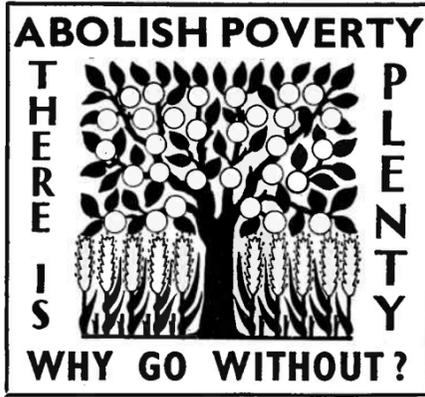


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Social Credit Secretariat

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Weekly Twopence

Major Douglas on the VALUE of PETITIONS

IF a policy has never been brought to the test of experiment, it must, if it is to appeal to the reasonably intelligent, be based upon a theory; and opinion as to its ultimate success depends, or should depend, upon the opinion which may be formed as to the soundness of the theory.

But if a policy has been tried, and more especially if it has been tried on successive occasions, our opinion of it is, if we are wise, more affected by the result of the trials than by our opinion of the theory upon which it is alleged to be based.

Petition to King of Denmark

In SOCIAL CREDIT of August 2, there appeared a short description of a Petition to the King of Denmark, which was received by His Majesty sympathetically, but which was entirely ineffective. The reaction to its failure was a threat of dynamic action by the Petitioners, misconceived but unmistakable in character. A further instance of the uselessness of petitions through constitutional channels, when the objective of the petition is something which is not desired by a powerful and active vested interest, has been provided for our enlightenment in a case much nearer home.

In 1934, the duly constituted and sole authorised representatives of the Kings, Rulers and Chiefs of the Gold Coast, West Africa, through the Aborigines Rights Protection Society, petitioned His Majesty the

King for the rectification of certain alleged grave injustices and irregularities affecting the whole of their interests. The petition was presented in due form on November 17, 1934, and on November 22 a reply was received through the Under-Secretary of State for the Colonial Office stating, *inter alia*, that "it will be necessary for the Secretary of State to decide on the advice which he should tender to His Majesty in regard to the several matters with which it deals, and reference to the Governor may be required."

On January 23, 1935, a further reply was received, stating that "I am to inform you that the Petition has been submitted to His Majesty, who has been pleased to direct that no action shall be taken thereon."

A Dangerous Precedent

In connection with this matter it should be noticed that without, at this moment, expressing an opinion upon the rights of the complainants which were included in it, the Petition was submitted under a sense of grave injustice, and that great trouble and expense were taken in its preparation. The idea lying behind the presentation of the Petition was an appeal for justice and fair play to be exercised through the Power of the King. Not only was the result negative, but it had undesirable corollaries. In the first place it laid upon the King the onus of declining to right or even to express an

opinion upon an alleged injustice. It enabled the real interests involved to shelter behind the King's Majesty. And it established a negative, which is notoriously, in Government circles, a situation difficult to reverse.

Effective Action Contemplated

The ruling Chiefs are to consider the matter, and while a further Petition to the House of Commons has been presented, they are not proposing to leave the matter upon an abstract basis. West Africa is not directly represented in Parliament, and therefore the methods of the Electoral Campaign are not suitable at this particular juncture. But there are other methods which can be employed. Their exact nature is now under consideration, and I have little doubt that when the matter again comes up for the consideration of the Colonial Office considerably more attention will be paid to the wishes of the Chiefs; and it will be more apparent that it is no longer true that trade follows the Flag, but that it has come to be true that the Flag follows trade. The situation is expressed in that touching hymn so popular in City Churches:

"Whatever, Lord, we lend to Thee,
Repaid a thousandfold shall be."

The moral to be drawn from the evidence afforded by the two cases just cited (and there are many others) seems to me to be too obvious to require formulation.

C. H. DOUGLAS.

BLASPHEMY?

A Banker on Reality, Blizzards and Impartiality

THE first annual meeting of the Reserve Bank of New Zealand, held on June 7, gave the Governor, Mr. Leslie Lefeaux, an opportunity to explain the functions of the bank and the benefits it is claimed will accrue to the Dominion from its operation.

It is hardly necessary to say that Mr. Lefeaux considers its chief function to be the "exercise of control over the credit situation." But nowhere in his speech is there any indication that the "credit situation" should reflect realities, i.e., that there should always be enough financial credit in the hands of the community to permit the full use of its real credit, its power to produce goods and services. Indeed, Mr. Lefeaux dwelt at some length on the gold holdings of the bank and its large holding of funds in London, neither of which has any direct relation to the real credit of New Zealand, but both of which as a backing for financial credit, will be made to control that real credit.

In referring to these London funds, the Governor said that they "represent something tangible and real: they arose in the main from the sale of goods, the proceeds of which have not yet been used in purchasing other goods." Here is a perfect example of banking mentality which regards what are only claims to goods as "tangible and real," the goods themselves being secondary, or indeed are regarded merely as a means to an end and that end the securing of more "claims."

Ignorance or Arrogance?

In a tribute to the trading banks Mr. Lefeaux said: "They have rendered a great service to New Zealand by conducting their business in such a way as to enable them to weather, as they have done, one of the severest economic blizzards which has ever been known." This is not merely balderdash, it is blasphemy. The description of the world economic crisis as a "blizzard" implies that it was a natural catastrophe, whereas none should know better than Mr. Lefeaux that it was brought about by the refusal of his kind to change the archaic financial system to permit the distribution of the abundance which God's providence has made available for all.

Referring to the Reserve Bank's relations with the Government of the Dominion, the Governor was good enough to state that "the board accepts the view that the ultimate responsibility for the monetary policy of the Dominion must rest with the Government of the day," but responsibility without power is dynamite, as many Governments have found to their cost, and power to decide credit policy in New Zealand is the Bank's, as it is also in the twenty-seven other countries which have had central banks imposed on them since the war.

Pride Goes Before a Fall

Thus the Bank decides the policy and the Government is kicked for it. Let us hope the kicks of New Zealanders are so well directed that the Government will find it less unpleasant to face the bankers than the electorate, and well reassume the power it should never have transferred.

Mr. Lefeaux "holds that it is the duty of the bank to tender to the Government impartial advice on monetary and financial matters." This assumption of impartiality is most impressive, but of course, bankers are not like other men, they are not influenced by their interests in the system they run, indeed, the banks are so impartial that they don't mind who gets hurt.

It is to be hoped this will be the last speech of this type made by the Governor of the New Zealand Reserve Bank. At the next meeting he will perhaps be forced to talk in terms of the welfare of the people, of the appreciation of the National Credit Account and the Government's decision as to its distribution between Dividend and Dis-

M. JACKLIN.

War to Cure Unemployment

ACCORDING to *The Times* of August 20, one European country has at last discovered what, judging by results to date, may prove to be a cure for unemployment. Industries which had been languishing for want of orders are now working overtime, and unemployment has fallen in a few months by over 300,000.

A Sinister Example

The Times does not say so, but everything points to the early adoption of this cure by other European countries, including our own; and so ere long our industries may also be working overtime, and our unemployment figures shrinking to vanishing point. The country which is thus benefiting the world by its example is Italy, and the cure is, of course, the mobilisation of the army and the preparation for war.

Machine Tools or Machine Guns?

