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## DEVELOPMENTS IN ALBERTA.

### DOUGLAS WANTS MINISTERIAL TRUCE AND THEN—A COALITION GOVERNMENT?

#### Limit to "Constitutional" Use of Physical Force to Overcome Unarmed Resistance.

In view of the news about developments in Alberta which we publish elsewhere we suggest that it would be a graceful, just and inspiring gesture if Douglas were to acknowledge in his official weekly, *Social Credit*, the value of the work done by Hargrave in Alberta early this year.

If Hargrave had not gone out there would have been no insurrection. If there had been no insurrection there would have been no invitation extended to Douglas to go out, and no opportunity for Powell and Byrne to get into close touch with Aberhart, his colleagues and supporters. Moreover this invitation, and the opportunity it provided, were not unforeseen and accidental by-products of Hargrave's mission: they were the end for which he was working. Having stirred up the "rebel" group to demand that something should be done and that somebody should be called in to do it, they wanted Hargrave to stay and do it. "No," said Hargrave, "you want the best technical advice that you can get: you must send for Douglas." And to clinch that advice Hargrave suddenly disappeared from Edmonton and came home.

Now it is of the utmost importance that Douglas should refrain from saying anything which might lead the public to gather that he did not welcome the invitation extended to him. For that is the construction which a neutral observer would be likely to place on

any ungracious reference to the man who had caused the invitation to be sent. For example, we note, in the current issue of *Social Credit*, a supercilious reference to what the anonymous writer describes as the "so-called Green Shirt Party." That is an unmistakable jeer at Hargrave; and observers will be likely to ask themselves why Douglas is in the mood to jeer, and, moreover, to call public attention to his attitude. One has to presume, from the fact that he has deputed Powell and Byrne to go out, that he welcomes the invitation and sees in it an opportunity for taking action on the spot. If so, then why treat Hargrave as if his part in the extension of the invitation was valueless or mischievous, or was played in bad faith or from discreditable motives? True, Hargrave got into the Aberhart limelight, but he voluntarily withdrew from it and left the stage clear for the entry of Powell and Byrne, with Douglas in the prompter's box. The world's Press fills the house and waits for the play to commence. The play need not proceed on the lines which Hargrave may have visualised. The producer and performers have a perfectly free hand, with, perhaps the proviso that their play must proceed along lines congruous with the properties and settings which Hargrave installed and arranged—in other words, it must be clearly consistent with the intention to "put in" Social Credit—the action, both strategically and technically,

must be seen to lead on inevitably to the concrete result at the fall of the curtain, namely, the Distribution of the Dividend.

Now, if Hargrave's action in bringing about this situation is officially sneered at, the inference drawn by the public will be that Douglas finds it embarrassing. There will be no other explanation, unless, indeed, it has to do with personal jealousy and antipathy. After two years of bungling in Edmonton and inertia in London, the public, if driven to the inference that Douglas is embarrassed by the opportunity to start something going, will naturally conclude that he is not yet ready to start anything in Alberta, or that he thinks Alberta is not the place where anything can be started. And that conclusion would find corroboration in Douglas's recent statement to Mr. MacLachlan that in advising Alberta he must have regard to the "interests of Social Credit movements in other parts of the world." Obviously, if Douglas's strategy demands that Alberta must mark time Hargrave's stirring up of an "insurgent" demand to get a move on is embarrassing. Even so the responsibility would not rest on Hargrave, for when he was in Alberta he had no reason to suppose that Douglas was less intent than himself on forcing Aberhart to base his policy on authentic Social Credit lines and to implement it without delay. And so, for all these reasons, we emphasise our suggestion that Douglas should publicly thank Hargrave for his services.

Such a gesture would greatly strengthen the force of Powell's appeal to Albertan Ministerialists to pledge themselves to stop criticising each other while the technicians are preparing their Report.

Further, if our readers will carefully compare Hargrave's Statement to the Albertan people last February with Douglas's latest message to them. (via Powell) they will see that there is less reason than they have supposed to be the case why Douglas should let himself appear to resent Hargrave's co-operation. Douglas states clearly in his message that "twenty-five dollars a month together with a cut in the cost of living" is an attainable objective for the Albertan people to reach in Alberta. This "concrete result," as he calls it, is the one aimed at by Hargrave, by the insurgent Ministerialists, and by all the authentic Social Credit movements in other parts of the world. In view of recent efforts on the part of members of the Movement to inflate the meaning of the word "credit" into being all things to all men it is refreshing to have Douglas cutting his followers' cackle and leading out the note-wads and price-cuts. It is true that he enters the caveat that this concrete result can only be attained by unity among those who want it, but he does identify it as being a matter of income and price, and he does commend it as something desirable. He gives to airy nothings a local habitation and a name. What is Social Credit? Twenty-five dollars a month and a price-cut. Excellent. Everybody understands the definition, and everybody desires the thing defined.

