

# THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

No. 2321] NEW SERIES Vol. LX. No. 18. THURSDAY, MARCH 4, 1937. [Registered at the G.P.O. as a Newspaper.] SEVENPENCE

## CONTENTS.

	PAGE	PAGE	
NOTES OF THE WEEK	125	THE "INVERTED SALES-TAX" Provision in the Goldsborough Bill (U.S.A.)	129
Newfoundland—survey of situation by the <i>Manchester Guardian's</i> Correspondent—commentary by Mr. T. Lodge, lately a member of the Commission of Government—his "functional" and "private" conscience in conflict.		COMPETITION. I. By Harold E. Baker	129
The problem of reducing the bankers' stronghold—making trouble for themselves—the aftermath of the Abdication—outlawry of the people the seed of the outlaw's actions and conscience— <i>Power Without Knowledge</i> —the bankers' omnipotence for action impotent in face of reaction.		ALBERTA	131
RICHMOND BY-ELECTION	128	The attitude of <i>The Farm and Ranch Review</i> on credit policy.	
WHAT DOES KINGSHIP REALLY MEAN? By A. G. Pape	128	HARGRAVE AND ALBERTA	131
		Hargrave's evidence before the Social Credit Caucus—reprinted from the <i>Calgary Daily Herald</i> .	
		CORRESPONDENCE	132
		M.B. Oxon.; T. Todd; J. A. Coast.	

## NOTES OF THE WEEK.

### Newfoundland.

The *Manchester Guardian* of February 20 contains a letter from Mr. T. Lodge who was until lately a member of the Commission of Government set up in 1934 to administer the affairs of Newfoundland. A day or two earlier the St. John's Correspondent of that newspaper had painted a picture of the situation in Newfoundland which might have represented Russia at its worst, or Ireland during the Famine. Mr. Lodge opens his letter with the admission that "his picture is in substance a true one," but does not agree that the responsibility lies so clearly on the Commission as that Correspondent suggests.

### Resources.

He asserts that the present scarcity originated in the imprudent financial policy of former Governments. He admits that he cannot justly blame them for it, having regard to the world situation in 1919 when there was a disposition everywhere for Governments to spend prodigally in the hope of a return of prosperity. So much for the past. As for the future Mr. Lodge is pessimistic. Thirty-four thousand inhabitants try to scrape a living out of fish—and there is no rosy outlook for fish. Settlement on the land holds few prospects of amelioration. The soil is not particularly suitable for agriculture on the one hand, and, on the other, the mineral resources of the area are poor both in quantity and nature. So, in the literal sense, the people are between the devil and the deep sea. It is true that the island possesses "one of the largest deposits of iron ore in the world," but these are "owned" and "exploited" by Canadian companies; and "no local Government can influence the demand for this ore." Newfoundland possesses only one raw material in any important amount—soft-wood. Two-thirds of its resources in this respect are used by two paper mills, one of which is owned by the *Daily Mail* group. The bulk of the debentures of the other are guaranteed by the British and Newfoundland Govern-

ments, while 90 per cent. of its preference capital is held by the Bank of England, "which so far has never received any return." (Poor thing!) Recent developments in the world situation will however make feasible the construction of a third mill, and "will enable the remaining third of the timber resources to be adequately exploited." But this will contribute very little to the solution of the unemployment problem and its attendant evils.

### Divided Official Mind.

Mr. Lodge refers to the collapse of the fishing industry in these terms: "Once the post-war deflation had worked itself out, codfishing ceased to be the real basis of the island's economy. Both the merchant classes and local governments failed to appreciate or refused to face the real change which had taken place." As a comment on these statements it should be remembered that Mr. Lodge had a distinguished career as a Civil Servant before becoming a Commissioner, and it is in line with his training that he should talk about "post-war deflation" as if it were a natural phenomenon like an earthquake or eclipse of the sun. In his favour it can be seen that while his *functional* conscience forces him to deprecate the attitude of those people, his *personal* conscience impels him to acquit them of blame. Readers will recall our analysis of the divided outlook of Administrators as *functionaries* for the one part and as *citizens* for the other ("Notes of the Week" in THE NEW AGE of February 11, 1937), and will see in Mr. Lodge's attitude a useful exemplification of the conflict of judgments which we showed was operating in the official mind.

For I delight in the law of God after the inward man:

But I see another law in my members, warring against the law of my mind, and bringing me into captivity to the law of sin which is in my members.

O wretched man that I am! who shall deliver me from the body of this death?

Yes, and who shall deliver that great company of conscientious administrators from service under a system

which obliges them to contradict the laws of life in order to earn the means of life? Well; in the temporal affairs of life there is no *Who*—but there is a *What*; and that *What* is wrapped up in the Social-Credit Formula of Economic Emancipation.

### "Change of Heart" Again!

Mr. Lodge confesses that he cannot see deliverance for the people of Newfoundland except it be through "a radical transformation of the spirit which underlies the educational system." In short—a "change of heart." Nevertheless, he goes on to say: "I am bound to admit that evidence of any real desire for such a change in the majority of people is lacking." A little later he remarks: "Any Government could be popular in Newfoundland so long as it spent money." (Our italics.) How true—and not of Newfoundland only, but of every Kingdom the world over. He elaborates his sentiments in the following illuminating passage which concludes his letter (italics are ours)—

"Precommission Governments borrowed and spent the loans on building wharves which served no economic purpose, constructing roads which led from nowhere to nowhere, providing free ferry services, and so on. They piled up troubles for their successors—that is, ourselves. For reasons which seemed good to his Majesty's Government, the people of Newfoundland were relieved of most of the consequences of the shortcomings of their rulers. I realise that the assumption by our own Government of the financial responsibility for the administration of the island prevented much immediate suffering by the poor. It had also the effect of relieving the educated classes of the consequences which ought to have followed the failure of these classes to exercise a guiding and restraining influence on the politicians responsible for the government of their country.