Faced with prolonged and increasing unemployment, Italy has chosen, in preference to its continuance, to prepare for war. Italy's "need for expansion" is equalled if not exceeded by that of other countries. This need can be met only at the expense of other countries so long as the present financial system is maintained. Let us see to it, by intensifying our efforts in the Electoral Campaign, that this country demonstrates to the world the possibility of expansion of the home market to the benefit of its own people and the detriment of none.

Oh, Make Haste!

The world situation shows how rapidly the sands are running out, but there is still time if all will work. Ours is the responsibility, for we realise the certain results of failure.

The ALBERTA ELECTIONS

Sixty-three Social Credit Candidates

POLLING TOOK PLACE YESTERDAY

NO fewer than sixty-three Social Credit candidates contested the sixty-three seats in yesterday's election of the new Alberta Government, where the United Farmers' Party has been in power for fourteen years. Counting is now in progress, on the principle of Proportional Representation, and the result may be the first Government in the world to be elected on a platform bearing the same name as this paper.

63 Seats—229 Candidates

TWO hundred and twenty-nine candidates have been nominated by the various parties for the sixty-three seats, the distribution of candidates being as follows:—

Social Credit	...	...	63
Liberal	...	...	61
United Farmers	...	...	45
Conservative	...	...	39
Labour	...	...	11
Independent	...	...	9
C.C.F.	...	...	1

The Liberals have no doubt been encouraged to put up a large number of candidates because of their recent successes in other Provinces, in straight fights with the Conservatives. In fact, they have no opposition at all in Prince Edward Island as the result of the recent election there.

However, the formidable array of Social Credit candidates is a new and arresting feature of Canadian politics, appearing first in a Provincial election, but soon, it is reported, to be found in the Federal elections which will be held on October 14.

Mr. William Aberhart

Credit for the big muster of candidates, and the success which may meet the new party, must be given largely to the acknowledged leadership of Mr. William Aberhart, who is not himself a candidate for election. If his party is successful at the polls, the stage will be set for a struggle which will be watched with sympathy, anxiety, and hope

by millions throughout the world who have learned to attach to the name Social Credit all that they aspire to of liberty, security, and opportunity.

Major Douglas's Report

It will be recalled that Major Douglas was invited to Alberta earlier this year, by the late Government, to act, in the capacity of a civil servant, as Chief Reconstruction Adviser. The appointment is for two years, and lies, of course, outside the field of party politics. His First Interim Report was reprinted in full in our issue of June 21.

In this report Major Douglas emphasised that a distinction should be drawn between any particular plan for the utilisation of the public credit, when control of it has been acquired, and a strategy for acquiring the power to deal with the credit. Thus plans for dealing with the public credit are wholly premature while the power to deal with it has not been attained.

He, therefore, confined the recommendations in his report to possible methods and strategy for obtaining access to the public credit, which in practice is controlled by the banking system. It is not, however, clear, in Alberta, where the nominal, or legal right to control the public credit resides.

But his report contains specific measures designed to clarify this issue and to bring pressure to bear, both from and to the right quarters, to pave the way for the time when Alberta will have at once the right, the power and the will to use the public credit for the benefit of the people.

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The Scales of Scarcity

DR. GAYDA, one of our vitriolic Italian critics, asks indignantly "Is Great Britain, who possesses a quarter of the world's surface, and are the other nations comprising the League, prepared to proceed at Geneva to a division and redistribution of existing Colonial Empires, the haves giving to the have-nots, and thus establishing a just equilibrium of colonial possessions, of natural economic riches, and of maritime and world positions?"

Here, plainly expressed, is one of the Thirty-nine Articles in the Creed which orthodox finance has imposed on the world. It runs in the Liturgy of Sound Finance, something like this: We live in a world of scarcity. Only a limited amount of wealth is available, so as populations increase, nations must compete more and more fiercely for the undeveloped areas which remain. Actually, of course, if finance allowed each nation to develop and enjoy its own wealth, there would be little need to go further afield. But this is just what it does not allow us to do.

The financial system is like Einstein's expanding universe. Artificial scarcity at home drives us on and on and on in a mad scramble to find further trade outlets and additional sources of wealth abroad. Behind this scramble is the dogma that there is only a strictly limited amount of wealth available. It needs little imagination to see how profoundly this false idea must affect the behaviour of nations. If a boat-load of passengers were shipwrecked on an island where food supplies gradually dwindled, their normal reactions would probably alter considerably as starvation drew nearer and nearer. So nations, which are far more primitive than individuals, begin to show all sorts of unpleasant traits under the stimulus of artificial scarcity. Men marooned on desert islands have indulged even in cannibalism. Is it any wonder that nations, under threat of semi-starvation and social disruption, should not stick at bombs and poison gas?

It is the false canons of Finance which cause modern wars, although there is a great deal of propaganda to suggest other reasons. One explanation which is often given is that nations need an outlet for their increasing populations. This was the excuse given for the occupation of Manchuria. Yet far from the Japanese wishing to emigrate, they are actually so gregarious that they will not even occupy the northern part of their own country. And although it has offered considerable inducements, the government has had the greatest difficulty in persuading any families at all to settle in Manchuria. So, too, it is unlikely that an average Italian could be persuaded to regard any part of Abyssinia as a home from home.

After all, what advantage is our own Empire as a dumping ground for "surplus" population? Ask any of the returned emigrés who stand outside Australia House with sandwich-boards warning others not to emigrate!!

The causes of the wars, which quite unmistakably threaten to reduce this civilisation to ruins, are all contained in the false creed of scarcity. This creed is also at the root of the utter futility of politics, in which it is assumed that one man can benefit only at the expense of another, so that each section of the public must have a political party which does its best to do the other fellow down.

The birth of the new age of plenty is over-due, and on that account dangerous to the world which should be delivering it. Worse than this, our maternity nurses instead of helping the birth are doing their utmost to delay it, or to cause an abortion. They are prolonging the labour pains almost beyond human endurance and endangering the life of the patient.

Is this a time to argue about obstetrics? No, the time is too short and the peril too great for argument. We must give these doddering midwives of ours such a shock as will make them get on with their job and save us from our miseries before we die in convulsions.

G. W. L. DAY.

From a Seat in the Stalls

Schacht's New Economics

According to the Berlin Correspondent of the *Daily Express*, Germany is spending enormous sums of money which come from nobody knows where. She is building a navy, on which she is spending £40,000,000 this year alone; she is raising and equipping an army, transforming the Unter den Linden, putting up workmen's garden cities all over the country and constructing a National System of motor roads.

One explanation, according to a "prominent foreign financier," is that Germany is living on Government Credit. Some £1,000,000,000-worth of Government promissory notes are said to be in circulation.

"Although there is no gold cover for these bills, the Government is so strong that its internal credit is unchallenged."

This is an interesting commentary on Major Douglas's statement that the basis of credit is threefold—a functioning industry, a consuming public, and what for want of a better term can be called a stable government.

Economic Tyranny

In Germany they have a strong government, and the government is establishing itself as the largest consumer—thus its internal credit rests secure until the public is no longer content to consume less and less.

The money system is thus the instrument of dictation, which involves a progressive decrease in the power of the individual, as all the resources of civilisation are placed at the disposal of the Government by the most oppressive taxation.

