droves " and settled there.

"Unlike the pioneers from Ontario and the Maritimes, they had little or no contact with the traditions of constitutional and conservative government as the East knew it. Their progeny grew up in the same spirit-fertile soil for experiment, for new ideas, for

The above quotations and their context constitute the

diagnosis of Mr. Moore's informant, a well-known and widely-travelled business man. Of this diagnosis Mr. Moore himself recalls that many years ago a keen student of Western affairs in Canada had said: "Alberta will always be five years closer to revolution than any other province."

If this background to recent happenings is correctly drawn it goes a long way to explain them, and contributes something towards answering the conundrum: What is going to happen next? It presents to us a people predisposed to changes even of a revolutionary character; and from this we may infer that they are also predisposed to revolutionary methods of bringing those changes about. No further corroboration of the firstnamed aspect of their predisposition is needed than the result of the election last August: as to the other aspect, readers will recall the testimony of certain workers in that election that people who publicly criticised Mr. Aberhart's plan were in some cases threatened with violence by zealous supporters of Mr. Aberhart. "The time for argument is past: the time for action has come " was a master-slogan familiar to the Social Credit Movement all over the world, and, to a people predisposed to revolutionary changes its terms would easily lend themselves to the construction that the cure for honest doubt was a clean punch on the nose.

\* \* \* To resume with Mr. Moore's narrative. The question might be asked why evidences of Alberta's revolutionary spirit did not become manifest in some way or another at a much earlier time than it did. Mr. Moore provides the answer. He points out that with the exception of the cities the population was widely scattered "unable to participate in community life," and " largely out of reach of the church." Then, suddenly, in 1930 or 1931 Mr. Aberhart's Prophetic Bible Institute starts in Calgary. At first it numbers sixty members-it is a grain of mustard seed. It germinated and grew, and after a short interval acquired a radio station of its own. From that point it threw out branches all over the province, and supplied what was lacking to the scattered units of population—participation in community life. They met the Lord in the air. For, at first the linkage was religious. Mr. Aberhart's radio audience had grown to tens of thousands before he came into contact with Douglas's theories and decided to incorporate them in his system of teaching. The now larger philosophy of Mr. Aberhart perfected the linkage of scattered groups on both the spiritual and political planes of revolutionary thought.

Mr. Aberhart himself, when interviewed by a Press representative directly after the election, answered a question as to the feasibility of issuing the Dividend in these words: Either the Dividend must be issued, or it will be a case of "get your gun." This can be paired with a subsequent episode described by Mr. Napier Moore where Mr. Aberhart told an audience that he had received a threatening letter in the following terms: "If you don't pay the first Social Credit dividend by Christmas you'll suffer the consequences." Whether these manifestations of militancy calling to militancy are backed by the will-to-act or are merely hot air must be left an open question; but on the face of them they corroborated Mr. Moore's diagnosis of the revolutionary traditions and tendencies of Alberta's people.

#### Mr. Aberhart's Cabinet.

Mr. Moore points out a departure from precedent (an essential characteristic of revolution—though he does not make that point) in the manner in which Mr. Aberhart has selected his Ministers. Somewhat ingenuously for an experienced journalist and, one would have thought a political realist, Mr. Moore seems to think that persons cannot function efficiently as Cabinet Ministers unless they have had previous administrative experience. Thus he derides the selection of Mr. E. C. Manning as Provincial Secretary because that gentleman's previous experience had been confined to administering the affairs of the Prophetic Bible Institute. Yet earlier in his article he takes his hat off to the organisational ability of the Social Credit Party, of which the Institute was the core, which brought about the electoral victory. Again he cites the selection of the literature and the nerselection of the Minister of Public Works in the person of Mr. W. A. Fallow, a railway station agent.

Mr. Charles Co. Mr. Charles Cockcroft, who becomes Provincial Treasurer was a surer was a sure surer, was a country storekeeper about whom all that could be said was that he had "the reputation of having kent his books." kept his books excellently, and made a profit during the depression " (C) depression." (One would think these were excellent qualifications for qualifications from the orthodox point of view.) Next, the Minister of A. the Minister of Agriculture, Trade and Industry, is Mr. William N. Chart William N. Chant, who is a farmer. The Minister for Health is Dr. W. W. Chant, who is a farmer. Health is Dr. W. W. Cross, a medical man. The Attorney-General is Mr. John W. Hagill, K.C., an English ham Grant Mr. lish-born Calgary lawyer. (Well, what's biting Mr. Moore?—he should read Ludovici's description in A Defence of Aristocrass of Candle fence of Aristocracy of the tinkers, tailors and candle stick makers who formula to the tinkers of the tinkers. stick makers who formed Cromwell's "cabinet.") However, one selection ever, one selection satisfies Mr. Moore: it is that of Mr. C. C. Ross to be Mr. C. C. Ross to be Minister of Lands and Mines. under reason is that Mr. Ross was once a civil servant under the (Demision). the (Dominion) Department of the Interior, is a Liberal, and, moreover, but the same and the interior, is a liberal, and the same and t and, moreover, had "fought Social Credit with all his might." With this might." With this exception, however, the Cabinet is

