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CONTENTS.

Landlords v. Banklords.

The Duke of Montrose has written to *The Times* recently to criticise the Estate Duties. He points out that whereas an inheritance in the form of industrial stock is easily convertible into money, an inheritance of land is not; also, that whereas the sale and purchase of stock does not interrupt the work of the companies whose stock is concerned, the sale of portions of a landed estate does do so. He states that on his succession to his estate he was assessed for duty to the amount of £84,000; that he could not raise this by selling; and that he is having to pay the Treasury 4 per cent. interest on the sum due; and that to raise this interest he has been obliged to fell trees, arrange mortgages, and do other things, all of which, taken together, impair the value of the estate as an agricultural asset irrespective of the question of ownership. Indeed, as regards ownership, he relates how he repeatedly offered to make over his property to the Government (presumably such proportion as would be equal in assessed value to the tax) but was refused by the then Chancellor of the Exchequer, who was the late Lord Snowden. On this refusal he makes the sly comment that Snowden's refusal was inconsistent with the Socialists' professed desire to nationalise the land. Why, he goes on to ask, cannot the law be altered to allow landlords the option of making over land? Alternatively, he suggests that landlords might be allowed to insure their liability on terms which do not (as they do now) require the amount insured to be reckoned into the assessment for purposes of taxation.

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Since the Duke of Montrose has been (and maybe still is) a director of the Bank of Scotland as well as of two insurance companies; and was at one time an honorary private secretary to the Chancellor of the Exchequer, he must be supposed to know how to set about securing the changes that he advocates otherwise than by ventilating anomalies in a newspaper. At the same time we should be the last to infer that a director of the Bank of Scotland necessarily knows much (if anything at all) about super-financial policy and technique. One has only to study the annual speeches of the chairmen of the Big Five banks to realise that these gentlemen are simply revolving wheels in a mechanism whose design and purpose are unknown to them. Accordingly we do not overstress the significance of the Duke of Montrose's financial affiliations. Probably his name on a prospectus, rather than his counsels in a board-room, was the motive animating those financial interests who contrived his appointment to the aforesaid directorships.

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And this speculation is corroborated by parts of his letter to *The Times;* for in certain passages he speaks in the spirit of a responsible and disinterested administrator of landed property—one who deplores the denudation or breaking up of estates as an evil in itself irrespective of whether these estates belong to him, or anyone else, or even to the Government. Indeed, one of his arguments for transferring estates to the Government is that it would prevent the disturbance of existing tenancies and conserve the economic integrity of the land and the people co-operating upon it. In a word, he wants landed property to be taken over as a going concern instead of being divided up and scattered after the manner of souvenirs in the hands of the hunters.

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But in desiring this he shows himself to be ignorant of the broad policy behind the estate duties. This policy is based on the fundamental fact that a landed estate of substantial dimensions is an economically self-sufficing area. The owner and the tenantry can (or let us say: could) contract out of the national (and, by extension, the international) economic system provided that they were content to live on what they themselves were able to produce. If they liked to renounce diversity in consumption they could get all the food, clothes, and shelter that they wanted without any external aid. A clay-pit and a wheat-field with a few sheep thrown in would provide all three. Being, thus, economically self-sufficing, they could be financially self-sufficing. The owner could manufacture money for the use of the tenantry. The " money " could be service-tickets bearing quantitative claim-values. But that is a detail. The principle is that the owner and his tenants would be independent of external manufacturers of money. They would have no use for the banker. The landlord would be the banklord; and the estate would be a complete, active, self-sufficing and solvent " going concern."

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Now, this original potential self-sufficiency has been slowly undermined and virtually blown up by the power of the Money Monopoly which arose at the beginning of the industrial era. Landlords, who, in the remote past, were taxed in kind, became taxable in money—banklords' money. Tenants, who used to pay tithes in kind, likewise became taxable in banklords' money. Thus landlords became dominated by banklords: in order to obtain banklords' pounds they had to fulfil the conditions set up by the banklords' monetary policy.

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Another potential characteristic of a self-sufficing estate was this: That it could enter into economic relations with other estates similarly self-sufficing—and to the advantage of all of them. They could co-operate with the view of increasing the diversity of their consumable production—a diversity which, as seen, is restricted in the case of a single estate. Each estate would be independent in respect of prime necessities (food, clothes, and shelter) and could afford to become dependent in respect of comparative " luxuries." The several landlords, being also banklords, could manufacture money acceptable in every estate in respect of exchanges of real wealth. These would be two-way exchanges, not the one-way " exchanges " that are attempted under the money-system operating to-day.

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Hence, potentially, there could be a whole country, let us say, Scotland, composed of estate-units; and it would be a self-sufficing whole based on self-sufficing parts. Politically it would be a self-determined whole based on self-determined parts. As it developed it might organise and centralise certain forms of production (e.g., transport facilities and other means of communication) to which each estate would contribute part of the cost. There would be taxes. But the several landlords and tenantries would, between them, manufacture and control the money in which taxes would be payable. Hence, in the last analysis, the payments of taxes by the several estates would be contributions *in kind* out of production *in kind*. Briefly, the taxes would be paid in service—and the only function of the " money " would be to register and measure the quotas of service rendered. Such a phenomenon as a " shortage of money " would be unthinkable.

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Now these potentialities stand in direct contrast to the actualities which characterise the system we all serve in to-day. And the reason is because the control of money has been divorced from the control of real wealth, and has been exercised to *control the control* of real wealth. The landlords are subject to the banklords. The principle of the banklords' system is to destroy localised economic self-sufficiency, and thus to destroy the national self-sufficiency based upon it. In fact the Money Monopolists employ the derogatory term: " narrow nationalism " to describe the ideal of self-sufficiency. According to them national self-sufficiency is only to be reached through " wide internationalism," under which all real wealth must be, as it were, thrown into a world pool before it can be used by the peoples whose energies produce it.

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Thus, to take an example, wheat in Scotland is not accessible to the people of Scotland unless it enters the world pool at as low a price, in banklords' money, as does wheat from Canada. This means that if the Canadian can produce 10 bushels of wheat and the Scot 5 bushels in the same time, and each is remunerated by the receipt of one bushel, the Canadian surplus knocks the Scottish surplus out of the world market and the Scot has to stop growing and eating wheat altogether. If Scotland were financially self-determined as described earlier, no such consequence would arise. What would it matter that the Scot had eaten one-fifth of his output as against the Canadian's one-tenth? Nothing. But under the rules of international finance—it matters everything.