"There is a grave danger that Commission government is forming a community which considers that it has no responsibility of its own and that it is the duty of the British taxpayer not merely to keep its poor from starvation but even to keep its comfortable classes in a permanent state of comfort. In the long life of a nation it may well be that the immediate alleviation of material conditions was too dearly bought.

"There is one hopeful feature in the situation. There is growing up a generation of youth which, I believe, appreciates that a country must work out its own salvation. It is a generation influenced and inspired by the work of Mr. J. L. Paton at the Memorial College. It may well be that his work will outlive and outweigh that of a whole series of Commissions."

In this wise Mr. Lodge turns away sorrowing; for he has great prepossessions. Hard indeed was it for the rich young ruler to contemplate the idea of selling all that he had and giving to the poor, but not so hard as it is for a ruler rich in the traditions and training of his order to contemplate a "radical transformation of the spirit which underlies" the educational system that has distorted his outlook on life and misdirected his function therein.

For that which I do I allow not: for what I would, that do I not; but what I hate, that do I.

I find then a law, that, when I would do good, evil is present with me.

Such is the dilemma that has entrapped mankind, whether the problem be that of the ordering of one's own conduct or the ordering of the conduct of others.

If you read the whole of the seventh chapter of the Epistle of Paul the Apostle to the Romans you will see that his trouble arose from the conflict between a good law and an unregenerate human nature—unregenerate as tested by that law, which he "consented to" as good. But when you come to relate this chapter to the temporal problems of mankind to-day you have to invert the analysis of their causation. Men—rulers and ruled alike—consent, not to a good law which they ought to obey, and can not, but to a bad law which they ought not to obey, nor need not. This law is of the Devil, for it bids men renounce the satisfaction of desires implanted in them by God. Enveloped in a miasma of cabalism men consent to lead straitened lives under the supposed compulsion of crooked figures. To balance the books of Hell, civilisation is thrown out of balance, even to the point of collapse and extinction. And it is the spirit of this evil law which underlies the education of the world's statesmen and administrators.

It is no wonder—and we may all be thankful for it—that Mr. Lodge sees no evidence of the people's willingness to be educated into obedience to this law. And we would add that it is a sign of grace in that gentleman that he is half-hearted in suggesting it. We agree with him that "self-government is better than good government." We loudly acclaim his dictum that "a country must work out its own salvation." Ah!—if only the Financial Lawgivers would allow it! The implement of salvation is already fashioned. The Social-Credit Formula stands at the door and knocks. But between mankind and the door of their prison stand the forces of the Money Monopoly holding it fast against the entry of the new dispensation.

### Influence of Social Credit.

We were amused the other day by a remark made to us by one of our readers about our "Notes" of February 11, wherein we tried to explain why we looked to see Social Credit adopted within a comparatively short time. He said of our reasoning: "I don't believe it, but it greatly heartened me." There's for you! And after all the pains we took! We had to do some headscratching. Ought we to feel mortified—or gratified—or what? After short reflection we arrived at the conclusion that to hearten anybody is a more abiding and dynamic achievement than convincing him. For in the measure in which we were able to inspire confidence among Social-Credit believers while failing to make them see any rational grounds for it, we are entitled to assume that somehow, between the lines, so to speak, we unconsciously threw a gleam of light on the parallelogram of unreasoned forces which are shaping and timing the progression of events to come. That it exists, we may not doubt. That it can be seen, except in part, and in instantaneous flashes of intuitional perception, we cannot hope. No man—be he the highest or lowest in the land—can help his thoughts. When people have said to us: "Look here; it is a big mistake for you and your crowd to hold open house at 'New Age Club' where any banker's agent can come eavesdropping," we have always replied: "Let 'em all come; what they hear will do them more good than it does us harm." Granted that spies came; the more alert mentally they were (fools wouldn't matter anyhow) the more probable that they might thereafter continue to pursue their function, they couldn't prevent their minds from feeding on the new factor introduced into their thought processes. If they were

conscientious men (and why not—for many spies are men who are compelled to be because of some lapse in their private conduct at one time or another which has led to their being blackmailed into membership of the State intelligence-services) their task would now be distasteful to them, or, if distasteful before, more distasteful still.

\* \* \*

"Do your own dirty work" is a familiar saying; and it sums up what we believe to be a flowing tide of feeling against the Money Monopolists throughout all the services administering their policy. We cannot prove it to the sight or hearing of ourselves or others. It is "too full for sound or foam." To be accurate, it is not really flowing; it is rather banked up against the wind of coercive power at the command of the Monopolists. If this be true in respect of those who administer the law it is more certainly true of those who have to obey the law. Can the wind hold the tide? For this tide is not a tide of water but a tide of thought. It does not ebb and flow within a measurable range of limits; it is continuously banking up beyond measurable limits. In theory, of course, the velocity of the wind can counteract the piling up of the water. But in the present conflict of pressures the power of the Money Monopolists is limited by the means of exerting it—means which would need constant thought and attention even were the whole administrative human machinery die-hard defenders of the Bankers' Faith and Philosophy. On the other hand the power of the people is unlimited because it needs no machinery of co-ordination and transmission. Its power lies in its uncoordinated multifarious spontaneity. Everything that everybody does to escape sacrifices and win rewards (honestly or dishonestly—it does not matter) is, *ipso facto*, a besieger of the Financial Stronghold.