It will be noticed that, probably unconsciously, Mr. loore is confusion Moore is confusing policy with administration, and requiring in Cabinet 1 quiring in Cabinet Ministers qualifications proper to civil servants. That is another than the cabinet manufacture of the cabinet servants. That is exactly what the banking that any require in Ministers, for the simple reason that any Minister who has a second to the simple reason that any ministration. Minister who has acquired experience in administration in the past has automated and the bankers. in the past has automatically fallen into the bankers way of looking of way of looking at problems and the bankers, style dealing with the dealing with them. So, to make a doctor the Minister of Health is to entrust matter. Health is to entrust matters of policy to a person who might be weak enough to the mig might be weak enough to rate the efficacy of prescriptions higher than the dark limiting their cost. tions higher than the desirability of limiting their control obviously, professional Obviously, professional pride in successful curative achievement might endors the language of Budgets. achievement might endanger the balancing of Budgets in these lit would appear that the It would appear that the soundest principle in matters is to choose Minimum and the soundest principle in the soundest pri matters is to choose Ministers whose past experience in inexperience) and present the soundest principle in the control of the inexperience) and present knowledge (or lack of it) sulates their power sulates their powers of reason or imagination from the secondary consequences of the house policies. secondary consequences of their collective policies, the best Provincial Treasurer would be a man who heard of a suicida heard of a suicide prompted by financial anxieties, who was congenited who was congenitally unable to see the connection tween Economy of the tween *Economy* at the top and *Felo de se* at the but get if it in "Get the money in—considerately if Possible, "That is in and don't come table." it in and don't come telling me gruesome stories. is the correct attitude of mind for a bankster official to of the Excheque. of the Exchequer. It is for the permanent official to

have his feelings harrowed: he's paid for it: besides which, since he has no say in policy, his conscience need not be troubled. From this point of view it is possible to see why, from the orthodox point of view, Mr. Aberhart might have selected for the Treasurership someone other than a storekeeper, who, albeit admittedly successful in his business, had been daily familiarised with the spectacle of the flattened noses of pinched figures confronting the full shelves of inaccessible grub through an eighth-inch thickness of window-glass. A man must be a mighty altruist to ignore this dumb evidence of dis-Possession, or a mightier sadist to sublimate it into a desirable manifestation of "heroism under affliction."

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So, despite Mr. Napier Moore's fears or sneers, we take leave to point out that a Cabinet of Ministers who can say, severally and collectively, "We ain't done any job like this before," at least hold out the possibility that they may face the requirements of external orthodox financiers with the retort: "We can't do that there 'ere."
If the prospect of such a stand looks remote at present which it does—this is despite, not because of, these men's administrative inexperience. And there is this consolation, that although the immediate concrete consequences to the people of a bankster defeat of Mr. Aberhart's policy would be just the same whether his Cabinet were to be deceived or bullied by coercion into a condition of frustration, it would make a lot of difference ence, on a longer view, in what spirit the defeat of the policy were to be accepted. Readers who recall Mr. Winston Churchill's early prediction that the passing of the India Act would finish the Empire, and then, when it was passed, his "cordial acceptance of defeat," will see what we mean. There is an abyss between the attitude of mind which acclaims defeat at the first set-back and one which treats the check as an opportunity for the application of the plan: Reculer pour mieux sauter.

#### The Bankers' Veto.

Happily, although Mr. Aberhart's Cabinet can be subjected to the ordeal of standing up to expert orthodox criticisms of their avowed policy, they are already being afforded evidence, which it is impossible for intelligent men to mistake, that the banking interests are not relying on the on the force of persuasion alone to hold up the policy, but are supplementing it with preparations for the application of force majeure (or, translated into Canadian Political A reference to Political vernacular, "Force Magor"). A reference to the "District vernacular, be a political vernacular, be a political vernacular, be a political vernacular, be a political vernacular, and the political vernacular vern the "Diary" heading these Notes will show that the Financial Times is obligingly frank on the matter, hinting as it Times is obligingly frank on the matter, hinting as it. ing as it does that plans are forward in Ottawa which, it is a state of the state o it is considered," would result in "the final disposition of social credit as a practical possibility in Alberta." (Our italics.) Well; this frankness cuts both ways. If Social Credit in Alberta can be vetoed without debate outside Arie and Alberta can be vetoed without debate outside Alberta, the Albertan Ministers are obviously spared to spared Alberta, the Albertan Ministers are the technical side task of expounding and defending the technical side task of expounding and defending the technical side. cal side task of expounding and defending will no bubt be a relief for which most of them will no doubt be thankful. Further, they are in a position to adduce thankful. adduce the action of the bankers as presumptive evidence the action of the bankers are if allowed to. evidence the action of the bankers as pressure to it is not that Social Credit would work if allowed to. It is not convincing evidence, of course, but the presumption convincing evidence, of course, but an an archer the part of the cedent probability that the policy, on the part of the bankers, of openly confessing their power and will to negative an overwhelming popular mandate without an overwhelming popular Dominion Legisthe pretence of debating it in the Dominion Legislature or testing its constitutional validity in the Supreme

Court, is one which they would deem it most inexpedient to adopt except as a last resource.

### All Experiments Barred.

Another advantage in this openness will be seen by those advocates of Social Credit who have been fearing lest Mr. Aberhart should launch an abortive scheme and so discredit the authentic analysis and remedy. Apparently, in the bankers' view, that desired result is not worth the risk. In the first place the Social Credit Press throughout the world would detect and attack any element in an Alberta scheme which departed from true principles. This was implicitly foreshadowed by the editor of The New Age when interviewed by the Manchester Guardian on the announcement of the result of the election. In the second place the bankers would have to consider the consequences of allowing even an abortive scheme to be launched. It would have to be a heterodox scheme of some sort, or else it could not be colourably identified with Social Credit by "agents spoliateurs." Being a heterodox scheme how could the bankers refrain from attacking it without tacitly abandoning the hitherto axiomatic principle that for political Governments to interfere with credit policy was ultra vires? Roosevelt, yes; for in the United States the banks got themselves in a mess from which the President had to extricate them, and therefore any question of the President's right to interfere would be jeered out of the Union. But Aberhart, the Premier of a small Province—impossible!