* * *

And what applies to wheat applies equally to other things won from the land—that is, to everything. Let us suppose, for the sake of argument, that the Duke of Montrose's estate contained something of everything—coal, iron, copper, tin, zinc, lead, sand, slate, timber, and so forth. Under the system imposed by the Money Monopoly each of thesse things has to qualify—and qualify *separately*—for entry into the world-pool at the world-price of itself before the estate-owner and his tenantry can get it out of the ground. Those of them which fail to qualify, i.e., which would cost more money than the alternative supplies which producers anywhere else in the world can put in the pool, are left untouched. The others which do qualify are allowed entry, and in cases where (as it might happen) their cost is much less than alternative foreign supplies, they will be drawn on in quantities sufficient to meet the world demand if those quantities are available, and in any case at the quickest rate until exhaustion. The physical consequence is that of the total real wealth on the estate some kinds will lie unworked, and the other kinds will be worked to death; and in both cases the wealth is inaccessible to the tenantry. They and the landlord are collectively powerless to decide (as they could have decided in the pre-banking era) that they will work *all* the kinds of real wealth under some system of co-ordinated proportion for their own requirements. No; the Money Monopoly variously vetoes, subdivides and separates their potential co-operative functions, and forces them to serve in a process of centrifugal dissipation of natural resources instead of centripetal conservation. For example, if very large gold deposits were found on the Duke of Montrose's estate all activities there, other than gold-mining, would take a subordinate place—if they were not stopped altogether. The last thing that was of practical use to the people would be the first (if not the only) thing that they produced.

* * *

With the foregoing analysis as a background the Duke of Montrose ought to be able to see why the Government (representing the Treasury and the Banking Combine) do not want to take over his estate. In the first place they are not interested in it as a " going concern ": they are interested only in those fractions of it which subserve financial policy as already described. They do not want to hold it together as the Duke would wish. In the second place, they want money, not property. And, as he has discovered, agricultural property is not saleable. Little bits of it are; for example, the trees that he has felled to raise money to pay interest on his debt to the Treasury. As regards the insurance facilities that he recommends, they would not solve his own problem. Moreover, such facilities would only be made available by insurance companies on terms which ensured that the collective new premiums would cover the claims—yes, and with ample margin for reserves. So the effect would simply be that landlords would pay their tax by instalments in advance. Where would they get the money from? By felling timber in advance?

* * *

No; the line for him to take is to challenge the principle of monetary levies on physical capital. Taxes demanded in money ought to come out of money, and even then not at a faster proportionate rate than that at which the taxpayer receives money. It is a preposterous ramp to send a bill in for £84,000 to any citizen just because his father leaves him property. It does not matter that this sum might fairly measure the capitalised value of rentals and other emoluments. For the owner cannot collect, say, twenty years' rent in advance from his tenantry. But, of course, the original object of this kind of tax was to enforce the disintegration of large landholdings. And what is important to reflect on is this, that the better the landlord the greater the necessity, as the Money Monopoly saw it, to parcel out his property and people and thus destroy his political influence. We know that landlords in the past abused their privileges, and after the franchise was extended, swung the voting the way they wanted it. But now that their defeat is an accomplished fact the abuses still remain in another form, and the voting is still swung by liars on the air instead of tyrants on the land. We laugh at the episode of the old Tory squire who exploded: " What d'ye say? A *butcher* with *opinions*! " But of what avail are butchers' opinions to-day? Indeed, what is public opinion at all, anyway?

* * *

We believe that the Duke of Montrose is interested in Scottish Nationalism. Exactly in what way—whether to push it on or keep it respectable—we cannot say. Well, it does not matter to our argument, which is that a ramp on his estate is a ramp on Scotland. We should like to see (although we are afraid we will not) the Duke's experience made the focal point of Scottish Nationalist energy. We have already pointed out that what the

bankers call " narrow nationalism " is, or can be, a healthy thing. Though society cannot turn round in a circle back to the potential feudal opportunities for achieving self-sufficiency, yet it can turn round in a spiral to a point where those same opportunities are re-opened on a higher level. The Bank of Scotland can become the equivalent of the " good landlord " whose estate would be the country of Scotland with its people and resources. And with a Bank and a Government of Scotland exercising power with knowledge, there would come an end to the disruption attendant on the present rules regulating economic enterprise.

Alberta: Another " Revolt " ?

We sent the complete manuscript of John Hargrave's article, " Another Year's Delay," to the printers on January 21. On January 25 the *Daily Telegraph* published a report from their Calgary correspondent, which we quote in full below.

In Mr. Hargrave's article we read:—

" . . . If there is to be another long period of drift-and-deadlock, then, inevitably, sooner or later, there will be another ' revolt ' of Social Credit M.L.A.s. The ' revolt ' of insurgent M.L.A.s in March, 1937, was due to ' standing still ' month after month . . . A second insurgency would arise from exactly the same cause."

How exact was Mr. Hargrave's prognostication may be judged from the *Daily Telegraph's* report:—

SOCIAL CREDIT DISSENSIONS.

Premier May Head New " Revolt."

(From Our Own Correspondent.)

CALGARY, Monday.

It is believed that there will be another revolt in the Alberta Social Credit Party during the legislative session which opens on February 10. This time it is probable that Mr. Aberhart, the Premier, will be one of the rebels.

Last spring Mr. Aberhart, under the stress of a violent party revolt, agreed to organise a Social Credit Board. He did not foresee how this board would develop, and he now resents " playing second fiddle " to Major Douglas and his so-called technicians who have become Alberta's real Cabinet.

Many private members are also dissatisfied with the actions of this board, according to reports. Months ago it was insisted that a definite plan be made to initiate Social Credit and the board was appointed, together with Mr. George Frederick Powell and Mr. L. D. Byrne, of London. Nothing approaching the Social Credit scheme has since been produced and nothing of the nature appears to be taking concrete form.

Expenditure Increase.

The board's staff has grown alarmingly; so has expenditure. The only product so far has been a stream of ineffectual propagandist statements and speeches and the " social dynamics " school where the university students upset the solemnity of Mr. Byrne's lectures by showing a deeper grasp of economics than he did himself.

It is predicted that Mr. Aberhart will again take control and that the powers of the board will be severely curtailed. Many private members still insist that some effort be made to introduce Social Credit, and some candid discussion is expected when the Government supporters are called for their caucas before the session opens.

It appears that, as long ago as the first Party Caucus held in 1935, Premier Aberhart stated that he would " play second fiddle to no man," and so the words placed in inverted commas by the *Daily Telegraph's* correspondent have a special significance in Albertan political circles.

