

THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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NOTES OF THE WEEK.

Social Credit at Ottawa.

A correspondent in Toronto informs us that the Federal Social-Credit group of members are doing good work at Ottawa, and are "putting some sound observations on the pages of *Hansard*." This is good news. But we hope that they, or some of them, will also study intensively the subject of Procedure, as did the Irish members in the British House of Commons before they got "Home Rule." Sometimes they flouted the rules, sometimes they exploited them, and when they did either they did it effectively, because they knew the rules. They kept Ireland on the map by insisting that Ireland's grievances should receive priority of attention over every other subject of debate. If the Alberta group can do likewise with Alberta's grievances they will do it with even greater success, since those grievances are not peculiar to that province, but are manifestly identical with grievances in all the other provinces. Further, the remedy demanded for Alberta is applicable to all the provinces without injury to any.

If Aberhart Fails?

The same correspondent expresses the opinion that we are not critical enough of Mr. Aberhart, and adds a word of blame to the Secretariat for not having repudiated him before the election. "Alberta," he says, "is going to be the ruin of Social Credit in Canada unless something unexpected happens." Well, the moral of that is: let us hope for the unexpected, and see what can be done to bring it about. There are many more people, and much stronger influences, with an intelligent and sympathetic realisation of what we are after than have declared or otherwise revealed themselves. These are agencies of surprises. And we will do well to nurse that assurance provided that we do not allow it to weaken our efforts to carry the fight on by ourselves. As to the "ruin" of Social Credit in the event of Mr. Aberhart's failure, our correspondent is entitled to entertain that fear, but only on the assumption that the fortunes of Social Credit depend on majority-

notions about it. We do not subscribe to that assumption: our money is on *minority-convictions*. Sheep outnumber sheep-dogs, but since the sheep don't know where they want to be put, and the dog knows where he wants to put them, the dog wins. On every plane of society, from bank chairmen down to street-hawkers, you have majorities with notions herded into pens by minorities with convictions. What the Social Credit Movement have been doing since 1919—and are still doing—has been to create minority-conviction in every one of those planes. This is what the bankers had been doing before we started. And proof of it came directly we started, because on every social plane where we got a hearing we saw persons, ostensibly competent to destroy our case, sneaking behind a curtain to find out what the answer was. Take the bank chairmen themselves: with the exception of Mr. McKenna they spoke just as if they were sheep reciting the contents of the sheep-dog's brief.

Well, to-day, there isn't a field of controversy where we haven't got a sheep-dog of our own competing with the sheep-dog of the bankers for the herding of the sheep into the "right" or "wrong" pen. Power is on the bankers' side, but Truth is on ours. The notions of the sheeplike majorities don't matter: they can be changed in a night, and will be when the pairs of rival dogs have carried the fight on to a certain pitch.

Is There a Bankers' Plot?

The manner in which the situation is developing in Alberta, and the temper of the controversies arising out of it, have now reached a point where it has become necessary for students of actionist policy to make up their minds on the question of the "Bankers' Plot" theory. It is a wide and woolly theory when stated in this form. It leaves unanswered many vital questions. For instance: Do the head bankers execute vindictive reprisals on persons opposed to their policy? Do they seek to influence such persons, whether by bribery, or blackmail, or deceptive suggestion, to advocate lines of

action subversive of the Social Credit Order? Do the head bankers attempt to practise selective victimisation or selective recruitment on persons who are in a position to hinder or forward their plans? Do they do this directly? Do they keep a list of those persons' names? Do they deliberately set in motion their intelligence service with the object of making that list? Do they appoint intelligence officers to join the Social Credit Order to forward this purpose. And so on.

There is one definite observation with which every reader of THE NEW AGE will unhesitatingly agree; namely, that it is within the power of the head bankers to do all these things, and without risk of detection. But the question arises: Is it worth their while? Need they devote their personal attention to initiating plans for the above purposes?

Now it is possible to adduce a long list of incidents and episodes that have taken place during the last seventeen years, which are consistent with the theory of active interference by the head bankers. We have, ourselves, recited and commented on many of them in these pages. But to show that they are consistent with the "Plot Theory" is not to prove the existence of a plot. The facts must be consistent with each other, and each must, to some degree, point towards the "plot" conclusion independently of the others. Even so, you get at best simply circumstantial evidence supporting the presumption of a plot.

Bear in mind that the "plot," as here defined, is something aggressive undertaken by the head bankers (e.g., people of the status of Mr. Montagu Norman and other high-financial statesmen) with the narrow objective of getting a grip on particular persons or organisations constituting the leadership (actual or attempted) of the Social Credit Order or the leadership of movements having parallel objectives.

This definition excludes such things as the dissemination of news and views calculated to discredit the Order, the allocation of funds which indirectly serve to remunerate journalists and teachers who perform this function, or the procurement of legislation designed to obstruct the progress of the Order in the field of practical politics. Further, it excludes even attempts to corrupt persons in the Order where these attempts are not made under the direct inspiration of the head bankers.

