

SOCIAL CREDIT

A JOURNAL OF ECONOMIC DEMOCRACY.

The Official Organ of the Social Credit Secretariat.

Vol. I. No. 14.

FRIDAY, NOVEMBER 16, 1934.

Weekly 2d.

Registered at G.P.O. as a Newspaper

CONTENTS

	Page		Page
Notes of the Week	169	A Dream, Of Course.—By N. Dudley Short ...	177
A. R. Orage.—By the Dean of Canterbury ...	172	A Ceremony of Remembrance, 1934.—By W. Adams	178
Whom the Years Contemn.—Thoughts on Armistice Day.—By the Rev. Tom Dixon ...	173	Poppy Day.—By N. Meshed	178
And This Is How They Plan.—By Capt. T. H. Story	173	Women and the National Dividend.—Some Possible Reactions.—By M.C. and D.D.S.	179
The Just Price. II.—By Daran	174	What to Read	180
The Basis of Credit.—By A. W. Coleman	175	The Social Credit Movement	180
The Story of Man.—By Philip T. Kenway	175	Correspondence	181
The Case for the National Dividend. VI.—The Motives to Work.—By Hilderic Cousens ...	176	Notices of D.S.C. Meetings	182
Education for Scarcity.—By Sanson Carasco ...	177	Let's Have War All The Time.—By Yaffle ...	184

NOTES OF THE WEEK

FINANCE AND WAR

THIS week thousands of speeches have been made and articles written about war, but little has been said about the causes of it and the way to stop it.

Modern wars are the result of those "sound financial principles," which in all countries keep the available amount of purchasing power in the hands of the people permanently short of the total prices of the goods the country produces.

This makes antagonism between nations inevitable. It forces each nation to try to sell to the others the goods it cannot afford to buy itself, and to compete with increasing bitterness for the ever-declining markets. Thus nations are forced to believe that they can gain only by each others' loss, and remain the potential enemies of one another.

Britain Can Set The Example Alone

The suggestion that one nation should show the way by disarming alone is impracticable, but it is possible for one nation, alone, so to change its own economic system that it no longer depends on capturing foreign markets. If a British Government, for instance, suddenly reversed the general rule, and attended to the home market first, instead of the foreign markets, and by means of Social Credit ensured that the British people always had enough money to buy all they wanted of the goods they produced, we should immediately remove ourselves from the sphere of world antagonism, *for we should no longer depend on foreign markets for the sale of our surplus goods.*

Now, it is generally assumed that it would be impossible for one nation to change its economic system irrespective of other nations. Foreign financiers, it is said, would "manipulate the exchanges" against us and by lowering the value of the pound in terms of other currencies, preventing us from buying the raw materials we needed from abroad.

As a matter of fact, all the financiers of the world could not affect us. Such objections ignore the fact that it is goods, not money that are exchanged between nations. And our Government would now be issuing, without debt or taxation, all the money required for any amount of production up to the limit of our capacity to produce. There-

fore we should be able to meet, without loss to ourselves, any demand for goods a foreign merchant might make, and at whatever exchange advantage to himself.

The lower the exchange value of the pound, the more foreign merchants would want to exchange with us, and the more our exports would increase. So far from withholding raw material from us, they would be positively queuing up for the British market.

"Exchange Manipulations" Could Not Harm Us

The fact is of course, it is now recognised that depreciation of currency is the surest way to increase exports, and foreign financiers trying to ruin us would certainly not attempt that method.

The alternative argument that the pound would appreciate so much that foreign merchants could not afford to exchange with us, also disregards the fact that under Social Credit, a country could use the national credit to any extent for the purposes of foreign trade, as well as for home trade.

Goods could be exported at any price, if necessary, to any degree below cost, for the Government could subsidise exports to any extent without costing the nation a penny, because the subsidies would be based on the national credit, and not upon loans.

In short, any country, particularly one like Britain, with enormous Imperial resources to enable her to tide easily over any period of experiment, would be such an obvious commercial advantage that other countries would be obliged to follow her example.

The nations would then cease to depend for their existence upon a life-and-death struggle for each others' markets. International trade would become a matter of the exchange of surpluses: it would be what it ought to be: each country would get from other countries the things it wanted but could not grow or make itself, and as payment for them, would export things which other countries wanted.

We offer the above remarks for the consideration of those "internationalists" and others who believe that no nation can take any step towards improvement unless all nations do it simultaneously.

IN MEMORIAM, A. R. ORAGE

This week's issue of the *New English Weekly* is a memorial number to its late Editor, Mr. A. R. Orage. It contains tributes to his memory written by Bernard Shaw, G. K. Chesterton, H. G. Wells, C. H. Douglas, "A.E.," T. S. Eliot and very many others, as well as a portrait supplement.

Mr. Orage's broadcast speech on Social Credit, delivered by him on November 5, is also reprinted here for the first time.

Our readers will need no further incentive to hasten to obtain an issue of our brilliant contemporary, which promises to be a lasting literary treasure.

"REASONABLE ECONOMIC LAWS."

Dr. Schacht, Commissar for German Economic Affairs, is reported as addressing a cordial welcome to his fellow Commissar Dr. Goerdeler, who has been entrusted with the supervision of prices. He welcomes the latter's declaration that he will "proceed relentlessly against all those who disregard reasonable economic laws."

This, at first sight, looks promising for the putting into operation of the first of the "reasonable economic laws"—namely, that purchasing power must always equate with prices.

But further on in the report one reads: "Herr Schacht is interested, above all, in increasing Germany's share of international trade." This means, of course, increasing Germany's wealth for export only and not for the German people, but we read subsequently, ". . . increases of wages have often been declared to be out of the question in view of their effect on Germany's exports."

So for Germany, as for this and all other bank-ridden nations, "reasonable economic laws" are those which lay down the principle that the more goods a nation gives away the richer that nation becomes, and that the way to make a country richer is to make its inhabitants poorer.

THUS SPAKE SIR SCHUSTER.

Under the headings: "World Nearing Better Times. Sir George Schuster's Optimism. Reason for British Recovery."—the following great thought has been given to the nation, emanating from the mouth of one of those economic experts who are so immortal that, though dead, they will not lie down:

"The world's greatest need is to find good borrowers.

Anyone who has anything to do with banks to-day knows that, and that is the main reason why I emphasise so strongly that we should try to spread the traditions of sound finance throughout the world, because without sound finance we cannot have good borrowers."

That is a perfectly logical argument, so long as you accept the hypothesis—that the banks shall maintain entire control of a nation's credit and that all money shall come into existence as a debt to the banks. But we would make one or two minor corrections of the statement. When Sir George Schuster says "anyone who has anything to do with banks knows that," he should say, "bankers naturally want everyone to believe that, for bankers live by lending and that is the main reason why I emphasise so strongly that the world should continue to have no money except what it borrows from us bankers."

The only other minor correction is, that when Sir George says "the world's greatest need," he means, "the bank's greatest need." But it is natural that he should think that a bank is the world, for it is the only part of the world that interests him.

THE MASTER PROPAGANDISTS.

Apropos of Sir George Schuster's immortal words above quoted, one cannot but admire the consummate success with which the bankers hypnotise the people into accepting their anti-social theories. We find Mr. Geoffrey Crowther, of the *News Chronicle*, a humane man with keen sympathy for the under-dog, at pains to explain to those of the unemployed who are privileged to own wireless sets, that the reason for their plight was the inability of certain financiers in the City (referred to as "we") to find enough people to borrow their ("our") money.

Argument: We have enough real wealth, in the form of goods and services, and power to provide more to any extent, to keep every person in this country in comfort and security throughout their lives. But we cannot use it, unless we give our national credit into hands of private

financiers and then borrow it back over and over again on terms which make it impossible for us to repay it.

This should comfort the unemployed no end.

REPAYMENT OF GOVERNMENT DEBT TO THE BANKS

The complete alienation of the Money Market from any of the purposes of ordinary life, is exhibited in *The Times* City Notes of November 14, rather more flagrantly than usual. The Treasury gives six months notice of withdrawal of forty per cent. of Three per cent. Treasury Bonds, issued to the total of £110,000,000 in April 1932. Upon which *The Times* comments, after stating that "The Money Market—the principal holders—will be interested" (our italics):

"At that time the chief attraction of the Bonds was the provision that 'not less than ten per cent.' would be repaid at par each year. Because of the difficulty of finding new investment opportunities this provision, however, has ceased to be an attraction. Holders will doubtless be disappointed with the decision, but those who had feared that the Government might repay the whole amount in April will feel relieved. . . . In electing to repay as much as forty per cent. next April the Treasury will probably find that it has added fuel to the flames that have lately enveloped the gilt-edged market, for the coming repayment of £44,000,000 of bonds indicates that another Government refunding operation will be undertaken in the next few months."

Here is admission that the Government debt is mainly subscribed by those who can create money by a stroke of the pen, and that their advantage consists in continuance and extension of the community's debt to themselves for use of the nation's credit. Our contention is specifically confirmed, that the money monopoly is battering ever more heavily upon the nation's credit, now that their own operations have destroyed advantageous investment in industrial enterprises in this country, by lessening the purchasing power of the people.

City Editors speak of "the difficulty of finding new investment opportunities" as though this deplorable condition of the country's real life was a dispensation of Providence instead of the direct result of financial policy; and as though the policy were not based upon the very principles which enable The City to deplore any reduction of the Government's indebtedness to them.

The payment by the community of £1,320,000 yearly to the financiers on the £44,000,000 created by them is coolly accepted, in complete disregard of the depleted incomes of the people from which it is extracted by taxation.

A BANKER ON "POVERTY IN PLENTY."

Seeing that Mr. R. H. Brand is a banker, our readers who listened in the other day to his broadcast were probably not surprised to find that it was in effect a strong condemnation of banking policy since 1919.

The unbalanced relationships of which he complains are due to monetary policy upon which the banker's advice has always been taken by politicians. He says that "war and post-war stresses broke down the world's monetary mechanism." We disagree: the banking system in itself and for itself has never broken down but is much stronger than ever, as witness the creation of the world chain of Central Banks. Nor has Industry broken down. Bankruptcies are plentiful, but it is in a state of suppression and will remain so until a National Credit Office enables it to sell all it can produce.

The truth is the exact contrary of what Mr. Brand says. It is the world's monetary mechanism which has broken down the world's industry. Because the credit used for financing industry has to be borrowed from the banks, industry can only be carried on by a process which gets it further and further into debt and finally into bankruptcy.