It is almost an uncanny coincidence that the Press report of the probable brewing of another " revolt " of Social Credit Members of the Alberta Legislature should appear on January 25, for a year ago to the day Hargrave precipitated the first " revolt " when he suddenly and unexpectedly put on the cap-of-invisibility, and vanished. Perhaps the *aurora borealis* that flamed in dissolving shapes and colours across the sky last week, on the night of the 25th, was a portent of this second phase of strange happenings in Alberta?

The " Social Dynamics " school, mentioned in the above newspaper report, was announced in the *Calgary Daily Herald* for December 30, 1937, under the following heading and in the following terms:—

Jobs With Government Credit Commission for Students of " Social Dynamics."

With L. D. Byrne and G. F. Powell, " Social Credit " board commissioners, and G. L. MacLachlan, chairman of the " Social Credit " Board, in the role of lecturers, the " social dynamics " course, sponsored by the provincial " credit commission," will open in the Parliament Buildings in Edmonton on January 10.

Appointments to at least one branch of the provincial government service are to be governed by candidates' examinations, after the course is completed, according to the prospectus recently issued by the board.

The paragraph in the prospectus reads as follows: " At the conclusion of the course, an examination will be made available to all those desiring to take it, provided they have taken at least 75 per cent. of the lectures. It is the intention that preference shall be given to all successful candidates in all subsequent appointments made under the provincial credit commission."

According to Mr. MacLachlan, the course will consist of about twelve lectures. The fee for the complete course is $5, payable in advance. Those who attend 90 per cent. of the lectures are to get a rebate of $3; those who attend 75 per cent., a $2 refund, and those who attend 50 per cent. will get $1.

There is nothing in the prospectus to indicate who will receive the money paid by those who may attend the lectures.

Under the terms of the " Social Credit " Act, Mr. Byrne receives $6,000 a year as a " Social Credit " commissioner; Mr. Powell receives $12 per day, including Sunday, and Mr. MacLachlan receives $10 per day, including Sunday.

The prospectus says that the " lectures are open to graduates and undergraduates of any university, civic servants and other persons engaged in work requiring a knowledge of social organisation."

It states further that the scope of the " social dynamics " course will include: " Human associations, society, its growth and development; what is democracy? —the trend of civilisation; government, its purpose and dangers; economics as a science and its dangers as a cult; economic progress to the present time; survival of ancient superstitions; the " glamour of gold," " work complex," and " scarcity complex "; civilisation, leisure and culture; money, the financial system; democracy and the future; fascism, communism and socialism as alternatives to democracy; freedom as the goal of human endeavour; looking forward."

Of course there is nothing the matter with any of that as a preliminary slow-going educational preparation for what Hargrave calls " a long-drawn-out process of wearing down the enemy," but it certainly is not a " basic dividend " of $25.00 a month.

To the ordinary Albertan citizen, the progress made under the " remote control " of Douglas towards implementing the pre-election promise will hardly seem to be more than:—

1. Three Bills " disallowed."
2. Three other Bills unable to obtain " royal assent."
3. Libel actions about a leaflet.
4. A " school " for teaching " Social Dynamics."

That may seem to be real progress within the frame of reference of a Hundred Years' War, but it is not likely to satisfy the demands of the electorate. They demanded results in no uncertain manner at the 1935 election. They " demanded " a dividend of $25.00 a month by voting for the Aberhart Party. There is no question that a dividend was definitely promised over and over again from the electioneering platforms: and not only a dividend of $25.00, but even of $75.00, and by a certain date (March 3, 1937).

Premier Aberhart has kept pretty quiet during the past seven months during which the Social Credit Board and the two " Douglas experts " have been conducting the " war " in Alberta. But Aberhart, who certainly has a " nose " for snuffing the " political wind," appears to scent danger; and the danger he scents is, in all probability, a falling off of enthusiasm and support on the part of the general public. That falling off (and there are some serious signs of it) can only be due to the failure to show what Hargrave has called "an immediate and tangible gain" easily recognisable by the Albertan people.

We realise, of course, that the *Daily Telegraph* is not a Social Credit paper, and that it may be looked upon as an "enemy" publication. But it is not likely that their Calgary correspondent would report that: "This time it is probable that Mr. Aberhart, the Premier, will be one of the rebels," and that "He did not foresee how this (Social Credit) board would develop, and he now resents, etc. . . ." without having at least some shadow of foundation for such definite statements.

It looks as though the social dynamics of events are going to work out rather differently from "social dynamics" as expounded in the classroom.

To Debate, or Not?

Correspondence elsewhere calls for explanation and comment.

(1) Contributories to the present debate and other readers interested in it (on both sides) have been financing the cost of printing to an extent which provides a margin towards maintaining THE NEW AGE itself. They may be noisy lodgers, but they do pay the rates, so to speak!

(2) As for the effect of the debating, let the worst be taken for granted, namely that, technically, it causes more bewilderment than enlightenment. Nevertheless it serves as a reminder that Social Credit stands or falls on its merits as a monetary technique for economic recovery. "The core of the problem is Cost," said Douglas on one occasion; and the debating that has been taking place, despite its loose-ends and cross-purposes, has, in the main, revolved round this technical core.

(3) To those who are inclined to reply that this debating should be controlled or ended there is this reply, that in its present uncontrolled character it presents, on a small scale, a controversial mix-up which the bankers can engineer on an unlimited scale whenever they choose. Be sure that insofar as debating by all-comers on technique weakens the political force of Social Creditors, the bankers will see that this debating is expanded. They will not let the public forget that Social Credit stands for a monetary technique, and must be judged accordingly. In Alberta they are questioning the technical feasibility of Social Credit, and are doing so because of the revived demand there for the prompt distribution of the Dividend. They are not questioning the feasibility here in England because that issue was ruled out at Buxton, and because, in any case the English Movement has no representation even in Parliament, let alone in the Executive Government. Nevertheless this question of technical feasibility is a weapon in reserve by which the bankers can cause widespread bewilderment; and when they have done that they can complete their case by pointing out that what is doubtfully feasible as a technical proposition is doubtfully expedient as a political proposition. In Canada they are going to justify the disallowance of Aberhart's empowerment legislation on the technical ground that any Dividend system would break down even if it were allowed to be instituted.