That being fixed we can turn to the problem of how to get it. Fundamentally Social Credit will come through the suicide or the execution of the Money Monopolists. By suicide we mean that they will run the present system until it gets beyond their control. By execution we mean that they will be kicked out before they lose control. We explain it this way. The creeping error in the accounting-system is causing creeping paralysis in the economic system. The effects of a creeping error are

cumulative, and unless the error is corrected the paralysis will be complete. In other words there will be no economic system to control. But before the economic system ceases to exist it will reach a stage where it gets beyond control. In that stage the Money Monopolists would not be concerned to dispute control. For the factor which would make the economic system uncontrollable would be, not that the non-banking community would refuse to let the Monopolists give orders to a going concern called co-operative enterprise, but that the concern would have come very near to a complete stoppage, and nobody immediately concerned in the running of it would know how to set it going again. In brief, the privilege of control would go begging. There would be paralysis of co-operation, and therefore destruction of real credit, and therefore destruction of the control-power of financial credit.

Douglas used to say: "We have only to sit tight and they will have to come to us." He meant that the controllers of the Finance-Capitalist system would be driven by the mechanical operation of the accounting-error to apply the Social Credit remedy. He also used to say: "So long as they can keep their system going on present lines they will prevent the adoption of our proposals." The Devil would not become a Saint until he fell sick. That is what we mean by the "execution" analogy. Accordingly, what we mean by the "suicide" analogy is the operation of getting rid of the Devil while he is well or at least making him behave like a Saint.

Of course, "suicide" in this context need not rule out "execution" because the process of suicide can be cumulative. You can wait for the Devil to sicken, and can then finish him off with a knife or a rope. Nevertheless we want to keep the two ideas distinct. And our reason is that they symbolise respectively the constitutional and the unconstitutional means of defeating the Money Monopolists.

When Douglas spoke at Perth in 1934 he said, in the course of his speech: "If I thought it any use to raise an army I would try to raise an army." That is to say, he dismissed the use of force on grounds of infeasibility, not immorality. Nevertheless it is open to say that the power of the Money Monopolists to invoke the Constitution to justify the use of the armed forces of the Crown against forces (armed or unarmed) who offer resistance to their authority depends on the success with which they can hold the system of economic co-operation together as a going concern. They have been able to use those forces in the past because when things went wrong inside the economic system there was no evidence identifying them as the authors of the mischief. Moreover, all the evidence which the people were afforded, and were able to appreciate, went to prove to their satisfaction (or rather dissatisfaction) that the putting right of such wrongs involved sectional amelioration at a general sacrifice. Naturally, in those circumstances, no minority could have dared to use force, or even threaten it, without driving the overwhelming majority over on the side of the Constitution.

But since the discovery of the Social Credit Theorem minorities are not placed in that dilemma. To-day it is possible for a minority to prove not only that the enforcement of their demands will not impoverish the majority, but also that it will enrich the majority as well as themselves and to an equal extent. Moreover, if that minority collectively enjoy (as is the case of Alberta) Constitutional status in which some measure of

autonomy is recognised, and are able to show that they possess the means of enriching themselves out of their own physical resources, then even if they took the extreme course of "trying to raise an army" the Money Monopolists would not, to say the least, find the invocation of the Constitution to sanction violent repression altogether free from embarrassment. But, for the very reason that right would be clearly on the minority's side, they would not necessarily have to take up arms in support of their demand for results, they could offer unarmed resistance to demands proceeding from the Monopolists whom they were challenging. Of course the resistance would have to be real—that is to say, it would have to be something more than registering a complaint or a desire in speech or writing—something which saddled the Monopolists with the dilemma of either withdrawing their demands or of enforcing them by violence. There are circumstances in which a person who lies down in the road and challenges a motorist to run over him would be in a stronger position than the motorist himself, and because of the fact—not despite the fact—that the whole risk of the clash would be borne by the passive recumbent resister. Readers will call to mind several miniature experiments along these lines, to wit, the action of parents in "occupying" death traps and holding up traffic in order to get the road made safe for their children to cross on the way to school and home again.

