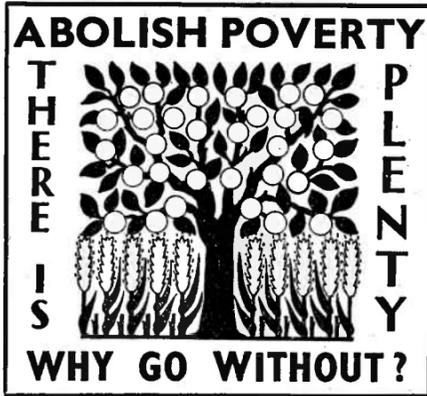


SOCIAL

For Political and
Official Organ of the



CREDIT

Economic Democracy
Social Credit Secretariat

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FRIDAY, SEPTEMBER 27, 1935

Weekly Twopence

“Restriction of Output is Sacrilege” say the Dean of Canterbury and Father Coughlin the Radio Priest

On The Canadian Front TWO SIDES OF THE NEWS

Party Leaders on Social Credit

THE Edmonton correspondent of *The Times* wrote on September 23: It is said here that earnest followers of Mr. Aberhart are now in all good faith trying to pay bills and make purchases on the strength of anticipated Social Credit dividends.

The other side of this picture is provided by the following report, which shows that earnest sellers of goods are offering to sell to earnest followers of Mr. Aberhart on the same basis.

Calgary Firm Takes Payment in ‘Dividends’

A Calgary firm was doing business Saturday for Social Credit basic dividends and challenged other business concerns to follow suit. A newspaper advertisement offered to do any gramophone or radio repair work “brought, mailed or shipped,” into the firm’s shop, accepting on a “gentleman’s agreement,” the cost from the customer’s account at the State Credit house.

Transfer of the credit from the customer’s account to the firm’s account does not need to be made until six months after the first dividend has been distributed by the provincial government. The credit will apply to labour only and not for accounts less than \$1.—*The Edmonton Journal, September 7.*

The Newfoundland Threat Again

And upon Mr. Aberhart’s decision on matters of policy must rest the fate of Alberta’s future. Either he must operate the affairs of this province sanely and soundly, and proceed to do so by drastic retrenchments, or he must within a few months, be prepared to hand over the administration of our affairs to a commission form of management.

The latter might not be entirely a misfortune. We have too expensive governments. Our provincial legislatures, which should not function other than provincial councils, have become imbued with an exaggerated opinion of their importance and powers. It is time to get down to earth, and while any necessity for reverting to a receivership or commission control might grate upon our pride, perhaps nothing short of this can be effective in restoring sanity in our public affairs. Will Alberta get down to business, or must Alberta follow Newfoundland? — *From the “Peace River Record,” Alberta.*

The Oil Situation in Alberta

The appointment of Mr. C. C. Ross, of Calgary, as Minister of Land and Mines has been much applauded.

“He knows the oil industry from A to Z,” said D. Austin Lane, secretary of the Oil and Gas Association of Alberta. “The oil

industry will take great satisfaction in the fact that for the first time a minister has been appointed who is thoroughly familiar with conditions.”

Mr. Aberhart has shown great interest in the development of Albertan oil, which is one of the means of accumulating foreign exchange, which was advocated by Major Douglas in his Interim Report.

The Federal Elections Draw Near

Some idea of the virulence which may be expected in the party political fight may be obtained from the following references to Social Credit and Mr. Aberhart in the opening speech of the Liberal candidate for East Calgary.

He sees it as “either a frail and ill-considered variety of state socialism with the objective camouflaged or a scheme of unparalleled confiscatory taxation on a wholesale basis. . . . What we now know as political freedom will vanish.”

Contempt of Democracy

In spite of the fact that democracy has put Mr. Aberhart into power with an overwhelming majority, Mr. R. J. Manion, Minister of Railways and Canals in the Dominion Parliament, has delivered himself of this sweeping utterance: “No sane person can believe Aberhart will do what he has promised, or that it can be done.”

The present financial system is anti-Christian, un-American, and un-British, since it does not provide social justice and individual security.

AN M.P. TAKES THE CHAIR

The Right Hon. the Earl of Tankerville is addressing a public meeting in the Watts Hall, Southampton, on October 28. The subject of his address will be the Electoral Campaign for the abolition of poverty and the issue of National Dividends.

The chair will be taken by Mr. W. Craven-Ellis, M.P., who has accepted the invitation because he is anxious to learn, so far as the meeting can disclose it, what in fact is the will of his constituents.

The Dean of Canterbury, who recently landed in New York on his way to Canada, immediately conferred with Father Coughlin, the famous radio priest of Detroit.

Father Coughlin, as readers of this paper will know, has a weekly audience of so many millions that he needs a staff of over a hundred to deal with his immense correspondence. These two have issued a joint manifesto condemning the destruction of foodstuffs, and calling for a scientific money system in order to prevent war.

“We consider it the duty of every Christian openly to condemn restriction of output as one of the worst types of sacrilege,” says the manifesto, quoted by Reuter.

“The world has sufficient goods to give everyone in Western civilisation a good standard of living.

“The present financial system is anti-Christian, un-American and un-British, since it does not provide social justice and individual security.”

The Dean has been invited to attend the opening of the Alberta Legislature, when the first Social Credit Government in the world will sit for the first time. He is not conducting his speaking campaign in Alberta, where victory has been won, but is making speeches in all the other great provinces of the Dominion.

Take Care

A PERUSAL of contemporary journalism . . . would lead one to suppose that the sole object of man’s existence is material production. . . . For this reason it is necessary to examine any proposal for the rectification of the existing situation with at least as much care as the policy now operative.

Political democracy without economic democracy is dynamite. The need is to abolish poverty, not to represent it.—Major C. H. Douglas in “The Monopoly of Credit” (pp. 85 and 86).

VICTORY FUND

A MONTH ago the Dean of Canterbury announced the opening of a Victory Fund in honour of the first Social Credit Government in the world.

The following sums were received by Tuesday, September 24. All contributions will be acknowledged in SOCIAL CREDIT, only under *nom de plume* if desired:—

Fourth List of Subscribers to Victory Fund.		£	s.	d.
Amount previously acknowledged		109	13	2
J. D. Bennett	...	5	5	0
Mrs. K. M. C. Evans-Lawrence,				
Andoversford	...	2	0	0
“Kildalton,” Bridge of Weir	...	0	10	0
“H.G.”	...	0	5	0
“Wac,” Wallasey	...	0	2	6
“Peace With Plenty,” Glasgow	...	0	2	0
“I.L.S.”	...	0	2	0
“Mac,” “Pat” and “Bill” (1s. each)	...	0	3	0
		£118	2	8

Cheques should be made payable to the Treasurer, Mr. J. E. Tuke, and sent to the Secretariat, 163A, Strand, London, W.C.2.



THE SHEPHERD WHO TREATS YOUR DOGS AS SHEEP
If you whistle loud enough your dogs, instead of being shepherded like sheep, will turn and fetch your sheep for you.

IN THIS ISSUE

Incomes and Prices, by R.L.N.	51
The Dean of Canterbury	51
Socialism Superseded	52
A Remarkable Prophecy	52
Overseas Notes	53
Special Book Supplement	54

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Rank Heresy!

SIR JOHN ORR has put the cat among the pigeons of Westminster.

During the Great Economy Campaign those doughty Ministers of the Crown who were doing battle for the Pound Sterling declared there was no such thing as malnourishment among the inhabitants of these islands.

But after the battle was over, medical reports of starving mothers and undernourished children became so frequent that at last the Ministry of Health sent out some of its experts into the highways and byways to make investigations.

What these experts had to say was so sensational that the Ministry spring-cleaned itself and set up the Advisory Committee on Nutrition, with Sir John Orr as a member of it.

Sir John, it would seem, has *not* had a sound financial training. He actually thinks that marketing boards should try not to keep up prices but to see that every household has all the food it requires. In fact he says, "The provision of food is as much an essential public service as education or the making of roads."

There is worse to come. Instead of echoing the medical experts who have calculated that the Unemployed Stomach can be kept alive on 5s. 10½d. worth of plain food a week, he bluntly declares that £1 a week income is the "Plimsoll Line" of nutrition and the safety margin is twenty-five shillings per head.

On top of this, he goes and initiates a private survey and blazes abroad the fact that there are twenty million people not getting adequate health-giving food! Is this the way to maintain confidence? Is this the way to uphold the stability of the Pound Sterling? Is this the way to reassure right-thinking men and women that Prosperity is round the corner?

And to crown all he actually suggests that a sum of £200,000,000 should be spent to adjust price levels for foodstuffs so that all these starving people shall be properly fed and agriculture put on its feet.

Surely his extraordinary remarks about the marketing boards are alone enough to condemn him as a practical economist? As every school-child knows, these boards exist in the interests of producers, distributors and board officials. You and I and the others who merely want to eat or drink the produce are, of course, rightly ignored.

For example, the Milk Board, which has written seven million letters (two and a half letters per cow) since its inception, has no use at all for milk drinkers who haven't enough money to buy milk with. So immense quantities of surplus milk have to be fed to pigs, or otherwise put out of harm's way.

Twenty million undernourished Britons would know what to do with Sir John Orr's suggested £200,000,000, and what they did would weaken the interest of producers in such things as Marketing Boards.

Instead of going cap in hand to the banks for it, why not issue it as National Dividends to buy £200,000,000 worth of milk, meat, fruit, vegetables, wheat, etc., which farmers are dying to supply? Then everyone would be happier and nobody would suffer for it.