In the meantime the bankers have one reason for refraining from questioning Social Credit technically until (as in Alberta) it becomes a sharp issue, and the reason is that its public ventilation would attract the attention of types of mind capable of investigating the subject systematically and patiently as did the "Old Contemptibles" who were supporting Orage and THE NEW AGE when the Douglas Theorem was first announced and propounded. And this reason is the one which justifies the debating in THE NEW AGE at the present time, despite its defects.

A drunken father may be the cause why his son becomes a hopeless drunkard or a fanatical teetotaler. It depends on the son—whether he is attracted or repelled by the example exhibited to him. Likewise this debating, though it may confuse, discourage, annoy, tire, or repel ninety-nine out of a hundred observers, it is worth while if it sets the remaining one on the path of enquiry that ends in conviction.

(4) A famous judge once said: "When I am called on to judge a proposition, and the direct evidence on both sides is evenly balanced, I rely on collateral evidence to decide my judgment," and he indicated what he meant by collateral evidence by referring to such items as the manners and attitudes of the protagonists of the two sides of the case. Well, we consider that the policy of THE NEW AGE in permitting a debate can be justified as collateral evidence to judicial types of mind in favour of Social Credit. And to such minds, the more damaging the criticisms of Social Credit, published in an organ advocating Social Credit, appeared to be, on a casual inspection, the more significance would attach to the fact itself that such criticisms were given publicity. The judicial observer would have to ask himself: Why? And there is a reasonable margin of probability that this question would move him to study the issue with the attention that it requires.

We do not intend it to be understood that, in our opinion, the debate is so one-sided as we have assumed for the purpose of the above argument. All we mean is that its defects from the point of view of Social Creditors are not dead loss. Basically Social Credit propagandists are handicapped by the fact that they are obliged to argue against the bankers' case with the bankers' vocabulary. Chapman Cohen's *Primitive Survivals in Modern Thought* is full of examples how *words* have come to beg questions which they are supposed to elucidate. His examples, of course, relate to the subject of Freethought, but there are parallels to all of them relating to the subject of Social Credit. Logically there should be a Social-Credit vocabulary; but there you are: who is to be the lexicographer?

* * *

We print a letter from Mr. Franklin in our general correspondence column elsewhere as it does not relate directly to the main issue in the debating section, which was whether capital costs are liquidated in the consumption market. It has, however, an indirect relationship, because (among other reasons) it helps readers to understand Mr. Franklin's general analytical standpoint. Here, as in the main debate, much that he says can be true or untrue according to definitions of terms used. For example, the term "bank" may signify (a) a joint stock bank, (b) the central and joint stock banks collectively. And then there remains the question whether the credit-area in which financial operations take place is assumed to be (c) closed or (d) unclosed. And this leaves out of account another factor which is (or might become) relevant, namely, whether (e) the "bank" is assumed to be under the power of the law or (f) the lawgivers under the power of the "bank."

Humours of Finance.

MR. VAN ZEELAND'S PROPOSALS.

Mr. Van Zeeland's proposals (like all the resolutions, agreements, pacts, and formulae with which the world has been bemused since the Armistice) amount to a plan on which ten hungry men may portion out a quarter-pound of steak in equitable proportions. Underlying this plan is the tacit assumption, characteristic of financial wisdom, that a just portion is a full ration.

Even if this assumption were advanced as a proposition, people would buy it, because, with the revenge-complex permeating political thinking, anybody considers his ration satisfying so long as some other fellow covets it. It is as if the glare of covetous eyes engendered vitamins in the coveted scrap of meat.

The piece of steak is not designated as such in the plan—this Carving Plan. No; it is to be understood inferentially as "World Trade," or the "World Market." The "World Market" is vaguely conceived as being a cosmic money-box in which is to be found all the cash missing from the money-boxes of the several insolvent nations. Yet there is no such box and no such cash. The missing national ration must, in the end, come out of the national money-box from which it is missing. Got that? Then you will now be able to appreciate the value of Mr. Van Zeeland's proposals.

Books to Read.

Spotted Lion, by J. Dower. This book would hardly, I think, have been written but for the success of Peter Fleming's delightfully amusing account of his *Brazilian Adventure*, which came out a year or so back.

Trying, in Kenya, to find and shoot a rumoured particoloured lion, with good arms and equipment, is not however quite so absurd a job to set one's self as hunting a long dead explorer in Central Brazil with nothing at all. It would seem to be a harmless enough amusement for the young and well-to-do even if not quite book-worthy. Mr. Dower is a not unpleasing writer.

As a contrast to this let me recommend the *Khyber Railway*, by Mr. Hall, the man who made it. Having to overcome the opposition of the wild frontier chiefs, he just hinted at the obviously increased chances of loot the line would give them. The Pathans grinned at each other and let him through.

In this book, and in a later one, quite as good—*Nine Fifteen from Victoria*—one has the pleasure of meeting a man who has not only done great work in the world and done it well. He knows how to tell you about it.

You have probably read Mr. Aldous Huxley's masterpiece of disillusionment—*Brave New World*. You have heard him there howling bitterly: a lost soul in a world of devils.

In his more recent and more objective book, *Ends and Means* (Chatto), you will find him still lost, and though the howl has hardened into a bark, there is as yet no promise of any bite.

The more important part of this work consists of as sound and clear an exposition of the futility and, indeed, utter madness of the policy of violence, as between nations or individuals, as you are likely to find anywhere. Yet you feel in reading it that he does not realise that what he is out against is only a *result*, and that to be of any effect he will have to go deeper. What must be got at and destroyed is the *root cause* which makes war between modern industrialised nations absolutely inevitable. It is true he gives us at some length half a dozen causes of war—need of excitement—national pride—love of glory—territory—private interests—the existence of armaments, and so on, but though he includes the need for foreign markets, he attaches to it no more than slight importance. Of the existence of the enormous controlling power of associated money there seems to have reached him no glimmer.

He is quite unaware of the fact that, as under the existing financial regime, the people are allowed to consume but little of it, the remainder of the enormous product of modern machine industry must be disposed of somehow, somewhere, or the whole thing will explode and stop.

Other industrialised countries being in the same case, and the switching of production on to armament work being only a temporary relief, it is perfectly clear that, short of altering the system, there is no escape possible from war and subsequent chaos.

From his only reference to Major Douglas, a rather slighting one, it is quite clear that the writer has not even superficially studied him, and that he has no conception of the size of the quiet revolution implicit in his propositions.