All this may be watched happening in Germany, where every item of news seems to be "in the pay of the Douglas analysis." The papers have been full of the decree against bargain sales, which is unique in the world at this time, and represents governmental determination to be the largest consumer.

Schacht Shows His Hand

And now Dr. Schacht has come out with it all, nor does he mince his words.

"Whoever interferes in economic policy without authority, and in a disturbing manner, is a verminous rascal."

In answer to the question Where is the money coming from? he said the secret lay in the singleness of aim and the tight concentration of financial and commercial policy, made possible by the authoritarian State system. He gave details of the larger revenue due to stimulated business and employment. The main point was, however, that a consolidation of the enormous sums spent on employment creation and especially rearmament (which they had to thank for the fact that the enormous army of unemployed had been "nearly abolished") was inevitable.

Lest We Forget

Dr. Schacht wonders whether he is heading for a monument or for the scaffold, which is quite an appropriate moment to observe that he is an American Jew, with no training as a banker, who was attached to the Reichsbank after the war as a publicity expert.

Whether his rapid rise in his new profession has any connection with the fact that his intimate friend, Mr. Montagu Norman, was a New York banker before he was made Governor of the Bank of England, is and will probably remain a mystery. In choosing his monument, however, the world, when it is reduced to chaos by the present financial system, may well remember his name, with those of Norman, the late Benjamin Strong, and Neville Chamberlain, as high among those who should be held responsible.

Capitalism and War

In a discussion on the Causes of War, in the *Quarterly News*, Sir Norman Angell says "Capitalists have everything to lose and nothing to gain by war"; to which Mr. H. N. Brailsford replies: "Just so, that is true in theory, but as long as they are capitalists they will find themselves in the grip of their

own system, and at war in spite of themselves."

Commenting on this, the *Quarterly News* says that the argument that Capitalism leads to war is based on the assumption that a capitalist economy must find an outlet for its surplus profits in expanding foreign markets. But is this true? The whole idea of investing surplus profits is to secure bigger profits in the future. But if a capitalist has reached a point where he is getting all he wants, why look for an expanding market?

All this might be useful argument if enough purchasing power were distributed in the capitalist's country to buy the goods produced. But as there is always a deficiency of money, they are forced to seek export markets for the unsaleable surplus.

Major Douglas and "The Engineer"

There appeared recently in *The Engineer*, a weekly journal, published in London, with a world-wide reputation as one of the leading organs of the engineering profession, two articles by Dr. W. H. Coates, Ph.D., entitled "Major Douglas's Social Credit Plan." The circumstances surrounding the publication of these articles are peculiar. Briefly, Major Douglas was invited by *The Engineer* to contribute an article, and agreed to do so. Nevertheless, Major Douglas's contribution, although accepted, was not published, but, instead, the two articles by Dr. Coates appeared in the issues dated June 14 and 21 respectively. Dr. Coates's articles attempted to demolish Major Douglas's arguments, but as they completely missed or misrepresented Major Douglas's main points, they failed of their objective.

An Explanation

Surprise and disappointment have been expressed that, so far, the only published answers to Dr. Coates's articles in *The Engineer* have been several letters from correspondents, whereas the space allotted to Dr. Coates in that influential journal justified a more comprehensive reply.

On another page we reproduce a statement from *The Engineer* of August 16 to which we commend our readers' careful attention. It contains the explanation of the non-appearance, in the circumstances, of any authoritative reply to Dr. Coates.

The Indignation of Professor Soddy

Aghast at the devil's brew which is ready to be spilled between Italy and Abyssinia, our old friend and enemy, Professor Soddy, has opened his mouth to some purpose in the *News Chronicle* this week.

He has always refused to sell his brains to the forces of scientific destruction, and now he calls on all scientists to unite to make plenty into a reality instead of a mere economic theory.

"It is a ghastly reflection," he says, "both on the public and the Government, that they seem less concerned with what science is able to do to uplift the whole standard of life than with its uses in maintaining the existing state of things."

Your chance, Professor Soddy, lies in supporting the Electoral Campaign to demand the abolition of poverty, your technical worries need have no part in this; it is a demand for Results, not methods, and the results are those which you want.

Saving Abyssinia

Lord Noel Buxton and Sir John Harris, M.P., both gentlemen who have busied themselves in fighting the more obvious systems of slavery, write to *The Times* suggesting how they would deal with the Italian dispute and "promote both the maintenance of peace and the progress of Abyssinia and the Abyssinians, with whose affairs we have both been intimately concerned for many years."

They say that two conditions are essential to any permanent solution. The first is that "there must be no exclusive national aggrandisement — all nations should be guaranteed an equality of rights." And the second is—what do you think?—a loan to

be raised under the auspices of the League!

The writers point out that the League has now had a large experience of rendering this sort of assistance, for example, in the economic restoration of Austria. This is indeed cheerful news for the Abyssinians. We suggest that the Emperor should read Colonel Repington's famous diary and study the details of the recent Austrian revolt when the victims tried to throw off the shackles of Finance.

Public Libraries and "Social Credit"

Following the disappearance of this paper from the files of the Poole public library, some correspondence and an editorial appeared in the *Poole Herald*, which resulted in the restoration of SOCIAL CREDIT to its rightful place. The editor of the *Poole Herald* supported the inclusion of SOCIAL CREDIT, but discussed the suggestion "that it might help things if newspapers and periodicals making less valuable contributions to the knowledge of current affairs were eliminated from the reading rooms."

Simultaneously, in response to many demands, the Newport public library decided to include SOCIAL CREDIT in its reading room. One member of the committee, while he agreed with the decision, said he would like to see all propaganda periodicals banned from the libraries.

We wish him success, for this would remove nearly all contemporary periodicals except SOCIAL CREDIT from the libraries, and leave the public to read, undisturbed, how to get what they want, instead of what others want them to have.

Australia's Problem

According to *The Times*, Australia, which wickedly strayed from the paths of financial orthodoxy and worshipped at the shrine of Economic Nationalism under the Scullin Government, is to be shepherded back to the fold by the redoubtable Mr. Lyons. Australia is not paying her way, which, of course, is bad for the bondholders of the City of London, so somehow or other her export trade is to be stimulated.

Now the Australian Correspondent points out that half of Australia's population is dependent on primary industries and the other half on secondary industries. He says, "The agricultural output greatly exceeds the capacity of the domestic market, while the output of the industrial section, within the considerable range of manufactures which it covers, can at least equal home requirements. The purchasing power of both sections is still far below normal, and is incapable of sudden expansion."

Well, there we have it. Australia's economic problem is explained in the last sentence, and it is a really remarkable thing that Mr. Lyons cannot see it.

Bulk Purchase

The agglomeration of manufacturing concerns into bigger and bigger units is paralleled by a similar process at the buying end. Centralisation, in fact, is in full swing. In a whirling cosmos of small bodies a few bigger bodies began to form here and there. The bigger they grew the more rapidly they enlarged, until now the Industrial Heavens are occupied by a number of gigantic units whose force of gravity seems sufficient, sooner or later, to bring every rival industrial meteorite crashing to destruction.

The Committee on the Standardisation and Simplification of the Requirements of Local Authorities, with the peculiar myopia which afflicts such bodies, has just published a report recommending various forms and methods of bulk purchase by local authorities. There is a lot of smug talk about the organisation of the home market as an aid to success in international competition, and the economies which can be effected by local authorities placing enormous orders with big firms, but there is not one word about the havoc which will be created among small independent merchants who lose the orders which previously came to them.