It may be taken as axiomatic that the high bankers will not engage in plots so long as the objectives which could be reached through their plotting can be reached just as effectively through the spontaneous efforts of big-business wire-pullers and professorial educationists. For example, take a case outside the orbit of the Social Credit issue. There are two inventions for which the inventors make startling claims that, from our cursory knowledge of their nature, seem to be justified. These are the Kearney railway (where gravitation is used to supplement motive power) and the Turner coal-distillation process (which employs steam as the disintegrator and solvent). Whether the claims are justified is irrelevant; but if they are, the adoption of the inventions would render obsolescent an imposing amount of existing plant. The point at which we are arriving is this, that imagining such a thing as that Mr. Montagu Norman were interested in preventing the adoption of these inventions, he would

not have to move a finger to obstruct the inventors. He could safely leave that to the proprietors or managements of the equipments and plants whose obsolescence was threatened. These would not wait for Mr. Norman's prompting before they set to work pulling every political and commercial wire within their reach. They would not need his assistance, but only his complaisance. And as a matter of fact both the inventors named above can tell of cases where experimental contracts relating to their inventions have been blocked—and not by head bankers, but solely by devices which are always at the command of people handling substantial capital.

It is a canon of modern theological exegesis that miraculous causation must not be attributed to Biblical events where these can be adequately explained by natural causation. This injunction applies with special practical force to the problem of explaining events in the field of Social Credit politics, particularly when those events involve the mutual relationships of members belonging to the Social Credit Order. Theoretically, everybody is vulnerable to head bankers' reprisals, or purchasable by head bankers' favours, or deceivable by head bankers' strategy. But before we interpret each other's opinions and actions as symptoms of contrived or "plotted" corruption (whether of character or intelligence) let us make sure that they cannot be adequately explained otherwise. Pleasant things have happened to certain declared members of the Order, and unpleasant things to certain others; but it would be making nonsense of reasoning to argue that those things were necessarily symptomatic of what one may call the Norman Intervention into the affairs of the Order—that it was he who had caused the fall of some and the rise of others. The same applies in regard to differences of opinion on policies of action within the Order. In fact we do not know of any policy, now canvassed to the Hidden Hand, which, when argued without reference to the assumption of good faith on the part of its sponsors. And as to intelligence, there may be more of it on one side than the other (and each side tells the other where the marginal superiority lies!) but those who deplore controversy on these matters and desire unity are not entitled to say that the existence of the controversy is proof of a head bankers' plot. It may please them to see controversies going on, but that doesn't prove that they are stirring them up, much less that the parties to a controversy care two hoots whether they are pleased or not. If the bankers are pleased, what are they pleased about? Is the multiplicity of plans? If so, that suggests their calculation that Mr. A's plan will queer Mr. B's—or so Mr. B might say. But suppose Mr. A claimed that the bankers were pleased for the opposite reason, that Mr. B's plan would queer his own. Who would be right? No one could say except the bankers themselves (and possibly they haven't condescended to give the matter any thought).

Again, is it suggested that the bankers' pleasure arises from the fact that they are able to listen in and gain valuable information? Well, we would like to know what wisdom has been spilled in Social Credit controversies on actionist policy that the bankers did not know before. They always know, before Social Credit advocates know, the limits within which any such policy must work, particularly if it involves the peaceable

persuasion of the electorate on constitutional lines. They know *first*, because they not only know what the Constitution is, but *what they can make it* if necessary. This, indeed, is the fundamental and antecedent reason why, as we said just now, the head bankers have no occasion to plot on a narrow front, wasting their much-needed time (required for holding the decrepitating capitalist system together) on prompting Mr. A. to have a row with Mr. B.

Lastly—and this is a concrete consideration—if, in spite of our argument, anyone thinks that the head bankers are actively plotting in the extreme form originally defined, then the Editor of THE NEW AGE claims to be able to supply better supporting evidence for that contention than anyone else from his diary of personal reminiscences, and, both in cogency and relevancy, that evidence would build up a presumption bordering on conviction that if there be a plot THE NEW AGE has been the intended victim of it. We mention this to make it clear that we have nothing to gain by questioning the validity of the Plot Theory, and nothing to lose by accepting it.

The Press as Mischief Makers.

In continuance of our argument we want to say a word about the Press. It is unquestionable that on all matters of high policy the important newspapers accept the prompting of the head bankers. And there can be no doubt that last week's happenings in Alberta will tighten the liaison between the two. Mr. Aberhart has created a precedent in Canada by declaring default. By doing so he has set for the Dominion Government the delicate task of deciding whether to follow old precedents for punishing default or creating a new precedent for dealing with the present default. For this reason we may expect the Press to play a waiting game until it is told what general line to take. In the meantime it has got on the stocks what may develop into another front-page news-story. Dates are important here. The date, April 1, marks a definite transitional stage in the unfolding of the Albertan situation. We want, for our purpose, to deal with the Press in respect of what happened before April 1. Both in Canada and in this country during the period January to March the newspapers devoted a good deal of space to the subject of Mr. Aberhart's relations with Major Douglas, and constituted themselves a sort of clearing-house for the views of these two men. In the course of the clearings—largely cable-exchanges—there were probably many errors of omission and contraction which helped to bewilder readers who were trying to find out why or when Major Douglas was or wasn't going out to Alberta. Here is a case which illustrates our argument. Was the information cooked purposely to cause mischief between the two? If so did the bankers initiate this, or take a hand in it? No one can know. But it is not necessary to invoke the plot theory to explain the mischief. For it is in the nature of the Press to make mischief, precisely because the mischief is news, and news has a sale value. Bankers or no bankers, your journalist is after putting a thrill into his report, and will improvise one if the original material does not afford it. As a matter of fact, very often this penchant for sensationalism has embarrassing results for the bankers themselves. In the present case it better suited the policy of the newspapers to stage Aberhart and Douglas as having a row than as shaking hands. They did the same with regard to Aberhart and Brougham, and to