Now what we have been saying has a direct bearing on the problem of strategy in Alberta. Its solution depends ultimately upon the temper of the people there. Hargrave touches on this when he says in his Statement: "If the people of Alberta still want what they voted for in August, 1935, . . ." they can get it. Douglas introduces several more "ifs" in his message. In fact the whole problem is composed of "ifs." Thus if all the Albertans join in a demand: if the demand is for a reasonable concrete result: if the demand is made clearly: if it is made persistently—then ways of giving it to them will be discovered. This is the assurance and conditions given by Powell on Douglas's authority. The question is: How near are the Albertans to satisfying these conditions? Do they want the twenty-five dollars a month with a price-cut?—how much do they want it?—how far will they go, how much will they dare, in pursuit of it? And then: By what means are they to make the demand "clear" and "persistent"? We should have said that the demand is already clear enough as described by Powell. The proviso that it shall be "persistent" seems rather to apply to the Government than the people; perhaps it is intended so. As regards the assurance itself that if all the conditions are fulfilled, "means will be discovered" we should have preferred seeing a formula which did not convey, as this one does, the suggestion that the means are not already discovered. Why not say "devised" if the intention is to avoid being committed to any given administrative plan? It may of course be the intention to make the Money Monopolists find the means under pressure, but even so is there any danger in indicating that adequate means are known to all Social Creditors, and have been since ago? No; we do not like "discovered": it suggests delay; and if readers will reflect on the conditions which have to be fulfilled first they should feel, like we do, that if fulfilled in the absolute sense in which they seem to require interpretation, the result demanded ought to be forthcoming immediately. However, perhaps later official pronouncements will make the position clearer.

So far as Douglas's strategy is disclosed by his own writings and messages it would appear to be (a) to reconcile the Insurgents with the Aberhart Ministerialists preparatory (b) to reconciling the Ministerialists as a whole with the Liberal-Conservative Opposition. That is to say, that he aims at getting a Coalition Government. In fact that is one of the suggestions that he threw out when he was advising the Reid Government. It is recorded in his book *The Alberta Experiment*. In favour of this idea is the fact that the balance of voting power in the Legislature does not represent the alignment of electoral forces in the Constituencies: also the consideration that if a Coalition Government is formed it cannot be forced to resign by external wirepulling or pressure. An all-in Coalition virtually disfranchises the electorate—a bad thing when the Money Monopolists do it, but a good thing when Social Creditors can do it. As long as a Government demands the same results as the people there is no need for it to appeal to the electorate at all for a renewal of office. But it is essential that the good faith, courage and competence of the Government should be beyond suspicion. Otherwise there is a catch in the Coalition idea.

## Green Shirts in Mufti.

By John Hargrave.

When the Public Order Act came into force in January this year I was in Alberta. This Act stopped down a good deal of the steadily increasing agitational-propaganda of our uniformed Green Shirt Sections, the result being, whether intentional or not, to drive our organisation underground.

Outside the workroom in which I am writing there is a grassy bank leading up to a patch of kitchen garden. In that grassy bank there is a bramble. All attempts to root it out have failed. So it is always being cut down to ground-level. What happens? It sends its runners underground, and breaks out in fifty other places.

On the Second Reading of the Public Order Bill (November 16, 1936), Sir John Simon said:—

"I hope the House will take the view that we should prohibit the wearing in public of political uniforms as right. This does not apply merely to the Fascists. . . . Some people may think that nobody else is trying to wear a political uniform. That is not so. Apart altogether from the Green Shirts, information is coming in of other people, largely of the anti-Fascist persuasion . . . adopting the wearing of uniforms."

Therefore, according to the statement of the then Home Secretary, the Public Order Bill was not merely aimed at Fascism. It was designed to knock out the Green Shirts also, and, "apart altogether from the Green Shirts," it was to prevent the wearing in public of political uniforms by anyone. It was an attempt to kill a number of birds with one stone.

When Clause I. (*Prohibition of uniforms in connection with political objects*) was considered in Committee on November 23, 1936, Mr. R. H. Turton, M.P. (Conservative) for Thirsk and Malton, in moving to leave out the words "in any public place or," said:—

"It is going too far to say that the wearing of a political uniform in any public place should be an offence. . . . It is dangerous to make an opinion something that can be followed by criminal proceedings. . . . What does it matter what you wear? We all come in here in drab, rather uniform, clothes, expressing our own drab and rather uniform points of view. If someone goes a little further and wears a tie or a shirt of a different sort, and puts forward a different point of view, is he to be dubbed

a criminal? That is the question which the Committee have to decide here and now. . . . I would remind the Committee that they (the Fascists) are not the only group of people who are likely to be affected by the Clause.