### Edward VIII. Postage Stamps.

Let us exhibit a tiny little working model of the process. When Edward VIII. was cheated out of his throne, a few smart guys thought they would make some money by cornering postage stamps bearing his effigy. They chose the 2½d. denomination, since this was relatively scarce normally. Well, they got to work; and in due course the Post Offices ran out of stock. The Edward VIII. twopenny-halfpennies went to a premium, whereupon the original speculators began to take their profits out of unoriginal speculators, who hoped to make further profits in their turn. As may be supposed, the Post Office soon pricked this bubble by printing another series, and in such quantity as to frighten all would-be speculators off this stamp-ramp. So far so good. But now for the other side of the episode. It stands to reason that the politico-financial Macbeths, having murdered the King, would have preferred his ghost to lie quiet, and not go walking the world on the corners of envelopes. Observe, by the way, how the speculators' choice of the 2½d. stamp, decided on purely for reasons of convenience, fell upon the very stamp which carries the bulk of correspondence into foreign countries. One might call it Britain's "international stamp." Now, remembering what the leader-writer in *The Times* said a little while ago about the immensity of the "force of iteration" in creating impressions on the public mind, how is one to set a limit on the impression to be created and deepened by the iterated pictorial reminders of Edward VIII. which have been added to the circulation by the Post Office? And so it will be seen how the High Financial conspirators, by their act of consti-

tutional murder, ignited a train of circumstance which has set the ghost of the slain Monarch stalking the world—yes, and in all probability intruding into the very banquet of the Coronation itself.

### The Aftermath of the Abdication.

Experts in the subject tell us that when ghosts are about to appear or materialise the air suddenly gets chilly. Well, there is not a particularly cosy feeling in the air about the Coronation. Bookings overseas for passages are below expectations. The Treasury appear to have got cold feet, and are subsidising seat-prices in order to pack the galleries. Means-test applicants are going to get half-a-crown to spend how they like, even to the classic farthing for the kitten's milk. Traders in commemorative china-ware are afraid that the boom in Edward VIII. crockery won't cover them for the slump in (not George VI. crockery, but—) the Baldwin-Lang in (not George VI. crockery, but—) the Baldwin-Lang crockery painted to look the real thing. On the other hand there has been a small boom in publications sympathetic to the late King. The proprietors of *Cavalcade* have had to print a second edition of their booklet: *The King and the Lady*. Last week *Thompson's Weekly News* (February 27) came out with nearly three pages of narrative about "the part played by Mrs. Simpson" before the tragedy, a narrative which presents her in a good light, and which corresponds in detail very closely to the reconstructed story that we published in *THE NEW AGE* some weeks ago. The narrative commenced in a previous issue, and is to continue in that of the current week. (This paper claims a certified circulation of over 700,000 copies a week. Back numbers can be ordered from the offices, 12, Fetter-lane, E.C.4.) According to the instalment here mentioned Mrs. Simpson is a woman who has no use for humbug and ceremony; and if she can be faulted at all it is because (going by one anecdote recorded about her) she was prone to tell people off about it with too much sharpness, and too little regard to the presence of listeners, before whom the reprovéd delinquents would feel humiliated and resentful. This however only goes to confirm our theory that the bond between her and Edward VIII. was chiefly one of temperamental affinity. Add to this that her hobbies were cooking and gardening, and that (according to another anecdote) she taught him to become a good amateur gardener as a means of giving his restless mind and energy a healthy outlet, and the unsavoury innuendos about other aspects of their relationship shrink to their proper proportions in the perspective of credibility. One part of the narrative in *Thompson's Weekly News* deals with the attitude of the Royal servants who had for a long time looked after the bachelor Prince and King. They had come to know him in all his moods and to anticipate all his wants. So it is quite reasonable to suppose—as the narrative recounts—that they resented the "intrusion of a newcomer" whose advice the King preferred to their own. This item of information (if true) is significant, because if Mrs. Simpson could thus insulate the King from his immediate, faithful servants, she all the more effectively insulated him from servants and advisers who were not so immediate and perhaps not so faithful. For that matter, any student of real politics will assume as a matter of course that there are always spies in the entourage of any ruling Monarch. Taking all in all we consider that our attitude on the Abdication crisis has been abundantly confirmed. "The best cross you could have," said an old farmer once to the present

writer when told that his (the writer's) father was a Cornishman and his mother a Devonshire woman, and each tracing county-pedigree back over the horizon. Well, in the same spirit, if not the same sense, one may hazard the guess that the marriage of the King and his Lady has been "made in Heaven" (the best cross you can have in the mystical sense) despite the condemnation of Church dignitaries.