Again, if Mr. Aberhart were conceded the right to launch a heterodox scheme, he could hardly be denied the right to improve it if he saw the necessity. That he would be prompted to improve it, and told how, by the Social Credit Press of the world, goes without saying. Moreover, if it needed improving Mr. Aberhart would find the fact out for himself. Experience teaches. Lastly, it is well to remember that President Roosevelt's heterodox scheme is in process of modification under one kind of pressure from the Courts above and another kind from the farmers below. If Alberta were to be introduced into the kaleidoscopic orbit of independent governmental heterodoxies, who knows into what pattern their fragmentary devices and adjustments might click at any moment? Then again, freedom for one Province to experiment means freedom for all. No other provincial Premiers desire to emulate Mr. Aberhart at present, but that is not to say that there can be no spread of the infection of moneyexperimenting to the inhabitants of their Provinces.

To sum up, it appears that the bankers have been driven to choose as the lesser evil the policy of overt repressive intervention. Presumably they feel it less dangerous to be seen fashioning the Constitution of Canada for their own ends than to permit even a trialand-error monetary policy to be launched in Alberta. They do, at least, know where they stand and how they can be attacked. They are raising a purely constitutional issue which, whether joined on constitutional or unconstitutional lines, will be decided by the Legisor unconstitutional lines, who be declared by the Legis-lature at Ottawa (which they have in their pockets) or the armed forces of the Crown (which act under their orders at second remove).

# The Australian Precedent.

The allusion by the Financial Times (reported in the 'Diary' which heads these Notes) to the "Lang faction " in New South Wales in this context makes it opportune for us to insert the following extract from an editorial in the New Economics (Melbourne) of about two months ago:-

#### Sequel To Mr. Lang's Dismissal.

Under the financial agreement the whole of Australia became security for the bankers' loans to any Australian Government, either State or Federal. Future borrowings were to be made through the Loan Council. These agreements were submitted by referendum to a sheepish electorate, and the necessary alterations to the Constitution were accepted. That was before the onset of the depression.

It is no more than three or four years ago that as much space in the daily news was afforded to a certain gentleman as is now afforded to Signor Mussolini. That gentleman was Mr. Lang, then Premier of New South Wales. While Mr. Lang was by no means an adherent of Social Credit he had, nevertheless, thrown out a definite challenge to the money monopolists. The Press and the bankers charged him with having placed in jeopardy the credit of Australia, both local and overseas, and predicted untold misery and ruin for the people of Australia if Mr. Lang were not curbed. In addition to this campaign of vilification, financial accommodation was refused to Mr. Lang, and the money interests did not even hesitate to force the State Savings Bank of New South Wales to close its doors. Bond prices were sent hurtling down. The first Lyons Government then assumed office, and with religious fervour began a campaign for the "restoration of Australia's credit" by the dismissal of Mr. Lang. The then Attorney-General (and the probable future Chief Justice of the High Court), Sir John Latham, designed legislation under the amended constitutional powers providing for punitive measures against the Lang administration. Mr. Lang resisted the steps taken under this legislation, and was ignominiously dismissed from office by the State Governor. It is fair to say that a deluded public heaved a sigh of relief, and was inclined to hail Mr. Lyons as the saviour of Australia.

But surely Mr. Lyons is presuming too much altogether on the ingenuousness and thoughtlessness of the Australian people when barely three years later he blandly alleges, in effect, that Australia's "credit" depends solely on the state of the Federal budget, and that the condition of the State budgets does not matter two hoots. We direct readers' attention particularly to the closing paragraph of the following report taken from the "Sun" of September 30:-

# Balanced Federal Budgets Essential for Credit.

Whenever taxation can be reduced it must be, but the great thing for Australia was to continue, year after year, to present a balanced budget to the world, the Prime mister (Mr. Lyons) told members of the Commercial Travellers' Association at dinner on Saturday night.

Balanced budgets carried great weight abroad, he explained. Once Australia slipped into an unbalanced position, which was no good to the nation or the individual, it would lose its reputation abroad, with a consequent loss of confidence, followed by loss of trade and commerce.

People asking for reduction of taxation should keep recopie asking for reduction of taxation should leave their minds fixed on the progress of the past four years, said Mr. Lyons. If taxation were now on the basis of four years and the composition of the progress of the past four years. four years ago, revenue from it would be £10,000,000 a year more than it is,

No one was watching the position more closely than the Government, which well knew that people to-day were paying more than they should in normal times.

time went on and conditions improved, taxation would be reduced, but in the meantime it was of paramount importance to keep Australia with balanced

Mr. Lyons added that overseas people did not concern themselves with the condition of State budgets, but paid attention to the Federal budget.

Mr. Lyons must surely feel that the Australian people would swallow anything. We sincerely hope that the next recalcitrant State Premier will pigeon-hole his statement for future reference.

The first paragraph of this extract epitomises in a convenient form the methods by which the bankers got the public may have in relation to them.