Brougham and Douglas. All three were exhibited in the cables as asserting so-and-so, denying so-and-so, and giving speculative opinions on the significance of unresolved so-and-so's. There was mystery, conflict, and a what-next? tension about the narratives which got pennies out of thrill-hunters or made them think they were getting their pennyworths. Accuracy in detail was of course quite unnecessary, except in papers like *The Times*, where such accuracy has a price-value to money-market-men and other readers of that responsible organ. Hence the moral that it would be unwise to draw so wide an inference from newspaper-mischief as to say that, e.g., Mr. Montagu Norman was inspiring the cooking of cables to drive a wedge between Aberhart and Douglas. Mischief-making of this sort is a routine function of Press story-writers.

Douglas and "The Times."

The paper *Social Credit* (April 3) makes an attack on *The Times* in respect of its report of March 25 of the "break" with Douglas. It quotes the report, and then states "the facts" in order to show up the untrustworthy nature of it. But when you come to underline the key words in the report referred to in the list of facts, you find that they are—in this order—"cable"—"ultimatum"—"four years ago"—"Sunday" and "taxes." In the context the situation is as follows. *The Times* reports that Aberhart said he was forced to cable Douglas that he could not entertain his (Douglas's) ultimatum. Douglas replies that he did not receive the cable, and that he did not send an ultimatum. *The Times* reports that his contact with Alberta began four years ago. Douglas denies it. *The Times* reports that Douglas's ultimatum was received on a Sunday and referred to taxes. Douglas denies sending any despatch referring to taxes which could have been received on a Sunday. He winds up by saying that he "resigned" his position "as a protest against the policy pursued under the advice of Mr. R. J. Magor."

It will puzzle any intelligent reader to see what difference Douglas's denials make to the essential substance of the report, which was that relations had been severed on account of the differences between him and Aberhart. Does it matter which of the two fired the other? The significance of the event is the same both ways round, namely that Aberhart could not, or would not, accept Douglas's advice. Its further significance lies in the fact that since the severance, Mr. Aberhart has been alone responsible for the policy he has adopted.

The report in *The Times* included some comments by a "high Government authority" reflecting on Douglas's action. Douglas comes back with the suggestion that this high authority was Mr. Magor, whose words, he says "can without difficulty be identified as originating with the Canadian Bankers' Association." Here we get the "Plot Theory" unnecessarily invoked. The passage referred to exhibits no characteristics in vocabulary or style which identified it with that origin. It could have been spoken by any practised speaker who held the sentiments conveyed in it. It could have been Mr. Magor, or any member of the Social Credit Caucus, or, to come to another point, the editor of the Government's supporting organ *The Albertan*. The point is that the quoted passage, communicated to *The Times* on March 24 (the day before publication) is a pale synopsis of a series of extended and forceful attacks published in *The Albertan* on March 13, 14, and 17 (to name only the copies which

we have seen). When Douglas says, as he does, that the publication of the passage by *The Times* "reflects more damagingly" on that organ than "on himself" he overlooks the fact that the unknown spokesman must have been acquainted with the outspoken attacks in *The Albertan*, and was putting forward sentiments held by the electors of Alberta and in a considerably softened form. Readers may judge for themselves from extracts from *The Albertan* printed elsewhere. It would be much more to the purpose if Douglas, instead of alleging a bankers' plot to discredit him, would ask himself how he came to place himself in a position where his courage and competence are held suspect by the population of Alberta.

Persecution Megalomania.

We propound this proposition: that if the policy and strategy of the Social Credit actionist forces are dictated by a leader obsessed by the "plot" idea the leaders of the enemy forces are spared the necessity of plotting. That leader is plotting against himself and his own forces. His fears of traps construct the trap that he most needs to fear. And in our judgment this is the root cause of the Edmonton-London cross-purposes which have kept Aberhart and Douglas apart. An overwhelming majority of Social Credit advocates in this country, as well as in Alberta, hold the view that these two men ought to have been in close personal consultation from the moment that Aberhart inherited governmental responsibility from the late Administration.

However, the omission need not be taken as irreparable. Douglas recently suggested that Aberhart should appoint a liaison man from London to be his permanent adviser. (Some think that Bardsley would have gone, others that it would have been Gibson.) More recently Douglas suggested that Aberhart should seek advice from one or two Social Credit men on the spot. Last thoughts are best in this case. London talent for advising can be more usefully directed to keeping an eye on Westminster while local talent deals with Ottawa.

Future Prospects.

The feature of the Canadian situation is the contagion of the forced debt-conversion policy adopted by Aberhart. *The Times* of last Saturday, in a leading article, says:

"... there are disquieting reports that several municipalities, including the wealthy City of Montreal, are thinking of following the example of Alberta and of cutting down the interest on their bonds without any arrangement with the bondholders."