"Post-war stresses" will continue until the financial policy which Mr. Brand advocates has been reversed

"THE FAMILY OF NATIONS"

As museum pieces, some of our older statesmen are worth almost any price. Probably the one who would fetch the highest figure at Christie's is Sir John Simon, Secretary of State for (naturally enough) Foreign Affairs, who contributed to Dr. Nicholas Murray Butler's symposium entitled as above, and broadcast throughout the U.S.A. on Armistice Day on behalf of the Carnegie Endowment for (funnily enough) International Peace. Oblivious to modern problems, Sir John moves in with calm and stately dignity through the hustle and clamour of these post war years, impelled

solely by the inspiration of what Mr. Gladstone said in '84. He is a perfect period specimen, as clearly dated as genuine Chippendale or Spode, of the decorative age when politics was a pastime for gentlemen of culture. And we hope that a grant will be made to the Victoria and Albert Museum to save him from being purchased by a wealthy American collector and lost to us for ever.

Hark!—"The peace-loving nations of the world must seize every opportunity to counsel moderation, to promote better understanding, to encourage agreement, to limit armaments . . . For war itself is the outcome of fear and resentment and suspicion."

We feel sure these very words were used by Pitt, Canning, Burke, Palmerston and Beaconsfield in turn. And the soothing platitudes roll on down the years, woven like a silver thread through the pattern of our history, and meaning nothing at all.

FEAR AND SUSPICION—OF WHAT?

Eloquence, like music, should itself be sufficient to soothe the weary heart, and we therefore hesitate to ask what Sir John Simon means. In what way can "fear and resentment and suspicion" be the cause of war? They do not arise spontaneously. When a Briton meets a Frenchman, Chinese or Zulu, he does not immediately want to kill him. When he does, it is because some external cause, over which he himself had no control, has placed him in a position of antagonism to the foreigner in question, and has already created the "fear, resentment and suspicion." If so, why do not our statesmen mention the cause instead of confining their remarks to the effects.

This habit of attributing the origins of war to inherent human weaknesses of character emanates from people who are too lazy to think. But it is useful to certain interests; for people who look to the hackneyed old "change of heart" for the remedy are not likely to devote much mental energy to the analysis of the economic system.

It is noteworthy that ever since the failure of international finance to establish firmly their intended International Central Bank of Central Banks during the abortive Monetary Conference of last year, war talk has been on the increase and is now become chronic. The orthodox who would have us believe that there are only two alternatives, an international bank or war, are wrong. There is a third: Social Credit, which would do away with the principal cause of war—forced exports.

SO TAKE OFF YOUR HATS

Referring to the re-election of Mr. Montagu Norman to the position of Governor of the Bank of England, and to other renominations, *The Times'* City Editor writes, "No previous governors or deputy-governors have held their offices for so long and rendered more valuable or sustained public service during a period of unparalleled difficulty in trade and finance."

And no previous Governor of the Bank enjoyed the distinction of knowing that the number of bankruptcies and suicides has steadily risen throughout his term of office. Again, no previous Governor, probably, has been re-elected with acclamations after having admitted that he could not see the way out of the nation's financial difficulties and that his "task was beyond him."

During that period the policy and principles of the Bank of England have been exposed as the one impediment in the way of material prosperity. During that period the nation's capacity to create real wealth has increased to such an extent that it is now capable of maintaining the whole nation in comfort and security. But all this has been denied to the people, and poverty inflicted upon them instead, solely because the policy of the Bank of England keeps purchasing power permanently short.

This is more than distinction; it is fame. Mr. Norman, your health.

COO—WHAT A SHOT!

The Press is making fun of Mr. Hore-Belisha. It is poor sport; the man is only doing the ordinary job of a Cabinet Minister in a Bank-ruled country—namely, tackling a big problem by flippant and irrelevant means which no one even pretends will have the slightest effect on the real problem.

A Cabinet Minister is not supposed to get anything done. His job is steadily to maintain the *status quo*, so that the banks can go on lending. To ask a Minister of Transport to solve the problem of transport simply isn't cricket. How can he, anyway? If mankind wants to use motors in cities

it must entirely rebuild the cities. Rebuilding cities is, of course, quite practicable. We know how to do it. We have all the necessary materials, builders, architects, labourers, gardeners, all the necessary taste and desire and all the necessary contempt for the present mean and ugly streets which disgrace Christendom. But we haven't the money. And as everyone knows, it is much easier to rebuild a great city than to print figures on pieces of paper. So why blame Mr. Hore-Belisha because we cannot?

The Belisha beacons have a greater significance for those who would analyse the mind and soul of this generation. If, as we can suppose, their main intention is a move towards Brighter London, we do not think much of a *decor* that is limited to coloured balloons. But whatever aesthetic value balloons may possess, they have only one real and ultimate function—to be burst. And the sad comment upon this generation is that nearly every one of these Belisha beacons remains intact.

Time was, we greybeards like to think, when a more enterprising and adventurous spirit glowed in London's youth. Where are the air-guns once we knew, the catapults of yesteryear?

SOCIALISM OR FASCISM?

The divisions in the ranks of the opponents of Social Credit is interesting as indicating the extent to which they all more or less accept orthodox financial principles. An example of this is Miss Ellen Wilkinson, who in a book just published—"Why Fascism?" by Ellen Wilkinson and Edward Couze (Selwyn and Blount, 8s. 6d.) opposes the conventional Labour proposals for nationalisation of the banks on the grounds that it would cause panic and bring about a financial crisis and spoil the whole show. Her suggestion is that the banks could not be nationalised until everything else has been nationalised first. Herein she differs from the Labour Party's vague idea of nationalising everything at once, and conforms more to the Tory clubman's view as to the awful danger of bringing our delicate "credit structure" about our ears by a lack of "confidence" in the banking system.

Thus we have three bankers' red herrings with but slight distinctions. They swim along together part of the way but begin to bite each other at various points of the journey. The Tory fish and Miss Wilkinson's swim together longest. Miss Wilkinson would leave finance untouched for a longer time than the Labour Party would. She would get all industry well locked up before attending to credit—credit, for some reason or other, being harder to catch.

The reason why we cannot regard seriously the difference between rival Socialist policies is that all make the same assumption that power lies in ownership and administration. None gives a moment's thought to the principles upon which the financial system is conducted. The bankers have their way with all these people.

Playing into the hands of Finance

By disregarding the financial problem of the nationalisation they propose, both kinds of Socialists would play into the hands of Finance. By starting to nationalise industry first, they would commit themselves to the impossible task of compensation—that is, purchasing the colossal goodwill of modern industry—by means of the existing orthodox financial methods of creation and destruction of money.

Neither Miss Wilkinson nor the Labour Party nor their fellow financial theorist the Tory Clubman, ever thinks of regarding the aggregate value of the community's productivity as the basis of the nation's credit. If they did they would know it would not matter who owned industry. All act upon, whether they believe it or not, the theory that money is of fixed quantity and that national credit naturally remains in the hands of finance.

Ignoring the obvious facts that money is vastly increased and decreased at will and that industrial ownership is divorced from power, they miss the direction in which alone social and economic salvation lies: the control of the nation's credit, which would relieve both industry and employed alike from the present lack of money and leave the organisation of credit to be settled in the most socially-useful ways when the principle of the true function of money has been established.

Incidentally, Miss Wilkinson's book should have been entitled "Why NOT Fascism?" For it would be interesting to know wherein her idea of the bureaucratic control of industry differs in principle and intention from the Fascist Corporate State.

A. R. ORAGE

by the Very Rev. Hewlett Johnson, B.Sc., D.D., Dean of Canterbury.

ALFRED RICHARD ORAGE was born at Dacre in Yorkshire on January 22, 1873. From childhood he developed, in a remarkable degree, a passion for art and literature. At school he read the English classics with avidity, and would cajole a long-suffering elder sister to retire early to bed in order that, through their open doors, he might read aloud to her. School-fellows refused to compete for prizes if Alfred was to be a candidate. Love of art appears side by side with love of literature and in the evening, when school was ended, Alfred would walk seven miles to Cambridge to attend art classes.

From school he passed to college and after that he began his career as a teacher at Leeds. The virile spirit of a great industrial city left its mark upon him. So did its misery and brutal ugliness. He became, and remained to his dying day, an ardent social reformer. He also became a leader in other fields; he founded the Leeds Art Club, assembling many vigorous spirits, and Holbrook Jackson among them.

He Drew Genius Around him

The Art Club led to a week-end with Edward Carpenter and there Orage learned that the "New Age," "the paper with the excellent title," was up for sale. With Holbrook Jackson he went straight to London and after negotiations with Mr. Bonner at Tuke's Court became editor in May, 1907. He drew to his team the finest writers of the day: Bernard Shaw, H. G. Wells, G. K. Chesterton, Sickert, Arnold Bennet, J. B. Priestley, G. D. H. Cole, Katherine Mansfield, Max Beerholm, Will Dyson . . .

Of money the "New Age" had none. Men wrote for the love of it. Orage himself was blind to financial success. A more unworldly man never sat in an Editor's chair. And no editor could write with a more convincing pen. Passion and artistry expressed thoughts that were always crystal clear. Nothing of their kind that I have read are quite like those "New Age Notes" of his: though in robust expression they are near akin to Cobbett.

Orage Meets Douglas

Guild Socialism claimed his allegiance first: Orage practically made the English Guild Socialist Movement. Then he met C. H. Douglas, sent to him by Holbrook Jackson with the words "if Orage turns you down give it up." Douglas had arrived in army uniform and in the editor's absence Miss Marks, at that time the devoted Secretary to the New Age, had arranged for an interview on the next day at eleven o'clock. When Orage heard of the visitor and the appointment, he said with feigned severity, "if you have wasted my time . . ." But with his invariable punctuality he met Douglas at the time appointed.

Orage was an excellent listener and Douglas talked freely for an hour. Orage merely said, "Don't expect my verdict now: but you will hear from me before very long." To Miss Marks, he said, "That is either a very wonderful or a very dangerous man. I am going home. I must digest what I have heard. Keep all visitors away."

At 5 a.m. next morning he was still digesting, and blaming himself as a life-long student of economics for his slowness of perception. But dawn of day brought dawn of apprehension and forthwith he and Douglas thrashed out the details till the crystal clearness came. Orage foresaw the warfare which confronted him, counted carefully the cost looked to his weapons, and went over the top.

A Great Theme—for a Great Pen

In August 1919 began that series of editorial notes which arrested thinkers far and near. So new, so original, so clear, so devastating, so overwhelmingly convincing. Fifteen years of history supply strangely corroborative commentary upon those early pages. The greatest theme in the world of affairs had found its appropriate voice; the intricacies of the analysis had been grasped by one of the acutest minds in the realm of journalism, and the Social Credit Movement had secured at its outset the driving force of a passionate

reformer with clear head and an armoury of words and images.

The articles made deep impressions. Men will recollect the exact spot where first they read them, so vivid is the memory. Nor was the impact felt in England alone. Far away in the antipodes a professor of political economy, and his wife, studied Orage as far into the night as Orage had studied Douglas, and with the same result. He, too, counted the cost, went over the top at dawn and lost his professorship through championing the new cause of Social Credit.