\* \* \*

Reverting to our main argument, it will be seen that, under the rule of Finance, Governments make trouble for themselves quite apart from any trouble that the people may try to make for them. The characteristic feature of all Governments to-day (Democratic, Fascist or any other) can be summed up in the phrase: Power Without Knowledge. Their power to take action may be irresistible, but their power to anticipate and provide for the inevitable *equal and opposite reaction* is inadequate. They cannot lay the ghosts of murdered liberties. They can plan economies, for example, and thereby deprive people of the opportunity to earn an honest living. But they cannot prevent the after-consequence that these people (or a large number of them) will seek to earn a dishonest living. Much less can they prevent that more subtle and pervasive consequence that the victims of repression and despoilment—the outlaws of the Financial Hegemony—will develop the *outlaw's conscience*. Penal taxation not only stimulates the disposition to dodge the taxes but creates the ability to do so with a good conscience. A week or two ago a newspaper reported that the authorities were much exercised about the spread of corruption in high places—official and industrial. Quite so. If God stints incomes people will take service with the Devil. Yes, and not think it wrong to do so. During the trial of Lord Kylsant counsel for the prosecution maintained that it was quite lawful for directors to pile up reserves without the knowledge of shareholders, but unlawful for them subsequently to distribute those reserves without disclosing the fact. That was saying that directors might conscientiously withhold dividends secretly to insure against a slump, but might not conscientiously pay them out as claims when the slump arrived. In other words, shareholders could be robbed to underwrite bankers' risks. Well, Lord Kylsant's conscience worked another way—and there were plenty of people in the City who approved his action. We could draw the same moral from other famous cases, e.g., Bank of Portugal, Mr. Hatry, Mr. Leopold Harris—in all of which it can be seen how the laws of sound finance indirectly create impulses towards avoidances and resistances.

\* \* \*

Power Without Knowledge above faces Knowledge Without Power below. The source of the "Knowledge" here spoken of is Social-Credit science. That comparatively new Knowledge is spreading fast, and at a greater rate than that at which Finance is acquiring Power. On the basis of that Knowledge the conscience of the people is taking on the "outlaw" complexion. The Government's revival of the Riot Act (reported here last week) is a sign that they have caught the scent of what they would term unlawful resistance to their policy. Their abolition of "political uniforms" tells the same story, whose significance is heightened by the fact that the uniforms of the clergy have not been abolished. All Churches preach obedience to the law.

## Richmond By-Election.

The electorate in the Richmond (Surrey) Division numbered 59,322 at the date of the last General Election (November, 1935). It would probably be over 60,000 this year; but assuming no increase, the result of the by-election in this Division announced on February 26 shows that out of every 100 electors 54 did not vote. (The total vote came to 28,255.) The bankers disfranchised the whole of Britain when they engineered the formation of the "National" Government. Richmond has disfranchised herself some more by letting the poll bury the poll, and following live devices rather than dead ritual. There used to be a saying: Masterly Inactivity. This is it. Bravo Richmond!

## What Does Kingship Really Mean?

[Our contributor, Mr. A. G. Pape, does not count himself a supporter of Social Credit. But his article contains reflections and sentiments on which a Social-Credit construction can be placed. We publish it partly for this reason and partly because the fact of his offering it to us is symptomatic of the truth of the adage: Adversity makes strange bed-fellows—or, in its political translation, the tragedy of the Abdication seems to be impelling thoughtful observers who are divided over some matters to seek unity in defence of the Monarchy.—ED.]

Kingship means *leadership*. There are seven main types among ourselves:—

1. Kings. Leaders.
2. Teachers. Priests.
3. Philosophers.
4. Artists. Musicians.
5. Scientists.
6. Mystics. Religious, and,
7. Ceremonialists.

Among each type we find those who lead. The Ancients spoke of an Assembly of Ruling Powers held every seven years to help in the guiding of civilisations and peoples. The great Christian Doctor, Origen, also spoke of " . . . that Assembly held every seven years attended by the great Angels of the Nations, as well as by superhuman members of the Inner Government of the World—where the PLAN of the coming seven years was given by the Head of The Hierarchy. And, where to each a department of the work was assigned—seven great departments of the World and of human life, as well as of the sub-human kingdoms." Origen adds, " . . . and those are called who belong to it as of right, and are told their work, are promised guidance and help in the coming septennate."

We find this ordered Inner Government with the Plan of Evolution for men and nations, echoed in Ancient Monuments, and Writings, in Folk-Lore, Modern Kingship and Constitutional Government. Vide such writers as Basnage, Herodotus, Renan, and Boulanger. The line of the British King can be traced direct to Cerdic or Cedric, the Initiate King of the Saxons, who chose his Witenagemot from what he saw of the Inner Light in those of his chief followers.

Our King is for us the outward symbol of The King of the World. "God Save The King" has, therefore, a real echo in our hearts.

Behind the outward Ceremony of the Coronation,  
Behind the Wearing of a Golden Crown,  
Behind the holding of The Orb and Sceptre  
lie vital teaching for every individual citizen. Each is the outward and visible expression of an inner fact in every individual life. The King Himself and his outward vestures are a continual reminder to each of us to be Kings over our own bodies. Let us consider also the interesting parallel, seen, when we compare the

Eastern Stages of Initiation with their Western Reflections:—

East	West
Aseka. The Master	The King
Arhat. The Venerable	Duke or Prince
Anagamin	Marquis
Sakradagamin	Earl or Count.
Srotapatti or Sowan	Baron
Probationary Disciple	Knight
pledged to a life of service to The King.	

The critic may ask, "What about Viscounts, Baronets, Archdukes, etc.?" I am only concerned here with the main stages of Nobility (vide Burke's Peerage. Intro. p. 2).

Another vital fact:—Only the Master can confer Initiation on a Disciple and raise him to a higher degree. The King alone can elevate his nobles to a higher rank, or make a commoner a Noble. The thyrsus or magnetised wand or sword is laid on the back in each case.

The objection to Kings is generally made by those who believe what they wrongly call "the accident of birth," and who talk about "equality." There is no such thing as "an accident of birth," neither is there this "equality." Both statements are unscientific and simply proclaim a misunderstanding of the facts.