Let us see, however, what practical steps toward the abolition of violence Mr. Huxley proposes. They are as follows:—

That certain semi-monastic associations should be formed of very rich non-acquisitive selfless Quakers (?) to become permanent object lessons of perfection. These associations should use their large capital to start and run great modern factories. These factories should be worked, not for gain, but in order to find out all sorts of things, among others how to reconcile responsible freedom of workers with scientific management and how to dispose of machine created wealth. Then there is the proportion of capital goods to consumable goods to be considered—the question of Communist ownership and incomes—what is the best form of community life—the education of children and adults—how to avoid the dangers of ambition, and so on, and so on.

And all this under present impossible conditions!

A large order and a child-like!

But there is this to be said for it. The number of generations of workers needed to obtain any convincing results would effectually preclude any undue precipitancy in the stoppage of war thereby to be effected. And so our Colonel Blimps need not be alarmed.

A good, well meaning, hardworking writer, but as I have already said, hopelessly lost. Let a mild statement of his own (page 198) serve as his epitaph:—

"We have seen that even the accomplished intellectual is a far from satisfactory person."

PAKEHA.

Social Credit and War.

By John W. Leslie.

[*Reprint of a recent address.*]

Brought up as a "Wesleyan," I became a Boy Scout at eleven years, and in eleven years graduated to Assistant Scoutmaster. The fourth Scout Law—"A Scout is a friend to all"—had a special attraction for me, and at the age of thirteen I took up Esperanto, the "language of Peace." In 1918 I joined the Air Force and went to Egypt for training as a pilot. On my return to England, following the Armistice, I took up Scout work again. In 1919 "White Fox" (John Hargrave), Boy Scout "H.Q. Commissioner for Camping and Woodcraft," began his "Kibbo Kift" campaign for "World Peace and Brotherhood," and I became an ardent follower. He was expelled from the Scout movement, and I, with others, followed him to establish a separate Kibbo Kift Movement, free from the military taints of Scouting. Our study of the "Triad Taboo" of Sex, Religion, and Social Problems (including War) led us to Social Credit, and a year or two ago we became the Social Credit Party of Great Britain and Northern Ireland.

I begin by reciting the above brief record of myself in order to substantiate my claim to be a serious fighter for Peace and one whose words should be heard in "Peace News," and considered carefully.

Through my experience as a Boy Scout, as an Esperantist, as a war-time member of H.M. Air Force, and latterly as a Green Shirt "Shock Trooper" contacting men of all classes in the streets (but especially low-paid workers and unemployed), I have arrived at the firm conclusion that Man is *not* "by nature vile" and that the Man-in-the-Street, the Common People, Strube's Little Man, *do not want WAR, never did and never shall*. It is contrary to human nature, as a living "thing," to want to die, and as WAR means dying, the nature of MAN revolts at once against it. Cutting the argument short, my own firm conclusion, after much experience *and study*, is that WAR IS NOT CAUSED BY ILL-WILL.

If that is true—*and it is*—then it follows that all those who preach the end of WAR through the propagation of GOODWILL are barking up the wrong tree, leading the blind and prolonging the agonies of modern WAR by not tackling "first things first."

More and more people to-day realise that modern war is caused by the financial-economic system that operates throughout the world.

The Social Credit assertion is that within each community there is never purchasing power available to buy all the goods produced. Consequently, the makers of goods are forced to seek markets for their "unsaleable" (sic) surpluses ABROAD. Since each country is seeking similarly to find export markets, and since, by reason of the spread of mechanised methods of production, export markets tend to dwindle, the end of the economic war is military war. Put shortly, Social Credit asserts that war is the inevitable end of an out-of-date and unworkable financial system, which maintains within each country a shortage of purchasing power.

Mussolini and Hitler, in spite of their supreme power as Dictators; the U.S.A., in spite of the fact that her natural resources could allow her to be 98 per cent. self-sufficient—all these are in the same boat. Mussolini and Hitler shout "We must expand"; the U.S.A. strains her energies for export markets. All countries are driven to undertake huge armament programmes, NOT because they fear external war but because that is the only way left to them by the present money system to create employment, stimulate trade and avoid internal strife and/or civil war.

What is the solution to this economic impasse? What is the answer to the modern fact that "Poverty at Home means War Abroad"? The answer is—establish a Sane Economic System in each country that will ensure in the pockets of the whole community sufficient purchasing power to buy all the goods produced at home. That will remove the *financial* need to fight for export markets, and therefore the *necessity of military war*. Under Social Credit, when every citizen receives the National Dividend, the attraction of militarily provided food, clothing and pocket-money will disappear.

I do not propose to argue whether the Social Credit Analysis and Proposals are correct *technically*. Argument on these lines has continued for the last eighteen years and left Social Credit intact.

The Social Credit Party asserts that War will disappear only when it has taken political power and done these three things:—

(1) Set up the National Credit Account.
(2) Issued the National Dividend.
(3) Applied the Scientific Price Adjustment to all goods for sale.

No more bunk about GOODWILL. Fight for the elimination of the fundamental economic cause of War—the present unworkable money system of the Bankers' Combine.

Babble

And the whole earth was of one language, and of one speech. . . .

They began to build the Tower of Babel whose top was to reach unto Heaven.

But the Lord would not have that, just as he would not allow Adam and Eve to dwell in the Garden after "the eyes of them both were opened."

The Lord came down to see the tower, and as he watched he said to himself: "Behold, the people is one, and they have all one language; and this they begin to do: and now nothing will be restrained from them, which they have imagined to do;" just as before, when he cast out Adam and Eve, he said: "Behold, the man is become one of us, to know good and evil; " and so, lest he put forth his hand, and take also of the Tree of Life, and eat, and live for ever, the Lord sent him and the woman forth from the Garden.

And now mankind was trying to build a tower that should reach up to Heaven. Always and always trying to become "one of us"—if not God, a god, or godlike. That is *tabu*. Gods can become men, but men must not be allowed to become gods. That had to be stopped: must always be stopped. You must not ask why.

So the Lord scattered them abroad from thence upon the face of all the earth; and they left off building.

Therefore the name of the place is called Babel; because the Lord did there confound the language of all the earth.

Which only shows you? And neither Esperanto nor Volapuk, nor Basic English, have yet overcome that confusion.

Instead, a far worse confusion has come about; for not only is mankind not one people, having all one language, but the languages used by the fully industrialised peoples are still further confounded by the use of words and word-patterns that have no exact meaning.

This is especially so in all matters to do with art, philosophy, ethics, religion, and—social-economics. At least 50 per cent. of the words used in speaking or writing about these things are mere "babble" (Babel).