British Columbia is having to negotiate with Ottawa respecting £700,000 bond repayments due to be made on May 15. Meanwhile, Dunning, the Dominion Finance Minister, is held up over his Loan Council plan until, as *The Times* says, the plan commands more unity of support from the provinces; for otherwise he can hardly ask Westminster to sanction the necessary changes in the British North America Act. Naturally, British Columbia will not submit to conditions for financial assistance which Alberta refuses to accept. It is important to note that, despite Alberta's default, the disastrous consequences hinted at before the event have not materialised. Dunning is inviting Alberta to make alternative proposals. (Just as Hitler has been invited to do.) It's no use running one's head against a brick wall," said one man to another. "Yes it is," replied the other, "because you find out whether it is a brick wall."

As *The Times* points out, there is no permanent cure in forced debt conversion. Also it may be defective political strategy to go for it. But to do so does at

least symbolise the intention of a municipality or province to lay down its own terms for borrowing. It sounds ridiculous that borrowers should make conditions. But whatever ridicule it evokes can be used to carry the issue further and ask why representative Government should have to borrow at all. When the true explanation of why they have to do so comes out in the daylight the borrowers will be seen as doing a favour (and an unnecessary one) to the lenders—borrowing what is their own from private interests who have jumped the claim to it. So Aberhart is opening things up. What will transpire depends on the stuff he's made of. Let us give him his chance and hope he will ring true.

Canadian Finance.

Alberta's total external debt	£32,000,000
Bonds defaulted on (April 1)	640,000
British Columbia next bond maturity (May 15)	700,000
Montreal City's total debt	54,000,000

PROVINCIAL AND MUNICIPAL STOCKS.

Prices on April 2, and falls on that day.
[From the *Financial Times*.]

Loan.	Closing prices.	Fall.
Alberta 4½ p.c. debs.	85—95	2½
British Columbia 5 p.c.	104—6	1
Manitoba 4 p.c.	97—100	1½
Saskatchewan 4 p.c.	88—92	2½
Vancouver 4 p.c. 1935-47	75—96	1½
Do. 4 p.c. 1947-49	75—85	½
Do. 4½ p.c. 1953	80—90	2
Do. Point Grey 5 p.c.	82—92	2½
Do. South Vancouver 5 p.c.	81—91	2

"Some idea of the state of the market in the stocks is afforded by the width of the quotation in most instances."
"To dispose of even a small line of stock... would almost certainly involve a heavy sacrifice in the price."

Hilton Talks.

[Synopsis of two recent B.B.C. talks by John Hilton, as jotted down by a listener.]

I. Passions aroused! Gentle souls who really believe we could do better about Credit. He has worked out the subject himself for twenty years—"Salvation by Credit"! "Prosperity on tick"! Just like the Father Christmas sham. Two things—*First*, he is not one of the old-fashioned gang of economists! *Second*, he has not been bought or bribed by the bankers! His mind is not sealed! Credit can best be explained by the "on the knob till Saturday" story (which follows). A little girl went to the butcher and was asked what she wanted. "It's not what I want but what mother wants," she replied. "which is a piece of scraggy mutton 'on the knob' till Saturday." That is borrowing buying power. Confidence and trust needed. Risk taken by the butcher. Confidence and trust needed.

Can make power and wealth—*Where's the Catch?* Something snaps—Confidence and trust goes—A smash—What's this magic which the State could shovel out this paying Pressure put on butcher by State—I harp on this *paying back*—A gift scheme? Transfer not credit—I mean *A plus B magic!* etc. (here J. Hilton reeled off a lot of abuse so rapidly I could not catch the words, but one was all "moon-shine"... S.C.) Credit is a *Creed* with some people, mystical faith—I think a superstition! No conjuring tricks. Think about it, and don't get too much into debt. Good-bye.

II. Many gentle listeners have written to ask me, why can a Government produce money and work for armaments and war and not do so to help unemployed before? Why not a loan for other things besides war? Can be done—Can lend money. Makes less to spend or invest. There is this, buying power lying idle. Why? Fear of the risk of lending—but feel one can trust a Government to pay back. No care for unemployment. These loans can only be done once in a way—Interest has to be paid. J. Hilton then went on in a sarcastic way, saying 7,000 could always be found to build a battleship, but not a town. The battleship would not compete with private interests. Glamour about ships and admirals—Symbols of might and power—No sacrifice too great, etc., etc. At the end he remarked, Am I pulling your leg? Good-bye.

Social Credit Policy.

III.

By Hilderic Cousens.

My own opinion, for what it is worth, is that the chance of Social Credit being applied will not arise, unfortunately, till the next acute depression in this country or in some other country of equivalent all-round development. Heaven knows what would happen in the event of a major war, and so that alternative chance must be excluded. As long as housing developments and re-armament supply the reasonable excuses for credit expansion in aid of retail purchases, so long will the comparative restriction of distress and bad trade be hailed and accepted as sufficient justification for continuing the present practices. Consequently the chief business of Social Credit must continue to be educational, pressing it as a solution in all available quarters, and taking advantage of such special occasions as an Economic Conference of European States, if so be that comes off.

Parts of the world like Alberta, Australia, and New Zealand are in the doubly unfortunate position of being both harder pressed by financial imbecility and less able, by reason of their more specialised economic structures, dependent as they are on external markets, to make headway against it than parts like the United States, Great Britain, or Germany, were these to be imbued with the same determination and enlightenment.