But all this is rank heresy, and if any orthodox economist got to hear about it he would tell you it was against all the forty-nine rules of Sound Finance. And because Man was made for Finance, and not Finance for Man, it is better to die of starvation beside a milk dump than live to a dishonourable old age with the aid of 'unsound' money.

G. W. L. DAY.

Defrauding the Ratepayers

According to the Bank of England's Statistical Summary for August, the municipal debt of Great Britain amounted to £758,400,000 in March, 1924, and in March, 1933, to £1,300,300,000. This tremendous figure represents part only of the cost of new houses, education, public health, highways, bridges, etc., for additional sums are paid for these purposes by the State.

No wonder rates continue to rise, and no wonder the banks have been able to increase the amount of money in circulation, for probably at least 90 per cent. of the increase of £541,900,000 was provided initially by creation of credit. It is the old war-loan ramp over again. On a smaller scale, the banks use the nation's credit to put the nation in their debt. Trade has been assisted, just as it was assisted by the creation of debt during the war, but at what cost!

All these municipal undertakings were physically possible, the men, the skill and the materials existed, but the men—the nation as a whole—permit such activities to be regulated, not by needs and possibilities, but by licences, and give the monopoly for their issue to an organisation outside their control.

The abolition of poverty must of necessity mean that credit policy will be controlled in the interests of the community. The success of the Electoral Campaign means an end to this form of fraud.

Economic Nationalism

The "World Economic Survey," issued by the League of Nations, is always an interesting volume, and the one just published for the year July, 1934, to July, 1935, is no exception.

The author, Mr. J. B. Condliffe, reports that "the economic outlook at the beginning of 1935 was distinctly more confused and unpromising than it had been a year earlier," and later, with the smoke of orthodoxy in his eyes, that "the characteristic feature of the recovery that has been proceeding slowly and unevenly since the middle of 1932 is its dependence upon national markets and national politics. . . . international trade shows little sign of revival."

This is a cry from the heart, for the orthodox economist is an internationalist before all things. And with good reason, for only by an ever-increasing export of goods in return for debt, has it been possible to maintain the present financial system. But international trade was bound to decrease as more and more countries became industrialised, and so to-day we are witnessing a bitter economic war for such "undeveloped" markets as remain (e.g., Abyssinia), and a partially successful attempt to revive home trade by increasing internal debt (e.g., Municipal debt, see our note elsewhere).

Economic Internationalism

The economic internationalism of finance has brought the world to the brink of the precipice. True internationalism can only come about when the peoples of each country are able to buy all they produce, and, as a result, international trade becomes a friendly exchange of surpluses instead of, as at present, a life and death struggle to sell overseas goods unsaleable at home. Those who demand the abolition of poverty and the issue of National Dividends are the real internationalists, others, who so call themselves, are either bankers' yesmen or self-deceived idealists. In either case they endanger the peace and freedom of the world.

The Proof of Science

In a previous issue a contributor drew attention to the accuracy of the forecast made by Major Douglas at *The New Age* dinner in March, 1933, that the outcome of Mr. Roosevelt's financial policy would be "to consolidate the monopoly of credit in a few hands." We return to this subject simply to place on record the summing-up of the effect of the new Banking Act by a writer in *The Economist* of September 21. He states: "The net effect of this Act will be to continue the process of centralising the authority of the Federal Reserve System in Washington, as the twelve Federal Reserve Banks will henceforth be virtually the servants of the Board of Governors. Centralisation of control will not, however, mean political control, for the Governors are to have long terms, and are not eligible for reappointment. Moreover, the Secretary of the Treasury and the Comptroller of Currency, both political appointees of the President in office, are no longer to be members of the Board." The proof of science is prophecy!

How Will Italy Pay?

Our intelligent contemporary, the *Daily Express*, has been doing a little thinking about war finance. Some people, it says, have been keeping up their spirits by saying that Italy won't be able to pay for the war. But "Alas for fond hopes! Mr. Lloyd George, Chancellor of the Exchequer in 1914, told the writer that bankers assured him then that they could stop any war. When it happened that the war came, they said, 'It can't last four months. The money isn't there.'"

"How do the economists and bankers think that the other Italian, Napoleon, carried on his wars of invasion? France had no gold, the Treasury was stuffed full of paper.

"Mussolini is better off than that. He has best part of a hundred million pounds in gold to finance foreign purchases. He could print paper money for home use, and will if need be."

There will be no difficulty at all about finding money for Italy's war. Finance will see to that.

Milk and Money

The controversy that has arisen between the Milk Marketing Board and the distributor is a quarrel over a halfpenny.

Farmers have been getting 10d. a gallon for their milk, whereas distributors, in some districts, have received as much as 11½d. a gallon. The Board wishes to make distributors pay farmers one halfpenny a gallon more, and for this a strike is threatened. The Board had to make a choice of evils, as usual under the present evil financial system, and it has chosen to ruin small distributors, for this is what the increased price must mean for some of them. In Merthyr Tydfil there is one roundsman for every sixteen gallons of milk distributed, and a reduction in the profit on each gallon must result in a loss to the distributor.

Distributors, naturally, want others to be sacrificed, and urge that both the wholesale and retail price of milk should be reduced, thus increasing sales and driving the less efficient producers (i.e., the small farmers) out of business, for they say present wholesale prices are too 'attractive and have resulted in "an embarrassing increase of supplies"! (*The Times*, September 21.)

How easily and naturally all this sort of thing would be settled by National Dividends.

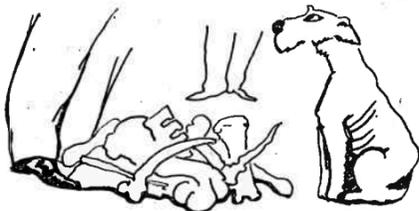
An Earnest of Good Intentions!

The writer of the "Notes of the Week" in *The Economist* for September 21, perpetrates the best piece of unconscious humour it has been our pleasure to read for a long time. Commenting on the appointment of Sir Otto Niemeyer to carry out an enquiry into the Indian financial situation, in connection with the coming into operation of the Government of India Act, he says:—"The Government have not been slow to give India this earnest of their good intentions!"

In this case, the road to hell—of financial slavery—will most surely be paved with the British Government's "good intentions," Sir Otto will see to it; he is an expert paviour of such roads, for he has acted in a similar capacity for Australia, Brazil and Argentina in the past.

Mr. Winston Churchill once said that "the soundness of any financial proposals could be judged by their unpleasantness"; unpleasantness is too mild a word to describe the hell of misery and poverty which resulted from the adoption of Sir Otto's proposals in Australia, and doubtless in the other countries he has advised.

Sir Otto Niemeyer might be described as a financial vulture, were it not that the corpses usually appear after his departure.



THE intelligent dog sat looking at a great pile of nutritious bones. He was hungry as well as intelligent, but he did not satisfy his hunger, which may be an indication that he was not such an intelligent dog as he thought he was. His master had told him that he must not eat the bones, not because they were not good bones, not because he was not hungry, but because his master had not arranged certain formalities which had to be dealt with before it was proper to feed.

"I think it is time to eat," muttered the dog.

"Not yet, you silly cur," said Mr. Bennett.

"Why not?" grunted the dog.

"Because we are on the gold standard," said Mr. Bennett.

"Ah, yes," drolled the dog. "I hadn't thought of that."

"That's your trouble," replied Mr. Bennett; "you don't think. If I let you have your own way you would go ahead and eat those bones and then where would you be?"

"Right here," answered the dog. "Do you think I could have a bite or two before I starve to death?"

"Certainly not," replied his master. "As soon as I borrow some money and raise the tariff and things get settled in the United States and Australia, and if I don't get defeated at the next election, and after the banks have reduced their interest rate from two to one per cent, and Russia gets back to a civilized form of government, and the

BONES

By Harris Turner

With acknowledgments to the "Alberta Social Credit Chronicle."

price spreads committee quits its silly nonsense, and if I can boost up the tariff three or four more points, and the index of price levels indicates that the tide has turned, and the amalgamation of the railway systems produces a condition more favourable to the possibility of an economic recovery, and there is less danger of a European war, and there is a disposition on the part of the Orient countries to consume more of our wheat, and if there is evidence of a definite change in the climatic conditions in the western part of our national heritage, and people begin to realize the profound excellence of the pioneer spirit which actuated those sturdy ancestors of ours who hewed humble homesteads for themselves from the wooded wilderness, I think it might be proper to assume that you might be allowed to munch part of a bone.

"Is that the gold standard?" enquired the dog.

"No," responded Mr. Bennett; "that's an after-dinner speech."

"After dinner is a time of day that does not appear on my clock," said the dog.

"Anyway," said Mr. Bennett, "I think my



neighbour, Mr. King, is going to take you over in a month or two, and then you will be thankful that you had me for a master."

Just then Mr. King strolled up and the dog asked if he would be allowed to eat the bones when Mr. Bennett had turned over the kennel to him.

"There is little doubt about that," said Mr. King.

"What little doubt is there?" asked the dog.

"Well," replied Mr. King, "if you will only be patient and realize the difficulties surrounding the consumption of bones while maintaining the gold standard, and when I get the tariff lowered a point or two, and when we can persuade the Oriental countries to consume more of our wheat, and when some new Beauharnois can supply us with more campaign funds, and when we realize the vastness of the heritage which our forefathers bequeathed to us after hewing humble homesteads from the wooded wilderness, and when we can borrow a few more million dollars, and when I prevent the railways from entering into a disastrous amalgamation, and when I have time to consider the matter, then, I think, there is a possibility that you may be permitted to gnaw a small portion of one bone."