A Temporary Discouragement

Orage worked at white heat. He kept up that tremendous pace for three years. Then he collapsed. "I am written dry," he said. He had expected speedier victory. But he had underestimated the odds against him; the entrenched force of money, the lazy immobility of the public mind and the selfish absorption of the multitude. Not so easily does truth win her victories; and the real marvel is not that Social Credit moved so slowly but that it moved so fast, sweeping like a tidal wave around the world, until within fifteen years of its promulgation it becomes a live political issue in places as far removed from England and from one another, as Australia and Canada. We see it now: no one could see it then, and in 1922 Orage, a very weary man, retired from the "New Age," seeking fresh and more mystic means of gaining mastery and compassing the new world order.

"The New English Weekly"

But the old fires still burned within him and, rested by the long withdrawal, he reappeared as champion of Social Credit in New York. In 1932 he returned again to England and remained here till his death, founding "*The New English Weekly*," and writing the notes with all the old fire and verve.

Meanwhile the Movement had carried on and thriven. Major Douglas with Scottish tenacity and with the sanity of the engineer who knows that facts are upon his side and must at length be heeded, kept the citadel. Arthur Brenton acted as invaluable ally, especially in the technical staff work. Social Credit was travelling under its own steam when Orage returned and raised the temperature once again. All welcomed him and he rapidly made converts among the intelligentsia. Less than two weeks before his death he showed me, with the glee of a child, a letter in which Mr. Hilaire Belloc commented upon the extent and quality of the converts.

The Triumph, and the End

Then the final triumph came. Orage was invited by the B.B.C. to give a broadcast talk on Social Credit. He did it. English admirers at last could hear his voice, for it was mainly in America, not in England, that he had addressed public meetings. I was at Canterbury listening in with a curious thrill as the quiet tones led us through the brilliant argument and then ended by a reminder, with the old touch of humour, of the date, Nov. 5. It was the last time we were to hear his voice. Douglas rang me up early in the morning. Orage had passed on in his sleep. Only afterwards did we learn that the speech was delivered in the midst of physical pain.

It was, I am convinced, no accident that Orage and Douglas met. Truth has a curious way of finding its fitting organs of expression, and what Douglas lacked Orage supplied. Could any other have supplied it just there and then? I doubt it. And when Social Credit wins the world, as win it will in fact, if not always, perhaps in name, then the world may recognise at last the debt it owes to Alfred Richard Orage.

Perhaps, also, the passing on of Orage is less of a disastrous accident to the Social Credit Movement than at the moment it appears to be. He died in the greatness of his strength and we were apt to lean too hard on him. The passing of its earliest champion is always a challenge to those who know the cause to be a true one, bidding them leave their leisure and recruit and follow where he has led. Orage has passed from sight. His spirit seeks, and shall find, embodiment in us.

WHOM THE YEARS CONTEMN

THOUGHTS ON ARMISTICE DAY

*"They will not grow old, as we that are left grow old,
Age shall not weary them, nor the years contemn."*

In the light of the events of the last sixteen years, these lines possess an irony which was never intended. It is true that those who gave their lives in the Great War will not grow old. And, however cold this comfort may be to us in our loss, we must clutch at it, for it is the only comfort we have.

We comfort ourselves with the reflection that "age shall not weary them, nor the years contemn." We know from bitter experience that age, and premature age, has wearied those who were not killed. They came back in their victory, to live in "homes fit for heroes" and they have indeed been met with the contempt of the years.

Poverty, the Reward of Courage and Sacrifice

Despair in their hearts has been piled on despair, as each succeeding year has left unfulfilled its promise to "turn the corner." From 1914 to 1918 they sacrificed years of life and love and the rich promise of young manhood, and steeped their hands in blood. Yet this sacrifice was not enough. Further sacrifices have been required of them. Together with those whom they fought to save, they have eaten the bread of sorrow and drunk the waters of affliction, flung at them in a devil's sacrament by the High Priest of Finance.

Yes, it is perhaps well that the dead have not known this fate. They at least retained their illusions to the end. They thought that they were taking part in a high adventure; in a war to end war. They thought they were building the foundations of a new and better world. They imagined that other lives would be richer, if the riches of their lives were spent. And they were never undeceived, for they did not grow old.

We Know More Economics Now

But what of us? I mean my generation, those now under thirty. Shall we grow old?

We want to grow old. Some of us are wiser, in economic wisdom, than the generation of the war. We know now how rich life is capable of becoming. We know that poverty can be abolished, that grinding toil is no longer necessary, that life can be enjoyed with a new freedom, enriched with greater opportunities.

We know that we need not grow old in weariness. The years need no longer bring contempt. They can bring wisdom garnered from the fields of science and literature and art, in the harvest-time of the new leisure. They can bring mellowness, not weariness; and a deep satisfaction in worth-while achievement. The years will be short indeed, to accomplish all the living tasks that await us. We need all our years to earn "safe lodging, our holy rest, and our peace at last."

Defective Finance Is Driving Us to War Again

But we may not grow old. Each nation is spurred on by the flaw in accountancy to compete for overseas markets. Each nation is increasing its armaments—and for only one purpose: the nation which is too successful in trade competition must be ready to protect itself against its beaten competitor. The nation defeated in trade competition must be ready to seize the first opportunity to attack its victor, with more potent weapons. True, this competition in armaments is largely a game of bluff, but the bluff may be called at any moment.

Shall we grow old? Shall we be allowed to enjoy the full measure of our years? Will the National Dividend be issued in time?

"Give generously" in your fight for Social Credit!

THE REV. TOM DIXON.

And This Is How They Plan

AN EPIC IN SUMMARY. VIDE PRESS.

"FIVE YEAR PLAN FOR BRITAIN." *Daily Express*, May 30, 1932.

That was the splendid *principle*. And the following has been the practice up-to-date:

Despite appeals producers decide to stand out of Pig and Pork Scheme. *Daily Express*, March 7, 1934.

Milk Board faced with forty-million gallon surplus monthly. *Daily Express*, March 7, 1934.

Milk Board meets a crisis. Factories as answer to wholesalers. Large firm refuses to renew contracts. Board regards this as a challenge to its new marketing scheme. *Daily Express*, April 5, 1934.

Government preparing 'Industrial Enabling Bill' to empower authorities to compel small industrial units to join price-raising schemes, and mergers. Specially for Steel Trade reorganisation scheme. *Daily Express*, April 5, 1934.

Former Chairman of Milk Board blames farmers for the Milk Marketing Scheme. *Daily Express*, April 14, 1934.

Milk Chief sorry—but farmers must stand fifty per cent. losses, and chuckles at farmers' threat to withdraw from Scheme. *Daily Express*, May 11, 1934.

National Housing Corporation. *Daily Express*, June 19, 1934.

Hop Marketing Board. Five year Plan for ratification by Parliament, imposing 10s. levy per cwt. *Daily Express*, June 28, 1934.

Shipping Plan. Build one ton: scrap three tons. *Daily Express*, July 7, 1934.

Another big election for farmers. The Potato Board. *Daily Express*, July 10, 1934.

Tentative enquiries with reference to compulsory scheme for Dyeing Trade. *Daily Express*, July 4, 1934.

Government considering Bill for Tinplate Industry "whereby the Majority will be enabled to control the Minority." *Evening Standard*, July 20, 1934.

Whitehall tackles the kippers. Plan to rationalise the Herring industry. *Sunday Dispatch*, August 12, 1934.

Egg and Poultry Plan. *Daily Telegraph*, August 20, 1934.

Provisional discussion of plan for Cotton Trade. *Daily Mail*, August 23, 1934.

Scheme to restrict import of potatoes. *Daily Express*, October 5, 1934.

Commission on Poultry Industry suggests tariff on eggs. *Daily Mail*, September 7, 1934.

Milk firm complains of Milk Marketing Board. Investigators agree with complaint, but report that restrictions are in interests of producers and manufacturers, and WILL THEREFORE REMAIN. *Daily Express*, September 17, 1934.

16,000 Private Owners of slaughterhouses alarmed at Government policy of centralised slaughter. *Daily Express*, September 17, 1934.

Scheme for Fishing Industry. Government to tell fishermen who may fish, where and when they may fish. Those not required as fishermen to find other occupations. Compensation to be paid for redundant ships. *Times*, October 23, 1934.

T. H. STORY.

THE JUST PRICE

II.

THE Just Price has been identified in the previous article as a mathematical price-factor, based upon a "continuous audit" or statistical record of the financial values of national production and national consumption, thus expressed:

$$\frac{\text{Just Price}}{\text{Cost Price}} = \frac{\text{Total National Consumption}}{\text{Total National Production}} = \text{Price-factor}$$

wherein the inserted figures would represent the production and consumption of a specific period, (say, six-monthly), and the price-factor as thus adjusted would apply to the retail sales during each succeeding period.

It was explained that, since production does actually and must exceed consumption, the price-factor must be less than unity. In other words, all retail sales would be made at less than cost; if the price-factor were half, then each article priced at £2 would be sold at £1, and so on.

Thus, on the one hand, a proportion of the actual purchasing-power in the hands of individuals would be unused or released, to an extent exactly equal to the financial value of the surplus production (as revealed by the price-factor) carried forward to be charged and thus to be met in the price of consumable goods in the future. On the other hand, the retail discount thus made to consumers would be covered by issues from a Treasury account, negotiable within the productive processes, the financial balance of this account being equal, at all times to the financial values of unused communal wealth.

Total Incomes Would Equal Total Prices

Thus, at all times, the effective demand (money) in the hands of individuals would equal the total price of consumable goods offered for sale, *however great the volume of production might be*. The reality of abundance would become apparent, by a simple accounting method.

But all great changes have a fundamental simplicity, and, after considering some detailed aspects of the method, it will be possible to assess its revolutionary importance.

It must first be emphasised that the Just Price is a mechanism, not a theory. It is the application of scientific technique to the mechanism of distribution, and uses the existing mechanism as a machine in operation.

Thus, no change of any kind is required in production *which is technically so efficient that it is eliminating human labour*, nor in the accounting (financial) record of production, on which economic transactions are based.

The first price-factor would therefore be based on a simple inventory of actual facts; a summary of prices of all production, and all consumption, during a specific period. *This would give a mathematical standard and destroy forever the fictitious gold standard*. Thus, if production during the second period should enormously increase, in response to the stimulus of doubled purchasing-power, the price-factor would correspondingly and automatically be reduced. The surplus production (*the increased wealth of the community*) would be reflected in the discount-fraction, and a corresponding value of purchasing-power thus carried forward to meet its financial price *when it is being consumed*.