The educational programme for Social Credit supporters is the more inevitable, as there remains still, as there always has been, a threefold division among them. First, there is the section which holds that the application of Social Credit principles on even a modest scale, will be sufficient in itself to set this or any other country which so applies them, running on the right rails; that as a consequence social and political problems would be so re-adjusted and dissolved that little more would be required in the way of an active national policy. Second, there is the section which holds that Social Credit is a useful, and indeed necessary, adjunct to other items in social management, and in this section some hold that some of these other items are a necessary preliminary to the establishment of Social Credit; e.g., that Social Credit must either supplement or follow an accomplished programme of Socialist, Fascist, Distributist, Communist or Land Reform character. Thirdly, there is a section which holds that Social Credit is not an adequate basis for the development of a satisfactory social order, but must be supplemented by other ideas more of a sociological character than the more political reforms usually demanded by the second section: that is, for example, one must arrive at a clear idea of the relationships necessary between person and person in various associations, such as the family, the church, professions.

In view of the existence of these divisions, it is no use anyone getting up and saying that such-and-such is the correct Social Credit line to take and that those who do not take it are back-sliders. As regards getting Social Credit put in operation each section is playing an important part, and no one can say which in the end will prove the most important. There is no basic antagonism between the sections, and in fact for years people of the most varied temperaments, philosophies and programmes co-operated satisfactorily for the one end they had in common. That seems to be the proper

basis for Social Credit propaganda at the present time, and is in fact the one still pursued by the majority of those in this country who were adherents to Social Credit in the first ten or twelve years. The invention of Shibboleths seems mainly the work of those who never heard Major Douglas himself warn people against trying to do things simply for the sake of doing something.

Greenshirts in West London.

The thoroughness of the recent Greenshirt campaign in West London was proved last Friday evening by a successful meeting in the Fulham Town Hall. Despite bad weather there was a large attendance, and under a highly efficient chairmanship the proceedings went with a swing. John Hargrave delivered the chief address, and excellent short speeches were made by his supporting speakers.

Both in terms of financial and moral support the organisers may well be satisfied. The collection came to over £16, and, what was more significant, four gentlemen in the audience stood up and signified their decision to join the Green Shirts as full uniformed members. What number were intending to join as associate members will be known later. Below we give the main points from John Hargrave's address.

POINTS FROM JOHN HARGRAVE'S ADDRESS.

The only thing to be borne in mind in the abolition of poverty—the chief cause of war—was a clarity of objective. A community must know precisely what it wanted, and what prevented it from attaining its objective.

Food, clothing and shelter were the basis of any civilisation, and where the masses could not obtain those necessities, then civilisation would—and should—come to an end. The objective was, primarily, purely economic, but the issue was being fogged by idealistic notions.

The chief cause of war abroad was poverty at home, which in its turn was caused by an ineffective home market. An effective home market was one which could utilise goods and services produced at home, which meant that the community must have sufficient purchasing power to pay the prices for those goods and services.

The moralistic objection to war was superficial, as it did not get to the root cause. There was no ill-will among the masses to-day, and the idealists who were preaching good-will had no clear objective.

The objective of the community was the objective of the individual: to live and live splendidly, as it was possible to live in this country, and that objective was at present rendered unattainable by lack of purchasing power.

The non-existence of an effective home market in each country drove governments to war, and nothing could stop it except a united front of the masses—wage-earners and unemployed—and those sections of the middle-classes with whom they could make common cause.

At the present moment they were witnessing the last throes of an unworkable social-economic system, and its last agonies were taking the form of Fascism in each country. He used the phrase "in each country" as the Government of Great Britain was now Fascist in form and intention; for some years there had been a creeping form of Fascism, but in a crisis they would probably be faced with Fascism in a ferocious form.

Mussolini was exporting the Italian unemployed to Abyssinia because Fascism had no economic solution. Japan had no need of Fascism, but it was Fascist, and the same thing applied to Germany.

Everywhere the social-economic system was self-contradictory, crisis was universal, and war preparations were being pushed on. Although war preparations led to war—which the workers did not want—they provided that work from which the workers could get the money to buy goods.

Although this meant a terrible form of prosperity, the workers' cry for work was natural in the circumstances.

It was strange that, although war might be very near, they did not even know the enemy. In 1914 they knew—at any rate they were told—who the enemy was.

The present social-economic system could not continue for long, and unless there was a radical change, no idealism, prayers, or hopes for a change of heart would prevent the collapse of the system into war. In 1918 people grasped at the idea of a League of Nations, but it was only too evident that the League was based on the idea of the possibility of peace within the present system, i.e., by means of goodwill and co-operation and adjustments, without any fundamental change in the internal economy of those nations forming it. It was a vain hope, because the League was dominated by International Finance, which constituted the real government of the world. Behind Baldwin was Montagu Norman, and behind Hitler stood Dr. Schacht, the bankers' man. In the Bank of England were men like Sir Otto Niemeyer, a Director of the Bank of International Settlements at Basle, a Director of Vickers, Armstrong, and a member of the Finance Committee of the League of Nations. Sir Otto was the big bankers' bum bailiff.

When war came, pacifism would be useless this time, for everyone would be involved, and what they had to do would be to fight the real enemy: finance-capitalism. He would say something now which he would be prevented from saying later on. The people were being forced to re-arm, and as they had to re-arm he would give them a slogan.*

He was well aware of his responsibility and he hoped for a bloodless revolution. . . .