But the dog had collapsed from exhaustion and his own personal fleas skidded about his protruding ribs with fiendish abandon.

Incomes and Prices

By R. L. NORTHBRIDGE

(From the "New Northman," abridged)

"I, Galileo, being in my seventieth year, a prisoner and on my knees, and before your Eminences . . . abjure, curse and detest the error and the heresy of the movement of the earth." — Galileo (under threat of torture), June 22, 1633.

"I have made an estimate of the loss a mill would sustain from working eleven hours a day only instead of twelve, and I find it would amount to £850 per annum. If it were reduced to ten hours, it would be about £1,530 per annum. Unless, therefore, the millowner can obtain a proportionately higher price for his commodity, he must reduce wages or abandon his trade. I have made some calculations as to the probable reduction of wages and of the whole loss that would be thrown on the operatives. I make the amount in the case of eleven hours a day to be 13 per cent., and in the case of ten hours a day 25 per cent., at the present average rate of wages . . . I cannot recommend the House to adopt an enactment which limits the labour of young persons to a shorter period than twelve hours."—Rt. Hon. Sir J. R. G. Graham, in the House of Commons, March 15, 1844.

ALTHOUGH the actions indicated by the quotations may seem to-day a little arbitrary and obtuse, we are not in a position to cast the first stone. People reserve a peculiarly bitter resentment for those who disturb their fixed ideas, and Parsons was forced to build the *Turbinia*, enter forbidden waters round the Fleet at Spithead, and elude every effort to catch him, before anyone would admit that a turbine was mechanically feasible.

There is, therefore, no reason to be surprised at the reception accorded to the Social Credit proposals of Major C. H. Douglas, since his analysis of the present economic system revealed a fallacy in a most cherished economic tenet, and his remedy for the situation involved a novel method of distributing the economic product.

The Douglas Discovery

The Douglas discovery was not precisely that industry (the ultimate source of all incomes) did not distribute sufficient money to buy the goods and services produced, but that it distributed the money at a slower rate than it produced goods. It produced prices faster than it distributed the means to liquidate them.

It is quite in the Graham tradition, as revealed in the above quotation, that critics should prove that every item in costs had been, or will be, distributed in incomes, and then imagine that they had "disposed of Douglas." All that they have done, of course, is to show that they have not understood him; the word "rate," with its insistence on the time factor, is left right out of the economic picture, which is always assumed to be one of "a perfectly steady state of self-repeating movement."

Poverty Amidst Plenty

One of the results of the situation discovered by Douglas is the well-known paradox of "poverty amidst plenty." In the midst of appalling indigence, a great deal of the product (especially agricultural "surpluses," which are less easy to control than industrial commodities) has to be destroyed, or the producer coerced into restricting his production. Both the following extracts come from *The Daily Express* for May 8, 1935:—

"The Milk Board have announced their intention of fixing the quantity of milk to be produced on a farm. If that figure is exceeded the farmer will be paid a much lower price for his increased production."

"Notts County Council declined to receive a deputation who wished to put the case for free milk for school children and the feeding of the necessitous."

A great deal of the otherwise unpurchasable product, however, does get into the hands of consumers at the price of an increasing debt to the creators of money. The commercial and funded debt of the United States had reached in 1929 the colossal figure of \$204 billions* (Warren & Pearson: *Prices*, 1933), and continues to grow as the fourth power of time—a rate which no productive system can possibly support. Some highly mathematical investigations have been proceeding on this aspect of the question, which is dealt with in "Debt and Production," by Mr. Bassett Jones, a well-known American engineer.

Incomes Outstripped by Prices

Some very interesting figures are also available from the Irish Free State, as a result of a special census taken in 1926 and again in 1929. According to the Government's Statistical Abstract, the wages and salaries paid out in 1929 by a comprehensive list of trades and industries were £11,414,390 and £2,835,484 respectively. During the same

* An American billion is a thousand million.

The DEAN of CANTERBURY

discusses the Social Credit Remedy

This is the third of a series of articles under the general heading of "Money, Righteousness and Common Sense" by the Very Reverend Hewlett Johnson, D.D., B.Sc., A.M.Inst.C.E., Dean of Canterbury. Previous articles appeared in the last two issues of "Social Credit."

IN my two previous articles I showed first how wicked and senseless is the present process of waste and destruction, how monstrous it is that side by side with want there should be unemployment: unemployed men, as a whole, needing the very things which as a whole they can produce; men asked to tighten their belts and economise whilst a vast army of potential producers is kept unemployed. That worldwide unemployed army, if joined hand-to-hand, would stretch right round the globe. Think what such an army could produce in the way of food, clothing, and anything else in a material way which men need. It is laughable that we should be short of things, were it not so deadly serious, and were not human lives at stake.

I next said money was at the root of the trouble. We all know the phrase "shortage of purchasing power." I outlined a scientific explanation of this money shortage, and in doing so I prepared the way for suggesting the remedy, and these are the steps for a scientific method of balancing production and purchasing power.

First, procure an estimate of the nation's real wealth.

Second, keep track with that wealth and see, year by year, whether, and by how much, it increases. We consume so much; we add so much; the difference between consumption and production is the increase of our real wealth. That increase must be provided with an exact equivalent of money tickets, precisely in the same way as you add

period the gross value of the output of the factories under review, less cost of raw materials, fuel, light and power (i.e., the money value added to the goods by the firms in question) was £24,932,139.

There is also the constant tendency to dispense with human labour in the productive process, its place being taken by the machine. The wage is giving place to the overhead charge, with disastrous effect upon the purchasing power of the people. The Official Year Book of New South Wales for 1929-30 (to take an example at random) shows that, since 1912, on account of improved methods of production, the area under crop has increased by 50 per cent., although the number of persons permanently employed in agriculture has decreased by nearly 40 per cent.

Douglas Confirmed by Facts

It can hardly be denied that the conclusions reached by the Douglas analysis of costs fit the observable economic facts. Our problem to-day is a problem of glut: we are able to produce commodities faster and more efficiently than we can distribute them. Our money system has shown itself unable to meet the demands imposed upon it by modern power production.

The situation could hardly be plainer, and yet the remedy seriously put forward by both Right and Left wings is "planned production," either by the Corporative State or by the public ownership of the means of production. Is it not obvious that our productive system is highly efficient, and that it is just that efficiency, in relation to the much less efficient distributive mechanism, which has caused our difficulties? Production can be safely trusted to plan itself according to the ways in which the consumer spends his money, provided that he has sufficient money to absorb the full output.

Moreover, advocates of State ownership appear to suffer from the delusion that ownership gives control. It most certainly does not; if it did, there would not be an idle factory in the country. Control is vested in the effective demand for the product of the factory, and to the ordinary consumer it is a matter of no practical moment who owns the factory as long as he has the money to purchase and enjoy its output.

Such proposals as these are based, probably unconsciously, upon the idea that there is not enough, or barely enough, to go round; that scarcity is still the central fact of all human economy. It is very well known that the United States, for example, has at present a productive system capable of providing every family with a standard of living equivalent to \$5,000 per annum, and that the raising of this standard to still higher levels presents no engineering difficulties; but facts like these too often make no impression upon our habits of thought. Nevertheless, they are facts; every individual has interests in common with those of his neighbour, and it

more tickets to a theatre if you add more seats.

That money must, of course, be created by the country—costless money, created to implement production.

Theory and Procedure

That is the theory. Consider the procedure.

Consider the nation as a business concern; call it Britain, Ltd.

Britain, Ltd., will keep, as all business firms should do, its National Account Book, in which are entered all its real wealth; lands, building, machinery; all its property, in short. Accountants can do it. Most of the data are already obtainable. This estimate once made, we can keep track of the wealth; how much we add, during the year, of houses, machinery, finished goods, and imports. Likewise we can see how much we consume. How much wear and tear, how much raw material, how many goods exported, and how many finished goods sold from stock.

The difference between consumption and production is the measure of our real wealth in goods—capital goods (works, etc.), and consumable goods or finished products (apples, motor cars, etc.).

To express it in money terms: Suppose production is four hundred million pounds and consumption three hundred millions. We must then create one hundred million pounds of tickets, which will last so long as the goods last. When this sum is spent, goods to the value of one hundred million pounds pass into the consumption column of the account book and both columns balance. We can create the tickets precisely at the moment they are required if we give a discount of 33 per cent. on articles sold, and if the Treasury made up that discount price to retailers.

The Inflation Scare

In a longer article I could say a good deal more to allay fears about inflation. It is

absurd to suppose that they can to-day only be obtained at the expense of his neighbour.

Everyone Knows What He Wants—

Sound reform can begin only at the point where the trouble arises—the money system, and the breakdown of effective demand. Place the consumer in a position to call upon industry to its full capacity and he will see to it, by his purchases, that industry is run to suit him. Each individual knows what he wants from the productive system better than any Government that ever went into office. Money has been defined (by Professor Walker) as "something which, no matter what it is made of or why people want it, no one will refuse to take in exchange for his goods, if he is a willing seller." It is therefore perfectly possible, indeed necessary, to increase the amount of money in the hands of consumers up to the total sum necessary to purchase all the goods for sale. What would we think of a theatrical manager who printed tickets for only half of the seats?

—And Can Demand It

Major Douglas has suggested that part of the necessary increase should take the form

supposed that we are proposing to create an immense mountain of money. It is also supposed that all this is to be created as currency. That is a mistake; most of the money created to-day being not currency but paper credit.