It is, for instance, generally held by those who do not think for themselves, that a man's parentage gives him his type in the cultural hierarchy. No! His parentage gives him the necessary environment for which he himself is responsible, and through which he has to function. The family of The King, simply gives him the environment in which he may show the example of Kingship in Everyman. The King is not born there by chance, but by Right.

Our positions and our families in this life (which we *exemplify by our attitude to life's experiences*) arise from the causes we have ourselves engendered. Napoleon's statement to his generals when he heard them talking proudly of their ancestors, applies here. "Gentlemen," said Napoleon, "I am my ancestors." As for ourselves, I am discounting the artificial positions we find ourselves in as a result of the present economic system, which is neither Royal nor sacrosanct. What I am stressing is that our *attitude* to the snags in life shows our type of Kingship.

The more we each can find out of the inner side of the Evolution of Life and Form, to that extent will our lives be less drab and aimless.

There are only two kinds of people in the World. Those who know and those who do not know. And this Knowledge is the thing which matters. What religion a man holds, to what race he belongs, even these are not of first importance. The really important thing is this Knowledge. The Knowledge of God's Plan for Man. For God has a Plan, and that Plan is Evolution. In that Plan there is a definite place and function for the King of the British Peoples. And, the example set and the Responsibilities shouldered by the King, guard the very path by which we tread our journey to Kingship. Communists have a lot to unlearn.

It is the Destiny of the British Peoples to give the lead to the World in destroying Poverty and War, and to show that Kingship is the rule in a Spiritual Aristocracy.  
God Save The King. A. G. PAPE.

## Notice.

All communications concerning THE NEW AGE should be addressed directly to the Editor:

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

Renewals of subscriptions and orders for literature should be sent, as usual, to 70, High Holborn.

## The "Inverted Sales-Tax."

This is the description which Thomas Alan Goldsborough, of Maryland, applies to the price-discount scheme embodied in the Bill which bears his name. In the *Oakland Tribune*, of January 29, a writer summarises Goldsborough's object as that of transferring the control of money from the banks to the people. This writer explains the operation of the inverted sales-tax, which is the same as that prescribed in Social Credit text books—the customer would get his discount, and the retailer would collect the amount from the banks who would claim it from the Treasury. The Treasury would not pay in cash, but in certificates which would be used by the banks in settling their inter-indebtedness. The net result, he concludes, would be to "limit banks to lending only the actual amount of deposits on hand instead of being able to lend as high as ten times as much through a system of re-discounting."

This conclusion, in contrast to what goes before, is technically incorrect and, even if it were not, is politically unimportant. Bankers' deposits are not the basis for loans; they are the consequence of loans. To say that they are the basis is to say that loans are the basis of loans. As to the political aspect, the question of whether the banks lend much or little credit is not in itself a matter of principle.

The true centre-of-gravity of the Goldsborough Bill (as summarised by the writer) is the price-discount or inverted sales-tax. Once get this started, and the privileges and powers of the banks will adjust themselves. There is one proviso which has not been mentioned, namely, that the rate of discount should not exceed the rate at which industry requires to recover the costs of the commodities sold at the discounted prices. This of course is safeguarded by the Social Credit discount-formula based on the Production-Consumption ratio.

The primary effect of the application of the price discount is to ensure that Consumption will rise when production rises. Every increase in industry's capacity of output will be accompanied by an increase in the community's drawings on that capacity. The secondary effect of the discount will be to speed Consumption up in relation to Production until industry's capacity of output will be fully drawn on, and there will be no margin of idle capacity (except sufficient to make good accidents—e.g., fires, or other breakdowns).

## Competition.

By Harold E. Baker.

[Being the philosophic basis of a lecture to the London Social Credit Club.]

Competition is fighting, pure and simple. There are certain characteristics involved in fighting which are worth while analysing, for they are at work in our daily lives, owing to a false philosophy which is now working out to its logical conclusion in a blaze of destruction in thought, word, and deed.

You can get a good picture of these characteristics if you consider the essentials of a hundred yards race. Before you enter the race, you find that it has been organised by certain officials. You apply to them for permission to enter. You find that the track is restricted in length and width, and that each runner is allotted a well-defined strip in which to run. The race is usually run off in heats, a certain number running in each. If you consider a moment, you will see that you could not have the race at all without these restrictions. Here then is the underlying principle of competition—Restriction or Scarcity. Scarcity is the essential principle without which competition cannot function. Conversely, if Scarcity is present, competition is inevitable.

You see, then, that in entering for a competition you automatically endorse the principle of Scarcity. You acknowledge, as do all the others, that you will submit to certain restrictions imposed by the organisers. That is, you become subservient to their rule for the time being, and so sacrifice your freedom. The first characteristic of competition is therefore loss of freedom.

When the heats of the race are run, you find that only the first and second winners are taken; these run in the final, and again only three at the most are taken. There are thus many more losers than winners. If you accept as probable that all the entrants hoped at first to win, you find that as a result of the race, the hopes of all but three are destroyed. Satisfaction is obtained by only three, at the expense of the others. Many are sacrificed to satisfy the few. Competition works from the many to the few. This breaking down process is disintegration, the second characteristic of competition.

When the runners in the race assemble, each runner sees all the others as his opponents, whom it is his duty to beat. Competition compels you to visualise your opponent outside yourself. You can only gain a prize by defeating your fellow man. As your fellow man regards you in the same light, you will find that all entrants to the race are compelled to be your antagonists. The third characteristic of competition is antagonism.