What's Wrong With The World

Social Credit simply explained by G. W. L. DAY. The first chapter appeared in our issue of June 21, 1935, and succeeding chapters have been published every week since.

CHAPTER X.

The Real Cause of Wars

I NOW come to a final set of "symptoms" which I believe will convince you once for all that the world has gone mad, or else that the Financial System under which we are forced to live is standing on its head. These symptoms go by the name of Foreign Export Trade and Foreign Investment.

Now, to begin with, nothing could be more desirable than exchanging goods (and services) which other nations want for goods (and services) which we want. This is genuine Foreign Trade. It is simply barter, made easier by the use of money. But Foreign Trade as we know it is something completely different from this.

I have shown (I hope to your satisfaction) that there is always too little money in our pockets to buy what we produce, so that there is always bound to be an Unsaleable Surplus of goods.

Attempts to overcome this difficulty are made by New Deals — that is, by putting thousands of men on to making roads, harbours, docks, and so forth, so as to distribute wages without putting any more goods on the market. (In America it is estimated that payment for goods sold to consumers is only about one-twelfth of the payments made for all classes of goods.) Also by the banks lending us more and more (and getting us hopelessly into their debt). And, thirdly, by our destroying goods.

The Scramble for Markets

But there is another way of getting rid of these unsaleable goods, and that is to export them. Hence the absurd spectacle of manufacturers falling over themselves to force goods out of the country—goods which millions of us would be only too glad to have for ourselves if we only had the money to buy them; goods which we should be only too glad to exchange for other goods sent us by foreign countries, if Finance allowed them to come in (which it doesn't).

The real difficulty about this artificial export trade begins when it comes to these countries, which take our exports, paying for them. The finances of many of them won't allow them to pay in gold, and the System won't allow us to accept payment in goods.

So either we reluctantly let them pay us in raw materials, which we industriously turn into finished goods for further exports, or else we lend them the money to pay us.

Exporting the Unemployment Problem

In other words, we more or less give them the goods. And so long as we manage to secure what Finance calls a "Favourable Balance of Trade" (more exports than imports) the bankers pat us on the back and call us good boys. What we are really doing is trying to get rid of as much as possible of our Real Wealth — our goods and our services—and accepting as little Real Wealth as possible from our foreign competitors. The whole industrial world is playing a game of Misère!

So when Mr. Baldwin announces that things are looking up because we are now providing the natives of West Africa with bicycles, and the *Daily Express* tells us that America is lending £10,000,000 to China to enable the Chinese to eat bread which millions of Americans can't afford to buy, nobody sees anything ridiculous in it.

We are not told that we are selling machinery abroad at far lower prices than we can buy it at home, and that a Hindu can buy a cotton shirt from Lancashire at one-quarter the price we can buy it ourselves in a Manchester shop. Such happenings are proof positive that the Gap does exist. Nothing else can explain them.

During the last century we have exported (on balance) about seven thousand million pounds' worth of goods, and in return we have received a great many handsomely-printed promises to pay. Half of these promises are already known to be worthless, and it is doubtful whether we shall ever get much out of the remainder, except partial repayment of our own loans.

It becomes obvious that our Export Trade doesn't help us, the people, in the very least, but it keeps us busy and prevents the System breaking down completely.

Foreign Investments, which are closely linked with Foreign Trade, consist simply in large blocks of our (the nation's) credit invested by bankers and financiers in countries abroad so that our "surplus" goods may be bought there. The money or credit is created by the banks in the ordinary way, and some of the bonds are afterwards sold to private investors by way of camouflage.

Finance claims that the object of Foreign Investment is to "employ" money and get interest on it. But really it is a clever device for bridging the Gap and keeping us hard at work.

Under the present conditions, when it comes to paying the interest, exactly the same difficulties arise. Gold payments are often impossible, and financiers, of course, are not interested in goods. The result is they usually reinvest the interest, and the debts swell to a fantastic size.

Now the fate of overseas investments has been disastrous so far as we are concerned. Sir Arthur Samuel, formerly Financial Secretary to the Treasury, says: "At a cautious estimate I say we have lost not less than two thousand million pounds in overseas investments during the last sixty years . . . it is not unlikely that our loss has been much heavier, perhaps even four thousand million pounds."

Piling Up Debt

Imagine what we could have done if all this lost money had been spent in our own interests! It is half of what we spent on the War. With it we could have entirely rebuilt London and all our big towns.

Yet at the annual bankers' dinner this year Mr. Neville Chamberlain said one of the most important things needed to regain our prosperity was—a revival of overseas lending!

The World Economic Conference in 1933 was a last attempt by the Old Gang of International Moneylenders to revive their game on a world-wide scale. Luckily for us it failed. But thanks to Mr. Montagu Norman, who controls Imperial finance, overseas lending is still kept alive in our colonies and dominions.

Canada, with a population of about 13,000,000, has a foreign debt on which she pays £90,000,000 interest a year. Australia, with a population of about 7,000,000, pays £40,000,000 a year. And New Zealand, with some 2,000,000 people, pays £9,000,000.

Since federation, Australia has paid £871,000,000 in interest alone, and to do this she has borrowed one thousand million pounds and added it to her debt!

Where is the sense in it all? Surely if these colonies of ours have security good enough to borrow money on, they have good enough security on which to advance money to themselves?

America, on her lendings, is owed eight hundred million dollars a year, and we on ours are owed two hundred and fifty million pounds a year. Does the public of either nation get one pennyworth of benefit out of it? No. But we are continually told that we shall never be prosperous unless we can find "credit-worthy" borrowers.

A Theory Killed by Facts

Now the truth is that this game of international lending and the sham foreign trade which is based upon it have had a long run and, thank God, are not likely to revive again to any extent. Foreign Trade under the old City rules reached its peak in 1927. In that year our own Foreign Trade was one-quarter of our total trade, while America's was one-twentieth of hers. By 1931 the total Foreign Trade of the world had shrunk to one-quarter of its 1927 volume, and by 1933 it had dwindled to only one-eighth. There is no sign of it reviving. Quite the contrary.

Science, you see, has advanced so quickly that even countries like India and China are finding they can make many of their own necessities. The slump has given a tremendous fillip to what is called Economic Nationalism — which means being more economically self-contained.

Now this does not suit Finance at all, and at the present moment we are being told that no country can expect to regain prosperity unless international trade (under the old rules) is revived. Even America is asked to believe this — America, which is already ninety-eight per cent. self-supporting and could become wholly so if she tried.

Meanwhile powers of producing are increasing rapidly in almost every part of the globe, and at the same time the few remaining markets for exports are shrinking. And so the struggle becomes intensified. We are all like dogs growing hungrier and hungrier (because our financial rulers keep us on short rations), and we snatch more and more ravenously at the few bones left.

For how many years has the world been searching for the real cause of wars? Nobody wants wars, yet we are all pushed into them as if by some invisible hand.

What is this invisible hand? What else but this Financial System which always forces us to behave insanely?

It is ridiculous to pretend that wars occur because of the rottenness of human nature. Every nation knows now what the last war was, and it will go to war only if a worse devil goads it on with a pitchfork.