I would observe that the only danger from abundance, or superabundance, of money, lies in the fear of increased prices, but part of this whole procedure is to reduce prices. Much money side by side with price reduction is removed from all fear of inflation.

To-day the banks have two powers and they are complementary one to another: power to create money, and power to cancel money. We propose to recover nationally both of those powers.

The Just Price

Here at last, in the National Discount, we shall have installed that thing which the Church in earlier ages always demanded, namely the Just Price. Any person who bought any article would pay for it the replacement value, and that only: they would restore what had been consumed. They would therefore pay a Just Price for it.

The discount price is the Just Price. It is not a fixed price. Price fixing is indeed futile, varying with every invention or improved organisation. Prices would then be fixed precisely as now, by open competition; and by the same process as to-day the Rolls Royce car might be £1,000 and a small Standard car £200. The 33 per cent. discount would make the Rolls Royce £750 to the purchaser and the Standard £150.

It will be seen on reflection that the National Discount creates money in exactly the required quantity and places it directly into the money stream to make the money stream flow at the same rate as the price stream.

By this means there would always be adequate money in the pockets of the purchasing public to claim the goods produced.

No goods need necessarily remain unsold. Total money would equal total goods.

Inflation would be avoided because the money comes into being as the goods arrive.

Only one difficulty appears. It can be surmounted. The efficiency of the machine increasingly displaces labour. There is not much point in a discount if you lack money because you have no employment giving you access to the money stream.

Therefore, the National Discount must be supplemented by the National Dividend.

The demand for that dividend is a sane and righteous demand of which I shall speak in another article.

of a free and unconditional Dividend to every member of the community, from birth until death; those engaged in industry would, of course, continue to receive in addition their wage or salary. Such a Dividend is an expression of the fact that all are heirs to the increased wealth made possible by what has been called the Industrial Revolution. It is also the indispensable prerequisite to individual freedom; it is held that neither the State nor any other body has the right to bring economic pressure to bear upon the individual. The State was made for man, and not man for the State.

It is utterly inconceivable that human ingenuity, which has produced such marvels as the automatic telephone and beam telephony, should be unable to solve the comparatively simple problem of distributing the plenty it has created. Social Credit awaits only an uncompromising public demand.

"Guinness is good for you." After an evening's Canvasing.

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KLEEN
BLADES

SOCIALISM SUPERSEDED

John F., a veteran Socialist campaigner, but now an enthusiastic Social Crediter, is desirous of reaching the largest possible audience. Instead, therefore, of lecturing only to a comparatively small number, he sends us this address to publish.

My Friends.—When, in the old days, we begged the workers to think for themselves, we were confounded humbugs. "Don't take your thinking from Liberal and Tory," we shrieked; then we added unctuously, "think for yourselves"—meaning, of course—think as we tell you to think. For, believe me, friends, if a Socialist thinks for himself, he mustn't express that thought at the branch meeting. I have been fraternally expelled myself, so I know.

To-day I'm going to talk about thinking, directly and simply. I need not be told that there is no such thing as "free" thought, for, admittedly; we are all constantly being influenced by the opinions and prejudices of others. Surely it is a biological urge to be always seeking a better way, and the impulse to transmit the new-found wisdom to one's fellows is the normal social activity of a human being. Indeed, if it were not so, I wouldn't be here to-day trying my hardest to win you over to the principle of a National Dividend.

Just Think

Let's have done with loose talk about loyalties, to party or sect. The so-called renegade or turncoat (provided, of course, that he is intellectually honest) has more right to be called a thinking man on the subjects of his alleged apostasy than the person who merely inherits a belief, and who probably never has given it a moment's thought. Have you ever reflected how many things in life we all just take for granted, and how much of preventable evil and sorrow is due to a lack of thinking? Let us justify our claim to be creatures, not only possessing reason, but exercising the faculty of reason. Some things "just grow" but when the ground is choked up with weeds, and old bricks, and tin cans, a vigorous growth is impeded. You may laugh, but it's not a bad comparison—anthropologists tell us that we still carry fish gills about with us, and have done so right through amphibian and reptilian eras. And if we weren't born with the old tins and broken bricks of rubbish-heap ideas in our cranial roof gardens, society through early education makes short work of cluttering up the soil. I don't underestimate my task, but the thought that we are a people traditionally reared on a non-thinking or an old-thinking basis is itself a fundamental thought. Clear thinking, courageous thinking, thinking imperially, free thinking, all sweet things, brother—from the wind-bag on the heath, brother—but what is needed is *thinking*.

It is necessary to talk in this fashion, for I myself am by no means quick to abandon an old idea and to assimilate a new one. There is a cussedness about human nature I get fond of an old idea, just as I do of an old pair of boots, and probably for the same reason, comfort. But the comfort goes when the idea gets as thin as does the sole of the boots, and needs replacing with something of stouter stuff.

Most People are Poor

Let's start with our thinking somewhere about the beginning. Self-preservation is the first law of nature, yet, while, obeying this instinct, the great majority of our people go through life with little comfort, scant self-gratification and but the shadow of security. Yet nature is so bountiful, and man so clever! The whole sorry scheme is wrong somewhere. In the days when I ate and drank and slept with statistics of inequalities of incomes, I was startled to find that only ten per cent. of the people had the opportunity to lead a full and tolerably free life. Some people think of poverty only in terms of bare feet, torn trousers, crusts of bread, fireless grates. In that sense of course I could not contend — for God knows there was plenty of destitution—an abundance of general distress. But still more glaring was the fact that *as many as nine out of every ten freeborn Britishers* were without a really adequate supply of good food, clothing, furniture, books; an almost total lack of cultural education was noticeable in art, music and science, and there was scant evidence of travel. But most fearful of all to the scientific investigator, was the impoverished mental outlook of the Victorian bourgeoisie. A philosophy of life that began with putting away a bit for a rainy day, paddling your own canoe, virtuously working hard (or exhorting others to do so) and ending with that spacious conception of leisure, the weekly half-holiday. Later, more daring spirits propounded the weekend theory of recuperation, and there were even a few who, once in a lifetime took a five-

day conducted tour to Paris that absorbed a year's savings!

Rip Van Winkles

Great Leonardo da Vinci. What a life! But, practically speaking, the same huge numbers are still in some part of Poverty Street, and all thoughtful people are genuinely perturbed at the general scarcity in the midst of abundance. Social Crediters are concerned with this problem and with nothing else. Socialists once stood for the abolition of poverty—indeed it was claimed that Socialism, the collective ownership, etc., was the only hope for the world—but they are completely out of date now and totally without a constructive policy. Their leaders are Rip Van Winkles, complacent old gentlemen who have slept all their lives through the clangour of modern machinery and who still talk in the scavenger-cum-wheel-barrow conception of labour, and the fat-bellied gouty capitalist of tradition. Or Peter Pans, brilliant young boys and girls from Oxford (Ruskin, not Magdalen) who lecture about Freud, Aldous Huxley, King Cole and Saint Joad, and the psychology of the mechanisation of Soviet China. But nary a word about poverty!

JOHN F. on the Rostrum

Socialism is a Wash-Out

To be quite frank with you, friends, Socialism is a wash-out. It might have been applied in the days of Robert Owen, but as the philosophy of a better way, it has been completely superseded by the conception of a National Dividend.

Men and women, we simply must rake over our ground and throw out the old tin cans and chunks of concrete—the sounding phrases, and the "hard economic facts" of a "three men and a boss" factory. Karl Marx had a fine beard in life, and his doctrines have whiskers now. To use his theories in our age would be like stocking a modern garage with tricycles.

Have I given you something to think about? I must be careful, for the doctor always says build up your strength gradually. Well, friends, I am going to close this session with my original and spectacular illustration of The Futility of Socialism and the Necessity for a National Dividend. Just give me your closest attention please.

Watch Carefully

I have here in my hand a piece of paper, four inches long. I have ruled it into four equal parts, one of which I have shaded. Now, watch me very carefully, for I have quite a lot up my sleeve.

Statistics indicate that the ratio which production bears to consumption is at present, roughly 4 to 1. Let that complete piece of paper represent the National Production, and a quarter of that, the dark part, is National Consumption.

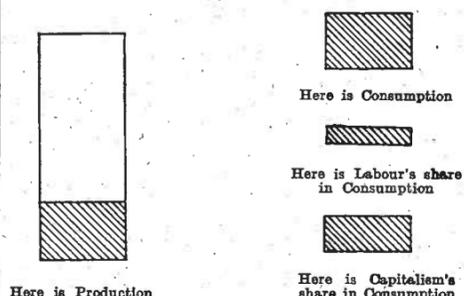
Now, from the Socialist platform we used to point out that the worker's share was but one-third of the National Consumption, the remaining two-thirds being retained by the capitalist. Well, we'll cut off one-third from the shaded part. So here you are, comrades, here's what you get of the National Consumption.

(Loud laughter).

Why in the name of all that's sacred you should laugh, I don't know. If a man stole your five-shilling watch, you'd be very angry, but when your birthright is filched from you and withheld from your children, you are convulsed with hilarity! Think, brother, *think*.

Don't Laugh—

But you Socialists are laughing at the wrong place. Just wait till I finish the demonstration, and then I'll leave you to discuss it with your mates. One of you can surely make the paper gadget. It will provide you with work.



A Nice Cup of Tea

Our rapid growth is already beginning to be reflected in our advertising columns, and all readers will wish those who thus support their paper to benefit from their action, and can ensure this by buying from our advertisers whenever possible.