"There are, for instance, the Green Shirts. . . . They seem to me to be a law-abiding lot of people who march about in green shirts. I can conceive that they might cause fear and anxiety when they march in a procession or are at public meetings. . . ." (although, as everyone knows, it never did cause any sort of "fear" or "anxiety," but precisely the opposite) ". . . but why, when they walk out of their houses into the street, wearing green shirts, should they be in fear of the learned Attorney-General, who might come round a corner and institute proceedings against them?"

That is exactly what happened when three Green Shirts in *mufti* were brought before the Court at Luton on June 2. Thus, anyone wearing a green sports shirt as sold by any ordinary outfitter might find himself looked at with a good deal of suspicion by "the learned Attorney-General" and his policemen! That is because "political uniforms" are not defined in the Act. And no doubt, that is why the case brought before the magistrates at Luton on the authority of the Attorney-General failed. If, however, it had been heard by the magistrates of, say, Hinton-in-the-Hedges, or Long Uffington, or Market Blagworth, it might have succeeded. No one knows what is meant by "political uniforms," not even the Attorney-General himself.

This came out very clearly in the debate in the House on November 23. Mr. T. Levy, M.P. (Conservative) for Elland, said:—

"I am very glad that no definition has been laid down as to what the uniform is. The magistrates can deal with uniformity if not with 'uniform.'"

All right. But, as Mr. Macquisten, K.C., M.P. (Conservative) for Argyll, pointed out immediately after Mr. Levy had spoken,

"When you put an accused man into the box he is asked, and must plead, whether he is guilty or not guilty. How can a man know whether he has been guilty of a definite offence under the Clause when the offence is not defined? It is a complete inversion of one of the fundamental principles of our criminal law. The Clause attacks one of our fundamental rights. There is no definition of 'uniform.' . . . You have no right to charge (a person) with an offence unless he definitely knows what the offence is."

Nevertheless, this "complete inversion" went through, and is now law. Mr. Petherick, M.P. (Conservative) for Penryn, during the debate in the House before the Third Reading of the Bill, said:—

"I am not a revolutionary by nature, and consequently I have not much sympathy with the authors of the French Revolution, but they did achieve one thing. They defined liberty better than it has ever been defined before, or since. They held that liberty consisted in doing that which did not harm somebody else. I claim that the mere fact of wearing a black shirt, a green shirt, or any other form of shirt, does not do the slightest harm to anybody else in any way at all. It is merely the fact of a riot arising as a result of the activities of the people who wear shirts which may cause trouble. I will endeavour to prove that statement. The Green Shirts have been mentioned during these discussions. The Green Shirts, as we all know, are a perfectly harmless and estimable body of men who profess some vague (*sic*) and obscure (*sic*) financial panacea (*sic*) which hardly anybody in this country understands. They do not injure anybody at all, except possibly to inflict a certain amount of mental disturbance on their hearers. But nobody could possibly say that otherwise they are anything but perfectly harmless. Therefore, the mere fact of wearing this uniform

does not do any harm at all. . . . and I would say that the existing law is quite sufficient to deal with any disorders which may arise."

Mr. Kingsley Griffith, M.P. (Liberal) for Middlesbrough West, in the course of the debate during the Second Reading of the Bill (November 16), said:—

"I am very sorry at the moment for the poor old Green Shirts, if I may call them that. They are a perfectly law-abiding body of men, and have never done anyone any harm. They come to one's meetings and say, 'What about Social Credit?' which is not an easy question to answer unless one is prepared to make the obvious reply, 'Well, what about it?' I think they have a genuine grievance. Their activities will be curtailed by the operation of this Bill, which they did nothing to provoke."

There is no need to be sorry for "the poor old Green Shirts." We knew that such a Bill was likely to become law long before it was drafted, and, although it curtails certain forms of activity, our organisation has always known how to make rapid adjustments in propaganda technique.

The Invisible Green Shirts have a cultural basis, or Basic Culture, that cannot be destroyed by banning the uniform. This Basic Culture finds its springhead in a clear and simple statement of First Things First, i.e., *That all human life on this planet depends upon Food, Warmth, and Shelter.*

Other statements follow in a logical sequence, as, for instance:—*That industrialised man has entered an Age of Plenty—That the Plenty could and should be distributed to everyone as they need it—That this could and should be done by means of a debt-free money-lending system, in place of the present bank-debt money-lending system.*

It is from these fundamentals, this *credo* of Basic Economics, that the Invisible Green Shirts are developing new propaganda activities, new methods of stimulating and directing "pressure politics," and from which the British people as a whole will find their religious and mystical driving force towards the establishment of a Sane Economic System.