Now a still worse devil is the dire necessity to sell goods which can't be sold at home, and so to avoid the economic chaos which (under our present financial rules) results when we fail to.

You can see the germ of war in the cut-

throat competition between two rival grocers, both desperate and on the verge of bankruptcy. You can see it in the despair which grips the man who has fallen into the clutches of a moneylender. And you can see it in the numb hopelessness of a man on the dole, who feels that even the trenches were better than this endless compulsory idleness and semi-starvation.

All the Leagues and Peace Ballots in the world cannot stave off another war unless we first remove its root cause—which is a faulty Financial System.

(To be continued)

Overseas Notes

IT IS INTOLERABLE How Rebels are Made

THERE is no reason to suppose that Mr. R. B. Bennett, the Prime Minister of Canada, is anything but a humane man, genuinely anxious to do his best for the nation under his nominal leadership. A humane man, faced by the financial compulsion to be cruel which presses on all politicians to-day, may well develop an irritable liver in face of the perpetual necessity to exhibit himself to the public in the least favourable light.

Relief Camps

The measures taken at Regina recently to deal with the "strikers" from the Western Canadian relief camps are now generally known, but some of the reported circumstances which drove these men into making such a form of protest are interesting. The camps were set up when the Bennett Government came into office, as the result of a promise that the "unemployment" situation would be handled in an efficient and humane way. Single young men were encouraged to enter camps, under the control of the Department of National Defence, where they would enjoy healthy work, good food, and a nominal payment of twenty cents a day. For all I know these camps were everything that a paternal government claimed for them. Equally they may have offered the "jail food," the isolation from human companionship, the "army foremen," the "crowded and insanitary bunk-houses," and the "fascist" outlook which the *C.C.F. Research Review* (Regina) describes in its usual effort to throw the blame for everything on the shoulders of "obese bureaucrats and Big Business."

The fact remains that these men, many of them well educated, responsible, and patriotic people, had certain grievances, and that the hearing and redress of these grievances, if the *C.C.F. Research Review's* information is correct, rested with the foremen or superintendent. "Committees or representatives appointed by the men will not be countenanced as such," runs Rule Two of the National Defence Department's orders for British Columbian camps: "An appeal for redress by means of documents bearing the signatures of more than one man is forbidden"; "Any steps to make accusation by means of public speeches or by letters inserted in the newspapers, by men on relief work, will not be countenanced by the Department"; "An application or complaint may not be made to the civil power."

"But England is Different"

Freedom does not consist in being treated well. It consists in the liberty to choose how you will treat yourself. In this case, then, the crux of the matter does not lie in whether relief workers were treated well or badly, whether their delegation to Ottawa was welcomed or snubbed by the Premier, whether they were paid twenty cents or a dollar a day, or whether they were organised under the Department of National Defence solely on account of its experience in handling numbers of men. What matters, and what is intolerable, is that such men should be driven by economic pressure into relief camps or any other place they have no desire to go, that their complaints, real or imaginary, should only reach the provincial government with difficulty, and that the province should "pass the buck" to Ottawa, whose methods, in the last analysis, reduce themselves inevitably to tear gas and truncheons. That the possibility of comparable scenes in this country should be considered remote by people in Southern England is the measure of their hypnosis rather than of their sanity.

Puppets in Pretoria

General Hertzog, the Premier of South Africa, is also beginning to experience trouble from men who do not seem to regard "unemployment" as a disqualification for human rights. Led by a sympathetic member of the government party, a deputation of the Johannesburg "hunger marchers" lately encamped in Pretoria was received by the Prime Minister, who told them to "go

home and accept the work offered to them." The deputation left, and some of the older men exclaimed outside the door, "This is not the real General Hertzog; it is only his image." Whether or not the speakers appreciated the terrible significance of that remark, Social Crediters will, for they see the puppets dancing on their wires, and know who control them.

The usual attempts have been made to attribute the Pretoria situation to communist influence, but 5s. 6d. a day for the support of a worker and his family, which is what the Government offered, needs no political label to emphasise it. After the failure of an attempt to have the men arrested for trespass on Government land, says Reuter, the decision "was received with loud acclamation by the 'hunger marchers,' and a large gathering of the public outside the gate *joined in the cheering*" (my italics). The Governor of the South African Reserve Bank was out of earshot; he was at that time in New York "informally" exchanging his and the Governor of the Bank of England's views on currency stabilisation with officials of the Federal Reserve Bank.

Other columns of "hunger marchers" may be expected to converge on such centres as Pretoria and Cape Town if the Government does not offer a genuine solution of the men's grievances. It is hardly necessary to stress the danger of the men, ignorant of their right to National Dividends and the way to get them, being driven to violence in sheer despair, and the certainty of repressive police methods being employed against them. In such a case, who would be guilty of inciting to violence the men who face starvation, or those who have made the claim for bread dependent on the fight for jobs in the industrial system?

Outstanding Events of 1935

When Mr. Lyons, the Australian Prime Minister, was in London this summer he made his now notorious "hands off the banks" speech at a bankers' dinner, in the course of which he did everything but wag his tail and lick the hands of his temporal masters. Later on he had an interview with the Pope, in the course of which he is reported as having "requested his Holiness to use his influence to secure a greater consumption of commodities now being produced in the world." It is possible that at this point Pius XI. smiled, and in any case, through his interpreter, he asked the Premier to submit his proposals in writing. Words may not have failed Mr. Lyons, but they certainly fail me, before the spectacle of Australia's prize boomerang solemnly encouraging the author of "Quadragesimo Anno," that terrific denunciation of financial hegemony, to do his duty.

What the Churches Say

Within a few days of this picturesque scene, a crowded meeting in Melbourne, sponsored by the Douglas Credit Women's Movement of Victoria, was addressed by representatives of the Presbyterian, Anglican, and Roman Catholic Churches, with a Methodist in the chair. The representative from the Premier's own church said, in the course of his address, "There is no earthly reason why money should be so scarce, except that it happens to suit the moneylenders, who, by the most remarkable arrangement the world has known, are also the money creators." (Quoted in *The New Times*, Melbourne.)

In Cape Town, Bishop Carey, who took the chair at a Social Credit meeting, said that he sometimes almost felt ashamed of being a Christian, as the Church had done so little to help suffering humanity. During a recent sermon at All Saints (Anglican) Church, Auckland, New Zealand, Archbishop Averill said, "It is intolerable that people should be brought to a state of poverty and even destitution because of their inability to earn sufficient money to supply their needs, simply because they are victims of the machine age." It is intolerable. J.D.B.

The PROFESSOR MEETS HIS WATERLOO

Characters:

PROFESSOR PANGLOSS, LADY BANSTEAD,
MRS. CORK, KNOX.

A third class carriage on the Southern Railway. Professor Pangloss is seated in one corner, Mrs. Cork in the one diagonally opposite. The Professor might have stepped straight out of CANDIDE, mentally speaking, but his appearance is that of a successful stockbroker of sixty. Mrs. Cork might be any age from forty to fifty-five, and is actually thirty-six. She is shabby, careworn, but jolly. The train stops at a station, and Lady Banstead gets in. Before marrying the widowed Lord Banstead she was governess to his children, but tries to forget it. She is youngish and good-looking.

* * *

Lady Banstead (recognising the Professor as she takes the seat opposite his). O, how do you do, Professor Pangloss. Economising too, I see. One must in these hard times.