Further, although the first effect of the price-discount must be a doubled demand for essential commodities, and consequent expansion of production, there is no *real* diversion of released purchasing-power from its ultimate function, that of meeting or equating the price of the surplus production carried forward. The apparent diversion, if production did not equal the increased consumption; would merely reduce the discount-fraction in proportion to the goods actually consumed; while the discount itself would be applicable to each retail sale, however great their increased frequency might be for each individual. The individual could use his purchasing-power *only* by destroying goods; and the money left in his hands by the discount must always represent the price of the unconsumed assets carried forward, to be paid for ultimately as they are consumed.

Private Ownership and Competition Can Continue

Let it be emphasised again that existing mechanisms may be used for the imposition of the Just Price. Therefore, *the principle of private ownership and individual competition in the means and practice of production need not be altered*, but accepted as an existing fact in view of the obvious

technical efficiency of industry as an engine of production. And accordingly, the creation of the price-discount, and its operation through the National Treasury Account, would not mean the creation of false profits for producers. They would continue to obtain their profit on turnover, by their merit in competition, and any attempt to inflate profits would defeat itself.

There must, however, be a progressive rationalisation of industry, under the terrific impetus of *an unfettered demand*, and the question of standardisation or control of profits (the wage of the organiser) would become one of reasonable expediency, easily adjustable in an era of universal prosperity.

A further effect of supreme importance, (which has been put forward by the uninitiated as an objection) is, that voluntary savings, or hoarding, would cease to have the present effect of accentuating scarcity and destitution. In the first place, a natural sequence of organisation, following the introduction of the Just Price, would require that all (or say ninety per cent.) of new Capital required for Capital production would be supplied by the National Treasury Account *by the very methods now usurped by the financial system*; and the further introduction of the National Dividend, would reduce the necessity and some of the inclination for "thrift."

Even if re-invested, however, under the Just Price. (A) Goods representing the savings would remain unconsumed, (B) New goods representing the savings *invested* would be produced, and (C) There would be thus a double impact on the price-factor, the surplus of production over consumption would grow, and the price-discount would automatically be increased. Money, effective demand, would *always* equal the unused production offered for sale.

National Assets Now Represented by Debt

This opens the obvious question of existing Capital assets of the nation, the financial value of which must be charged into the prices of consumable goods in future years. But there is no "money" now in existence to meet them: up to the present, all the nation's assets are represented by *debt*, and not by a Capital account. The State and Municipal debts represent assets actually in existence, chargeable into future prices by rates and taxes. The bank deposits, debts due by the Banks, and now aggregating two thousand millions, are actually based, not upon the fictitious gold but upon debts due to the banks, in the form of investments and advances on overdraft, which in turn are based upon (secured by) the Capital assets of production.

Money-Creation a Communal Prerogative

Here again is a question of reasonable expediency, which may be settled in any one of several ways. The demonstrated deficiency of purchasing-power must be bridged; the ownership of assets, and the prerogative of money-creation, must be restored to the community.

Whether this shall be done by the opening of a National Treasury Account and a controlled issue of currency, or by an averaged adjustment of the price-discount, or by other methods similarly aimed, is a matter of accounting method that does not affect the principle involved—namely that the effective demand in the hands of consumers shall at all times equal the price of consumable goods offered for sale, up to the limits of production.

At this point, the further effects of this technique of efficiency become apparent. Expansion of production and "rationalisation" of consumption must accelerate the breakdown of the wage-system as a means of distributing purchasing power. The possible planning of production or elimination of wasteful variation may arise. The question (imbued with needless difficulties) of the cancellation of discount-currency may require further consideration.

Such points will be considered in a further article; meantime, let it be repeated that the principle of the Just Price is unaffected. It is a mathematical standard based upon the realities of economics; it is an adjustable instrument releasing the full potentialities of the scientific control of natural wealth; and in practice it is a simple and clear-cut accounting method. It is indeed an economic foundation for social justice, embodied in the National Dividend that will be considered later.

THE BASIS OF CREDIT

UNDER the Gold-Standard, gold performed two functions. Internationally, it provided a medium for settling debts between communities using different currencies; and, generally, it formed the basis of credit.

As regards the first function, it is possible to bring forward a few arguments for its use which are worth discussion outside a lunatic asylum; but arguments for its use as a basis of credit hardly merit similar consideration.

Consider our civilised selves tackling (say) a Housing Scheme under gold-standard conditions. We should begin by obtaining an estimate of the cost of the work in money units. If the figure were very large, someone would exclaim, "Where is the money to come from?" and it would at once become apparent that we could not afford it. But if the figure were not too formidable we should call upon a banker to lend us the required amount. The banker would take stock of the gold in his vaults, and, should this prove insufficient to bear the weight of financial credit required, he would inform us that the proposed building operations must be postponed until the gold in his possession had increased sufficiently.

A Savage Would Know Better

An intelligent savage, watching this procedure, might be puzzled. After investigating our technique, and discovering that our houses were not built of gold, but of brick, stone, slate, timber, glass, lead and other materials, he would ask, had we sufficient of these various materials, or could we provide goods in exchange for those not obtainable in this country? Had we the requisite skilled tradesmen, architects and organisers? Had we the necessary tools and equipment? Could we provide sufficient food, clothing, shelter, etc., for the workers whilst they were employed, or, alternatively, could we provide goods or services in exchange for these?

Our Quaint Superstitious Rites

If we could, our intelligent savage would see nothing to prevent an immediate start being made. It would be next to impossible to explain to him why this could not be done; his poor untutored mind could not be expected to grasp the realities of the situation. And we, perhaps, might ponder upon the quaint, and often weird, superstitious rites that his tribe was wont to practice in his own land, while our sophisticated selves solemnly dug a quantity of almost useless yellow metal out of the ground, transported it several thousand miles, and buried it in another hole before we ventured to start building operations.

But if things get too hot in the gold-standard fire and we jump out of this into the frying-pan of a managed currency, we find similar ideas underlying our practice; for the Joint Stock banker still bases his credit issues on his cash—which is putting the cart before the horse with a vengeance.

Credit issue should be based upon ability to produce and deliver the goods and services, while the volume of cash should depend simply upon the shopping habits of the community.

Cash—meaning notes and coin—is only required for retail purchases, and by no means for all of these. At one end of the income-scale we have the rich man who makes almost all his payments by cheque, and only requires cash for pocket money. At the other end of it we have the small wage-earner taking all his wages in cash and paying cash over the counter for all his purchases. Between these extremes are people who make use of cheque and cash payments in varying degrees.

So if in any given locality it were possible to persuade a large proportion of the wage-earners to open banking-accounts, take their wages in cheque form, run monthly accounts with their tradesmen and pay by cheque, the same total volume of trade could be carried out in that locality with a very much smaller volume of cash in circulation.

The Proper Basis of Credit

There is therefore no necessary relationship between credit and cash. The important thing is the volume of credit; the volume of cash required to implement that credit should be treated as a purely mechanical problem, to be solved, as occasion requires, by printing machines.

So long as productive plant and the ability to operate it are available, the banks should create all the *producer-*

credit required on the basis simply of that plant and ability. No better basis could be found. After that it will be the business of the National Credit Authority to create and dispense sufficient *consumer-credit* to ensure that the product can be purchased as fast as it is marketed; in the course of which it will be found that an ample supply of cash will be available for the banks and their customers.

Financial credit has been likened to a catalyst, that is, a substance which produces mechanical reaction on other substances without itself undergoing any change. All the physical factors necessary for a productive enterprise may be present, but in the absence of this catalyst nothing happens. In its presence, however, there is set up a series of complicated actions and reactions between the numerous physical factors, which culminate in a finished product. As this catalyst, financial credit, is almost costless, it is worse than absurd to say that the supply of it shall be less than co-extensive with the physical factors of production which abound on every hand.

A. W. COLEMAN.

The Story of Man

"Human History," by G. Elliott Smith.

Jonathan Cape. Out of Print; a new edition shortly at 12/6.

HERE is a book that builds a great intellectual bridge over the ages.

We should be grateful to a writer like Sir G. Elliot Smith who, with his vast learning, has brought within the comprehension of the man in the street so much of the whole history of man, and his ancestors, and of his relations, and has put before us a convincing theory of the origins of civilisation and of superstition and an outline of the age-long and still enduring struggle between the two.

Let me most strongly recommend his book to the open-minded of every class, while refraining from giving here anything but a bald and imperfect list of its contents, as follows:—

A statement of the facts so far known of the various species of super-apes and pre-men.

The probable area in which the species *homo-sapiens* arose and the conjectural lines of its spread.

The way of life of primitive man, who still exists in various parts of the world and who neither is, nor ever was, "a fighting animal."

The probable origin of agriculture and resulting civilisation in the naturally irrigated banks of the Nile among pre-historic eaters of wild barley.

The gradual spread of this material civilisation, inextricably combined as it was with a dominating funerary superstition.

The genesis of the mania for gold.

All the known records, barrows, dolmens, magaliths, etc., in Western Europe, Mesopotamia, India, China and America shown to be traceable to the one original source, Egypt.

The dawn of the light of reasoning in Ionia.

Truly a comprehensive enough thesis, some one will remark, "but what has it to do with Social Credit?"

My reply would be that I cannot imagine a better introduction to Major Douglas's recent great speech at Dunedin on "Dead Tradition versus Reason in Economics."

Let me in conclusion quote Sir G. Elliot Smith's own epilogue:—

"It took man hundreds of thousands of years to realise the vast possibilities conferred upon him by human powers of vision and skill.

"When man began to devise Civilisation he became entangled in the shackles of the theory of the State, which he himself had forged. It remained for the Greeks to remove the shackles and restore to human reason the freedom it had lost. Ever since then the history of the world has been a conflict between the rationalism of Hellas and the superstition of Egypt.

"It depends upon the human population of the world themselves, which will win. For thought and courage can decide the issue."

PHILIP T. KENWAY.

The Case for the National Dividend—VI.

THE MOTIVES TO WORK

OCCUPATIONS are legion. Census-takers concern themselves with Gainful Occupations, by which, of course, they mean, financially gainful. But these are only some of the whole number, and most of them are by no means as important as some occupations which are not gainful.

A simple Euler's diagram will show one set of relations which subsist between occupations as a whole. First draw a large circle and label it Occupations. Inside it put another circle and label it Gainful Occupations. Then put another circle inside the first, making it overlap the second. Label this Useful Occupations. Now, whatever set of social or moral values you choose to go by, of all Occupations, some are both useful and gainful, e.g. selling petrol.

Some are useful but not gainful, e.g., bringing up children;

Some are gainful but not useful, e.g., writing drivelling articles about dogs;

The rest are neither gainful nor useful, e.g., denouncing Trades Unions in letter to newspapers.