rid of Mr. Lang, and in so doing it sufficiently explains the object and intended consequences of the Loan Council legislation now announced for Canada. The Loan Council of Australia is (and so will be that of Canada) virtually a Board of Bankers exercising powers of revision and veto similar to those hitherto reposed in Upper Chambers (in all countries). These powers are specifically related to monetary policy. But as all political policy is conditioned as to direction and scope by monetary policy, the Loan Council is the uppermost of three Chambers, and comprehends them all. It is, so to speak, the House of Super-Lords. Observe carefully that this new device of the "Third Chamber involves, in its constitution and purpose, the reversal of a fundamental purpose, the reversal of a fundamental principle of Government which had been invoked and applied with progressively increasing intensity and strictness throughout the generations of struggle in this country between the reforming democrats and the landed aristocracy. Out of sight, behind the democrats was a sight, belind the democrats were the bankers who saw in the English land monopoly an obstacle to their cosmopolitan objectives. What we obstacle to their cosmopolitan objectives. tives. What was this principle? Primarily and generally it was the erally it was that hereditary privilege must give way to the will of the to the will of the people; secondarily and specifically it was that the User was that the House of Lords, because it was non-representative of the arrive no sentative of the will of the people, should have no power to interfere with money bills. Power to decide monetary policy (as the monetary policy (as the public at those times under stood the significant stood the significance of the term) was to be reserved exclusively for the control of the term was to be reserved. exclusively for that Chamber whose members had to win the approval win the approval of the electorate. "No representation, no taxation" was the doctrine of the people Acceptance of the people of of the people. Accordingly, to-day, the House Lords, our Second Cl. Lords, our Second Chamber, is shut out of the Parliamentary system with mentary system when the House of Commons, our First Chamber, tell First Chamber, talks money. But now we have the latest innovation, the Third Chamber, consisting members whose members whose pedigree, achievements, credentials, and qualifications for and qualifications for public service are unknown to the public, evicting the the public, evicting the First Chamber from the system when monetary and the system that the s when monetary policy is considered. The new doctrine that emerges seems of that emerges seems to be that the monetary affairs of the people shall be desired. the people shall be decided by those most remote from the influence of the people shall be decided by those most remote the influence of the people shall be decided by those most remote the influence of the people shall be decided by those most remote the people shall be decided by the people shall be d the influence of the people and best able to disregard the will of the people. the will of the people. The evolutionary trend of constitution has been discontinuously trend of the people. Constitution has been bent back upon itself: age-old canons of political insticanons of political justice have been inverted: asiomatic sanctions against door. sanctions against despoilment of the subject's liberty

"But," someone may say, "the House of Commons still decides what taxes shall be raised and who only a pay them." That is to the House has only a pay them." That is true. But the House has only a limited power to decide on what objects; and it has no power at all to who what shall be the taxable limited power to decide how much shall be spent, on what objects what shall be the taxable capacity of the citizens are to pay the taxable capacity of the hypothetical are to pay the taxes. "But surely, our hypothetical objector may say, "no authorized by the citizens with the control of the citizens with the control of the citizens with the control of the citizens with the c objector may say, "no authority is able—even taxable ous to do so—of inc. ous to do so—of increasing or diminishing taxable capacity." Nevertheless, that is the truth; authority which does it is the grant Chamber of which we specified the capacity which does it is the grant Chamber of which we specified the capacity which does it is the grant Chamber of which the capacity which does it is the grant Chamber of which the capacity which does it is the grant Chamber of which the capacity which does it is the grant Chamber of which the capacity which does it is the grant Chamber of which the capacity which does it is the grant Chamber of which the capacity which does it is the grant Chamber of which the capacity which does it is the grant Chamber of which the capacity which does it is the grant Chamber of which the capacity which does it is the grant Chamber of which the capacity which does it is the grant Chamber of the capacity which does it is the grant Chamber of the capacity which does it is the grant Chamber of the capacity which does it is the grant Chamber of the capacity which does it is the grant Chamber of the capacity which does it is the grant Chamber of the capacity which does it is the grant Chamber of the capacity which does it is the grant Chamber of the grant Chamber of the capacity which the capacity which capacity which does it is the grant Chamber of the grant Chamber authority which does it is the Third Chamber of which we speak. This Chamber is the Third Chamber in the two Does to the two D we speak. This Chamber is in visible existence in two Dominions. but it two Dominions, but it exists informally in exact taxes

Banks of other countries. Banks of other countries. Parliament can exact taxes to meet expenditure. to meet expenditure: or it can prescribe expenditure:
meet ascertained taxable meet expenditure: or it can prescribe expenditure reserved privilege of deciding how much from the public may have in relationary amount of control pulsors. the public may have in relation to the amount of continuous expenditure in the public may have in relation to the amount of continuous expenditure in the continuous expension e

# Deep Calleth Unto Deep.

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By "Old and Crusted."

"Was I an absolute prince," he would say, pulling up his breeches with both his hands, as he rose from his armchair . . . "I would effectually provide, That the meadows and cornfields of my dominions, should laugh and sing;that good chear and hospitality flourish once more;—and that such weight and influence be put thereby into the hands of the Squirality of my kingdom, as should counterpoise what I perceive my Nobility are now taking from them. (Tristram Shandy.)

He applied to the ruling of Britain in the eighteenth century, very much the same practices by which his ancestors had managed their estates and cattle markets and local drains for hundreds of years. (Robt. Walpole and his Age. G. R. Stirling Taylor.)

The tragedy of Thistley Coppice had hardened to stern resolve a mass of seething resentments that had embittered the Squire's life for many years. Being a man of affairs, a scholar and a student, endowed with that instinct for business hereditary in the country gentlemen of England, Sir Charles Mowbray had more than a shrewd suspicion that the heavy taxation and pre-Posterous succession duties which were breaking up the great estates and threatening to destroy a social order were not the inevitable outcome of "economic law," but the result of deliberate policy engineered by a non-con-

stitutional power working for a definite objective. But how to stem the tide of disaster and maintain that spacious country life sanctified by a high sense of duty to tenant and labourer which literally obeyed the divine behest "to love his neighbour as himself," was a problem not easy to solve. The swamping of the country-side h side by the new monied men, who were more attracted by its amenities than concerned with its duties, made it doubtful whether there would be found sufficient of the old stock left to respond to a call to face discomfort and callumny in a final struggle to restore the well-ordered life of Gir Charles life of the shires and counties. Anyway, Sir Charles decide the shires and counties. decided to make the attempt, and in this he could rely on the on the hearty co-operation of his son and heir, for between father and son there ruled that perfect harmony purpose and complete understanding in the things that matter, than which there is nothing more beautiful in human relations.

Ever since the Winchester days, during those long intimate holiday rambles over field and fen where every Copse and homestead spoke of the long connection of the Mowher had discussed Mowbrays with the life of the land, they had discussed Ways and means with the one object of keeping the great estate and means with the one object of keeping the great estate and means with the one object of keeping the social condition.