Pangloss. Well, to tell you the truth, I always travel third. Force of habit, you know. When I was young and unknown I had to, and now I just say "return to so-and-so" without thinking.

Lady Banstead. Ah, you absent-minded scholars! Too wrapped up in your dreadful science to think of anything else.

Pangloss. No. It's just force of habit. Nothing else.

Lady Banstead. Well, I do it for economy, partly from necessity, and partly for patriotism. We all ought to economise in these hard times, oughtn't we?

Pangloss. Certainly.

Lady Banstead. I'm so glad to hear you say so; because our local council at present is urging us to spend to create employment, and I've been wondering which to do.

Either, Neither, Rather, Both

Pangloss. A little judicious expenditure by everyone would certainly do a great deal to mitigate unemployment.

Lady Banstead. So I should imagine. But—I hope you won't think it stupid of me—I can't see how one can spend and economise at the same time.

Pangloss. One must do them at different times, my dear lady. A wise expenditure that one can really afford is not inconsistent with due economy.

Lady Banstead. How clearly you put it! Well, I've done my bit in both directions in my own small way. In the spring I bought one frock less than usual in the interests of economy, and in the summer I bought an extra hat in order to give employment. Was that right or wrong?

Pangloss (diplomatically). I'm sure you always act for the best, Lady Banstead.

There is a moment's silence save for the noise of the train. Pangloss returns to his paper in the hope of avoiding further questions. Lady Banstead looks pensively out of the window.

Lady Banstead. Isn't it dreadful the way the countryside is getting built over near London? And with such dreadful cheap villas too. Why, only a year ago this part of the line ran through beautiful green fields. The view was too lovely for words. Really the Government ought to do something about it.

Ignorant Creature

Pangloss. I don't know. All this building makes work, you know.

Mrs. Cork. It makes 'ouses for people to live in, what's more important.

Pangloss. Not more important, my good woman. Important, no doubt, for the people who are to live in them; but, from an economic point of view, what matters is the employment given to the building trade and the indirect employment to ancillary industries, such as plumbing, carpentering, glazing, electricity, gas, furnishing, textiles, horticulture, iron and steel, and so forth—

Sense and Nonsense in a Third Class Carriage

A Broadcast by the late Eimar O'Duffy

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not to mention the assistance to the rates.

Lady Banstead. Hear, hear. The amount one has to pay in rates these days is simply wicked.

Pangloss. And a lot of it goes to keep unemployed builders and others. So you see (indulgently) there's something to be said for these villas after all.

Mrs. Cork. No offence, guv'nor, but ain't you putting the cart before the 'orse some'ow? What do you think Adam built the first 'ouse for? To live in, or to give 'imself employment?

Pangloss. That is an entirely irrelevant consideration, my good woman. Adam—if there was ever such a person—existed under primitive and individualistic conditions, not in a highly complex and interdependent civilisation like ours.

Mrs. Cork. What's that got to do with it?

The train stops. A porter calls "Wey-bridge!" and there is the usual station bustle. The engine whistles amid a slamming of doors, and the train is just beginning to move when the door of the carriage is torn open and a young man (Knox) is shot in by a porter, who cries "'old tight!" Knox, who is breathless and dishevelled, sinks into the nearest seat.

Pangloss. A close shave, sir. You very nearly missed it.

Knox. It looks as if that porter was an instrument of destiny. I couldn't make up my mind whether I ought to catch it or not, or whether I oughtn't to throw myself in front of it; and while I was hesitating he shoved me in. Which reminds me, I haven't a ticket.

Pangloss. You ought to cultivate decision of mind, young man.

Lady Banstead. Why did you think you ought to throw yourself in front of the train?

Pangloss. Contemplating suicide, eh?

Knox (ironically). Oh no. I meant to run in front of the engine and race it to London.

Pangloss (laughing). Ha! ha! Well, if you can joke about it, you can't have been so very serious in your intention.

Knox (contemptuously). Hm! That shows all you know about human nature.

Mrs. Cork. 'Ear, 'ear. Just what I was a going to tell 'im when 'e tried these eckernomics on me. Whatever made you want to kill yourself, young man?

Criminal Invention

Knox (awkwardly). Well, I'm in a nasty dilemma, and that seemed the only way out.

Pangloss. Sort of taking it by the buffers, what! (He laughs heartily).

Mrs. Cork. It's a shame for you to laugh at the boy, and 'e only just saved out of the jaws of death, as the saying is.—What was this 'ere dilemma, young man?

Knox. Oh—er—it isn't for me to bother strangers with my private troubles.

Mrs. Cork. Course it ain't. And it ain't for us to be inquisitive about what don't concern us.

Lady Banstead. Still, it might be a relief to you to unburden your mind—get the trouble off your chest, you know.

Knox. Well, the fact is I'm a scientist—an inventor—and I've invented a machine for use in coal mines which will double the present output with less than half the present labour.

Pangloss (who has shares in a coal mine). Excellent. Reduce costs and increase our export trade.

Knox. Yes; but on the other hand, it

will throw thousands of miners out of employment.

Lady Banstead. Well then, for heaven's sake keep it dark. The country will be ruined.

Make Work by Saving Labour

Pangloss. Not at all madam. This notion that machinery causes unemployment is a delusion founded on a fallacy. Machinery lowers costs; therefore it increases our wealth; therefore it means more employment, no less.

Mrs. Cork. Easy, guv'nor. I don't see 'ow you makes that out. 'Ow can a machine that does the work of a thousand men give more employment?

Pangloss. By saving costs, madam, which can then be invested in new undertakings, which in turn give employment.

Mrs. Cork. Not in the mines, they don't. And a miner can't turn tinker or tailor at five minutes notice.

Knox. Exactly. So there was my position. If I sold my invention I should destroy the livelihood of fifty-thousand men and their families; if I didn't, I should starve—for I put every penny I had into it, and I've nothing even to pay my rent with.

Lady Banstead. Weren't you rather foolish, young man? Couldn't you have invented something more harmless?

Knox. No. This idea came to me, and simply had to be worked out. An inventor must invent what's in him, just as a poet must write or an artist paint what's in him.

Pangloss. Quite so. We mustn't shackle science; and progress must go on in spite of sentimental considerations.

Lady Banstead. I suppose so. But I wish you scientists would invent something that would make work instead of taking it away.

Knox.) (So they— I beg your

Pangloss.) (The whole— pardon, sir.

Knox. After you, sir.

Pangloss. I was going to say that they do make work, but I wish they would do it less indirectly—to avoid these sudden dislocations which cause so much temporary trouble.

Lady Banstead (to Knox). And what were you going to say?

What an Idea!

Knox. O, simply that the whole object of scientific invention is to save labour and create leisure. But under present economic conditions—which I don't profess to understand—leisure has become a curse instead of a blessing. So you see, I came to the station not quite sure whether I ought to go up to London to sell my invention, or throw myself under the train.

The train stops again. A porter calls "Surbiton," and there is the usual bustle. Then the train goes on.

Lady Banstead. Thank goodness nobody got in. I hate a crowded carriage.

Pangloss. Well, young man, my advice to you is to get rid of these foolish scruples—this false sentimentality—sell your invention and invent some more. You will be creating employment in reality, even though apparently doing the opposite.