The Motives Are Many and Various

A brief consideration will show that people engage in the first and second classes for many motives and reasons. Among these we find:—(a) Desire to "make," that is, get money; (b) To win honour and esteem from other people; (c) To escape boredom; (d) To do something worthwhile or something in a better way than it has been done before; (e) To benefit other people; (f) To drown sorrow or express high spirits; (g) To fulfill a moral or religious duty.

None of these is a simple motive, least of all the first of them. Whole books have been written by earnest sociologists on the second, third, and fourth. Historians and moralists have studied the fifth and last, while a slight acquaintance with history or psychology suffices to show what a large influence the sixth has had.

It would Weaken the Money-earning Motive

We may frankly admit that the National Dividend would to some extent weaken the desire to get money. But this weakening would chiefly affect the third class of Occupations—the doing of things which are gainful but not useful by any sensible standard.—All that range of employments which concern the trifling, the unworthy, the obstructive, and the harmful elements in society.

In the end it might very well help to simplify and stabilize the standard of comfort. Needless to say this would be at a level far above what most people now experience. But it would tend to cut out a good part of what may be called wasteful consumption—the consumption of goods, for instance, due to a wish to show off your own income in comparison with a neighbour's and not because you need them for your own comfort and enjoyment. But who besides the half-baked is going to argue openly that either production or consumption is good in itself apart from the instincts or desires it satisfies? Is work for what is really superfluous a thing to be praised or encouraged? The National Dividend does not abolish the permanent desires and instincts of life, and therefore it is not in the least likely to discourage the necessary work to satisfy them.

"Honest Toil" at Last Rewarded

But if we assume that a large number of citizens decided to live on the Dividend, or rather on the things they could buy with it, those others who were strongly actuated by a desire to get money would have the time of their lives, charging wages, salaries, commissions and profits on jobs which had to be done while the supply of human labour for production was short. Here we should have for the first time for untold centuries a state where honest toil would come into its own. Hitherto, as the history of the Labour Movement has shown, hard work has been no recipe for a sound income.

Opportunities For Better Work

On the other hand, the National Dividend gives greater scope and opportunity for the other motives to express themselves. It weakens the pressure to find mere work because the struggle for sheer necessities or bare comfort

has been reduced. People will be more inclined to criticise themselves and their occupations and attempt something better. There is more chance that the man making or selling some article of bad quality or pernicious nature, or performing some job which he feels is useless and degrading, will revolt. "Producer's morality" and "Professional honour," hitherto chiefly associated with certain occupations requiring high skill, aesthetic powers, or cultured training, will have more chance to revive and increase. The National Dividend offers the means of purging industrialism of the baser features now found corrupting its manifold benefits. It will tend to make economic activity more a way of life and less a means of existence.

Increasing the Influence of the Consumer

I have already referred to the important part played by the amateur and the curious layman in the economic and scientific progress of the world. If we examine economic progress in view of the various motives which have actuated people to contribute to it, we find that, first, the non-financial motives have played as important a part as the financial ones, and second, that consumption is as important as production.

Take the beginnings of modern capitalism, for example. Whatever we think of it, the facts hold. It developed largely in connection with Sugar and War. These required large establishments for the production of sugar and armaments. The demand for armaments was a non-economic consumers' demand, for war before modern times seems to have been distinctly less economic in origin and spirit than latterly. Sugar was a luxury required by well-to-do ladies in the form of sweetmeats and by men in the form of rum.

Women, of course, and children to a smaller extent, have been the spearhead of consumption for ages past, and so have been every whit as great a factor in economic life as the producers, whether men or women.

The most ardent person "gainfully employed" cannot function without consumers to buy the product. The National Dividend provides for an efficient basic consumption and therefore for basic production with increasing efficiency also.

HILDERIC COUSENS.

WORK AND LEISURE

Work

Who first invented work, and bound the free
And holy-day rejoicing spirit down
To the ever-haunting importunity
Of business in the green fields, and the town—
To plough, loom, anvil, spade—and oh! more sad
To that dry drugery at the desk's dead wood?
Who but the Being unblest, alien from good,
Sabbathless Satan! he who his unglad
Task ever plies 'mid rotatory burnings,
That round and round incalculably reel—
For wrath divine hath made him like a wheel—
In that red realm from which are no returnings;
Where toiling, and turmoiling, ever and aye
He and his thoughts, keep pensive working-day

Leisure

They talk of time, and of time's galling yoke,
That like a millstone on Man's mind doth press.
Which only works and business can redress:
Of divine leisure such foul lies are spoke,
Wounding her fair gifts with calumnious stroke.
But might I, fed with silent meditation,
Assoiled live from that fiend Occupation
Improbis Labor, which my spirit hath broke—
I'd drink of time's rich cup, and never surfeit:
Fling in more days than went to make the gem
That crown'd the white top of Methusalem:
Yea on my weak neck take, and never forfeit
Like Atlas bearing up the dainty sky,
The heaven-sweet burthen of Eternity.

Deus Nobis Haec Otia Fecit

CHARLES LAMB.

EDUCATION FOR SCARCITY

THE present school system, both elementary and secondary, in private establishments and in those under State control, which in defiance of the fitting use of words is called an "educational system," is based on fear, and that fear in the last resort is the fear of want or, as Maurice Colbourne puts it, "the fear for tomorrow's dinner."

The following observations do not apply to many of the infant schools, the nursery schools inspired by the work of Montessori and a few independent schools under enlightened headmasters.

The world of school in its organisation is a replica on a small scale, of the pyramid structure of the economic system. In the State schools at the apex is a vague body called the Board of Education, which shows a characteristic of all bureaucratic organisations, namely, the lack of individual responsibility, the readiness to refer to authority, particularly when that authority is dead.

Dominated by Finance

This Board, however, is dominated by financial interests, and only those who have been trained in the unquestioning acceptance of authority find a place on it.

The Board has its inspectors, who having risen from the ranks of the teaching profession, know the tricks of the trade, and come to be regarded as ogres by the teachers who fear for their jobs.

Amongst the more enlightened members of the profession, even amongst headmasters, there is a rising tide of revolt against the repressive forces from above; but in most cases the staffs still go in fear, not only of the inspectors, but of the headmaster. And so through the fear of losing their jobs, they carry on a system which consists in repressing the individuality of their pupils, starving them of intellectual and spiritual food and creating an atmosphere in which it is impossible for any but negative qualities to develop.

The line of cleavage, where the force of revolt meets the force of repression, comes between masters and boys; though in the public school system some of the boys, known as prefects, are won over to the forces of repression by means of a grant of privileges.

Drudgery as a Virtue

The justification that the schoolmaster gives for this repression is that the boys must work at boring tasks because they have to pass certain examinations, in particular the

matriculation, in order to find a job, and he often lauds the virtues of drudgery as a training for life. The irony of it!

The healthy boy is an interested and vital creature; he is just beginning to feel his powers, his senses are bringing every day fresh wonders to his mind, his creative instincts only need a sympathetic atmosphere for their development and then—he comes to school.

He is compelled to sit on a badly shaped cramping seat for periods of at least half an hour and listen to a person talking about things in which he is not interested, and the significance of which he cannot realise; even if his interest is aroused by a trick, the fatal gap between work and play, intellect and action, is opening.

The boy hates sitting still and that hatred is based on the intuition that his most valuable powers are being diverted into harmful channels. Naturally there are some boys of the co-called studious type to whom the dry useless matter which is too often delivered in schools has interest. These thrive, pass examinations and go to our universities to carry on the tradition of slave schools.

The boy may come under the attentions of what is called a good disciplinarian who by sheer terrorism commands silence and instant, unquestioning obedience. On the other hand he may come to a man who is either too sensitive to be a brute or merely incompetent, in which case he has a means of giving vent to his repressed vitality, and in this way many charming and sensitive masters have been broken—more victims of the financial system.

Only Beaucrats Required

The fear of want finds its expression in an insistence that authority must be accepted, and in this way all but the strongest characters are perverted. The ideal and the highest type for which the system caters is the bureaucrat who can think logically but whose mind is filled with preconceptions the truth of which he would no more think of questioning, than that the accusative of "mensa" was mensam—competent slaves who, given a book of rules and a list of authorities, will apply them to the letter.

The majority, however, have their faculties so dulled that they accept poverty in a world of abundance, and if they think at all imagine that perhaps the next world will compensate them for the virtuous drudgery in this.

Our children are being moulded under the pressure of fear into shapes which fit an obsolete financial machine, which will break down and be scrapped before most of them have time to occupy what few places there are available in the productive system.

SANSON CARRASCO.

A DREAM, OF COURSE

"Yes, that's good enough for me, Sir!" said my tailor, as I proffered with some diffidence the apple green dividend warrant for £5 5s. I had received that morning from the National Credit Authority.

To a chronically hard-up man it had seemed just a little bit too good to be true. "And yours is not the first to-day, by any means. I'll receipt your bill now, Sir."

He opened a book of receipts bearing the unmistakable signs of government issue. So these were the famous National Discount forms for controlling prices against inflation. I looked at the little green book with curiosity. "This is something new, Sir," said my tailor, bringing down the date stamp with a flourish. "Now it's your turn on the dotted line." He handed me the form. I examined it. Below the usual acknowledgment of a debt paid was a space for a name and address. Below this again I read the following instructions.

"This form must be fully receipted (no stamp is necessary) by the actual vendor of the goods. The vendee, in order to obtain the National Discount of twenty per cent. on all retail sales of consumable goods effected in the United Kingdom for the period of 1st January, 1936 to 30 June, 1936 must fill in his or her name in the spaces indicated.

"This form should then be paid into the vendee's banking account like a cheque or cashed at any Post Office in the United Kingdom.

"Not transferable."

"That means a guinea back for you, Sir. It's interesting, isn't it? I don't know how it is done but, as I say, it's good enough for me. Things are fairly humming and I'm extending my premises in the Spring. By the way, Sir,

would you care to have a look at these new patterns. Real good quality stuff. Just feel that, Sir . . ."

A dream, of course, but how easily could it be true. Food, clothes, houses, furniture, cars, radios, books, theatres, travel tickets, goods and services of every description in any quantity, responding to the call of the National Dividend Warrants flowing in a steady stream from the National Credit Authority over the whole country.

Imagine our vast untapped wealth moving, taking shape and pouring out the things we want.

Realise that this and every civilised nation is heaped up, pressed down and flowing over, supercharged, saturated, dripping, honeycombed, and festooned with wealth producing capacity. This is not rhetoric. It is understatement. The engineers and chemists will tell you so.

Well, What about it?