Had the new social that the new social condition. conditions developing under the hegemony of the pluto-crats precrats promised a nobler, freer life for the people of England the land bromised a nobler, freer life for the people than that enjoyed under the old regime, the Squire his order, surmight have acquiesced in the destruction of his order, sur-rendered rendered his ancient hereditary possessions to the speculative builder and been content to pass the evening of his life bridger and been content to pass the promiscuous his life in scholarly seclusion; but the promiscuous medlar, its medley of post-war society filled him with disgust, its literature. literature and licence offended his taste, and had he hot know and licence offended his taste, and a remnant not known that there was still in England a remnant that had that had not bowed the knee in the house of Rimmon he would be worked the knee in the house of Rimmon it was this he had not bowed the knee in the house of the would have despaired of the future. It was this knowled have despaired of the future. knowled have despaired of the future. It to bid decided him to bid decided and the faith it evoked which decided him miscalled to bid defiance to the forces of disruption, miscalled progress, and nerved him to put everything to the

touch even as his ancestor Eustace had done when he threw in his lot with Lucius Cary at Edgehill. Eustace had paid with his life-but life counted for little with a Mowbray where duty and honour were concerned. When the heir to the estate shared the fate of so many other gallant gentlemen of all ranks at Le Cateau in 1914 no man saw his father wince. The day after he received the news he took his accustomed seat on the bench looking a little older perhaps but as immaculately dressed as ever, and bringing, if anything, a little extra care to the fulfilment of his familiar duties.

It was not then reluctance to accept responsibility and face possible defeat which made the Squire hesitate; it was merely considerations of strategy and tactics the when, the how, and the where to make his stand -but events were shaping themselves; and, besides, fate was taking a hand in the game. The happy intimacy that had existed for years between manor and rectory promised to develop into a closer union, and as the dream of the parents began to take shape and form there was joy in the hearts of the elders, not forgetting Miss Elizabeth Cole, who, in the privacy of her sanctum, favoured Josiah Morley with much philoprogenitive prophecy; the estate of holy matrimony being still regarded by country folk as instituted by Almighty God for a specific end.

Now the consecration of a common purpose had hallowed and strengthened into an abiding passion the affection that had grown up between Joan Talbot and John Mowbray as naturally and inevitably as the budding of the hedgerows in spring. When Joan came home from Oxford full of enthusiasm and bubbling over with schemes for remodelling the local world after her heart's desire she was saved from well-meaning blunders by that wise man the Rector, who knew his people. Thanks to her father's ghostly counsel and timely advice she went into the cottages and farmhouses in a humble frame of mind, content to listen and learn, acquiring a fund of first-hand knowledge, destined to be of priceless value in days to come besides winning the confidence of men and women without whose hearty co-operation no communal scheme could hope for success. Only those who have enjoyed the privilege of being accepted on equal terms by simple country folk can hope to acquire a fraction of the wisdom garnered by a sturdy race in its age-long intercourse with furrow and pasture, byre and sheep-cote. As for John Mowbray, had he not been in and out

of every homestead and cottage on the estate since the day he first gave his governess the slip and was discovered "muckin' out pigs" with Dilly Straw? After his return from the world tour, which replaced the old grand tour with a bear-leader of his forbears, he had

come to the conclusion that "God" who " gave all men all earth to love,

But since our hearts are small, Ordained for each one spot should prove

and when, on a certain memorable summer evening, he had stood hand in hand with Joan on the terrace above the great lawn and watched the shadows deepen under the cedar trees and listened to the voices of the children at play on the village green, it was borne in

on both of them that "She is not any common Earth, Water or wood or air, But Merlin's Isle of Gramarye, Where you and I will fare.

### The Timing of Loans.

Bank loans create credit, which, when disbursed on production, creates costs to their amount.

The retirement of bank loans destroys the credit created by them, but does not necessarily destroy costs to their whole amount.

In order that the retirement of a bank loan should destroy costs to its whole amount the following conditions would have to be fulfilled. Postulating that a loan is to be repaid within a definite period, then within that period:

- 1. All the loan would have to be paid out as personal income to individuals.
- 2. The whole of the production financed by the loan would have to be got ready for consumption by these individuals.
- 3. These individuals would have to spend the whole of their income on this production and take it home as personal property.

Thus if a farmer were able to borrow f100 for a week, pay it out in wages to himself and his labourers for gathering blackberries (costing nothing), then sell the blackberries to himself and them by the end of the week, then the whole of his £100 costs would disappear with the repayment of the loan.

But suppose (for the sake of argument) that these blackberries had to be turned into jam before being fit for consumption, and that this would take another week. The farmer would have to collect the £100 before any of the fruit was shared out. He could only do this by getting his labourers to invest their wages in the blackberries. By doing the same himself, he would now be able to repay the bank. But, now, although the whole loan had been retired, not a pennyworth of costs would have been destroyed, and nobody would possess any money.

However, suppose the farmer borrowed another £100 for jam-making, and the jam was all ready at the end of the second week. The total cost of the jam would be £200. If the farmer sold it at bare cost per pound he would sell only half the quantity. To sell it all he would have to charge it at exactly half its bare cost per pound. Anyhow, the plain facts of the case would be that he and his men wanted to have all the jam but had only £100 to meet the £200 cost. Well, they could get it provided that they agreed to regard the first £100 (which they had invested) as a free gift to the jam industry, or, what amounts to the same thing practically, as a pre-payment to be allowed off the final price of the jam. Obviously, in a simple case like this, where the little community would know what they were doing and what they wanted, they would look at the matter in this

Supposing, however, that for some reason or other . the farmer and his men wished to sell (to themselves) the whole of the jam at its full cost, they could do this if the bank created and lent them another £100 to be used entirely for buying jam as distinct from making more. They could charge and pay £200, and then

Notice, now, that the same result would happen supposing that the bank had not required repayment of the first £100 at the end of the week, and had let it stay out for a fortnight. For then the community would hold this money at the beginning of the second week when they borrowed the second froo, and would have £200 to spend when the full fortnight was up and all the jam ready for sale. In this case it will be observed

that there is no investment out of incomes, and no necessity for it, because the bank waits for repayment until all the jam is ready for sale.