You, Mr. Reader, can now feel a certain satisfaction when you shave each morning by using the razor of a supporter, and then afterwards donning a shirt made by another. Every reader who buys a car to-day can do so through yet another. Or a holiday can be spent either at the country cottage of an ardent Social Crediter, or at the hotel of another.

As practically every reader drinks tea from one to five times a day, and in rarer cases incessantly, while all readers wish to assist the funds of the Secretariat, we make no apology for calling special attention to what the Chota Hazri Tea Company has to offer.

This enterprising concern, which supplies excellent tea (we drink it at headquarters), not only gives a special discount to readers, but sends a subscription to our funds, amounting to 3s. on every 10 lbs. ordered.

We wish to urge readers to try this tea, and if it suits them, to order it regularly. The subscription comes to us on smaller orders, but the most economical, for carriage and packing, is the 10 lb. case, so get your friends to join you. Many readers who work in large offices could extend the good work in great style.

The Prophet

AUGUST, 1923. William, the engineer, and Christopher, the architect, were touring the South of England and making rather a busman's holiday of it. William had just been examining an iron railway bridge and had criticised the painting that was in progress, drawing the architect's attention to the necessity for chipping off old rust before applying a new weather coat. Christopher, a little bored with modern construction covered with rust bubbles on so fine a summer afternoon, pointed to an ancient church not far off, and urged that it would probably be worth a visit.

And indeed it was: for plan and details were unusual and, mercifully, had escaped much of the nineteenth century restorers' destructive zeal. Some restoration of the interior, however, had been completed recently, fortunately in a sympathetic manner and not disrespectfully of the ancient work. The architect was showing this to the

engineer with approval when the hollow sound of the lifting door latch made them turn their heads.

An odd figure of a parson entered: tall, ungainly, and untidy even to dragging boot-laces, but with the face of a saint. He introduced himself as the Vicar, and began at once his story of how the recent restoring had been accomplished, how one day, when he was in despair of ever raising enough money to pay for all the work that must be done, an unknown man had walked into the vicarage and had given to the church the whole sum that was required, refusing his name; he had never seen him again. "Everyone is poor now owing to the war," he said, "so was it not wonderful how that money came?"

Armageddon

The talk, naturally at that time, drifted on to the late war to which the architect referred as Armageddon. "No," said the Vicar, smiling, "it was not Armageddon; that has yet to be fought."

"But surely it was the 'War to end war'? At least there will be no more in our time. The League of Nations must be of some effect?"

"War will come through the League of Nations."

"But . . . ?" protested both engineer and architect.

"I will tell you how it will come, and perhaps soon. Nations will not settle down in peace, in spite of the goodwill of their people. All hopes will be centred in the League and, after many rumours of war and at last when war is imminent, nations in desperation will agree to appoint a kind of ruler over them all. He will be a type of man who can be universally admired and trusted, a splendid presence and character; and he will be made arbitrator of all international quarrels through the League or some other organisation similar to it.

"But this man, the trusted guardian of peace, the hope of the whole world, will be indeed the Prince of this World, the Devil incarnate.

"As soon as he is in power he will so work as to set nation against nation without hope of agreement—devil's work though well-meaning. Then will be fought Armageddon, and the final battles will be at the place of that name, on the plains of Troy in Asia Minor."

"What a terrible idea. Dreadful. But have you authority for this?"

"Yes; the Revelation of St. John the Divine."

For some time after they had gone on along the road the engineer and the architect were silent, then "Have we been listening to a prophet?" said William.

"Time will tell, 'perhaps soon' he said, but not in our time I hope," replied the architect. AQUARIUS.

Socialism says "All wealth is created by Labour . . ." and all Socialist energy is expended in attacking Capital's share.

—Make up your Minds

Now then, here are two questions:

This is the whole of Production

Here is Labour's share in Consumption

(1) Is the worker poor because the capitalist gets this whack

or is he poor because nobody gets this lot

(2) Is it worth while fighting and struggling in the Socialist camp to obtain part of this:—

When, under the banner of Social Credit you could get

JOHN F. LESSELS.

CORRESPONDENCE

Timely Preparation!

I take the opportunity of congratulating you on the new form of the paper, while regretting that it may not be any easier to bind in home-made fashion!

It may interest you to know that I am a bank clerk and during the last year I have converted five of my colleagues into enthusiastic New Economists; naturally we have to be careful in proselytising for fear of losing our jobs, but I am continuing the good work, as I feel it a good thing to gain the allegiance of the higher bank officials of the future—if present civilisation survives so long!

AN IRISH BANK CLERK.

Two Suggestions

(1) Complimentary copies of SOCIAL CREDIT: I receive complimentary copies of periodicals from time to time, and it is evidently considered a good method of increasing circulation. I am therefore ordering copies of SOCIAL CREDIT to be sent, at my expense, for four consecutive weeks, to three clubs. They are to go directly from the publisher without mentioning my name.

(2) Appeals from charities: There was a correspondence in *The Times* recently on what to do with the stamped and addressed envelopes which some charitable organisations send out with their appeals. I am afraid experience has taught them not to enclose a stamp in my case, but those who have a more generous record would do well to return the envelopes filled with Social Credit literature. In fact, every appeal ought to be answered in this way, even if we have to provide the stamps ourselves! Can any lady devise a Social Credit counter-attack on flag-day sellers?

Norwich.

JOHN CHESTER.

Overseas Notes

What About It, Canada?

IT is very little use trying to prophesy about the result of the Canadian federal elections, which are to be held in less than three weeks' time. The situation is without precedent, and even observers on the spot have to confess themselves beaten. Not only are there two totally new parties in the field, but the Conservatives seem to be resigned to defeat in advance, while the Liberals are trusting frankly to the swing of a political pendulum which may be violently deflected from its traditional course, both by the Reconstruction Party of Mr. Stevens, and by the Social Credit League.

"Decidedly Worried"

Whether the two new parties will clash in any provinces, and if so to what extent, is uncertain at the time of writing. *The Times* report of September 20 from Manitoba suggests that the Stevens party "is only now beginning to nominate candidates in this territory [Manitoba and Saskatchewan] and seems to have left itself inadequate time for organisation, while the Co-operative Commonwealth Federation [Socialist-Communist] shows little strength outside Winnipeg and certain parts of Saskatchewan." At the same time this despatch confirms the fact that "both Liberals and Conservatives are decidedly worried about the spread of the Social Credit programme into both Manitoba and Saskatchewan," and describes the enthusiastic scenes in Winnipeg when Aberhart spoke there on his way West from Ottawa. Nobody is going to accuse *The Times* of any tendency towards over-statement, and when it uses the words "decidedly worried," it is a reasonable inference that Social Credit stands quite a sporting chance of getting a working majority of federal seats as far as the prairie provinces are concerned. Even if it does not capture the

NEW ZEALAND ELECTIONS

To Turn on Monetary Reform

There will be more to say about New Zealand in the near future; the elections will probably be held before the end of the year, and they will turn on the question of monetary reform. If anyone feels inclined to doubt it, I quote from *The Times* of September 19: "Mr. Forbes, the Prime Minister, referring to Press messages received here to the effect that Alberta and New Zealand are engaged in a race to be first to apply the Douglas Credit theories, states that the suggestion is entirely contrary to the fact. Douglas Credit theories [he states] are supported by a very small number in New Zealand." Does anyone still doubt it? Then he is surely unfamiliar with the methods of politicians.

AFTER HUEY LONG?

Effect of His Death on Share-the-Wealth Organisation

It is impossible to tell what effect the assassination of Huey Long will have on his Share-the-Wealth organisation. If it indirectly results in an accession of strength to Father Coughlin's National Union for Social Justice he will become an even more important factor in the presidential election, due next year. A Detroit newspaper, in an interview recently, quotes him as promising to make his National Union a power in the presidential campaign, and to swing its eight million membership in support of some candidate not yet named. The message suggests that this will not be Roosevelt, to whose present policies Father Coughlin expressed strong opposition. And why not? Heaven knows President Roosevelt has had chances which fall to the lot of few men in history; America knows what he has made of them.

Meanwhile, Social Credit has had its first official airing in Congress. Alan Goldsborough, of Maryland, on the day of the Alberta elections, introduced in the House of Representatives a Bill which, says *New Democracy*, "in all essential principles parallels closely the exemplary Social Credit bill, drawn up in 1934 by a committee of the New Economics Group of New York." Those who are concerned with Social Credit technique will be interested to know that the trial discount rate is set at 25 per cent., and would then be "that percentage which unused productive capacity bears to total productive capacity." The first year's dividend would be five dollars per month, then not less than five per cent. of the National Credit Account. The bill will be discussed in the House some time during the winter.

Alberta ridings from the United Farmers' Party, the U.F.A. members at Ottawa have for some years shown themselves to be considerably more outspoken supporters of monetary reform than the late provincial government, and a working agreement between them and Aberhart should not be too difficult to arrive at.

The Stevens Party will probably draw its main support from Ontario and British Columbia, and if it only gains, say, a quarter of the seats in these provinces, while the prairies go for Social Credit, there would be a sufficient bloc in the House of Commons opposed to orthodox financial policy to make things extremely difficult for a Liberal Government. In particular they would find it impossible to coerce the province of Alberta by *force majeure*, even assuming that a case could be made out for doing so. Let us be thankful that the money monopoly still finds it necessary to work through the forms of democratic government.