The whole idea of competition, from the runners' point of view, is to gain a prize. The number of prizes, in accordance with the underlying principle, is small. If you gain a prize, you can only get it at the expense of your fellows. You believe that few can win and many must lose. Few are rewarded, the rest punished, in the sense that they are refused prizes. Here we find the theory of rewards and punishments at work—justice based on Scarcity. This peculiar form of justice is the fourth characteristic of competition.

We have found then, that Scarcity is the underlying principle of competition, and that there are, at least, four characteristics involved:—

1. Loss of Liberty.
2. Disintegration.
3. Antagonism.
4. Man-made justice.

Let us apply our findings to economic life to-day.

#### Scarcity, the Principle.

The race for life, not of life, be it noted, is turned into a terrific fight. There is no doubt that other civilisations before ours have tried this competitive, or fighting mode of life, and all have failed, as we too have failed. It would seem that most of the heats of the present economic race have been run, judging by the intense strain all around us, and that we are rapidly approaching the final.

I am not going to follow the competitive mode of life as it applies to international affairs, except to point out that all the characteristics mentioned are present, and that the logical results are inevitable, however appalling they may be. If you put your hand in a wasp nest you expect to get stung. The competitive mode of life makes wasps of nations as it does of individuals. All are entered in the race for life, whether we like it or not. So far as individuals are concerned, the race is for work, for we are taught to regard ourselves primarily as producers, or workers. Unless we enter the work race we get no money prize with which to buy our daily bread, that is, we cannot act as consumers. The money prizes under competitive rules are bound to be scarce. Ages ago this work race was organised. Each generation is made to carry the handicap of the last. Each child born in this land at once receives the handicap of about £160 of National Debt. When we die an attempt is made, via death duties, to liquidate that debt. We do not apply for permission to enter this race for life, we are pushed into it without our consent. While the restrictions of a hundred yards race are voluntarily accepted, the restrictions of the life race are imposed—a totally different matter. Having unwittingly accepted competition, we have also accepted Scarcity as a principle with all the troubles it entails. Furthermore, because of our ignorance, we accept competition as a perfectly natural mode of life, together with all the characteristics

I have named. Let us examine them as applied to the life race, remembering that from the producer point of view, they are taken to be quite natural.

#### Loss of Liberty or Slavery.

Although we boast of our freedom, we are only free in the sense that we haven't task-masters standing over us with whips. We have gone beyond that to the doubtful blessing of crushing taxation and legal restrictions which have made even the Lord Chief Justice of England gasp. Our freedom is measured by our command over money. Money which we can use, over and above that which disappears at the rapacious demands of our financial rulers, via high prices and taxation, is the true measure of our freedom. Few can boast of that freedom compared with the masses who endure privations, herded together with no chance at all of getting away from their slavery. We are nearly all slaves of the clock, chained to our homes, workshops, or public institutions. This state of existence is very well expressed by D. H. Lawrence in his poem entitled "Wages," which can be found in his book of poems having the peculiar title "Pansies":—

#### WAGES.

The wages of work is cash.  
The wages of cash is want more cash.  
The wages of want more cash is vicious competition.  
The wages of vicious competition is—the world we live in.  
The work-cash-want circle is the vicious circle that ever turned men into fiends.  
Earning a wage is a prison occupation, and a wage-earner is a sort of gaol-bird.  
Earning a salary is a prison overseer's job, a gaoler instead of a gaol-bird.  
Living on your income is strolling grandly outside the prison in terror lest you have to go in. And since the work-prison covers almost every scrap of the living earth, you stroll up and down on a narrow beat, about the same as a prisoner taking his exercise.  
This is called universal freedom.

#### Disintegration.

The race for life inevitably produces rich and poor, measured in terms of money. The hundred yards race starts with many entrants, but ends with few winners. In life we find few well-off people and plenty of poor. We always have had, and always will have, the poor with us while we adopt the competitive mode of life. Poverty for the many, and riches for the few, is a perfectly logical result. If we believe competition to be a natural state of things, then we must accept poverty as natural, too. The rich are simply the winners in the race for life, the poor are the losers.

#### Antagonism.

Referring again to the hundred yards race, each entrant views the rest as opponents whom he must overcome. Antagonism is thus set up between man and man. In an ordinary race where the runners are volunteers, antagonism is momentary, and generally not exhibited. In the forced race for life, we see bitter antagonism in full bloom, especially now, as we approach the last events of this fierce struggle. Family antagonism is well-known, where the father is unemployed, and the Means Test officials draw on the wages of the children to keep more than the home fires burning. Internationally, this bitter antagonism, which is directly fostered by competition for markets, logically leads to war. If competition is natural, so is war, however fiendish the methods employed. Under competition, everyone is your adversary—he is the other fellow, always outside you. Naturally the other fellow is just as bound to regard you as his foe, and acts accordingly.

#### Man-made Justice.

From our hundred yards race we saw that all those who accepted the principle of scarcity, who competed in

the race and won, were recognised as deserving prize-winners. The others were automatically punished in that they received no prize, and felt the sting of defeat. They felt their inferiority to the winners. Have you never met a superior person, a Jack-in-office? Have you never met an inferior, humbly begging in whining tones at your door?

Both are the logical results of the much vaunted competitive mode of life. In the race for life, we find this theory of rewards and punishments—only operative under scarcity—like antagonism, in full bloom. If you go into strict training, that is, concentrate on work to the exclusion of all else, accept your punishment (rates and taxes, high prices, National Debt) without murmuring, or without being inquisitive as to the origin of it, and take your prize (wages) in the right spirit of gratitude, you are indeed a perfect supporter of the principle of scarcity, and of its charming characteristics, especially of justice as operated by rewards and punishments. If you do not accept your bondage and rebel, you get no wages, so you automatically condemn yourself to death. Rebellion pressed too far leads to prison.