## Banks v. People in France.

Reference must be made to M. Blum's action in asking power to "protect the finances of France." Before the debate in which he was to demand this power of financial dictatorship it was stated in the Press that he would challenge the Chamber in these terms: "If you don't vote for me you vote for the banks."

Last week we published an article entitled "Profit or Power" in which we distinguished between Trading Banks as seeking for *Profits* under the law, and the Central Bank seeking *Power* partly through the law and partly independently of the law. In the light of this distinction the challenge put into the mouth of M. Blum is ambiguous in its significance. On the face of it one would infer that the French Government intended to assume full powers over the financial system. But it can mean something quite different—in fact something of opposite significance. It can mean this: "If you don't vote for me and the Bank of France you vote for the Trading Banks"—the implication being that the Trading Banks were pursuing a policy which the Central Bank objected to as dangerous to what is considered to be the stability of the French financial system.

There is little doubt that this is the meaning of the challenge. For there is nothing new in the idea of a

conflict of policy between the Central Bank and the Trading Banks. In fact we showed in our article just referred to that Power was greatest when Profits were extinguished, and that therefore the motive of the Power or Central Bank was logically irreconcilable with that of the Profit- or Trading Banks. There had to be a compromise whereby the methods of making financial profits below were limited in character and dimensions so as to preserve the monopolising of political power above.

The extract from the Midland Bank's Circular which we published last week showed one way in which this was done, namely where it speaks of the Central Bank acting "in such a way as to broaden or restrict the cash supplies available to the banks" and being able to depend upon that action being translated, through the ten-to-one ratio, into a *multiple expansion or contraction of bank deposits.* Now this broadening or restriction, and this consequential expansion or contraction, set limits to the Trading Banks' opportunities to lend money at a profit. The process itself is usually described (when alluded to at all) by Governments as a measure to "stop speculation" when cash supplies are to be restricted and deposits contracted—but, humorously enough, never described as a measure to "encourage speculation" when broadening and expanding are contemplated. For example it will be remembered that when the late Sir Austen Chamberlain announced the Government's (*sic*) deflation policy just after the War he stated that it was aimed at "speculators." As everybody found out to his cost afterwards anybody who buys anything to sell again is a speculator! It makes no difference whether one person buys flour to sell as bread or buys a security to sell unchanged; both are incurring the same risk of being unable to recover their money. Credit-expansion enriches both: credit-contraction impoverishes both. In the words of the patient Job: "The Lord hath given, the Lord hath taken away, blessed be the name of the Lord"—the Lord, that is, whose word goeth forth out of Basle instead of Zion.

### Senate Defeats Government.

Since the foregoing comments were written the Senate has vetoed M. Blum's Bill and substituted for it a Bill of its own. The Senate's Bill allows the Government powers to deal with speculators, but expressly prohibits all other powers. For example, it prohibits (a) forced loan-conversions (b) tariff adjustments (c) changing the gold value of the franc (d) any alteration of the relations between the Bank of France and the State. And now, news received on going to press is that the Government have resigned.

Whether this defeat of the Government is a victory for "the banks" (as M. Blum had said it would be) or a victory for the Bank of France (and by extension of the Anglo-French-American Triple Entente of Central Banks) or a victory for French Capitalism, is a question that cannot be resolved from the technical evidence provided. There are too many cross-currents of intrigue mixed up with the affair. But it is a clear defeat for the principle of Cabinet Dictatorship, and a re-assertion of the rights of Democracy—though not a conscious one. M. Blum had defended his claim for dictatorial powers on the ground that he would wield them with moderation, and only for a short time, after which Parliament could pass judgment on his use of them. In other words he asked for a short-term loan of these powers. But the powers were (or could be construed to be) so wide that they could have been used in such a way as would have made the repayment of this powers-loan impossible, or

at least valueless to Parliament. The Price of Liberty is Eternal Vigilance; and M. Blum virtually demanded discontinuance of vigilance in respect of all matters of major policy.

For Social Creditors the encouraging feature of this event is not the outcome of the struggle but the fact that there was a struggle—that is, in the fact that non-Governmental interests insisted on taking steps to prevent the Government from capturing powers by deception and from abusing any powers that might be yielded to them. The victory may of course play into the hands of the Bank of France. That is as it may be. But the main point is that whoever has gathered the fruits of victory there was at least a fight. "A good war hallows any cause," said Nietzsche, in one of his cryptic moods. And certainly a keen, open struggle about high-financial issues is good in itself, no matter who wins it. Even if it is a bankers' victory, the mere fact that it was won in the light of publicity might itself rot the fruits of it.