[* The printers considered it advisable to excise certain phrases in this speech.—Ed.]

He stressed the need of organisation, without which ideals were useless. Successful organisation would have to be external and internal. Some people objected to the Greenshirt uniform because it reminded them of militarism and of Fascism, but the Greenshirt uniform was being worn before Fascism was thought of in this country. The uniform was the external sign of the organisation, but there was the internal, or unseen, form. They had to fight an unseen enemy bent on making an unworkable system work, an enemy who was cunning, wealthy and ferocious.

War to-day was not a matter of their going out to it—war was coming to them; it would creep in under the door and through the key-hole. As re-armament was being forced upon them, they should make certain that they should fight their real enemy: the finance-capitalist.

If Youth But Knew!

"True, the banker is only a middle-man; he connects the people who save with the people who are able to employ savings in the creation of wealth. In our country, at any rate, people have a deep-rooted confidence in the security of funds entrusted to others. . . . Unwilling or unable to use their accumulated savings themselves, they provide the means whereby the banker meets the needs of those that work and trade on borrowed capital. . . . There is no room for scepticism on the matter."—*Pitman's Shorthand Instructor* ("New Era" Edition, p. 284).

Whine Week.

According to the "Central European Observer" (Prague), the Rumanian wine trade is experiencing such a crisis that the Rumanian Ministry of Agriculture has organised a publicity campaign. Efforts have been made to improve the quality of the vintages so as to enable Rumanian wines to secure a footing in foreign markets.

Presumably, France and Portugal, where wine is used to flush sewers instead of throats! March 22-29 will be "Wine Week" in Bucharest, and we imagine that the town is plastered with "Drink More Wine" posters.—Ed.

Producer Economics.

The present, or producer, system of economics relies on scarcity for its standard of values, and upon competition or fighting for its mode of life. An extremely ingenious system of counting is used to assess the so-called values, which bear no resemblance at all to reality. Counting is very useful if there is a real shortage of things, i.e., when sub-division is necessary before distribution. When there are sufficient units of things, counting ensures an equality of distribution, assuming that the counters and distributors are honest. When abundance is present, as is always the case with air, for instance, counting, far from being helpful, becomes a positive nuisance. Air, as a reality, infinite in quantity, infinite in value, has no value at all from the producer point of view, simply because it is beyond the measure of finite figures. No price ticket can be attached to it, for no money starts its production. Reckon consumption of air at a penny a breath, and consider what a splendid money soaker breathing would be for our financiers.

By sticking to contrived physical scarcity, our financial rulers provide work for the masses, and by means of high prices consequent on scarcity, ensure that their universal "value" measure, money, returns to them at a rapid rate. As people can always be relied upon to fight when there is a shortage of essential commodities, it follows that under producer economics all the necessary conditions for fighting are automatically present. Indeed, our producers are so proud of their fighting capabilities that they boast of them on every conceivable occasion. Fighting is as the breath of life to them. Actually, of course, fighting is as the breath of death, but our wise rulers, with their usual capacity for mistaking the superficial for the real, can never assent to this.

The benefit conferred by competition, or fighting, is supposed to be increased efficiency. Superficially this is so. If "A" races in his car against "B" and wins, "B" proceeds to obtain a car in which he beats "A." It appears that so long as this fight goes on, increased efficiency in motor-cars is attained. This efficiency is of the order of hot-house flower production. Such flowers grow rapidly, and bloom beautifully out of season. There is no strength or lasting beauty. Normal weather wipes them out. So with competitive efficiency, it is out of season. Except under extremely favourable (hot-house) conditions it cannot be used. Try going to Brighton at 300 m.p.h. Where is the road, and, anyway, why the hurry? By following the fighting principle in all its branches, we find that competitive efficiency is inevitably at the service of the final competition—war. Yet external competition is set up between man and man, family and family, nation and nation, in the interests of so-called efficiency. It is unnatural, makes man selfish, causes him to endure terrific mental strain in an effort to succeed, and logically condemns him to death. At the same time as this universal fight is on, all are loudly implored by every kind of daily propaganda to cooperate in maintaining peace, an impossible condition to obtain, let alone maintain, being incompatible with the system of life so ignorantly adopted by the mass of the people. Mentally, they agree on peace, while physically, with all the powers of a hot-house production system at their disposal, they are continuously at war. Hot-house efficiency thus ends in smoke.

Such is the nature and effect of this much-vaunted

competitive mode of life, with its designed scarcity and false values measured in figures. Before considering the natural economic system which is destined to reverse this lunacy, it will be useful to sum up briefly this present mad system which has enslaved mankind for ages. The competitive system asserts that in so far as a man wins in competition against his fellow man, he is the better equipped to compete against others. The efficiency of competition is measured by the efficiency of the individual competitor who survives a series of fights. The many are sacrificed in the interests of the few. Our wise fools pass over the fact that all their competitions are only made possible by the prior co-operation of the individuals concerned. Our wonderful "Democracy" thus dissolves into nothing more glorious than a series of vulgar back-yard brawls, under the inspiring motto "All versus one, and one versus all, and the Devil take the lot."

H. E. B.

Extracts From "The Albertan."

I.

MAJOR DOUGLAS'S CHALLENGE.

[March 13, 1936.]