Mrs. Cork. Excuse me butting in again, guv'nor. Do you say that the object of this 'ere science and progress is to make work instead of saving it?

Pangloss (patronisingly). Most certainly. That is the principal benefit it confers on society.

Mrs. Cork. Benefit! Then all I can say is you ain't never done no work.

Pangloss. On the contrary, I probably work harder—certainly longer—than most manual labourers. I often do ten or twelve hours a day—no trade union restrictions in my job, you know. But perhaps you wouldn't consider lecturing and writing books as work.

A Piece of Her Mind

Mrs. Cork. Not real work, I don't. But that ain't what I'm getting at. Suppose you 'ad to make ends meet on thirty-seven and six a week—when you could get it—and keep a 'ard working man and three 'ungry children on it, and cook all their meals and wash up after, and make their beds, and clean all the 'ouse, and darn their socks and patch their clothes, and tidy up the things they leave about, besides doing a bit of charing outside—would you want anybody to make work for you then? Why my Bill—bless 'is little 'cart, 'e's thirteen—'e makes work enough for a dozen sometimes, coming in from school in 'is muddy boots when I've just swept the floor, and getting 'is clothes into such a pickle it's all I can do to keep 'im respectable. No. I don't want no work made for me, and I don't believe anybody else does either.

Pangloss. You are arguing on a false analogy, madam.

Mrs. Cork. There ain't nothing false about me. Wot's true in the 'ome is true in the country. Nobody wants work made for 'im. We're ready and willing to do what's necessary to get the goods made what people want to buy. Making work after that is only doing what my Bill does when he dirties my clean floor. And when I read in the papers of 'ow they're destroying the things we've sweated to make—cotton and wheat and tea and things—and then trying to make more work instead of letting us do less, it fair gets my goat.

Pangloss. My dear lady—

Mrs. Cork. Just you listen to me now. You've had your jor. You say that the object of industry and science and progress is to make work. Well, wouldn't an earthquake or a great fire make more work than any of them?—and do it quicker too? Would you call them blessings on that account?

Pangloss. Certainly not. But—

What Do You Know About That?

Mrs. Cork. I ain't finished yet. If an earthquake laid all the buildings in England flat to-morrow, there'd be work for everyone then, wouldn't there?

Pangloss. Undoubtedly, in one sense. But—

Mrs. Cork. Excuse me. You'd know what a 'ouse was really for then, guv'nor, when it was giving you more work than you'd ever done in your life.

Lady Banstead. O, I do wish we could have a real big earthquake like that. It would solve the whole problem at once.

Pangloss. Nonsense.

Lady Banstead. Why? It would make work for everyone, wouldn't it?

Mrs. Cork. Exactly.

Knox. You can't get away from that, Sir. If work is the object of our system, as you say, an earthquake on a big enough scale would solve this terrible problem that has baffled all our economists and all our statesmen—directly too, not indirectly, and quite suddenly, without any awkward transition stage. And wouldn't that be a blessing in reality, even if a disaster in appearance?

Mrs. Cork. 'E's got you there nicely, Professor. Ticked you off proper in your own very words. Now suppose such a thing really 'appened all over the world at once,

(Continued on page 13)



IF IT'S WORK WE WANT—



BURN FOR EMPLOYMENT



EARTHQUAKES FOR PROSPERITY

(Continued from page 12)

why shouldn't we all, on your own showing, be better off than what we are?

Pangloss. The case is impossible, madam, so no useful conclusion can be drawn from it.

Mrs. Cork. It 'appened in Japan not so long ago, but I don't remember if they counted it among their blessings.

Pangloss. Well, if such an impossible event did occur, instead of there being work for all, there would be no work for anybody.

Mrs. Cork. What? No work for nobody, with everything in ruins!

Knox. Don't be paradoxical, Professor. Leave that to the astronomers.

No Money, No Nothing

Pangloss. It's not a paradox, but a perfectly simple fact. There'd be no work because there'd be no money to pay for it. New capital, as you ought to know, can only be financed out of the people's savings, and those, I presume, would have perished in the ruins. If the banks survived the calamity, we could, of course, borrow to a certain extent from them, but that would involve a frightful load of public debt.

Knox. Well, paying it off would give us more employment still. Another of your blessings.

Lady Banstead. But suppose the banks were destroyed like the rest?

Mrs. Cork. Just what I was going to ask.

Pangloss. We could then do nothing.

Mrs. Cork. You mean we'd just have to sit down and die?

Pangloss. I'm afraid so. The inexorable laws of political economy, you know.

Knox. What? With our brains and our hands available, and all the natural resources of the earth, and all our accumulated knowledge at our disposal!

Pangloss. All useless without money, my young friend.

Knox. Nonsense, Professor. You must have forgotten your history when studying economics. Which came first, banking or industry?

Mrs. Cork. Who came first, Adam or the 'Ouse of Rothschild?—'E can't answer. 'E don't know 'is Bible.

Pangloss. This conversation is becoming ridiculous. Can't you see that you can't employ people unless you have the money to pay them?

When Adam Delved

Mrs. Cork. Get away. 'Oo paid Adam?

Knox. What savings had the cavemen?

Pangloss. Adam, or the caveman, paid himself—in the fruits of his labour.

Mrs. Cork. But 'e 'ad to work first, with 'is 'ands and the 'elp of the sun and rain, before 'e got any fruits. And you bet 'e didn't grumble when his crops was so big that 'e didn't 'ave to work so 'ard, or destroy what 'e'd grown in order to give 'imself more work. I told you before, Mr. Perfessor, that you'd got 'old of the wrong end of the stick. And 'ere's another question. Suppose that instead of an earthquake making work for everyone, machines could do all the work and leave none for nobody. What would 'appen then?

Pangloss. That is another impossible supposition.

Knox. Not at all. We're gradually approaching a situation of the sort. Machinery is steadily doing away with the need for human labour. Suppose that in another fifty years or so we require only a million workers to supply the requirements of the whole population? Shall we all have to starve, or rub along on a dole levied out of their wages? And if not, how do we live?

Pangloss. It is not the function of a professor of economics to lay down laws for an impossible Utopia of slackers.

Why Live to Work?

Lady Banstead. O Professor, why not? I should love to live in a Utopia where everything was beautiful and the people had nothing to do that made them coarse and common. Look at me. Once I had to work for my living, and my hands were spoilt, and I was often shabby and bad tempered. Now I have factory workers to earn my living for me, and so I can attend to my appearance and I'm always comfortable and happy. Why shouldn't everyone else be the same if machinery can do the work and supply everything they want?

Pangloss. In the most fantastic Utopia any poet ever dreamed of there'd always be work for someone. The machinery would have to be tended, you know.

Knox. But even in this prosaic and un-Utopian world of ours there's no work for several millions. Why should they starve when the goods they want are ready for them?

Mrs. Cork. 'Ear, 'ear.