In France the factor of Divine Discontent in politics is reinforced by the factor of Divine Distrust. In France the normal attitude of the people to their elected representatives is one of contempt. The State is a big robber, and Deputies and Senators are little robbers. France exhibits Democracy in its destructive mood. French taxpayers co-operate in defrauding the Revenue (English idiom), but justify this as protecting themselves against fraud. Tax assessors and collectors have to perform their duties in this spiritual atmosphere, and the performance reflects the spirit. For all these reasons France fills a sector in the Social-Credit world-front, and does vital service if only by creating diversions and multiplying the preoccupations of the Money Power. Yes—and the Battle of Edmonton may be won on the streets of Paris. Who can tell?

### Hope for Booking Clerks.

I was about to put twopence into a ticket machine at Clapham station when a girl of about ten said to me, "I've put a penny into that machine and no ticket has come out." "Well, it's a tuppenny machine," I replied. "I know," she said, pertly, "but I go half-price." [Story from the *Evening News*.]

### Doctor as Note Forger.

During a trial that has just ended at Antwerp Assizes it was revealed that one of the accused, a brilliant doctor, had turned banknote forger so that he could help the sick poor.

He is Dr. Bruylants, who was sentenced to five years' penal servitude.

A workman named Boon was sentenced to three years' penal servitude for passing the notes.

It was established that the doctor had acquired such skill in forging that the banking authorities would have been only too glad to avail themselves of his services.

He could produce plates for printing notes at a speed three times as great as that of the Government employees; and his printing process was so perfect that only faults in the paper made detection possible.

Yet Dr. Bruylants had no need to resort to crime for a living. At one time he had a fashionable practice, but he abandoned this to work among the poor.

It was when he found that the patients, for whom he was glad to work without fees, were often in need of money to enable them to obtain the necessaries of life that he turned his attention to note forgery.

He fitted up in the cellar of his surgery a plant that experts declared to be superior to that in the Government note-printing factories, and, under cover of night, he printed the notes that were put into circulation by Boon.

They had carried on for several years and the police were baffled until, one day, Boon tripped up.

Against the advice of the doctor he went to the head office of a bank where a lot of the forged notes had been passed and where experts had been called in.

When arrested Boon revealed the source of his supply.

[Report in the *People*, June 20, 1937.]

## What Is Social Credit?

The following passage is reprinted from the Secretariat's twopenny weekly, dated June 14.

Many happy returns to the *Fig Tree*, whose birthday was on June 1. Nor is it pessimistic to hope that the quarterly will continue to a ripe old age, for *even when our immediate objective, Social Credit, has been attained—probably more so than ever before—there will be room for a journal which insists on a consistent and scientifically realistic treatment of all human questions as they arise.*

The golden calf may be dethroned, but the *Fig Tree* will have to see that there is no Restoration in any disguise.

(Italics are ours.)

This is a remarkable prediction. The construction which any reasonable person would place on it is that the adoption of Social Credit will intensify existing problems. We do not know what Social Creditors think of this forecast, but we are sure that it will delight the bankers. It hands them their case on a dish. They have always been saying that Social Credit is a fantastic nostrum, and that its adoption would jerk society out of the frying-pan into the fire. They can now claim the Secretariat's official organ as their witness.

It has always been an axiom of Social Credit teaching that the Flaw in the Price-System is the prime cause of all economic and social cruelties, injustices, suspicions and animosities—that when this cause is removed these evil consequences will disappear. The disappearance will not be suddenly complete but it will begin to happen at once. Every problem will become easier to solve. Many problems will solve themselves.

The anonymous writer in *Social Credit* contemplates the persistence of these problems after "Social Credit" has been "attained." The attainment he describes as the dethronement of the "golden calf." Then he says that the dethronement can be reversed—that the bankers can return to power in some sort of disguise.

Well, there are hypothetical circumstances in which that danger could exist. They are that the attainment of Social Credit stopped short at the point where the Government took power to use Public Credit (the Secretariat's primary objective)—i.e., that the Government did not proceed to use that power to distribute the Dividend and regulate prices.

Naturally, in such circumstances, the bankers could counter-attack. They would have been defeated without having been disarmed. Indeed they might even be conceived as having connived at their own defeat if they foresaw that the Government would delay consolidating the ground won. In any case their "defeat" would be rather a retirement in good order.

In military warfare you want to force the enemy to retreat in disorder so that you capture his arms, which you can then use against him. And that is what a Government will accomplish if and when it distributes the Dividend. And not until it does so. By distributing the Dividend it virtually distributes arms to the people and takes arms away from the bankers.