Dr. Adler has pointed out that many criminals are formed of the finest types of people who have failed to adjust themselves to conditions. As these conditions are unnatural, it would seem that logically quite a number of our best people under natural conditions are at present in prison. If you don't accept invisible slavery quietly, you pass on to visible slavery just to discourage the others. Poverty is just the normal punishment for those who lose in the work race, just as ordinary race losers get no prize, or perhaps a consolation prize. The wages of most workers might well be termed a booby prize, for they certainly can't live on them!

It should be noted that rewards and punishments, like your antagonists, are outside yourself. They are assigned by the gentlemen who make the work race conditions for you.

(To be concluded.)

## Alberta.

### "THE FARM AND RANCH REVIEW."

In view of the letter contributed to THE NEW AGE of February 18, by Mr. C. W. Peterson, and the reply contributed by Mr. James Golder on February 25, it seems advisable to say that *The Farm and Ranch Review*, of which Mr. Peterson is the editor, does not profess belief either in the soundness of the Social Credit Analysis, or in the proposition that any reform of the credit system is sufficient, by itself, to put right the economic distress of Alberta. At the same time it is in sympathy with the principle of experimental plans, and bespeaks the friendly co-operation of its readers in assisting the Alberta Government to test them. Hence, whatever may be said of Mr. Peterson's arguments in defence of Mr. Aberhart, they were not inspired by partisanship; and though his views may be distasteful they are not discreditable. Insofar as they were based on incorrect or incomplete information they can, and no doubt will, be revised later on.

## Hargrave and Alberta

[Extract from "The Calgary Daily Herald," January 14, 1937.]

Covenants signed by more than an estimated 250,000 Alberta citizens, business codes, and stamped scrip have nothing to do with Social Credit, said John Hargrave, of London, leader of the Social Credit "Green Shirt" party of Britain, and technical adviser to the Provincial Government planning committee, in an interview Thursday.

Expressing the feeling that the Government has not yet publicly committed itself to the basic principles of Social Credit, Mr. Hargrave says there are indications that it is "groping its way in the right general direction."

If the report of the planning committee dealing with a Social Credit programme for this province was accepted by the Government, a staff of first-class chartered accountants would be required, acting under the direction of competent Social Credit technicians, says Mr. Hargrave.

The British Social Credit leader also expressed the belief that the proposals could not be successfully operated without such a staff of administrators.

Mr. Hargrave also declared that the first work of a Social Credit government should be reduction of taxes and no penalising of the individual.

#### Testifies For Two Hours.

The technical adviser appeared before the Social Credit caucus for more than two hours on Tuesday, when he answered questions concerning the recommendations in the eleven-point programme which the planning committee had submitted. This was the only occasion upon which he was called before the caucus.

While it is understood that modifications have been made in the original report of the committee, these have not been disclosed.

The interview with Mr. Hargrave follows:

Q.: You came to Alberta, Mr. Hargrave, to see for yourself how the present Government was introducing the principles of Social Credit.

A.: Yes.

Q.: In your investigations did you find any Social Credit in operation in Alberta?

A.: No.

Q.: How do you account for that?

A.: I think it was due to the fact that the Government lacked technical knowledge.

Q.: Yet I think you maintain, Mr. Hargrave, that this is the sanest Government in the world?

A.: Yes, I do.

#### "Sanest Government in World."

Q.: Would you explain that?

A.: It is the sanest Government in the world because its stated objective is the abolition of poverty.

Q.: Have you seen the report from London which states that the Social Credit weekly says that the first work of a real Social Credit government ought to be reduction of taxes and no penalising of any individual?

A.: Yes, I have seen it.

Q.: Do you agree with that view?

A.: Entirely.

Q.: Is reduction of taxation one of the chief points in the proposals which you brought before the planning committee and, if so, has it been included in the report submitted to caucus?

A.: I do not feel that I ought to say anything about the report at present.

Q.: Would you say that a capital levy was Social Credit?

A.: A capital levy has nothing to do with Social Credit.

Q.: Do you consider stamped scrip part of Social Credit?

A.: Stamped scrip has nothing to do with Social Credit.

Q.: What do you think of the covenants which people were asked to sign?

A.: I have not given any particular attention to them.

Q.: Do you think these covenants are necessary to the success of Social Credit in Alberta?

A.: I should not think so.

Q.: What do you think about the codes?

A.: I should not think so.

#### Not Interested in Codes.

A.: I am not interested in them.

Q.: Are the codes necessary to the success of Social Credit in Alberta?

A.: I should not think so.

Q.: Do you still consider that real Social Credit is possible in Alberta?

A.: Yes.

Q.: What do you consider the most important thing at present to ensure the success of Social Credit in this province?

A.: That the Government should be publicly committed to the basic principles of Social Credit.

Q.: Is that what you came to do?

A.: No, I came to see for myself how the first Social Credit Government in the world was attempting to implement the principles of Social Credit.

Q.: But you consider that the Government has not yet been publicly committed to those principles?

A.: That is what I feel.

Q.: How could a government that has not committed itself to the basic principles of Social Credit carry out those principles?

A.: It could grope its way in the right general direction, like a man stumbling along generally on a pitch black night.

Q.: Do you feel that this Government is groping its way in the right direction?

A.: I think there are indications which show that it is.

Q.: Can you state the basic principles of Social Credit as applied to Alberta?