We have said it before and we say it again, that the place for Major Douglas to learn the truth, of which he is so obviously deficient, respecting the Alberta situation, is in Alberta. One not "holding a brief" for Mr. Aberhart must recognise that from the earliest stage of the present dispute the first minister has conducted himself with statesmanlike tact and gentlemanly restraint. Major Douglas, on the other hand, has, to say the least of it, talked too much for publication, and now it is observed he has become abusive and has resorted to personalities with Mr. Aberhart as his target. When a dispute reaches this stage, negotiations might as well be called off. No good can come of continuing them.

Does Major Douglas, we wonder, realise that he is a servant of the Government of Alberta with Alberta taxpayers' money already in his pockets. Does he, who has served the public at home and abroad, in civil life and military, forget that it is considered decorous on the part of such a servant to refrain from criticising publicly the Government he serves? But he had done worse. He has received newspaper correspondents in London and given them, if voluntarily we do not know, but certainly not unwillingly, "statements" calculated to discredit the Government which employs him (a Government friendly to his was hostile); through channels where it will reach all the world he has questioned the sincerity of this Government's correspondents must have been astonished to hear from the lips of a gentleman.

That he is insufficiently informed regarding the things of which he speaks, albeit that is his own fault, were pardonable, but not the manner in which he expresses himself—unless the correspondents have embellished the "copy" which, we must recognise, is not impossible. But that he has nothing but the sketchiest notion of what is going on here is clear from the ridicule, if the correspondent can pay Basic Dividends. Since it did not seem to have been clear enough, Mr. Aberhart found it necessary a few days ago to point out that not a cent of those taxes was for any purpose but the balancing of the Budget—a clearing of the decks, as it were, for that Social Credit plan which Major Douglas now avers Mr. Aberhart does not want to institute. The *Albertan* had pointed out the same thing, apparently correctly since no hon. member asked a point of privilege to which some newspapers have made frequent resort so necessary at the present session.

But Major Douglas only says: "If I was satisfied that Aberhart really meant to introduce Social Credit, I'd go to

Edmonton immediately." One would imagine that the way to be satisfied is to come. People in his own country, his next-door neighbours, must be as mystified as we in Alberta to know how the major expects to be "satisfied" without being here and without having met, let alone conversed with, the first minister and the Cabinet whose sincerity he now pretends to challenge. What will they say, his followers not less than his critics, if not that he has lost faith in his ability to set up his own plan?

(To be continued.)

The Films.

A Marx Brothers Repertory.

Beginning on Easter Monday, the Curzon will present a ten-day repertory season entirely devoted to the Marx Brothers. The selected pictures, each of which is to be given for two days, are "Monkey Business," "Horse Feathers," "Duck Soup," "Animal Crackers," and "Coconuts." As one might say, a perfect orgy of Crazy Celluloid.

"Liebesmelodie." Directed by Tourjansky. Academy.

As a film background, Vienna, whether of the pre- or the post-war vintage, has so been done to death, that it falls even when handled by Austrian producers and players. Still, if you like this sort of thing, served up to music of Franz Lehar, and with backstage thrown in for good measure, you will find it entertaining enough. The star is Marta Eggerth, whose voice would have been heard to better advantage if she had been less lavish in the use of top notes and coloratura passages. The latter element is singularly out of place in the hay-making scene, where Hungarian folksong would have been appropriate.

Trudi Schoop and her Comic Ballet. Embassy.

I am not intruding on the province of my colleague, Andrew Bonella, for this amusing and sophisticated production, which Ronald Adam has introduced to London, is really a novel art form that derives largely from the best traditions of the silent film, especially of Chaplin. Miss Schoop's two ballets are pure mime, to which music serves as an accompaniment rather than an essential, and although their ultramodernity may seem irreverent to the fanatical *balletomane*, they will enchant devotees of the Comic Spirit, especially as it is embodied by Miss Schoop herself. But the whole company is excellent, the team work is admirable, Miss Schoop is the only woman whose art is in the Charlie Chaplin vein, and it is a long time since I have enjoyed such a witty entertainment. DAVID OCKHAM.

Well-Fed Slaves.

[TO THE EDITOR OF "THE NEW AGE."]

Sir,—Major Douglas's recent declaration that the essential basis of the demand for a Social-Credit system is wider than the mere distribution of the National Dividend, may be good social philosophy (as Mr. Cousens characterises it in his article), but not so good political expediency. It is true; but this truth offers a foothold for pseudo-scientific other-worldly demagogues to concentrate on the "something wider" and to give it priority of place over the scientific essential. And it does so the more easily because of the expression "Well-fed slaves," which was used to describe the possible danger lurking in a bankster "Social-Credit" scheme. In the monetary frame of reference the picture is not only irrelevant but involves even a contradiction in terms.

Take my case. It is typical of millions of citizens in need of more money. I am an ill-fed slave; but I am a slave of more money. I am an ill-fed slave; but I am a slave of just because I am ill-fed. Make me a well-fed slave, and I'll decide for myself whether I will continue in my condition of enslavement—whatever that might be! In fact, I cannot imagine myself well-fed and a slave. The two things are mutually compatible in the case of a nigger paid by rations in kind. He might receive a mountain of mealies, but he

couldn't attain freedom by climbing it. But put him into a money-economy, such as we now live under, and give him enough money to buy his mountain of mealies, then he can attain freedom, because he can buy for his body's needs and have a balance to buy for his soul's needs. And that is what I shall be able to do, along with millions of my like, as soon as I get hold of a nice little few pounds to do what I like with.