If this principle of lending were applied to production in industry to-day the community would gain possession of money at the same rate as costs were created. Take a twelve-stage series of processes, lasting, say, a month each and costing fro. The bank would lend Lio in January repayable in twelve months; then Lio in February, repayable in eleven months; and so on until December, when the twelfth loan would be made repayable in one month. On December 31 goods costing (720 ing £120 would be ready for consumption, and consumers would have £120. All the goods could be sold at full cost at full cost.

Of course, consumers can't wait a year for their goods, but this does not matter. If you like to suppose that post of the that part of the goods made in each month are consumable and are bought better able and are bought, let us say one-half of them, then the cost of the accuracy of the accurac the cost of the accumulating remainder will be £60 on December 31 and the December 31 and the consumers' balance of money also foo. The other (60 world) £60. The other £60 would have been received and cancelled by the bank when the bank wh celled by the bank, whose outstanding loan would now be £60.

The significance of this timing factor will be exam-

ined next week.

# Social Credit Party of Great Britain. Annual Dinner.

The next Annual Dinner will take place at Ye Older Doctor Butler's Head, Mason's Avenue, Time: Street, E.C.2, on Saturday, February 8, 1936. Time: 7 p.m. for 7.20. 7 p.m. for 7.30. Tickets, 3s. 6d., obtainable from the Headquarters, 44, Little Britain, E.C.I, or from the office of The New Assets office of The New Age, 70, High Holborn, to all me

The promoters extend a hearty invitation to all memers of the Social Country bers of the Social Credit Order irrespective of their views on Social Credit Policy

# PUBLIC MEETING

FREE TRADE HALL MANCHESTER

Friday, January 24th, at 8 p.m. The MARQUIS of TAVISTOCK

# CREDIT

Chairman: THOMAS H. REDFERN, Esq., (Chairman, National Union of Manufacturers, Mic. ADMISS EN 7.15.

ADMIDSTANCE ADMIDSTANCE ADMIDSTANCE ADMIDSTANCE ADMIDSTANCE A limited number of reserved seats at 6d., 11- and 2fr. Manchester Street. April And Street. Secretary Social Credit Shop, 15, Bridge Street. Manchester Manchester. Manchester. Bureau, 3, St. James Square, Manchester.

MANCHESTER DOUGLAS SOCIAL CREDIT ASSOCIATION,
(President: The Decree of Contarbutt)

Mr. T. C. Wrycroft, 88, Heathbank Road, from whom reserved seat tickets may also be obtained.

NOTICE.

All communications requiring the Editor's attention should be addressed direct to him as follows:

Mr. Arthur Brenton, 20. Rectary Rend. Rarnes, S.W.13. Mr. Arthur Brenton, 20, Rectory Road, Barnes, S.W.13.

## The Totemistic Menace.

JANUARY 23, 1936

By " Presbyteros."

One is inclined to wonder if Sir Josiah Stamp, after he has regained his poise, after having absorbed the shock (if any) of reading Summer Time Ends, will take the opportunity to mention in his next monition this disturbing and challenging book\*. Probably not; so far as my observation goes, it has not been boisterously reviewed in our "sound" periodicals. It is an examination of the ethos and outlook of the modern Youth Movement, as represented in the organisations of "Toc H." "Student Christian Movement," Y.M.C.A.", Buchmanism, Scouts, etc. Its sub-title is The Exploitation of Youth." If Sir Josiah does venture to read it, he will surely not recommend it to the attention of any of his gratuitously adopted "fraternities"? Readers of the New Age will remember how some few years ago, attention was drawn to the sinister connection which Sir Josiah was drawn to the sinister collection was drawn to the sinister collection. When was at the time seeking to establish with the Youth Movement—in that instance represented by Sir Oswald Mosley's Blackshirts.

Those interested in the propagation and realisation of Social Credit cannot, by all the aforementioned Totems, afford to neglect this penetrating survey of the ground which is being prepared and fortified for the ambushing and the defeat of human liberty and progress by the high-financial manipulators and perverters of cultural and subcultural

forces at the present time. Mr. Stovin's thorough and courageous handling of his data brings about a revelation that makes denunciation merely redundant. Whilst hardly seeming to accuse, he proves and damns. He proves that youth, its defeatism, its frustrated energy and passion, its neurosis and disintegration, is being exploited. exploited. And, moreover, although the leaders themselves of theed. of these movements are under the dominance of the herdtrance, even up to the rank of Archbishops, there is enough here of here of stark evidence to confirm in the minds of careful students. students the thesis so often put forward in these columns: that the thesis so often put forward in these that the financial-political oligarchy which is assiduously working. working its way to absolute world power is prepared to foster foster, and is actually fostering and adopting any and every dimly. dimly-aimed and vaguely-directed mass-unit that may be emotioned and vaguely-directed mass-unit that and to supply emotionally all worked up with nowhere to go, and to supply the missing objective.