#### Principles of Social Credit.

A.: Yes. The principles that should guide a Social Credit Government in Alberta may be summarised as follows:—

1. The consumer purchasing power of the people of Alberta should at any given moment be collectively equal to the collective cash prices of consumable goods for sale in Alberta (irrespective of the "cost" prices of such goods) and such purchasing power should be cancelled or depreciated only on the purchase or depreciation of goods for consumption.

2. The credits required to finance production in Alberta should not be supplied from savings, but should be new credits relating to new production, and should be recalled only in the ratio of general depreciation to general appreciation.

3. The distribution of purchasing power to the individual citizens of Alberta should be progressively less dependent upon employment. That is to say, the dividend should progressively displace the wage and salary, as production capacity increases per man-hour.

Q.: Is the report drawn up by the planning committee based upon those principles?

A.: It is.

Q.: If the report of the planning committee is accepted by the Government, what do you consider would be the most important thing in putting the proposals into effect?

A.: A staff of first-class chartered accountants acting under the direction of competent Social Credit technicians.

Q.: Could the proposals be successfully operated without such a staff of administrators?

A.: I do not think so.

Q.: Is the Government prepared to employ such a staff?

A.: I do not know.

## LETTERS TO THE EDITOR.

### THE CHURCH AND THE HARVEST.

Sir,—Is not Mrs. Best confusing issues? I am no admirer of the Church in these days, but in this matter of Harvest Homes I would, for once, support it. The Church has no more power than the rest of us to right the present economic wrongs, but is this a reason why it should not continue to remind us that as a fact it is to Nature (or God, if you prefer it) that we owe all that we have? And is not the great folly of the day fully symbolised by the crude belief that we make the fruits of the earth to grow, and so are at liberty to scrap them in order to make our accounts balance?

M. B., OXON.

[We suggest that the answer to M. B., Oxon's, opening query is that the issues are already confused by reason of the Church's divided loyalties between God and Mammon—or between Nature and Finance. By the "Church" we do not mean the millions of believers who take part in the Harvest Festival, but the centralised clerical "producers" of it. We take it that Mrs. Best intends her letter to be read as an indictment against these producers because while they lead the cheers for a good harvest once a year in their spiritual capacity, they aid and abet destroyers of the harvest during the rest of the year in their secular capacity.]

If this is the construction that she invites we presume that our correspondent will hold her justified. The rulers of the Church of God surely may not "walk in the counsels of the ungodly." They should insist at the top of their voices, and all the year round, that bounteous harvests are an unmitigated blessing. If they deny this, or even falter about it, their only logical defence would rest on the general proposition that the laws of Nature may work out contrary to the will of God, and that when they do their consequences must be regulated by the act of man. It is no use their pointing out that God creates the locust and boll-weevil as well as grain and cotton, and that men, in attacking the former are regulating God's handiwork. For they hold that man is the prime object of God's solicitude; and hence what man does to protect his food and clothing from destruction is in accordance with the will of God. Conversely when man deliberately destroys these things he is acting against the will of God. And in any case a natural superfluity of good things need never be a menace to man's temporal welfare.—Ed.]

### HITLER ON CREDIT.

Sir,—Hitler said "production is the real cover of a currency . . ." apparently to the delight of our British Fascists. There is no mention of a national dividend, but the money equivalent of total production could be issued via wages, salaries, dividends, and doles, and the balance, after paying for the "standard of life," recovered in taxes with the German "almighty big" recovered in what Hitler said, and the whole point is that "if" Hitler is putting what he said above into practice, then he ought to be "balancing his accounts." Can the British Union of Fascists say whether he is or not?

T. TODD.

Sir,—With reference to your article on "Hitler and Credit," I find nothing wrong in your mathematics of  $P = M + C$ , etc., but why in heaven's name work out your solution on pure supposition? Hitler did not say "If under my plan P is expanded C is expanded"—what he said was, "Under my plan P has been expanded, and so has C." Please note the following facts which bear out that statement.

1. Since 1932 the national income has risen from 45,000 M. Reichmarks to 61,500 M. Reichmarks—nearly 40 per cent. The corresponding rise in prices has been from 4 to 6 per cent.

2. As stated in Hitler's recent speech, workers are already being released from the armament industry, and are being employed by the four-year plan on a "civil" development of Germany (i.e., C, not M).

3. On the authority of two Englishmen just back from over six months in Germany, nowhere in that country (even in labour and concentration camps) do you see miserable, scraggy, undernourished poor. All are at least well fed (against C not M).

J. A. COAST.

[We note these facts.—Ed.]

### Forthcoming Meetings.

#### LONDON SOCIAL CREDIT CLUB.

Blewcoat Room, Caxton Street, S.W.1.

March 5th, 8 p.m.—"Early Social Credit Propaganda," by Mr. Douglas Vigors.

### The Abdication Crisis.

#### "THE KING AND THE LADY."

The proprietors of "Cavalcade" published recently a 34 pp. illustrated booklet describing the chief events of the crisis. It covers most of those alluded to in "The New Age," and some which were not, notably particulars of Edward VIII.'s political activities during his holiday in the Mediterranean.

Copies may be obtained from the Office of "The New Age." The price is 6d. Single copies sent post free 7d. Six copies and over at 6d. each post free.

Published by the Proprietor (ARTHUR BRENTON), 70, High Holborn, London, W.C., England (Telephone: Chancery 6470), and printed for him by THE ARTHUR PRESS, LIMITED, Temple Avenue and Tudor Street, London, E.C.4, England. Telephone: Central 3701.