N. DUDLEY SHORT.

THE YOKE OF GOLD

On
Labour's Neck
Finance hath set
Its yoke of gold:
Bare necessity's the whip
Driving the oxen as they trek;
But Motherhood, half-starved in unemployments' grip
The Douglas' Social Credit Theory aids.
If this faith she hold
Bountiful Nature's wealth untold
She shall get
From trade's
Waggon.

HELENA ADDIS.

A CEREMONY OF REMEMBRANCE, 1934

THE celebration of Armistice is past once more, and again we have paid our tribute to the memory of the lost generation that died in an ignoble war. It is now permissible to look upon the wider meaning of this ceremony, and to compare it with the world-chaos which formed its background: to read a lesson from the two minutes' silence that could bring no peace.

The weakness and sorrow of mortality demands our sympathy. The generation that was cheated of the fruition-years of its life is still represented by those who live with a sense of loss beyond compassion. Yet to those who look upon the world seeking unity and reality, the orations of this ceremony of remembrance were false and unreal, condoning a state and a sentiment that is betrayal of the dead, and treachery to this present generation, now committed again to the final chaos of world conflict.

Has any vision of reality been given? Has it been admitted that the greatest achievement of our century of miracles has been the scientific murder of ten million men? That we have given the supreme expression of our civilisation in the power to discipline and combine one hundred and forty millions of human beings, as producers, convoyers, and warriors, into a perfect organisation for the orderly destruction of our environment?

The Economic War Has No Armistice

We celebrated the military armistice in the midst of an economic war that has no armistice in our leaders' minds, and to which there is no apparent end. While the war continued there was abundance and wealth production without limit. But the survivors of that war-generation, once organised so marvellously for destruction, live in poverty, while behind them a new generation has grown up into a demoralised society, without training or outlet for its inherited talents.

This is a generation that should inherit beauty and wisdom, but we give it instead, the use and training of masks of horror,—gas-masks. Is it to be admitted that the outstanding characteristics of this age, the twin triumphs of our scientific-industrial civilisation, are: Profound organisation, unlimited production, and universal wealth during war, and social insecurity, scarcity, and individual poverty in times of peace.

It must be obvious that the realities of this conception are deliberately obscured by the political and financial dictators of civilisation. It is impossible to reconcile the actual facts of the "practical" world, with the existing standard of scientific knowledge and the desire of civilised communities for progress and peace, except by an indictment of world-leaders charging them with the betrayal of their great trust.

Political Principles Based on Strife and Starvation

Do our rulers calmly consider the training of whole populations in the use of gas masks *see* the spectacle of an infant choking to a horrible death, by the successful impact of a bomb launched by their order? Do they still base their political beliefs on principles which lead inevitably to strife and starving insecurity between the semi-destitute masses *within* nations? In short, must they not be charged with mass-murder and the destruction of human happiness *as normal parts of their expressed policy*?

To-day, we are more highly organised for war than in 1914, we are a world in arms. We are preparing to use our air-planes that have broken down the barriers of time and space, for the launching of poison-clouds upon crowded cities *and without warning*. At least four great "civilised" nations are turning out huge masses of gas so corrosive that it will immediately destroy any form of gas-mask that is at all wearable, that will corrode and kill by touch or smell in the most extreme diffusion, and cling for long periods to the soil and habitations of attacked communities. Yet no consistent outcry against this dreadful possibility is heard from the governors of nations. We have seen the essentially absurd outline of preliminary organisation in defence, and the use of fire-brigades to cleanse the poisoned streets of cities with water. A task, indeed, so obviously impossible that it denotes pessimism and despair in the minds of those who accept war, and its consequences, as *inevitable*.

Why? Because the chaos of this system has become sanctified by prejudice into a belief. Because economic science is based on financial aggression. *Because nations*

must fight for economic existence over world-markets that no longer exist.

The civilised world is preparing to be crucified on a cross of gold. Yet amid a confusion of tongues, the voice of sanity has spoken clearly and consistently of a way of escape from imminent destruction into the new age of leisure and progress. Major Douglas has finally reconciled economics with its proper scientific foundations. His Social Credit proposals at least make it possible to reflect scientific progress in the material environment—to express scientific research as social wisdom. The futility of personal struggle for necessities that are available in abundance, the needless fear and insecurity in an environment at last capable of permanence and stability; the hopeless treachery of international rivalry for a prosperity immediately present within each community; these have been analysed and exposed, and the way made plain. No man is now exempt from the charge of betraying his age and his most profound beliefs who fails to read and understand these portents and this plan of hope, and to fight, not for outworn formulae, but for universal justice and the dignity of *scientific* freedom.

But as for you my masters, who preach of national security and juggle with great guns, and deal with horrible death as an intellectual dilettante deals with the niceties of words, you stand before the world with the fate of civilisation in your keeping. And if you permit war, while the way of peace is mapped and made known, you are murderers, or you are mad, betrayers of those who died that you might be great:

How shall your lives be lived amid your tears?
We are new born; new revelations gives
A miracle of power, the plumbless wells
Of wisdom, triumph to each man that lives;
But you, my masters, in what secret hells
Shall you atone and live for them again,
The hosts you lost, the dead ten million men?

W. ADAMS.

Poppy Day

For one day in the year we wear a scarlet poppy to symbolise our remembrance of those who died in good faith for an ideal. As a symbol of remembrance of the great host that has marched on, the wearing of poppies is to be commended; as an emblem of charity to the huge army of needy and destitute still with us it is to be deplored.

Sixteen years ago we promised these survivors an England fit for heroes. To-day we have rattled money-boxes at every street corner, collecting pennies and small silver mainly from shabby purses and light pockets, to raise perhaps half a million pounds. Half a million pounds spread over twelve months to succour God knows how many thousands! It is indecent.

The clumsy ineffectiveness of this private charity! No one wishes to belittle the kindness of the voluntary collectors, and organisers who have handled thousands of boxes. They do their best within their limits, but how limited it all is!

This is not Hitler's Germany. We in this country can still raise the voice of criticism and attack this damnable financial system which imposes artificial poverty, provokes war, and relies largely on charity to take care of the victims.

The National Dividend must abolish these pitiful doles. Charity of this kind is an anachronism in the Age of Plenty; it has been suffered too long. In England of to-day it is "poppy-cock."

N. MESHED.

Manual for Electoral Campaign Workers

A comprehensive Manual for the guidance of Electoral Campaign Workers has been specially prepared for and approved by the Social Credit Secretariat.

It will save time and cut waste of effort for Campaign organizers and workers. Paper-bound, duplicated copies 1s. 3d. post free from SOCIAL CREDIT office, 9 Regent Square, London, W.C.1.

Women and the National Dividend

SOME POSSIBLE REACTIONS

Some May Not Like It

MAJOR DOUGLAS has hinted that some of the energy and singleness of mind shown by women in the suffrage campaign, might be imitated with good purpose by feminine Social Creditors. But just as many women had instinctive objections to the suffrage, so we may find that many of them will greet the idea of the National Dividend with equally deep-rooted suspicion.

A propos of this, I heard an illuminating remark at a gathering of Social Creditors the other day. The speaker (a man) suggested that when one was asked questions as to methods and means of obtaining the Dividend (they were speaking of the official leaflet to be distributed) it would be sufficient to say to the enquirer something to this effect; "It is not necessary to know the why and wherefore of all the details of the working out of our scheme; it is enough for you to know what you want, without troubling how are you going to get it."

A woman interposed the remark—"H'm, that might satisfy a man, but it wouldn't do to say that to a woman."

A Different Attitude to Money

First and foremost, I suggest that money is not the problem to women that it is to men. At this point many readers will say, "What? Money less of a problem to women?" To the housekeeper, with her eternal nightmare of meals?"

Superficially this sounds nonsense. But consider: extend an invitation to any man—one that is out of his daily rut, and the answer you will get will probably be something like this: "Sorry, old man, but I haven't a dress suit," or "Thanks awfully, but its too expensive, that sort of thing is not in my line."

Now try the same invitation on a girl. She may, if she is of the cautious type, pause a moment, then she will accept out of hand. Her mind will work something like this: "I can borrow Katie's gloves, and Maude will lend me her new stockings; my dress will do if I take the sleeves out and I can paint my old shoes silver," and so on.

This attitude of mind is of course the result of past ages. Until comparatively recent years, man has been the wage earner; he has had to produce the money. Woman on the other hand, has been accustomed to look upon money as something that would be given to her in one way or another if she was lucky; if not, she has generally contrived to "make do" without it. So their approach to the National Dividend is along different lines.

Ask any father of a large family, if he would like each member of his household to have the National Dividend. If he took you seriously enough to react at all, his reaction would probably be a pleasant one. The idea of his daughters having money for which they had not "touched" the parental pocket, or of his wife paying her own milliner's bills, would appeal to him as a welcome release from responsibility.

Menfolk and Mischief

But try the same question upon Mother. Her first reaction might be one of apprehension. She would at once sense the enormous latitude that would be bestowed upon her husband and sons to get themselves into "mischief." Ridiculous! Perhaps—but a very real bogie when it comes to canvassing.

Women have always an eye to character, even if it is quite unconscious; it colours their thoughts and ideas, and particularly their prejudices. Whether they are aware of it or not, they look upon men as potential fathers. They have been taught by experience that money is as likely to be a deterrent as a help in the forming of character. The vision of a lot of little boys drawing Dividends, does not thrill them half as much as the picture of a lot of little boys suitably and intelligently occupied.

Social Creditors know that one is the same as the other, but we've got to put the idea forward so that other people know it also, and know it easily. Otherwise it will be the women who will slide the country into a Dictatorship.

M.C.

Middle Classes and Servants

IT is natural that after admitting the wisdom of the general principles of Social Credit individuals should ask how the benefits will affect their particular case.

This will be found especially so in the case of women, who, from long habit, tend to seek practical applications. So far, it is said, only one Social Creditor in a hundred is a woman. Yet without women's approval Social Credit will never be realised.

The great army of women who are in receipt of wages, as well as the wives of working-class men should not need much persuasion. The National Dividend will add to their earnings and remove the fear and insecurity of poverty.

But there is another group, not so negligible as is sometimes supposed—the vast numbers of women of the less affluent middle-class, who have husbands and children and who can afford one servant, or at the most two.

These are of two distinct types. There are the "new poor," who spring from families with long traditions of Social life, and of service to the community, and the genuine middle-class, connected mainly with trade, whose interests are mainly centred in their own homes and relations.

The former really belong to the upper and ruling classes; they have lost their money, but they retain their traditional outlook, and still feel that they have a right to be served. They are seldom capable of manual labour or consistent domestic toil, but they still desire that liberty which will enable them to serve the community in other ways. They will naturally ask how they will get on if their servants leave them. For it is fairly certain that the independence and freedom of choice resulting from a National Dividend render domestic servants less likely to remain in the service of other women. And the number of families able and wishful to keep servants will be enormously increased. So that the new-poor woman, hoping for more liberty under Social Credit, may fear that she will have less.