An Open Sore

I shall not waste readers' time by going into the older parties' programmes. Higher tariffs, lower tariffs, nationalisation of banks, nationalisation of everything, labour conditions, attitudes towards the League of Nations—I can only quote that epic American contribution to our language, "Whichever way you slice it, it's still boloney." Nothing matters any longer except the open sore of poverty amidst possible plenty, of servitude amidst possible freedom, and the only question of any consequence in the elections is how many of the people of Canada are prepared to put first things first, *vote for results*, and show unmistakably that they mean to get them. *Abolish Poverty; Retain Liberty.* Here is a platform on which the men and women of Canada can unite to make history on October 14, 1935.

TASMANIAN MONETARY ENQUIRY

Violent Outburst in House

The Tasmanian Monetary Inquiry was resumed at the beginning of the new session, but by an odd rule of parliamentary procedure it has had to be reconstituted, since it was not allowed to sit while Parliament was prorogued. "Mr. Carruthers's motion of re-appointment," says the *New Times* of Melbourne, "was the signal for a violent outburst by the Deputy leader of the Opposition." This gentleman described the Inquiry as "a shocking waste of time and public money," but the House took the view that a guinea a day for out-of-pocket expenses of the Committee was not a damning argument against the most important piece of work the Tasmanian House has done in its history, and adopted the motion, about half the Opposition supporting the Government. The Acting Premier said it was time Tasmania played its part in getting the facts before the public.

BELGIANS DISCOVER SOCIAL CREDIT

A correspondent writes that the Belgian press has discovered Social Credit since the Alberta elections, and that interest among business men has increased to a remarkable extent. I wish I could give the same news about the French papers; Social Credit cuttings would be very welcome from that part of the world; they appear to be almost non-existent at present. This does not mean that the general thesis of poverty in plenty has been ignored. For instance, *L'Oeuvre*, the Left Wing paper, printed in its issue of September 3 an article entitled "Il parait que le chômage augmente," which was in most respects an admirable summary of the case for regarding the machine as a blessing and not a curse. "Either you scrap your industrial equipment and become savages again," says the writer, "or you adapt yourself to technical progress, realising that unemployment is the logical result of the labours of past generations. Then unemployment will appear to you as the reward of progress." His constructive proposals amount to little more than old-age pensions from industry, to allow the younger generation to take its place in the system. But until a French publisher has the courage to look into Douglas, that is the kind of thing we must expect. J.D.B.

To LIVE or to WORK?

For New Readers

That is the Question

"All improvements in process should be made to pay a dividend to the community," or, in other words, money should be created so that those who are displaced by machinery may have the means to buy the output of the machinery that is displacing them.

It is sometimes contended in opposition, by such people as Mr. Geoffrey Crowther, that labour-saving machinery has not destroyed employment.

Of course, nobody suggests that it has completely destroyed employment—or *quite* removed the curse of toil, if one prefers to put it in that way—but it has incontrovertibly taken away the work of the millions who are unemployed. The implication of Mr. Crowther's argument appears to be that if machines were doing *all* the work, something would have to be done about it, but *as it is doing only part of it*, there is no very pressing need for action, or rather we should continue along the lines of trying to create new industries, putting men back on the land, etc., etc.

This seems to be very much in accord with Mr. G. K. Chesterton's views that no doubt some day all the work will be done for us by machinery and we shall have merely to press a button or operate a switch, but "that happy day" not having yet arrived, National Dividends are quite uncalled for now.

It is a curious process of reasoning that would regard a day as happy and fortunate if it were here, but which shuts out its first beams on the ground that until such a day has arrived one must be barnaced to the day that one knows. Just how, then, is the transition to take place?

Surely the problem of keeping people alive

and in good health should come before the "problem" of finding work for them, whether it be under our present obsolete system, during the transition period or in the age of leisure created by the National Dividend.

Every week produces its crop of suicides, of human beings who throw themselves in front of trains, leap from cliffs, who gas or poison themselves and their children, or have an "accident" with a gun. Not one in a hundred is a tragedy of "unemployment" as it is so often reported to be. It is a tragedy of starvation, of strain and worry, of tortured nerves stretched to the snapping-point. Had National Dividends been instituted years ago, as they should have been, nearly every-one of those unfortunates would have been alive, well and happy.

D. BEAMISH.

THE GALLEYS

Conscript Labour in Newfoundland

"The money monopoly, now ruling bankrupt Newfoundland by commission, plans to conscript labour for roadwork, with exemption purchasable at two dollars a day" (William Rose in the *New Era*). Just think over what that one means, quietly, to yourself; then, if your heart suddenly misses a beat, you've got it.

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SPECIAL BOOK

What to Read

THERE are two questions every Social
Creditor is asked repeatedly—which is
the best book explaining Social Credit, and
which is the best book by Major Douglas,
and the answers given probably equal in
number the books available on the subject.

There is, to-day, such a large and ever-
growing library of Social Credit books, that
it is not easy to answer the first question,
unless one knows the questioner well. Social
Credit seems to be above differences of
Religion, Politics or Class and, as a result,
there are books on the subject written from
almost every angle. If, therefore, one wishes
to make a convert of the questioner, it is
desirable to recommend the book most likely
to appeal. It would not be wise, for example,
to recommend a certain excellent and
deservedly popular book to one's maiden
aunt, for throughout it, the author uses the
adjective for which Shaw's Eliza became
famous, and the maiden aunt's intelligence
might be numbed by the shock. To answer
the first question, then, one needs, not only
a good knowledge of the books available, but
also of the questioner.

The second question is perhaps less diffi-
cult, at least the choice is less wide. Pro-
bably most Social Creditors would agree that
anyone worthy the name should have read
"Economic Democracy" and "Social Credit."
But either of these is strong meat for begin-
ners, for they are two of the most revolu-
tionary books written in the last hundred
years or more. Yet the early converts to
Social Credit thrived on them, so why not
the newcomers of to-day? One thing is
certain, they are well worth study, not only
for an understanding of Social Credit, but as
a background for the campaign of action to
which every Social Creditor is now com-
mitted.

In the following pages, readers will find
reviews of some recent books, all of which
are related, in some way, to the cause for
which this paper stands. Here will be
found yet further additions to the list from
which they must choose when someone says:
What shall I read?

Property

IN this book* the author stresses the fact
also often overlooked by Socialists and
others that there are two aspects of property:
its substance and its value. The substance,
i.e., the property itself is generally in private

hands, but the value is of benefit to the whole
community. For example, a machine tool.
It is immaterial to the consumer whether
this is privately or state-owned. What the
consumer wants is the product of the tool.
If he has sufficient money to buy this then
both the consumer and the owner of the tool
will benefit, but if the consumer cannot
obtain the benefits of industry, it is not the
owners of industry who are to blame, but
those responsible for the money system.

Comte Serra next shows by a practical
example that the money system as at present
operated may easily fail to carry out its func-
tion of distribution. The A + B theorem is
dealt with in words so similar to those used
in "The New and the Old Economics" as to
lead one to suspect a retranslation of Major
Douglas's words (this edition of Comte
Serra's work is translated from the French).

As the Dean of Canterbury says in the
preface, "It is not a book for babes, though
none need allow the mathematical equations
which sprinkle its pages to frighten them
away... they clinch the essential argument
rather than comprise it."

M. GORDON CUMMING.

* "Property—Its Substance and Value," by Le
Comte W. G. Serra. Translated from the French
by T. V. Holmes, B.A., LL.B. London: Figure-
head, 13, Orange Street, W.C.1. 3s. net.

The Burden of Plenty?

It was reported recently that the clergy
of all denominations had been asked to pray
for Sir John Reith and British Broadcasting.
After reading "The Burden of Plenty?"*
one feels that this precaution is not wholly
unnecessary.

In an introductory talk Mr. Graham
Hutton lays claim to "Placing the Field,"
and in doing so leaves a feeling that each
spot on it offers a worse opportunity than
the others.

The players were also selected (apparently)
because they could either stand on their
heads, or run backwards faster than for-
wards.

Each speaker has dealt conscientiously
with his own point of view, and the very
various outlooks and suggestions are inter-
esting. It would seem that "burdensome
surpluses" might be reduced by means of
birth control, planning, strict monetary con-
trol, laissez-faire, an increase of money
tokens or increasing public control of
private activities. (This of course is noth-
ing at all like Dictatorship by a Bureaucracy.)

Price is a large target and has caught a
great many arrows, but only one bullseye.

What to Read

THE WORKS OF MAJOR C. H. DOUGLAS:—

Economic Democracy (4th Edition)
1934) 3s. 6d.

The original statement of the
philosophy and proposals of Major
Douglas.

Credit-Power and Democracy (4th
Edition, 1934) 3s. 6d.

One of these two books is essential
for the serious student.

Social Credit (3rd Edition, 1933) ... 3s. 6d.

Contains the philosophical back-
ground of the subject and includes
the Draft Scheme for Scotland.

The Control and Distribution of
Production (2nd Edn., 1934) ... 3s. 6d.

Warning Democracy (2nd Edition,
1934) 3s. 6d.

Two collections of speeches and
articles treating the subject from
different angles.

The Monopoly of Credit 3s. 6d.

The latest technical exposition, and
includes the Statement of Evidence
before the Macmillan Committee.

The New and the Old Economics 1s. 0d.
Contains an exposition of the A + B
Theorem.

These Present Discontents: The
Labour Party and Social Credit 1s. 0d.

The Nature of Democracy ... 6d.
The Buxton Speech.

The Use of Money 6d.
The Christchurch Speech.

Money and the Price System ... 3d.
The Oslo Speech (reduced price for
quantities).

Social Credit Principles 1d.

BY OTHER WRITERS:—

The Douglas Manual, by Philip
Mairet 5s. 0d.

A Douglas concordance and a valu-
able reference book.