"Mr. Anslem Slogg seems to manifest a penetrative texture of thought in the plane-forms of his more tentative expressions, as in his 'Girl in Black' (No. 32) and 'Rotten Tomatoes' (No. 104); but in his other work we detect a lack of all the secondary and indirect dimensional colour-digressions so absolutely essential in building up tone-values beyond the merely intrinsic."

And art critics get paid for writing this babble. So do book reviewers, musical critics, and a whole horde of others, not to mention book writers, journalists, and reporters. And poets.

But it is when you come to economics and the writings and speakings of economists and economic students that the babble is not just ordinary babble-babble but hellishly dangerous babble. It stops us from getting food, warmth, shelter.

Someone starts talking about "credit" (book-entry figures) and in two ticks he is using the words "currency," "cash," "money," and even "tick" (ticket)—the kind of "credit" one used to be able to get from one's tailor—to mean "credit" (book-entry figures)!

Someone else chips in about "the balance of trade" and you find he doesn't mean any sort of balance at all, but the supposed necessity of having a greater flow-out of exports than the flow-in of imports: which clearly is not a balance but a disequilibrium.

"If I pay £100 for a motor car to X, and he pays for a new bookcase, it is obvious that the amount of cash in circulation . . ."

"Oh, dear! . . . don't we all know these never-ending babblings. "Cash"? In all probability he will pay the £100 for a car by *cheque*, which is not *cash*. And so on.

But what about the word "value"? It can, and does, just mean anything you choose. I challenge any one to tell me in terms that have any real meaning—i.e., terms that refer to some logical system of calculation—what the "value" of anything is. Is the "value" of the pen I am now using to write these words the fact that I can use it, or is it the "financial value" that had to be paid for it—or both? If both, "value" has two meanings, at least: use-value and price-value. In the present system, what is the connection between these two quite different kinds of "Value"? (No need to answer. I happen to know. The connection is "work"—for if I cannot get work I cannot get the "money" with which to cover the price-value of the pen: and if I cannot have the pen its use-value does not exist for me, even if the Pen Shops are stacked with pens.)

And "capital"? What is "capital"? How many kinds of "capital" are there? Is a pen or a typewriter "capital" when used by a professional writer? Yes—no?

What is a "capital asset"? Anybody know? Are the documents of share-capital "capital assets"? Is a river that is of no special industrial or agricultural "use" a "capital asset"? Suppose all rivers dried up: would that be a loss of "capital assets"? If so, would that apply also to the sudden swallowing up of the Pennine Chain? If not, why not? Was Shakespeare a "capital asset"?

What is meant, exactly, by "consumable goods"? Are they goods upon which no further work is done? Coal burning in my fireplace is "consumable goods"? Coal being consumed in the gas company's works is not? But the gas is, when I use it in the gas-stove? How would you classify a sewing-machine used by a woman in her own home for making clothes which she sells to other people? Is it to be classed under "capital goods" or "consumable goods"? If she uses it also for making a dress for herself how should it be classified during that productive process?

Is a musical composition "capital" when the composer has finished the score, or does it only become "capital" after he has managed to sell the performing rights? If he can't sell it, is it "frozen capital" or what?

I have the idea that "tin shows signs of weakening," but "copper has made a steady recovery,"—so what?

S. R.

LETTERS TO THE EDITOR.

BANKS, BANKING, AND DEBT.

Sir,—It remains to clear up a few outlying issues concerning banking before going on to consideration of debt. It seems necessary to emphasise that the whole Social Credit case is conditioned by the original views Major Douglas personally arrived at concerning the real owners of created money. His speeches of late have concentrated upon that, especially of course with reference to Alberta. At Belfast, on November 30, 1937, he said "It has been made clear to a large number of people in Canada that Social Credit, which formerly was only words to them, has something to do with banks. This is very important." Once again he told his listeners that "all money comes into existence as a debt from the community to the money-creating agencies."

To start with false premises is inevitably to arrive at false conclusions. Major Douglas, having made the assumption that all money is the property of the banks and that, as owners of it, they can do with it what they like, naturally proceeds to some startling views on debt. He draws attention to a mass of alleged unrepayable debt. Most strangely, our pity is requested on behalf of the debtor rather than on behalf of the creditor. Of course, there are individuals who cannot or will not pay their debts, but then it is the creditor who is the real victim; the debtor has simply had that amount of goods and services free at the expense of the lender. If I do not pay my grocer that is obviously the position; I have had my groceries at his expense. That it is true of Jones if he lends money to Smith which he never gets back I suppose no Social Creditor would deny. But if the loan was effected through a bank the Social Creditor is all for the debtor and against the creditor!

It seems difficult to disentangle specific ideas underlying this attitude from general suspicion, but no doubt there is operating the curious idea Major Douglas put out and which was examined in Supplement 3 that the bank should have given the money in the first instance and not lent it. Absurd though this idea is, it logically follows from a belief that the bank obtained the money "costlessly," and that the process consisted of grabbing for themselves the community's credit.

Added to this is the belief that, even if it is not repaid, the bank has lost nothing. We are to understand it has merely to scratch out figures in a ledger or write in more, thus creating for itself the money it failed to recover. The truth is, however, that it can do nothing of the sort; if a borrower fails to repay, the loss falls upon the bank (ultimately upon the shareholders) in precisely the same personal way as Jones lost money when Smith let him whistle for it.

Then we are told that a bank should not ask for security when it makes an advance because it is thus claiming a lien on real wealth to which it is not entitled. The same underlying idea is being expressed here to the effect that the bank

is obtaining credit for itself in exchange for money which costs nothing. Of course all these things would be true if the creation of money really was the sort of thing Major Douglas believes. Again we are left wondering that the patent absurdities at which he arrives do not cause him to wonder whether he has gone wrong. Naturally because of his fundamental misunderstanding he cannot realise that collateral is held on behalf of depositors. If you lend me £100 there is nothing undesirable in my giving security so that you may obtain repayment should I default. The banks are doing merely the same for their depositors who, as we shall see, are really making a loan via the bank. It is essential for the good of the depositors that they should take care the loan is repaid. In the meantime, they hold the collateral almost as a token; the earning capacities of the securities go, as before, to the owner of the securities and not to the bank. The important point, however, is that, should the borrower default, the bank is still in debt to the depositors and there is nothing objectionable in their realising on the collateral in order to pay. The money so obtained has to be paid to depositors. Should realisation not produce enough then the bank itself has to make it up as a deduction from its profits or its subscribed capital or, in the last resort, go bankrupt. To suggest that the giving to a bank of security for a loan is giving an unjustifiable stranglehold on the community is a claim for which there is no justification whatever.