They Want Service, Not Money

The other type, the true middle-class women, will fear for their comfort. For comfort is to them what liberty is to the "New-Poor." They are probably well content to confine themselves to the home, but they wish to maintain their accustomed standard of comfort and ease.

To both these classes of women, emphasis on the National Dividend will appear irrelevant. For it does not greatly matter to such women how much new purchasing power they have if they lose the liberty they most desire.

The increase in labour-saving devices are only a partial solution. Much must always be done by hand, and no labour-saving device in the world will tend children.

These problems will be solved; but in the meantime, they will be uppermost in the minds of thousands of women otherwise sympathetically disposed to Social Credit, and they must be seriously considered.

Fortunately there is another aspect which will appeal to the women of whom I have been speaking. The moral advantage of the National Dividend to those who have hitherto had no financial status cannot be too strongly urged. A married woman, with no money of her own, has hitherto been entirely dependent on the good graces of her husband. She often receives only a small allowance, over and above house-keeping money—an allowance not much more than that paid to her own general servant, and this for work of an amount and a quality which, if performed professionally would demand a high figure.

It is true that she shares in joint ownership the house and all that it contains, but her lack of free purchasing power limits her to activities approved by her husband. With the National Dividend she will possess a sum of money for which she need account to no-one.

This involves a new form of recognition, and will be appreciated especially by women, who, before they married, were in receipt of good professional salaries. It will be seen perhaps, principally as a moral advantage, but moral advantages count, especially to those, who despite all that has been gained still suffer from a very inferior position in marriage.

D.D.S.

What to Read

In the following short list of books and pamphlets necessarily incomplete, we have included only publications believed to be available in this country.

The following are the works of Major C. H. Douglas:—

Books:

Economic Democracy	6s. od.
<i>This book, the original statement of the philosophy of Major Douglas, is temporarily out of print. It will be re-issued about December at 3s. 6d.</i>	
Social Credit (new edition)	3s. 6d.
<i>This book continues the philosophical background of the subject and includes the Draft Scheme for Scotland as an Appendix.</i>	
The Control and Distribution of Production	7s. 6d.
<i>Temporarily out of print. It will be re-issued about December at 3s. 6d.</i>	
Credit Power and Democracy	7s. 6d.
<i>Will be re-issued shortly at 3s. 6d.</i>	
Warning Democracy	7s. 6d.
<i>Will be re-issued shortly at 3s. 6d.</i>	
The Monopoly of Credit	3s. 6d.

PAMPHLETS:

These Present Discontents: The Labour Party and Social Credit	1s. od.
The Use of Money	6d.
The Nature of Democracy	6d.

The following are books and pamphlets expounding and supporting the Proposals of Major C. H. Douglas from various points of view:—

The Douglas Manual, by Phillippe Mairet	5s. od.
<i>This is in the nature of a concordance of the works of Major Douglas, and is a most valuable book of reference.</i>	
Economic Nationalism, by Maurice Colbourne	3s. 6d.
<i>This book introduces the subject in easily assimilated form for readers of no previous knowledge of the subject.</i>	
The A.B.C. of Social Credit, by E. Sage Holter	3s. 6d.
Ordeal by Banking, by Allen Young ...	2s. od.
Introduction to Social Credit, by M. Gordon Cumming	6d.
Poverty Amidst Plenty, by C. F. J. Galloway	6d.
An Outline of Social Credit, by H. M. M. ...	6d.
Poverty Amidst Plenty, by The Earl of Tankerville	6d.
Short Papers on Money, by the Marquis of Tavistock	6d.
The Nation's Credit, by C. G. M.	4d.
The Abolition of Poverty: A Brief Explanation of the Proposals of Major C. H. Douglas, by R. S. J. Rands	4d.
The Douglas Theory and its Communal Implications, by Fred Tait (revised edition).	3d.
Outside Eldorado, by J. E. Tuke	3d.

The following books and pamphlets support the general analysis and proposals of Major Douglas but are not devoted solely to the exposition of 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.
<i>Perhaps the most popular exposition of the paradox of shortage amidst plenty. This book has done much to spread the conception of potential plenty held up by financial restriction.</i>	
Life and Money, by Eimar O'Duffy	5s. od.
Community Credit, by C. Marshall Hattersley	1s. od.
Men, Money and Machines, by C. Marshall Hattersley	3d.

Report of the Economic Crisis Committee of the Southampton Chamber of Commerce 6d.

Though not falling into any of the above categories this document will repay the study of our readers. It is a masterly analysis of the present economic situation.

Orders for literature should be addressed to the **Manager, SOCIAL CREDIT, 9, Regent Square, London W.C.1.**

THE SOCIAL CREDIT MOVEMENT

Supporters of the Social Credit Movement assert that under present conditions the purchasing power in the hands of the community is chronically insufficient to buy the whole product of industry. This is because the money required to finance capital production, and created by the banks for that purpose, is regarded as borrowed from them, and therefore, in order that it may be repaid, it is charged into the price of consumers' goods. It is a vital fallacy to treat new money thus created by the banks as a loan, without crediting the community, on the strength of whose resources the money was created, with the value of the resulting new capital resources. This has given rise to a defective system of national loan accountancy, resulting in the reduction of the community to a condition of perpetual scarcity; and bringing it face to face with the alternatives of widespread unemployment of men and machines, as at present, or of international complications arising from the struggle for foreign markets.

The Douglas Social Credit Proposals would remedy this defect by increasing the purchasing power in the hands of the community to an amount sufficient to provide effective demand for the whole product of industry. This of course, cannot be done by the orthodox method of creating new money, prevalent during the war, which necessarily gives rise to the "vicious spiral" of increased currency, higher prices, higher wages, higher costs, still higher prices, and so on. The essentials of the scheme are the simultaneous creation of new money and the regulation of the price of consumers' goods at their real cost of production (as distinct from their apparent financial cost under the present system). The technique for effecting this is fully described in the writings of Major C. H. Douglas.

BIRMINGHAM DOUGLAS SOCIAL CREDIT GROUP

A PUBLIC MEETING

will be addressed by

MAJOR C. H. DOUGLAS,

M.I.Mech.E., M.I.E.E.

IN THE TOWN HALL, BIRMINGHAM

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IPSWICH SOCIAL CREDIT ASSOCIATION

A PUBLIC MEETING

will be addressed by

THE MARQUIS OF TAVISTOCK

IN THE PUBLIC HALL, IPSWICH

On Tuesday, December 4th, at 8 p.m.

Chairman: Alderman F. E. Rands, J.P.

Tickets from The Ancient House, Buttermarket; Mr. John A. White, 12b, Arcade Street, or any Member of the Ipswich Social Credit Association.

Correspondence

"The Cistern and the Fountain."

TO THE EDITOR OF SOCIAL CREDIT.

Sir,—Rev. Dixon's article raised important questions which I could wish he had taken more space to develop and provide suggested answers to. Room could have been made by omission of his rather biased criticisms of the much maligned Puritans and Nonconformists. (We call ourselves Free Churchmen). After all, amid all the shortcomings of individuals judged by present-day standards, the spirit and courage actuating the movement did secure and hand down to us the idea of individual responsibility and independence; the right of every individual to think for himself, to form his own beliefs and to appeal direct to his God without intervention of king, pope, bishop, clergy or churches. That same insistence on individual independence and freedom of thought and expression is surely the basis of Social Credit philosophy?

Passing over the Rev. Dixon's historical special pleading, the psychological resistance to Social Credit benefits which he points out certainly exists, and it would be well if Social Crediters could find the best way of overcoming it. My only method so far is to stress the certain coming, under Social Credit, of real freedom and independence for the individual and the opportunity then for him to exercise his abilities for work and service in ways for which he is best fitted and would best enjoy. Such opportunities are the good fortune of very few to-day.

Major Bonamy Dobree raised this question in a splendid talk to us at Skegness Summer School on "Some Resistances to Social Credit," and I shall be glad to hear of any answers since arrived at by those of his audience who have given the problem further thought.

Yours faithfully,

W. H. WIGLEY.

81, Rose Hill, Ipswich.
November 3, 1934.

TO THE EDITOR OF SOCIAL CREDIT.

Sir,—In every individual life there is a dual thread, a man must USE himself, but he must also RESTRAIN himself; each time a present satisfaction is postponed for one less immediate, restraint is used. May not Puritanism be regarded as a violent exaggeration of this principle; exaggeration to the point of maximum discipline in return for the most remote satisfaction?

Baconian methods need due measure of this attitude, but, under the dominating conditions of Financial Monopoly, restraint, which should be self imposed, became imposed by conditions; discipline, which should be the instrument of the freedom to which it is complementary, became an outrageous growth, an end in itself.

If it be allowed that ultimately the Cistern and the Fountain represent the poles of restraint and freedom, we have in that remarkable book "Economic Democracy" a description of their proper function: "In respect of any undertaking, centralisation is the way to do it, but it is neither the correct method of deciding what to do or of selecting the individual to do it."

Yours faithfully,

HEWLETT EDWARDS.

Hill Farm, Ruislip, Middlesex
November 12, 1934.

TO THE EDITOR OF SOCIAL CREDIT.

Dear Sir,—May I support Mr. A. M. Wade's plea? If we are to have tendentious ancient history in SOCIAL CREDIT, it will have to be enlarged for replies and rejoinders and re-rejoinders. I should be pleased to expatiate on the puritanism of mediaeval Church reformers, the errors of the Nietzschean Mr. Ludovici (the brewer and the miller were the popular rascals of the Middle Ages), and pre-Reformation views of eminent churchmen on monasteries, etc. But, failing further temptation, I will refrain.

Yours faithfully,

HILDERIC COUSENS.

Holly School, Sheringham.
November 10, 1934

TO THE EDITOR OF SOCIAL CREDIT.

Sir,—Mr. Wade chose an appropriate date on which to sit down and write his protest against my recent article. I do not grudge him his fireworks, but is he sure that he is burning the right guy?

It is true that it was not until 1918 that Major Douglas discovered the flaw in the accountancy of industrial costs and

prices. But the flaw existed long before that. Douglas did not *create* the flaw by discovering it, any more than Newton created the law of gravitation.

The flaw arose spontaneously out of our neglect to change our system of accountancy with the introduction of methods of power-production. In company with Major Douglas, I argue that the flaw was not corrected, and was not even observed, because its effect was appropriate to a philosophy with which the minds of Europeans have been enslaved for centuries.

In my attempt to analyse that philosophy, I had to point out that it overshadowed, first the *Mediaeval Catholic Church*, and then the *Puritan Reformation*. This does not disturb my allegiance to the Church of England; a Church which, I may add, cannot afford to lose the best elements of either Catholicism or Evangelicalism.