That accomplished, the necessity to resist a counter-attack might still persist, but surely not "more so than ever before."

## Alberta News Notes.

### Hargrave's Statement to Alberta.

John Hargrave issued the following statement to the Press, Ottawa, February 20, 1937, in order to make the position clear to the people of Alberta. This statement, which has not been published before in England, was extensively printed in the Canadian newspapers:—

(1) The elected parliamentary representatives of the people of Alberta have, or can easily obtain, the full text of the report of the Government Planning Committee which was considered and generally approved by the caucus held Jan. 11-14. This report sets forth in its proposals the framework for a technically correct Social Credit economic structure, which, if the proper steps were taken for its introduction would, when established, function smoothly if it were efficiently administered by recognised Social Credit technicians controlling a competent staff; but—

(2) The Aberhart Government (a) is not yet publicly committed to the principles of Social Credit, and (b) has not taken the necessary preliminary steps to safeguard the introduction of Social Credit in Alberta. These necessary steps were clearly defined by Major Douglas at the outset, but his advice appears to have been ignored.

(3) Owing to the fact that over the past seventeen months the Aberhart Government has neglected to take the necessary preliminary steps to safeguard the introduction of Social Credit, it has allowed the Money Power to take up and entrench itself in positions where it can sabotage Social Credit from within. Nevertheless—

(4) A real Social Credit Government could, in my opinion, even now, deal effectively with the situation and successfully introduce and operate Social Credit in Alberta along the lines indicated in the report of the planning committee. But—

(5) The Aberhart Government shows no sign of being capable of dealing effectively with financial sabotage within the province, and successfully introducing, establishing, and administering this or any other Social Credit plan. And therefore—

(6) If the people of Alberta still want what they voted for in August, 1935, it is up to them, acting through their elected parliamentary representatives, to clear up a situation that appears to have arisen from the sheer incompetence of the Aberhart regime.

### Douglas's Message to Alberta.

[The following is a Canadian Press despatch published in the *Calgary Daily Herald*, of June 7, 1937.]

MONTREAL, June 7.—G. F. Powell, English associate of Major C. H. Douglas, founder of Social Credit, arrived here to-day with G. L. MacLachlan, chairman of the Alberta Social Credit Board, appointed two months ago by Premier Aberhart.

Sent in an advisory capacity, Powell said Major Douglas had promised if enough unity of purpose was found in Alberta he would come to Canada.

"Major Douglas is quite satisfied that if all Alberta will persist in clearly demanding a reasonable concrete result, such as \$25 a month, together with a cut in the cost of living, then ways of giving it to them will be discovered," said Powell.

"Major Douglas has promised me that if, after examination, I can assure him the degree of unity is sufficient to warrant his operating successfully, he will come to Alberta."

#### "Now on Right Track."

MacLachlan said the Social Credit founder was confident "we are now on the right track to complete success" in installation of Social Credit.

Powell, a tall, ruddy-faced man with a pleasant smile, and quiet, confident manner, who addressed MacLachlan as "boss," arrived on the liner *Aurania*, and left immediately on the west-bound train.

There was little he could say to reporters at present, Powell apologised. As a guest of the Social Credit board, he indirectly was the guest of Premier Aberhart, and it was "only good manners that I should talk to him before saying anything to the Press."

The consulting engineer who said he had been interested in the Social Credit movement since its birth more than eighteen years back, reflected momentarily and added:

#### "If All Alberta Will Persist."

"But I can tell you this: That if all in Alberta will persist in clearly demanding a reasonable concrete result—and you can underline the word result—such as \$25 a month, together with a cut in the cost of living, then ways for giving it to them will be discovered.

"No informed production engineer will deny the physical possibility of this, and anything which is possible physically is possible financially. All that is necessary is that they act with unity, and it is to see the degree of unity which exists or may be obtained that I have come. Major Douglas has promised me that if, after examination, I can assure that degree of unity is sufficient to warrant his operating successfully, he will come to Alberta."

#### Date of Byrne's Departure.

*Social Credit* of June 18 announces the departure of Mr. L. D. Byrne for Alberta. He left on June 8, whereas Mr. Powell and Mr. MacLachlan had left on May 29. This explains why Mr. Byrne's departure was not announced together with Mr. Powell's.

We understand that Mr. A. L. Gibson was to have accompanied Mr. Powell, but could not make arrangements to leave England at the present time.

#### Prorogation of Legislature.

The Alberta Legislature has been prorogued until the autumn.—(*Times*, June 19.)