Forced back upon his last defence, the Social Creditor will contend that, even if the banks do not actually own the money in which they deal, that they nevertheless exclusively exercise all the rights and powers of ownership. But this view is as unsupportable as all the rest. Surely the whole essence and meaning inherent in ownership of money is that it gives the holder the right to acquire goods and services? Social Creditors quite rightly stress that money in itself can be valueless; it is the fact that it gives a title to real things that matters. Now these essential rights are precisely what the banks *do not acquire* with their created money. If I entrust the running of my estate to a manager, I can give him wide powers of administration; he may misuse them, but neither in the legal nor ordinary sense of the word can he be called the owner of the estate. The community has, wisely or otherwise, entrusted the management of its money to privately-owned concerns. It is reasonable to argue that such authority, with all the powers and privileges it carries, should be withdrawn. In that case the remedy is at hand. We have seen it completely applied in New Zealand recently.

We are told that the National Debt is "equal to £200 for every man, woman or child in the nation" and, to the unthinking, it seems damnable. But the statement, as it stands, is doubly misleading. In the first place, it is just half the truth. The other half is that interest-bearing credit, securities, are held by certain individuals who are members of the nation "equal to £200 for every man, woman, or child." One is asked to envisage everybody in debt and nobody in credit. Yet the truth is that for every debt there is a corresponding asset. Anything owed by somebody must be owed to somebody. If it were not owed to somebody it would not exist.

This has only to be pointed out to be obvious. But this is where Major Douglas would assert that the real position is that "the community is in debt to the banks." Now that phrase in itself is contradictory. The community comprises everybody; it cannot be in debt to something outside itself! Even if it were true that the major portion of the credit represented by the debts were held by the banks as their own property, it would still remain the case that banks are members of the community and that one part of the community was in debt to another part. The banks are a collection of individuals, and everything they acquire becomes the property of the shareholders. In fact, anybody who has a little money to invest can become a bank shareholder if he wishes to become a member of, and a beneficiary from, this money monopoly! But the community is not in debt to bankers; money can be borrowed ultimately only from those who possess the money they lend; the banks do not own the money they lend; when created it belongs to some member of the community other than the banks. It therefore follows inevitably that such money is owed not to the bank but to someone else; the precise truth is that the bank is only an intermediary between individual debtors and creditors.

Probably what difficulty arises in grasping this is due to the fact that a loan by a bank precedes the resulting deposit. But the upshot is the same as if the deposit came first and the loan followed. In that case it is a simple matter to see that the bank is really lending the depositors' money. In truth this is very much what does actually happen, and it is worth examining in detail with a view to full understanding.

Suppose the Midland Bank finds itself with an addition of £1,000 to its cash. The popular idea is that it can and will then straightaway increase its loans by £10,000. In practice, it will do nothing of the kind, for the practical reason that it has no guarantee that the consequent extra deposits will return to the Midland Bank. They probably will not and, in that case, the Midland would have to find not £1,000, but £10,000, cash right away either out of their tills or from their balance at the Bank of England. The actual procedure followed, therefore, is for the bank to lend a sum equal only to nine-tenths of this new cash. If this is paid into any bank other than the Midland, £900 cash is transferred via the Clearing House. The bank receiving the £900 will follow the same procedure and lend nine-tenths of it, i.e., £810. Alternatively, if the first loan comes back as a deposit at the Midland, they will do the same with it. The next time nine-tenths of the £810 is lent, by whichever bank receives it, and so on until the new credit supported by the £1,000 cash reaches £9,000, when the process stops because of the cash ratio the banking system observes.

This is not to deny that banks create credit, although they do so by relending deposits. But, whatever technique be used, the result is that the deposits are the property of the individual depositors. The support for each loan is not something owned by the bank, but something owned by other people. That fact makes hay of the claim that money is a debt owed by the people to the banks.—Yours, etc.,

J. A. FRANKLIN.

P.S.—Mr. Coleman describes as a "red herring" my contention that a proper understanding of banking and debt forms the foundation of a study of Social Credit. His words raise acutely the question whether Social Credit is the gospel according to Douglas, or is what anyone else likes to make of it, after remoulding it to his heart's desire.

Major Douglas himself stakes his case upon the ownership by the banks of created credit and of all production and consumption resulting in a community hopelessly in debt to the banking system. He sums up his more expanded economic case to a theorem, stating that its truth "depends fundamentally on the problem of the beneficial ownership of credit," and adds that it is "the vital theorem on which turns the immediate future of civilisation." Both quotations from his article "A Plus B and the Bankers," THE NEW AGE, January 22, 1925.

Am I wrong in holding that what Douglas thinks fundamental and vital to his case should be the primary subjects for discussion in Social Credit debate? Especially as all minor issues depend upon the truth or error of the major (though I am ready to believe Mr. Coleman does not realise this). First things first; if Mr. Coleman and others cannot defend and support Social Credit foundations, then their own favourite bits of superstructure crash too. Or else they have nothing to do with Douglas Social Credit.

J. A. F.

CANCELLATION SEQUENCE.

Sir,—Well, I may be "hard to please," as Mr. Coleman suggests, but the truth is I am still "not quite convinced." It seems to me that a National Dividend issued as "gift-money" in the form of paper notes (cash) would not pass through the clearing-houses of the banks; and that it would "pile up" in the bank accounts of individuals and firms, year by year.

I cannot yet understand how these paper notes (cash) will "find their way back to the banks" and be issued and used "over and over again, as many times as you choose to perform this simple operation in book-keeping." (See S. R. in your issue of January 6.)

"Norman Conquest" tells me that cancellation (of *cash-tokens*, not cheques) will, in a Social Credit regime, take place "in the same way as now." And S. R.'s original article seemed to say the same thing. He agrees (with Mr. Vos) that "the total £300 (N. D.) must eventually find its way back to the banks," and he states that "So far as the banks are concerned, therefore, the issue of £300 is *cancelled*." In his letter published January 20, "Norman Conquest" seems to indicate that when the manufacturer "repays his credit advance—(not *cash-tokens*, please note) —through the bank to the issuing authority, the National Credit Office, or equivalent," the £300 N. D. is cancelled as purchasing-power.

It is at this point that I am befogged. As I said in my original letter (January 13), the National Dividend would, I understood, be paid direct to consumers as "a gift to themselves" in some form of paper *cash* (not "cheque-books-for-all"), and this does not seem to me to be a "credit advance" to the manufacturer, but a "cash advance" to the whole community (including the manufacturer).