So much for my "religious bitterness." I agree with Mr. Wade that economic reform can have no effect on the evils of selfishness. Social Credit will do much to save the innocent from those evils, however. But we shall all still have to work out our own spiritual salvation; and economic freedom will bring to each individual an increased moral responsibility.

Finally, if Mr. Wade is able to propagate Social Credit without meeting moral objections and similar "irrelevant matters," he is more fortunate than I have been.

Yours faithfully,

97, Club Garden Rd., Sheffield, II.
November 9, 1934.

TOM DIXON.

A Labour Leader on "National Dividends"

TO THE EDITOR OF SOCIAL CREDIT.

Sir,—I was interested to read in the "Notes of the Week" of November 9th your reference to the fact that Mr. Thomas Johnston, one of my colleagues in the Labour Party, has declared himself in favour of the National Dividend. The Social Credit movement is to be congratulated on having the support of so able and experienced a Parliamentarian as Mr. Johnston.

I should like to place on record through your columns my hope that the Labour Party may adopt National Dividends as part of its policy.

Without in any way committing my Party, I moved a resolution in the House of Lords on June 13, 1934 calling attention to the growing opinion that defects in the principles governing the issue and recall of money and credit are primarily responsible for continued economic distress in a world which had never been so well equipped to provide for all material needs; and to move that His Majesty's Government do institute an immediate investigation of the monetary system apart from its administrative machinery, with terms of reference sufficiently wide to permit full inquiry into its principles and the proposals for its modification.

I moved this resolution after consultation with the Social Credit Secretariat; and, in the course of my speech, I drew attention to the fundamental defect in the present financial system, and asked the Government whether it is not true that it is impossible under the present monetary system for industry to generate purchasing power at the same rate that it generates costs? The Government, as we knew would be the case, was unable—or unwilling—to reply. On the second reading of the Finance Bill on July 3, 1934 I made a further speech in which I expressed my belief that the time must come when we should have to "issue a national dividend for the direct stimulation of consumption through some national organisation."

May I take this opportunity of congratulating you on your new journal and, as a member of a political party whose first aim is to abolish poverty, I wish you all success.

Yours faithfully,

Africa House, Kingsway, W.C.2.

STRABOLGI.

Simplicity First

TO THE EDITOR OF SOCIAL CREDIT.

Sir,—With reference to "A Labour View on Social Credit" by Robert M. Burke published in a recent number I would like to suggest that the introduction of Social Credit will have some amazing results, some of them, probably, not yet imagined by even the most optimistic. On the other hand I am quite prepared to believe that it will give rise to some fresh problems, as yet unthought of. This being the case I think it is only fair that when introduced Social Credit should be given time to find its feet. As Social Credit em-

braces such a complete change of our whole outlook to money, then, and then only will be the time to make suggestions such as those of Mr. Burke.

If we agree that the introduction of Social Credit would be a good thing it is up to us to go all out towards that end without raising any side issues until it is accomplished.

Yours faithfully,
Langmead, Pirbright, Woking. K. E. ROBINSON.
November 12, 1934.

"A Labour View of Social Credit"

TO THE EDITOR OF SOCIAL CREDIT.

Sir,—In your issue of November 9, Mr. Robert Burke (1933 Irish Labour Party Candidate for County Galway) says "no man should have more than four times the income of any other man."

Why not?

Yours faithfully, MAURICE COLBOURNE.

P.S. And why "four"? Why not five, or ten, or a hundred? In short, why shouldn't a man's income be what his activities are worth in the open market of human supply and demand? Under Mr. Burke's régime I fear Mr. Walt Disney, say, would give us very poor "Silly Symphonies," if he gave us any at all, if he were forbidden to reap his natural and proper reward (for making millions momentarily happy) in the shape of a huge net income for as long as he can get it. I prefer Mr. Disney as he is.

44, Bedford Gardens, W.8. M.C.
November 13, 1934.

NOTICES OF DOUGLAS SOCIAL CREDIT MEETINGS

Notices of Social Credit Meetings will be accepted for this column. Six lines 1s., seven to twelve lines 2s.

Liverpool Social Credit Association

Nov. 16th, 7.45 p.m.—Bank Café, 14 Castle Street.—"Social Credit Philosophy" by Rev. W. U. Torrance, M.A.

The London Social Credit Club

Blewcoat Room, Caxton Street, S.W.

Nov. 23rd, 7.45 p.m.—Foreign Trade and Social Credit. Speaker Ewart Purves, Esq.

Nov. 30th, 7.45 p.m.—What is Social Credit. Speaker A. L. Gibson, Esq., F.C.A., of Sheffield.

Visitors are welcome. A short explanation of Social Credit is given at the beginning of every meeting. Hon. Sec. Dr. Mitchell, 2, Bromley Common, Kent.

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Series discount five per cent. for three and ten per cent. for six insertions. If it is desired to see proofs, advertisements should reach the Advertisement Manager, 9 Regent Square, W.C.1., not later than Friday morning for insertion in the issue of the following week, and final proofs should be returned by Tuesday of the week of issue. Size of advertisement page eleven inches by seven inches.

Only suitable advertisements will be accepted. SOCIAL CREDIT has an unusual reader value: subscribers read and retain their copies and rely upon the information contained.

Electoral Campaign Posters.

Numerous suggestions have been received which make it clear that no poster can be designed which will cover the main issue of the Campaign and local requirements as well.

Among good slogans suggested are:

1. *You Must* have money to buy the Goods of this Age of Plenty. *Demand the National Dividend.*
2. Ask for what *you want*. Vote only for Parliamentary Candidates who will support the demand for *the National Dividend.*
3. *Demand the National Dividend and end Poverty.* Vote only for what you want, and enjoy this Age of Plenty.

Other suggestions have covered special local interests, such as poultry farming, and market gardening, and have made the point of improved sales and prices for the producer combined with cheaper cost to the consumer.

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It is all very well to say that we must not have any more war, but what are you going to put in its place?

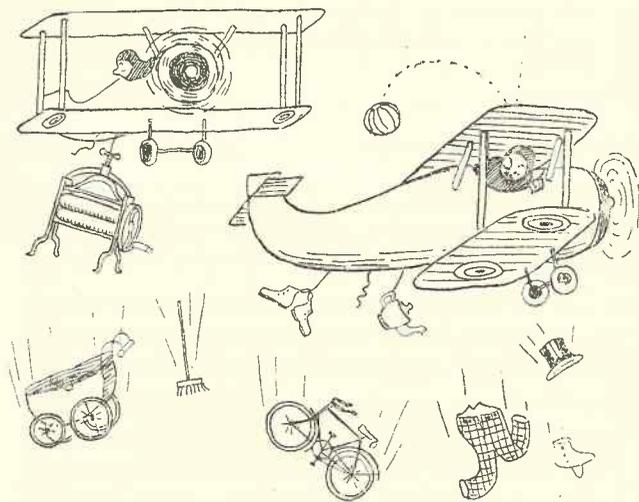
War is the only way to keep the present economic system going, and the only possible means to a trade revival.

Everybody of importance says that we depend on our export trade, I have said it myself one hundred and seventy-five times in this paper alone. The people at home have not enough money to buy all the goods they make, so foreigners must buy them.

There is only one little flaw in this law: foreigners won't. I shall not deal, here, with this habit of foreigners. My subject is war and economics, not Sin. I need only say that this competition for the markets causes wars, which some people don't like. But you can't please everybody.

Some people say the way to avoid war is to attend to the home market first, by giving the people enough money to buy the goods they make themselves. But I did not come here to be flippant. Let us proceed.

Anyhow, why worry about war? War is the only time when the economic system functions properly. Only during war-time do we have general employment and an inexhaustible export trade. The goods we make get rid of themselves as fast as we can make them. We don't ask consumers whether they can afford them; we just shoot the stuff at them or drop it on them.



Heavier exports could be dropped from the air.

During war-time sound economists are happy, for at last they can point to the continual output of shells and explosives and say, "See? We depend for our existence on our exports." And if anybody denies it he gets shot at dawn or jugged as a conchy.

In short, everybody is pleased, except, perhaps, the people who get in the way of a foreign import. But people who accept foreign made articles are not worth consideration anyway. Ask Lord Nuffield.

It is, therefore, clear that the only way to solve the economic problem is to have a permanent war.

Now, I am not saying that modern war is all that can be desired. If we are to establish war as a permanent basis of prosperity certain improvements are called for.

The chief drawback to war as a trade-reviver is that it limits our output to guns and explosives, khaki clothes and the same kind of jam. This is monotonous and gives Britain no chance to show the world the high quality and wide range of her manufactures.

There is, however, no necessity to confine war-time production to weapons. After all, the main purpose of war is not the killing of foreigners, that is only incidental and often regrettable. The ultimate purpose of war is to find markets.

My suggestion, therefore, is that instead of producing weapons, we should use the same method of intensive export for all our other goods, and shoot off our surplus at the foreigners.

This should be quite simple. Practically all foodstuffs and all smaller manufactured articles can be shot from guns, and the larger things—pianos, perambulators, mangles, furniture and the like—could be dropped from aeroplanes.

We shall, of course, observe the rules of war so long as the enemy plays the game; but if the foreigners persist in their refusal to accept our exports, we shall not hesitate to rain British-made goods on undefended cities.



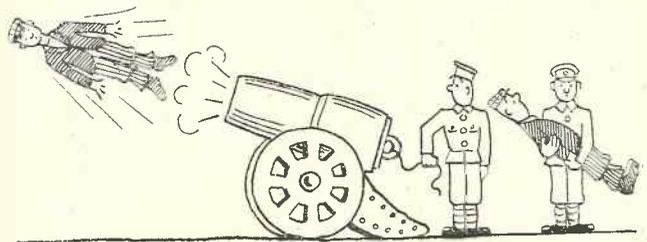
Instead of armaments nations should force their surplus goods on each other.

By this means the nation will be able to dump all its goods on the foreigner as fast as it can make them, and thus we shall at last be enjoying a proper trade revival according to the correct definitions: we shall spend our lives in a daily process of capturing new foreign markets.

The people will live in dug-outs to defend themselves from subsidised foreign goods and there will be a grid of incinerators over the country to burn the imports after each air-raid.

Thus will the export trade be paramount and prosperity come to stay.

Only one question remains to be settled. After a brief period of general employment, mechanisation will have to be developed more than ever owing to the intensified foreign competition. Labour-displacement and unemployment will come again.



And we could also get rid of our surplus workers.

This time, however, we shall have a solution. We can get rid of our surplus workers just as we get rid of our surplus goods. Men who are too fat to be shot from guns of large calibre can be used for air-raids.

I am happy to be able to solve the problems of war, trade depression and unemployment at the same time. Not at all.

YAFFLE.