#### Ministerial Truce.

Mr. Powell is stated to have made the suggestion that the Ministerialists sign a pledge to refrain from criticising each other until the technical Planning Committee shall have presented its report.

#### Strength of "Insurgent" Ministerialists.

Information from private sources now places the number of Ministerial "Insurgents" at 24. When they held up the Budget Vote they numbered only 21, and had to rely on the 6 votes of the Liberals and Conservatives. This gave them 27 votes against 25—the 25 being Aberhart Ministerialists. They are consolidating their strength and hope soon to become independent of "Opposition."

#### "Oozlem" Propaganda.

Sir,—There is a fundamental fallacy in your Oozlem Bird analogy, which, if you will permit your readers to judge, may be greatly to the advantage of Social Credit as a whole.

Mathematically the flight of that fearful fowl is an infinite regress, i.e., the number of circles, or "terms," is infinite, only getting smaller and smaller. Now you have used this as an analogy for a finite series of two terms, i.e. (1) the financial meaning of Credit, and (2) the psychological meaning of Credit.

In "Economic Democracy," that Fundamental Krestomatio of the movement, the words Social Credit (in that sense) do not appear. The bulk of the work, however, is concerned with policy. The remainder, with methods.

But policy and method (or "administration") are the two terms in the finite series; the two meanings for Credit (to be found in the dictionary); the two pillars of the Secretariat; the twin appeals to intellect and emotion without which any movement is unbalanced and unstable.—Yours sincerely,

X. Y. Z.

[Our correspondent should distinguish between Methods and Results. The Oozlem Bird disappeared when pursued. That was a Result, and was the point of the analogy. The question of how the bird disappeared is irrelevant. Whether it was regression, explosion, sublimation, or anything else does not affect the fact of his disappearance.]

If we had wished to lay emphasis on how the "widening" of the meaning of "Credit" caused the meaning to disappear (as we declared) we would not have chosen the "Oozlem" analogy or any other which wrapped the method of disappearance round in mystery. For there is no mystery at all about the process by which the widening of a meaning weakens a meaning.

Let us illustrate. Of all the definitions of "Social Credit" that we have heard of we like best the simple answer of an Albertan elector when asked what he thought it meant; he said: "It's twenty-five dollars a month."

Now let us come to the other extreme. The passages that we quoted from the journal *Social Credit* (see *THE NEW AGE* of June 3, p. 21) say this:

"If people" (the whole of the people?) "associate together" (to get results about which they all agree) "and persistently get the results for which they associate, that builds up Social Credit."

Again:

"When they get it" (i.e., "the abolition of poverty and the distribution of a National Dividend of abundance, freedom, and security") "it will be Social Credit, and whatever they do which gets it, that is Social Credit."

Paraphrased it comes to this:

If all of the people agree on the policy of taking power (Interim Result) to procure the abolition of poverty and the distribution of abundance, freedom, and security (Final Result), and if what they do to take power (Initial Methods), and afterwards to get abundance, etc. (Secondary Methods), are successful—

Then the Initial Methods, the Interim Result, the Secondary Methods, and the Final Result are jointly or severally either Social Credit or factors in the "building up" of Social Credit.

As a background to all this we have presented to us the statement: "Social Credit is the *credo* or belief that people can and should get the results for which they associate." But they must not associate for such a narrow objective as correcting the money system, for this will "overbalance" the "much wider philosophy" which embraces "making all institutions serve man instead of subordinating him." (See quotations from the paper *Social Credit*, published in *THE NEW AGE* of May 27, p. 16). Lastly, there is a further qualifying (and self-evident) proposition that what people associate for must be "reasonable"—i.e. it must be attainable.

Now this inflation of the meaning of Social Credit may edify certain types of people, but we suggest that the effect of putting it over to the multitude would be to impress them with the idea that "Social Credit" was not "twenty-five dollars a month."

If anyone wishes to give a wider meaning to Social Credit, why not adopt a definition once given by Major Douglas to this effect: *Social Credit is an instrument by which a people can do anything they want to do.* In its economic aspect it means simply that where any agreed objective is physically possible it is financially attainable through the use of the instrument.

Ask yourself this question: Why is it that when people (meaning all people) associate together to do something there should be any "if" about their doing it? The answer is that they are using a Money System which mechanically defeats their objective, and yet at the same time appears to be assisting them towards it. They are deceived into self-frustration.

It is this element of automatic deception which distinguishes the monetary from all other institutions. Think of any other institution, and you will see that in so far as it subordinates men it does so openly and purposely, and defends itself on grounds which, when analysed, are seen to arise out of the monetary deception.—Ed.]

#### NOTICE.

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