Will someone please tell me whether such a "cash advance" of, say, £M3,500, issued during one year, would appear somewhere in the bank accounts of firms or individuals? A final question, which goes to the root of the matter so far as I am concerned: Can the banks, now, under the present system, cancel the purchasing-power of actual *cash-tokens* (such as the £1 and 10s. bank notes in ordinary circulation), and, if so, please explain how, exactly, it is done: i.e., what do the banks *do* in order to have this effect?

I believe that if I could get the hang of this last question I should begin to see how S. R.'s "Cancellation Sequence" works. It is because I cannot see how *cash-tokens* (such as a "dividend-ticket"), issued as a "gift" to the consumer, could be called in and cancelled via the bank's clearing-house system, that I am still—

NOT QUITE CONVINCED.

P.S.—I note that Mr. Coleman (January 27) says that such an issue of the N. D. would "increase industrial activity at all stages of production," and that this would "increase the rate of borrowing by producers." He explains that "With all these additional loans waiting to be pounced upon, revenue will stand a pretty slim chance of piling up in the banking accounts of producers anywhere." I have purposely left this angle for a postscript, because it has merely confused my attempt to understand. I thought that producers under Social Credit were to have "new credits for new production"; but now it seems that they are going to "increase the rate of their borrowing" because "the issue of credits to consumers will increase retailers' orders to industry generally." If this extra borrowing by producers is the Social Credit "cancellation mechanism," S. R. and "Norman Conquest" would surely have mentioned it? But I have always understood that "the credits required to finance production 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." Am I to understand that if £M3,500 is issued as N. D., this sum, when it has "found its way back to the banks" (in *cash-tokens*?) is to be issued to producers as "new credits for new production" and thereby "cancelled" as consumer purchasing-power?

I hope your correspondents will not feel that my thinking is so "confused and illogical" that I am not worth bothering about further. I feel pretty certain that there are many other people who cannot yet quite grasp the idea of the "cancellation sequence," but who, if these various points could be stated in such a way as to clear up their misconceptions, would "come over" to Social Credit. I count myself as almost a Social Crediter, and I know of several others in the same category.

N. Q. C.

Sir,—May I say to "Not Quite Convinced"—"My friend, my friend, thou art troubled about many things—but one thing is needful"! Give us the power to control financial policy, and the mechanism for the issue and cancellation of the National Dividend (after it has fulfilled its sole function of permitting the recipient to obtain goods and services to its value) will go just like—that! If the National Credit Office issues a dividend to an individual for £5, the individual will pay the dividend into his banking account, and draw upon it in the usual way. Every bank will run a National Dividend Account, to which such items (relating to the affairs of its own customers) will be debited or credited, and cleared in the ordinary way with the National Credit Office. If, therefore, the total National Dividend issued by the N.C.O. in the course of one year is—say—£4,500 millions, credit notes will be issued to the individual recipients; paid by them into their banking accounts; drawn upon by them in payment for goods and services, and then flow back via productive organisations, first to the recipients' banks, and ultimately to the National Credit Office, in exactly the same way as "Not Quite Convinced," if fortunate(?) enough to have an account with a joint stock bank to-day, receives back his cancelled cheques; and knows from this that the "money" representing those cheques, which formerly stood to the credit of his account, has been cancelled.

But ——! Why, if you have raging toothache, go to a dentist, and ask him to give you a lecture on the nervous system?

"A GREEN SHIRT."

DEBATING SECTION.

Sir,—When Messrs. Franklin, Bing, Coleman, "Nemo," and others have continued their debates during, let us say, a first five-year period, is there going to be any sort of summing-up, so that we can check the progress made before starting on the second five-year period? Personally, I think this debating is all to the good, but I do suggest that a time limit should be set for hearing the "judge's summing-up." And who is going to act as judge? Or is this debating going to be "non-stop" right up to the moment when the National Dividend is issued? This is not a grumble, but I feel I should like to know just where the debaters have arrived since they started. Have they made any headway, and if so, what does it amount to?

OLD UNCLE TOM COBBLEY.

ANOTHER YEAR'S DELAY.

Sir,—What appears to be a printer's error occurs on page 62 of your last issue, dated January 27. The sentence should read:—

"In making an appreciation of the present position we cannot ignore the fact that the enthusiasm engendered at and just after the 1935 election was allowed to dwindle for many months (to be exact, from August, 1935, to January, **1937**) . . ."

The year 1937, in heavy type above, was printed as 1936. I shall be glad if you will publish this correction.

JOHN HARGRAVE.

Debating Section

Letters received for this Section will be published next week. As space is limited, letters will be published in rotation when there are too many for the space allowed.

What the Banker Says.

[*Extract from article entitled "The Lessons of the Election," in "The Banker," December, 1935.*]

"This brings us to our first main point. There is scope for a large amount of educational work among the public, to teach them the nature of our banking system, and this work must be done before the writs are issued for the next General Election. Nor can it be done only through the medium of occasional addresses by leading bankers or articles in the London Press. Just as an election is won by intensive door-to-door canvassing, so must this educational work be carried on by the banking rank and file throughout the country. Local managers should attend Chambers of Commerce and Rotary Club luncheons, and bank officers generally should join local debating societies, and, while not gratuitously involving themselves in controversial matters, they should be thoroughly grounded in the general principles of banking and be able to explain them simply to their friends. Obviously, this idea must not be pressed too far, for bank officers, like others, are entitled to their own political opinions. Yet there must be a number of officers who would be glad to receive some encouragement to take part in educational work of this kind. . . .

. . . .

"If the general public could be brought to realise that bankers do not create credit but distribute it, much misconception would be avoided."

Forthcoming Meetings.

SOCIAL CREDIT PARTY.

John Hargrave will lecture on "Social Credit in the British Isles" on February 2, at 8 p.m., at 44, Little Britain, London, E.C.1.

LONDON SOCIAL CREDIT CLUB.

Blewcoat Room, Caxton-street, S.W.

Feb. 4, 8 p.m.—"A Social Creditor, from Raw Material to Finished Product," by Mr. K. W. Willans, M.I.Mech.E., M.J.I.E.

Feb. 11, 8 p.m.—"The Monetary System is the Cause of War," by the Marquis of Tavistock.

Feb. 18, 8 p.m.—"Can Britons Become Free?" by Mr. W. H. Wigley, of Ipswich.

Feb. 25, 8 p.m.—"Neither 'Right' nor 'Left'—but Straight," by Mr. E. J. Saxon.

Notice.

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

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