It is necessary, in considering the following quotations, bear in the story of the to bear in mind the distinction which Mr. Stovin draws between in mind the distinction which Mr. Stovin draws between tween movements which exist for and by the exploitation variable. of vague mass-emotion, devoid of any intellectually lucid and defined entering the second of the conference and orders, and defined objective, and those ad hoc societies and orders, such as the objective, and those ad hoc societies and orders, and those ad hoc societies and orders, and the objective of the objec by long proceeded delay long p by long preparation, intellectual travail, and clarity of

One may interpose here the reflection that the Social redit Movement of the control of the contr Credit Movement will remain wholesome and justifiable so long as it is movement. ledit Movement will remain wholesome and justified being as it insists on being an ad hoc movement—the hoc leng the advocacy and establishment of Douglas Social Credit. Credit and refuses to become a club or sodality or fraternity mutually and refuses to become a club or sodality or fraternity mutually and refuses to become a club or sodality or fraternity mutually and scratching weak mutually rubbing grateful shoulders and scratching weak backs, in tubbing grateful shoulders and scratching about for the backs, intellectually and spiritually, hanging about for the definition definition of objectives and the issuance of marching orders by the De Discourse and the issuance of the Almighty De Big Boss,"—the delightful name for the Almighty

Green Pastures " Mr. Stovin finds in all the Youth-group movements a common characteristic, a gravitation and a regression to-Pards tribalism, finding its ultimate emotional magnet in a rotes tribalism, finding its ultimate emotional magnetic for the sational Spell-bindings and slogans are substituted for the sational Spell-bindings and slogans are substituted through the sational strength of the sationa processes. Hysteria, expressing itself through magic processes. Hysteria, expressing itself processes. Hysteria, expressing itself determined not be and blurring of definition, action being determined by indicate the consent of the group, the second of the group indicates the second of the sec hot by individual decision, but by the consent of the group, marks the visit of the group, the backs the visit of the group, the group of the group, the group of t marks the birth of the group or tribe. Buchman is spell-bound by the consent of the spell-bound by the birth of the group or tribe. bound by the singing of a sacrificial hymn in a Church in

otem. The Exploitation of Youth. By Harold Stovin. (Methuen. 5s.)

the Lake District, after the manner of Moses at the Bush, so Buchmanism is born. "Dick" Sheppard, and "Tubby" meet together to formulate the policy and purpose of Toc H, to re-create and preserve the spirit of the meeting place, "The Old House" in Poperinghe. "Dick" has to leave before the job is finished, being too "desperately busy" to stay. The utmost definition achieved was that Toc H is merely "a good crowd sticking together."

"What strikes the mind most forcibly," observes Mr. Stovin, "is that two movements, which in their own estimation are of such momentous importance, should have had so painless and haphazard a birth, so little intellectual travail seems to be involved in their origin. . . . The older Orders were conceived in the painful lifeexperience of men who were fine in birth and culture, and given the most elaborate and concrete formulation: the newer seem rather to be the fruit of hasty thinking and neurotic prejudice, and have in them no element of concrete reference to the problems of the twentieth century . . the unquestioning way characteristic of tribes. . . an artificial transfusion, effected by brilliant verbal

In a footnote to page 46, Mr. Stovin says: "Our Public Schools were the pioneers in the use of myth to get intense group-loyalty, in fact, the myth is the foundation of the perfect system of discipline."

" Modern myth [comprises] a number of minor cults . . . often as a substitute for genuine religion or genuine social life, and which the various myth-makers use for their own purpose. There is the Cult of Sport, the Cult of Knowledge, and the Cult of Fellowship . . . practically every member of a tribe mistakes religiosity for religion. . . a Point of the Toc H Compass is the peculiarly hybrid conception: think fairly . . . the main engine of Absolute Honesty (Buchmanite) under the umbrella of guidance (p. 56). "But knowledge to-day is not a disinterested activity, and the combination of low mental equipment with the complexity of discussable material does not result in thinking. The amount of real 'thinking' that goes on in Rover Dens, Toc H meetings, Student Christian or Y.M.C.A. study circles is negligible, because the motive for knowledge is overcharged with the inner purpose of the group, and with the infectious feeling that disagreement on fundamentals would destroy solidarity. In fact, the 'frank exchange of views' which so many groups pride themselves on achieving is only a timid fluttering on and off the rock of dogmatic certainty, which is the

A pamphlet issued by the Student Christian Movement says: "The really essential thing is that the prayerful spirit, the sense of spiritual reality, should pervade the whole distribution." "Such a haze of spiritual atmosphere," says Mr. Stwin. "nuts an effortive damparen independent," says Mr. Stovin, " puts an effective damper on independent think-Mr. Stovin, a puts an effective damper on independent thinking, and makes all discussion a valueless ritual," a The Y.M.C.A. provides a Leader, whose main function is to yield discussion, and who may be a local doctor, or a schoolmaster, or a parson, or a business man. It also provides a collection of 'Fireside Talks,' in some of which topics have the suggested 'right' conclusion in their very word. a collection of 'Fireside Talks,' in some of which topics have the suggested 'right' conclusion in their very word-ing.' (p. 58.) Again, ''Fellowship . . . is at once an ideal of conduct and a remedy for the 'slump,' an art and a technique. There is no remedy,' said the Prince of way of Fellowship.'' And, again, in The Times leading way of Fellowship.'' And, again, in The Times leading way of Fellowship.'' And, again, in The Times leading way of Fellowship.'' And, again, in The Times leading way of Fellowship.'' See the letter from a correspondent in you mention The Times you are right on the trail of the you mention The See the letter from a correspondent in super-controllers. See the letter from a suggestion that extending the same provided that the super-controllers is the issue for January 10th containing a suggestion that ex-

super-controllers. See the letter from a correspondent in the issue for January roth containing a suggestion that extends from The Times should be compiled into a book for school dictation! Perhaps The Times is all ready to oblige; the selection possibly already completed? One finds it hard be entitled "Threadneedle Pilgrianage"? One finds it hard to leave off quoting Mr. Stovin. He has performed a service of the utmost value towards the putting of bankster-power into quarantine.

nto quarantine.
"Fellowship (in the tribal sense) may be defined as service + sacrifice." (p. 67.)
"Comradeship + (To be continued.) into quarantine.

#### Observations of an Election Agent.

By T. H. Nicholls. II.