Economic Nationalism (3rd Edition,
1935), by Maurice Colbourne ... 3s. 6d.
A very readable exposition for the
newcomer.

The A.B.C. of Social Credit, by E.
Sage Holter 2s. 6d.

Ordeal by Banking, by Allen Young 2s. 6d.

An Outline of Social Credit, by
H.M.M. 6d.

Banking and Industry, by A. W.
Joseph 6d.

Introduction to Social Credit, by M.
Gordon Cumming 6d.

Poverty Amidst Plenty, by C. F. J.
Galloway 6d.

Poverty Amidst Plenty, by the Earl
of Tankerville 6d.

Social Credit and the War on Poverty,
by the Dean of Canterbury ... 6d.

What is this Social Credit? by A. L.
Gibson 6d.

The Abolition of Poverty: A Brief
Explanation of the Proposals of
Major C. H. Douglas, by R. S. J.
Rands 4d.

The Nation's Credit, by C.G.M. ... 4d.

Why Poverty in the Midst of Plenty?
by the Dean of Canterbury ... 4d.

Outside Eldorado, by J. E. Tuke ... 3d.

A Simple Outline of Douglas Social
Credit, by R. S. J. Rands ... 1½d.
(Or 5s. a hundred, post free.)

BEARING ON THE SUBJECT BUT NOT DEVOTED SOLELY
TO DOUGLAS SOCIAL CREDIT:—

The Coming of Community, by W. T.
Symons 7s. 6d.

This Age of Plenty, by C. Marshall
Hattersley 3s. 6d. and 6s.
A very popular exposition.

Life and Money, by Eimar O'Duffy ... 5s. 0d.

The Community's Credit, by C. Marshall
Hattersley 1s. 0d.

Men, Money and Machines, by C.
Marshall Hattersley 3d.

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everyone can join in it.

SUPPLEMENT

In his talk, Mr. Orage says truly, "What air was to the unhappy people shut up in the Black Hole of Calcutta money . . . [is] to the forty or fifty millions of us shut up in the present financial system."

Dr. Dalton scores the next highest when he says, "next take freedom. Some University professors will tell you that everyone is free to spend his money as he likes, . . . This is a mockery of the poor. They have no freedom to spend money they have not got." (My italics.)

No one of the speakers has said unequivocally that lack of effective individual incomes is the crux of every modern problem from unemployment with "unemployment," to criminal violence and WAR.

As M.C., Mr. Graham Hutton has an opportunity for the obviously congenial task of muddling up many listeners-in by pointing out where each speaker may be, or might under certain conditions, be wrong!

Those in authority over the B.B.C. must be terribly afraid of the consequences of even small doses of information per loud-speaker.

As one who has very little time for this form of entertainment I feel that special prayers should also be offered up for all in peril listening-in.

M.D.C.

* Broadcast addresses, including one on Social Credit (by the late A. R. Orage). Edited by Graham Hutton. London: George Allen and Unwin, Ltd. 4s. 6d. net.

A Social Credit Novel

IS it chance, or coincidence, or a lucky omen that this book,* which may be called a real Social Credit novel, was published ten days before the Alberta Elections?

The author is obviously thoroughly conversant with all the arguments used by Social Credit propagandists. He contrives to introduce these very cleverly without using any technical terms or the much-abused title itself. By this means he avoids all obscurity and leaves the objective as clear as a cloudless sky.

A quite surprisingly interesting series of incidents, including one accomplished and two attempted murders, are woven into the fabric of the tale, and there is no lack of lurid and sordid touches to illustrate the necessity for all that the hero—the Professor—does, and even for the way he does it.

Mr. Lancing devotes quite a fair proportion of the tale to bankers and banking, of which he speaks in no flattering terms; presumably he has, as he says in his brief introduction, heard other people express similar views. Exactly what basic foundation exists for his charges it is not for me to say.

On page 171, a titled gentleman warns the unsophisticated Professor: "I say, old boy, if that's true you'll need someone to look after you. Ever since the project [a new kind of bank] has been rumoured, every Red Indian on the market has been sharpening his tomahawk against you. It's the first challenge that's been thrown down to the supremacy of the Great Six. They've got the Royal Mansion House Bank at their backs, and in the rear-guard this precious Government of ours."

Mr. Lancing has touched on an enormous

variety of subjects in this daring book. On page 153 we read: "They tell me that the newspapers won't print anything that does not suit the philosophy of life of their rich proprietors," said the Professor. "I believe it's the same with the films and the broadcasting. I don't know about the churches. . . A rich man can start a newspaper of his own that will speak his message. He could get past the broadcasting regulations, that fetter opinion in this country, by establishing a wireless station in some contiguous place, like Ireland."

Social Crediters should read this book, and if they do not purchase it they should borrow from their library. M.D.C.

* "Fraudulent Conversion," by George Lancing. London: Stanley Paul. 7s. 6d.

The Guernsey and Other Experiments

THIS pamphlet* gives detailed accounts of the monetary experiments of Guernsey, Schwanenkirchen, and Wörgl, and the authors are to be complimented for including within one short pamphlet all that is to be known or need be known of these historic attempts to break out from the control of a money-monopoly.

The circumstances of each case were similar and mainly consisted of a job which was urgently required to be done and no money to do it, except by way of a loan and consequent debt and interest repayments. Each of the experiments was made to escape interest payments, and within that limited scope all were successful within a limited period of time.

Social Crediters, however, will note that the modern financial problem is not merely the provision of more money for production, but the provision of increased purchasing power for consumers. The question: "Where is the Money to Come from?" is of secondary importance to "Who Should Get the Money?" In this sense it is unfortunate that many able minds, having acquired a knowledge of the anatomy of the money system, should have stopped short in a daze at the apparently swindling technique of the bankers and set their wits to work merely to circumvent the interest levied by the banks.

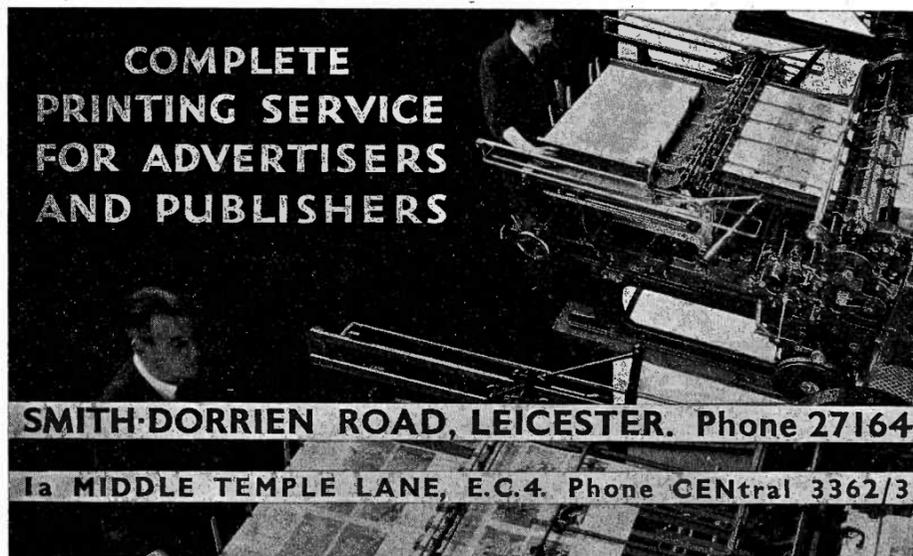
In so doing they ignore the whole social problem represented by the facts of poverty amidst plenty and the possibility of economic freedom for the individual Douglas, taking monetary technique in his stride, as a singularly useful tool to effect any desired measure of distribution, aims at the distribution of available plenty. In pursuit of this objective he adduces not a patent money system, but a National Credit Account.

This aspect finds place in this pamphlet in the interesting foreword contributed by The Earl of Tankerville. F.H.A.

* "Where is the Money to Come From?" by Jeffrey Mark and J. Madison Hewlett. London: The Free-Economy Federation of Great Britain. 6d.

A special long instalment of Mr. G. W. L. Day's serial, "What's Wrong With the World?" will appear next week.

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Announcements & Meetings

Notices will be accepted for this column at 6d. a line, minimum three lines. Notices must reach the publishing office with remittance by the Monday morning before the date of issue.

Belfast Douglas Social Credit Group
Group Headquarters: 72, Ann Street.
Office Hours: 2.30 to 5.30 and 7 to 10 p.m.
Meetings will be held as follow:—
Tuesdays—Study Lecture Course, 7.45 p.m. Ad. 6d. Commencing on October 8.
Thurs.—For Unemployed, 3 p.m. Free.
Thurs.—Public Meeting, 7.45 p.m. Free.
Fridays—Public Meeting, 7.45 p.m. Admn. 3d.
Questions and Discussion at all meetings.

Monthly Group Meeting
Monthly meeting of Belfast Group on Tuesday, Oct. 1st, at 7.45 p.m. Please produce Membership Card.

Liverpool Social Credit Association
Next meeting Bank Café, Castle Street, 8 p.m., Oct. 4. All Welcome. Lord Tankerville's Campaign Meetings, Waterloo Town Hall, Oct. 7; Wavertree Town Hall, Oct. 8; Central Hall, Wallasey, Oct. 10; Birkenhead Town Hall, Oct. 11, at 8 p.m. See Posters.
Secretary: Miss D. M. Roberts, Fernlea, Halewood Road, Gateacre.

Sheffield Social Credit Group
(Cambridge Arcade).
Every Friday, 8 to 10 p.m., Electoral Campaign Meetings. Workers urgently needed. On Wednesday of each week at 7.30 p.m.—Address and discussion on "Social Credit." Enquirers' Night.