The whole argument rests on whether I shall be able to do what I like with my Dividend. I can imagine, as well as any other Social Creditor, a distribution of money which the recipients would be obliged to spend in certain directions. But I would be interested to see how the legal draughtsmen of our Parliamentary system would manage to formulate legislative measures giving effect to this limitation on spending without disclosing that intention. I, and everyone else, would know what was going on. But whereas I (and Social Creditors generally) would be able to characterise it as "well-paid slavery," and resent it accordingly, the rest of the poorer population might be content with it. In all probability they would. Why not? Half a loaf is better than no bread. Is "something" with "slavery" really worse than "nothing" with "freedom"? That's how they would look at it.

I do not like the concept "freedom" being insinuated into the demand for the Dividend. Whatever this "freedom" may be, it will come *through* the Dividend, and *because* of the Dividend, and therefore *after* the Dividend. "Freedom" is the keystone of the arch, not the foundation stone of any pediment. It is something you save until the last. The present tendency to talk "Freedom" along with talk about the Dividend, is one which may easily end with "Freedom-First" crusades. Don't build the arch until the Oozlem Bird has laid the keystone! (Loud applause from the Murray Butlers, the Smuts's, the Owen Youngs, the Astors and other philanderers with the "intertwining fancies" which festoon the banquet-hall of the immortal Lotus Club, New York City.)

So I say: "Please don't tell me where the 'Freedom' shop is: do let me find it out for myself: and do please give me the money to spend there as soon as possible." In fact, I am sometimes in the mood to say: "Please let me be free not to buy any freedom at all if I don't want to."

"UNCLE TOM."

Buying Money.

[The following is an authentic incident communicated to us by someone who was present when it occurred.—Ed.]

The scene is a native town in the heart of the Bush. There is a gathering of chiefs who have met to hear the words of wisdom from the great white chief. The wisdom of Oxford has been shed abroad in the darkened minds of the ignorant natives, and it is now the turn of the said "heathen in his blindness" to have his say-so. The interpreter stands to attention, ready to translate the foolishness of the dark places to the super-intelligence of Oxford.

An old chief rises, and says: "We used to get 1s. 3d. (per grass matful) for our produce, and now we only get 1d. Why should it be so?"

The great white pundit answers: "Well! if you will hold up your produce and not take it to the store, then you will get a bigger price for your goods: why not grow less; and then the white man at the store will pay you more for it?"

To which the chief replies: "Yes: but if we do not pay our taxes you put us in prison: and to buy Money to pay taxes we have to sell at the white man's price." Then, rising to the occasion, he continues: "The white man make us to use his money, but he keep it all to himself."

Wisdom calleth to wisdom. The White Chief ponders the words of the Black Chief for a moment, and then nudges his second in command with the *sotto voce* remark:—

"Better change the subject."

"BANYANA."

London Social Credit Club. NEW MEMBERSHIP ARRANGEMENTS.

The new arrangements were adopted at a business meeting of the London Social Credit Club on November 8, 1935.

The Club now offers: (1) Associate Membership. (2) Full Membership.

Associate Membership is open to all those who are interested in the objects of the Club.

(a) To bring together those interested in Social Credit.

(b) To secure the widest possible interest in Douglas Social Credit.

Annual subscription, 5s.

Associate Members are entitled to be present at business meetings but have no vote.

FULL MEMBERSHIP.

In order to achieve the objects of the Club it is necessary to have a body of workers who are prepared to put Club activities first when necessary. This need for workers will arise immediately headquarters are secured and volunteers for attendance, and for leading study circles and action groups are required.

Full membership involves full support of the Douglas proposals as described on the membership card.

Members are pledged to support the Douglas Social Credit proposals, namely, that:—

"The cash credits of the population of any country shall, at any moment, be collectively equal to the collective cash prices for consumable goods for sale in that country, and such cash credits shall be cancelled on the purchase of goods for consumption."

"The credit required to finance production shall be supplied, not from savings, but shall be new credits relating to new production."

"The distribution of cash credits to individuals shall be progressively less dependent upon employment. That is to say, that the dividend shall progressively displace the wage and salary."

To effect the foregoing in this country it is necessary to (1) establish a National Credit office; (2) apply a National Discount to consumable production; and (3) issue a National Dividend to all persons.

Full membership is open to all Associate Members of more than three months' standing who subscribe to the Douglas proposals and who are willing to sign the Pledge as given on the membership card.

PLEDGE.

"I pledge myself to offer my services to the full extent of my power to achieve the ends for which the Club exists."

The subscription is at present 5s. per annum.

The Annual General Meeting will be held on Thursday, April 16, at 8 p.m., in the Blewcoat Room, Caxton Street, Westminster, S.W.1.

All those paying subscriptions for 1936 have been issued with Associate Membership cards. Will those who wish to share the responsibilities of the club work by becoming full members please obtain and sign the necessary pledge as soon as possible?

NOTICE.

All communications requiring the Editor's attention should be addressed direct to him as follows:
Mr. Arthur Brenton, 20, Rectory Road, Barnes, S.W.13.

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