We seem to have arrived at a conclusion, no doubt as a result of the experience of the candidates at the last election, that the electoral campaign is least useful during an

Since every election agent discounts at least one-third of the "promises" given to his canvassers during the campaign, it follows that premises given months before must be much more heavily reduced. That does not imply that the pledge is valueless. As an introductory medium the pledge form is a most useful piece of machinery, but it is not enough.

But having discovered by experience the weakness of the weapon when it meets the opposition of other election machinery, let us consider its revised use as a weapon to " exert continuous pressure upon members during the life of Parliament."

In the procedure of the House there are many ways of stopping discussion on a particular measure, and it is authoritatively laid down "that no Private Member's Bill has the least hope of passing if opposed by a determined minority, unless assisted by the Government." Therefore the degree of support within the House must be sufficient to warrant the Government taking charge of the Bill without dividing its party, for it has to remember that if its own supporters abstain, the Opposition will throw their whole weight, whatever their pledges, in an effort to defeat the Government.

In addition, the procedure includes "Blocking Motions," given in the procedure of the House as follows: "There are two kinds of blocking motions, one to hinder the progress of a Bill, and the other to prevent a subject being debated. The former is a simple notice of rejection, which serves, until withdrawn, to stop a measure from being debated after 11 p.m. on the first four days of the week or 5 p.m. on Friday." (By the use of this a small minority can keep on talking until the stated time, or even debate

Bill preceding it at length, and so prevent progress.) "The latter is a notice to call attention on 'an early day to the subject in question, with the addition of an intention to move a resolution. As a consequence, for many years a Member who desired to prevent discussion of a subject inconvenient to his party has handed in a notice of motion which he did not intend to move, and with the terms of which he might himself disagree; and this, by official ruling, prevented debate as long as it remained on the paper, whence it could only be removed by the Member concerned, who might place it thereon at the opening of the session and leave the country for the remainder, secure in the power of his 'blocking motion' to stifle discussion."

It must also be remembered that Bills affecting public policy must pass through all stages within the session or pass through them again in the next. These are some of the reasons why other "interests" have discarded the method of direct approach to members in the light of bitter

# LETTERS TO THE EDITOR.

COAL AND OIL.

Sir,-Your reference last week to the Turner coal-distillation process recalls the fact that when the Anglo-Persian Oil Company wanted refineries quickly, in which to treat the Persian oil whilst their own were being built at Grangemouth and Llandarcy, inducements were offered to and accepted by the directors of the Scottish oil-shale companies for the use of their refineries. This resulted in the closing down of the oil-shale mines in The Lothians. It was declared that shale-oil could not compete in price with well-oil. The facts show that oil from wells is now sold at higher prices than were charged formerly for that from shale. The consumers and the miners suffered by closing the shale mines to provide a market for Persian oil.

JANUARY 23, 1936

Since those days, another oil-pipe line is delivering oil, at the rate of 4,000,000 tons per annum, from Iraq to ports on the Eastern Mediterranean. Who is going to buy it? As there is a limited demand for fuel, obviously some users must be induced to take that oil in preference to their present fuel. What better inducement can be offered than a rise in the price of coal? A rise in the price of coal is therefore engineered. It is approved by the big users of coal who can and will change over to oil as soon as it be expedient. result will be similar to that which occurred in the shale mines, namely, thousands of miners will be put out of work. MINING ENGINEER.

#### SOCIALIST IDEOLOGY.

Sir,—I hope you will allow me, through your columns, to ask your correspondent, Mrs. G. F. Bing, if, as she states, the ideology of the Socialist political parties ciated the Social Credit proposals in 1897," why the Labour to-Party (which, I suppose, is the Socialist political party to day) packed the committee formed to report on Social Credit with Credit with avowed Social Credit opponents, and turned down the Social Credit proposals in 1935?

Nothing, however, that Mrs. Bing can say will alter the act that the Scheme fact that the Socialist party have the choice of a scheme that would about 1 that would abolish poverty, to all intents and purposes, immediately immediately—and that they will have none of it.
inference is obvious, it is that the Socialist party do not want to abolish want to abolish poverty, they wish to represent it, and continue to dole out " tinue to dole out "amenities" to, and retain their power to over the "amenities" to, and retain their power to over, the "masses" whom—ostensibly—they profess serve.

B. C. Best.

AN IMPORTANT DEBATE on National Dividends in the form of questions the form of questions and answers. Questions by C. Hodgkinson, answers by H. B. Riddett. To take place at the First Avenue II. the First Avenue Hotel, Holborn, W.C.1, on Wednesday, January 22 at 8 January 22, at 8.15 p.m. Organised by The New Freeman. Admission free

# Forthcoming Meetings.

The Social Credit Party of Great Britain. 8 p.m. National Headquarters: 44, Little Britain, E.C.1. Subject Wednesday, January 22.—Speakers' Class. Subject lodiscussion: Draft Parliamentary Bill to Equate tion to Production in Great Britain.

Wednesday, February Locture: John Hargraye.

Wednesday, February 5.—Lecture: John Hargrave, "Social Credit in 1936; or, Time and Tide Wait for Man." Saturday, February 8, 7.45 p.m.—Annual Dinner. Ye Old

London Social Credit Club.

Blewcoat Room, Caxton Street, S.W.

Jan. 24, 7.45 p.m.—"The Prehistory of
Reform," by Mr. Montgomery Butchart.

Jan. 31, 7.45 p.m.—Question and Answer Night.
Hon. Secretary: Dr. J. C. B. Mitchell, 2,
Common, Kent

Manchester Social Credit Club.

Meetings on the first and third Tuesdays of each month of the Grosvenor Hotel, Deansgate, Manchester. 7 p.m.

The New Age Club.

[Open to visitors on Wednesdays from 6 to 9 f.m. at the control of the property of the control of the property of the control of the property of the control of the con

ACADEMY CINEMA, 165, Oxford St. ROBERT LYNEN, in a story of adventure,

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