Epsom Constituency
Will all readers in above district please communicate with Mr. R. G. Ellis, 91, Nork Way, Banstead.

Welwyn Garden City
Saturday and Sunday, Sept. 28-29. Demonstration to Inaugurate the Electoral Campaign.
Saturday, Sept. 28—Open Air Meeting, 6 p.m.
" " Public Meeting, Friend's Meeting House, 8 p.m.
Sunday, Sept. 29—Open Air Meeting, Pear Tree Car Park, 3 p.m.
" " Public Meeting, Pear Tree Club House, 8 p.m.

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To Let Furnished, a modern labour-saving Cottage, North Bournemouth; central heating, gas, three bedrooms, two sitting rooms, usual offices, large garden; winter months, or longer. — Box T. L., SOCIAL CREDIT, 163A, Strand, London, W.C.2.

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Well fitted, compact, gas and electric, light rooms; spacious. Suitable for business adults or students. Rent very moderate. Agents' commission to funds, local and H.Q. — Miss C. Francis, 78, Church Street, Wallasey, Cheshire.

Situation Wanted
Employer required for experienced Storekeeper, Engineering and allied trades. Age 40, married. Victim of sound finance.—C. White, 27, Bruce Grove, Watford, Herts.

"Why" For Sale
We have a small stock of *Why?* the New Zealand Social Credit Journal published in Auckland, for sale at the office of SOCIAL CREDIT, price 4d. post free.

Alberta News Exchange
An Alberta correspondent is anxious to exchange copies of the *Alberta Social Credit Chronicle* for copies of SOCIAL CREDIT. Will anyone interested write to the Director of Overseas Relations, c/o the Social Credit Secretariat. The *Alberta Social Credit Chronicle* is the organ of the Social Credit League, from which the present Alberta Government is drawn. of the Social Credit League,

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ELECTORAL CAMPAIGN

Below is the form Parliamentary electors are being asked to sign. Please read it carefully, sign (if you have not done so already) and send it (½d. stamp) to The Only Democrats, 163A Strand, London, W.C.2.

Will you ask others to sign this demand and undertaking? Supplies of the form (Leaflet No. 5) can be had.

We Will Abolish Poverty

Elector's Demand and Undertaking

- I know that there are goods in plenty, so that poverty is quite unnecessary.
- I want, before anything else, poverty abolished.
- I want, too, national dividends distributed to me and every Briton so that we can buy all we want of the goods that are now destroyed and the production that is restricted.
- These dividends must not increase prices or taxes or deprive owners of their property or decrease its relative value.
- In a democracy like Great Britain Parliament exists to make the will of the people prevail.
- So I pledge myself to vote for any candidate who will undertake to support the abolition of poverty and the issue of national dividends and to vote consistently against any party trying to put any other law-making before this.
- If the present M.P. here won't undertake this I will vote for some other party and keep on changing until my policy has been achieved.

Signed.....

Address.....
(Signatures will be treated confidentially)

Volunteers for Help

I want to make my vote effective, so I volunteer to work.....hours each week at delivering and collecting these forms, in a district convenient to me, for the next six months, or until further notice. I will try to induce all my friends to do likewise.

BLOCK Name.....

LETTERS Address.....

PLEASE Address.....

CENSORSHIP IN LOCAL NEWSPAPERS

By F. L. HAMMERSLEY Hon. Sec.

The Douglas Social Credit Association of Hull

A FEW nights ago the Economic League made an unprovoked attack on Social Credit in the *Hull Daily Mail*, generally directing attention to our theory that the elector does not need to have a detailed technical knowledge of Social Credit. The following reply was sent to the Editor, but in the published version the paragraphs printed in italics were omitted. Local Social Crediters who may have been disappointed in the published letter will realise what they are up against when the whole heart of an argument is deleted. The right of editorial censorship is not disputed, but the way that right is exercised is a pointer to the views and sympathies of the newspaper.

"The Director of the Economic League is concerned because the electors of Alberta have with practically one voice demanded the distribution of plenty which exists in their own Province by the issue of a National Dividend. Having given this expression of their will, they will expect their elected Government to carry it out—they do not care how, so long as it is done. The Alberta Government will now consult their financial experts and instruct them to prepare a plan which will produce the results.

Political economy and finance are highly complicated subjects, the detail of which is quite properly left to experts. The man in the street is interested only in results. When he demands the abolition of poverty by the distribution of the unsold surplus and the de-restriction of supplies of wheat, fish, coffee, etc., he instructs his elected representative to produce these results. The old political parties merely confuse him by asking for his opinion of tariffs or quotas or marketing schemes, when his personal knowledge of these questions in detail and in their possible effect does not qualify him to offer an opinion, and in which he is not personally interested. Consequently he is at the mercy of any speaker or writer who knows the facts but who for any reason of vested interest is opposed to the desired changes or is sufficiently unscrupulous to twist his criticism, or his facts, to delude the elector on points of detail which have no relation to the elector's basic need — the distribution of the plenty which he knows exists, either actually or potentially, and which is at present held back by one thing, and one thing only—the lack of sufficient money tickets to transfer the goods from the producer to the consumer.

"The people of Alberta are merely the pioneers of a movement which is growing rapidly in many parts of the world — New Zealand, Australia, and in this country—to crystallise their desires into one single demand — not for methods, but for results. Small wonder that the one party to accept their demand without qualification was returned almost unanimously.

The interests which wish the continuance of the present policy of restriction, and are opposed to the expressed will of the people of Alberta, fearing its extension to the people of this country, are consequently reduced to belittling the splendid victory by spreading exaggerated rumours of a 'flight of capital'—to use their confusing financial jargon. It is obvious that any abrupt change in control must result in a short period of unsettlement, which is only intensified by wild statements of obscure origin. Responsible newspaper organs in this country have already reported that such withdrawals (or transfers of book entries) have already in most instances been replaced, and point out that this has nothing to do with the efficacy or otherwise of the programme of the new party, which had not then taken office.

"Signs are not wanting that the people of this country are also beginning to realise that fundamental changes are needed in our approach to the problems raised by the remarkable advance in science and invention, and to demand that the public credit is used for the benefit of the people, irrespective of method. Let the Economic League beware of any attempt to deflect the will of the people by involving them in endless controversy as to detail.

AND IN LONDON

The letter to which the above was a reply was published in a large number of papers, and is reproduced below.

"Now that the excitement about the victory of the Social Credit Party in Alberta has died down a little may one be permitted to ask one or two questions? In an article on "What to do to get your National Dividend" in a recent issue of the organ of the Social Credit Secretariat it is stated that "a national dividend must enable the people to buy what goods and services they want." But "exactly how this is to be done need not worry the people who demand that it shall be done any more than how the engine works interests the average traveller by train. People . . . do not refuse to board the train until they understand how the engine works."

But is there not such a thing as the confidence of experience? Did not early travellers want to know "how it was done," or at least whether there was a reasonable chance of reaching their destination before boarding the train; just as many people to-day refuse to travel by air? If a man ordered roast pork "without worrying," or at least without the confidence of experience as to how the cooking was to be done, would such a man have any reason to complain if his house were used as fuel and oven for the cooking? Would it therefore be prudent to give the Social Credit Party in this or any other country a blank cheque to draw dividend cheques for everyone else "without worrying" as to how it was to be done?

Then with regard to Social Credit in practice. As a result of the victory in Alberta there has been a stampede to cash Savings Certificates and a general slump in the credit of the Province. I would like to ask Major Douglas and his followers if they consider these to be (a) natural and (b) desirable consequences of the adoption of the Social Credit policy?

J. BAKER WHITE,
Director.

The Economic League (Central Council)."

This letter appeared in the *Financial Times*, and the Secretariat replied, but, although a reply was clearly invited, our letter, reproduced below, was not published.

Mr. Baker White, Director of the Economic League, in a letter to you (September '7) has confused the economics and the politics of

the Social Credit Secretariat; if you will let me explain, perhaps he and his colleagues will avoid this mistake in future.

Social Credit is concerned with the financial machine, which, in turn, is generally regarded as a complicated matter not easily understood by the 'man in the street.' Considerable literature is available on the subject, so that it is possible for anyone to make himself thoroughly conversant with it.

While we believe that Social Credit is the only practical remedy for the disease known as 'poverty amid plenty' our political activities are not concerned with Social Credit at all. They are concerned, as they should be, with policy and not with technique.

We believe that the elector should vote for results, not methods, and should place the responsibility for finding methods upon the experts whose business is technique, and who should be the servants of policy.

Therefore we say, in effect, "Demand of your Member of Parliament, irrespective of party, that, in the midst of plenty, poverty shall be abolished, and a national dividend paid to every elector, to buy the goods now destroyed and the production now restricted. Demand that this shall not increase prices or taxation, so that all may benefit from the distribution of the abundance now sabotaged."

This, despite what Mr. Baker White may have to say about labels, is what the electors in Alberta had in mind, and I think that all persons of goodwill must hope that Mr. Aberhart will succeed in the task he has undertaken.

Since all progress involves a departure from precedent, the kind of timidity which paralyses both action and judgment is so little likely to command assent that I will refrain from discussing Mr. Baker White's second paragraph.

In reply to his last question, any alleged rush to buy or to sell Savings Certificates in Alberta, or any boom or slump in the credit of the Province at the present time cannot be a consequence of the adoption of the Social Credit policy, since no steps have yet been taken to introduce it.

W. L. BARDSLEY,
Social Credit Secretariat. Secretary.

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