Lady Banstead. Come, Professor. I believe there's nothing standing between us and Utopia but these horrid economics of

M.P. Asks TECHNICAL QUESTIONS

Electors Want Results

WE recently received the following letter from the Rt. Hon. Sir Francis Dyke Acland, M.P. for North Cornwall:—

You have been kind enough lately to send me, as an M.P., copies of SOCIAL CREDIT, which I have done my best to read and understand. At present I am, I confess, very badly put off when I read paragraphs such as the first in the second column of page 317 of your current issue:—

"At the present time, when a central bank, and, to a less extent, any normal type of bank, acquires securities, it acquires them by exchanging a draft upon its own credit for the securities, thus increasing the money in the hands of the public by the amount paid, and increasing its own assets by the securities acquired. It is quite fair to say that a financial institution in such a case acquires securities for nothing, and I am not aware of any special reason why a financial institution should be thus privileged. The extension of the principle involved would result, amongst many other desirable achievements, in the reduction and ultimate abolition of taxation."

A bank does not get something for nothing. It lends me money against the deposit of securities, which saves me from having to sell the securities, and when I repay the money I get the securities back, and how the extension of this principle can lead to the ultimate abolition of taxation passes my comprehension. But I want to judge fairly and to be able to give a simple account of the scheme when I am asked about it in my constituency. Can you therefore, send me the explanation of the scheme and the questions you are asking candidates at elections about it at present, so that I may be able to make up my mind, and not possibly do the scheme injustice by quoting paragraphs from Major Douglas such as I have referred to.

FRANCIS D. ACLAND.

P.S.—The core of the question seems to be:—How—if at all—can one continuously give a person the power of consumption without giving him the power of production, and Douglas's answer, also on page 317, "issue a share of the national debt (on which the State has to pay interest to the holders) in the form of bonds" (on which the State would have to pay a further amount of interest)—seems, to put it mildly, incomplete.—F.D.A.

As a matter of courtesy we replied to the questions, although his letter showed that Sir Francis, like the Prime Minister of Tasmania, has not had time to give any study to these matters. We can assure him that we are the last to expect an M.P. to be an expert, and we concluded our letter as follows:—

Policy is What Matters

As a Member of Parliament we do not expect you, nor do we think that you should be expected, to have at your finger-tips such technical questions as the flaws in the present financial system and the right way of remedying them. You should be the mouthpiece of policy, and we think you will agree that that policy should be the policy of your

yours, and the very silly notion at the back of your mind that people ought to be compelled to drudge for the good of their characters. Well, that's all nonsense. When I had to work I had to do all sorts of mean and petty and selfish things in order to get on, as it's called. And I often had to take jobs that were utterly useless, merely for the sake of the money. But now I can be generous and large-minded, and I can be useful sometimes as well as ornamental.

Why Not Work to LIVE?

Mrs. Cork. And look at me, with my temper and my appearance spoilt, and 'ardly able to stand sometimes after working all day at things that some of these 'ere 'ouse'old machines could do for me, if I could afford to buy them. Why, my 'usband 'elps to make such things, and we 'aven't got one ourselves, and 'e's often out of work for weeks at a stretch.

Knox. And look at me, trying to commit suicide because people can't afford to buy enough of what I invent to give me a decent livelihood and go on inventing.

Lady Banstead. We're all against you, Professor. You must invent a new system of economics that will begin with goods and leisure, and end with work and money, instead of the other way round. I'm sure you're clever enough to do that if you'd only try.

Knox. That's right. We scientists can provide the goods and the leisure if you can work out how to distribute them.

Mrs. Cork. 'E won't do it. I can see it in 'is eye. 'E's that set on these 'ere eckernomics of 'is that 'e can't see the truth, not when it's put under 'is nose.

Lady Banstead. O, I'm sure that's not true. You will try and think out a plan, won't you, Professor Pangloss? For your own sake as well as for the poor unemployed; because we'd all be so much happier if things went smoother. Just think what a delightful world it would be if all this pinching and economising, which are really just as unnecessary as the poverty of the workers, were done away with. Why, it would be a regular paradise instead of a sort of—

Porter's Voice (as the train stops). Clapham Junction!

constituents. The political aspect of our activities may be briefly described as follows:

Irrespective of party, we are asking the electors of this country to unite on a question of policy. We are placing before them the facts of the enormous wealth of productive capacity in terms of men, machinery and skill, in short of the ability to produce goods and services which the progress of the industrial arts in the last hundred years has made available to mankind. Against this we place before them the facts of poverty, malnutrition, and the insecurity of large numbers of people and we say "Do you wish the anomaly to continue? If not, demand its abolition, because in the midst of plenty, there is, physically, no need for poverty." Employment is merely a means to an end; we are asking the people to demand this end.

Fixing Responsibility

In making this demand neither the elector nor his Member of Parliament should be made responsible for designing the means, but they should make those who are at present in charge of the financial machinery of this country responsible for finding a method of distributing this colossal productivity, without encroaching upon individual liberty.

The form of the proposition we are placing before the electorate is contained in the enclosed leaflet.

We shall, of course, be very pleased to give you any further information you may desire, either in regard to the Social Credit proposals if you are personally interested in them, or in regard to the Electoral Campaign which we are organising, but which, we must emphatically point out, is not concerned with the Social Credit proposals; it is concerned with no technical proposals at all, but only with policy.

In conclusion, you will, we feel sure, appreciate that the result of the Campaign so far as private Members of Parliament are concerned, is to strengthen their hands in the House of Commons.

In response to our letter Sir Francis Acland sent us a further series of technical questions and criticisms which show clearly that he does not understand the present financial system any more than he understands Social Credit. We wish to emphasise that we do not expect him to know anything

about either of these two highly technical subjects. Nevertheless, as technical experts, we should not be expected to discuss technical matters with persons who themselves have not the necessary technical knowledge:—

More Questions

1. You state: "Of course if you fail to repay the loan, the bank claims the securities, in which case they will have acquired the securities for nothing." Pardon me, they will have acquired them for the money lent and lost, and the value realised above the amount of the loan and accrued interest they will be bound to return to the borrower.

2. You state that you "fail to see why the State should have to pay interest to anybody except the holders." This arose out of my criticism of Major Douglas's argument that his scheme could be carried out by a division of the National Debt among the community. We will agree that any division will not free the State from having to pay interest on its debt. If it distributes bonds up to the amount of the debt, what value have they unless the State also pays interest on them? And how will paying a double interest on its debt enable it to abolish taxation?

3. You say that skill, knowledge, morale, inventiveness, plant, buildings and land can as a practical proposition be distributed—and, I gather, without depriving anyone of anything they possess. I deny this; and particularly the suggestion that they can be distributed by giving people a share of the National Debt. These things are assets, the National Debt a liability. How can you give people assets by distributing liabilities?

4. Major Douglas, in the speech of which you kindly send me a copy, says that "the individual Member of Parliament is interested only in keeping his job, and in knowing how much voting power is behind any demands made upon him." This may be a generally accurate description of the supporters of the present Government, but it is not true in my own case. With great respect, I shall never make myself the mouthpiece of any demands of my constituents until I am convinced of their practicability.

FRANCIS D. ACLAND.

Social Credit propagandists will no doubt want to elucidate his difficulties for Sir Francis. For our part we must respect him for the determination expressed in his last paragraph, but suggest that he read again carefully the Elector's Demand and Undertaking and ask him to ponder the practicability as a policy of (1) a National Dividend to distribute the goods now destroyed and the production now restricted. (2) The continued destruction of goods and the further restriction of production. Electors are rapidly showing themselves determined to have (1) in preference to (2).

Major Douglas and "The Engineer"

Last June there appeared in *The Engineer* two long articles by Dr. W. H. Coates, Ph.D., purporting to demolish what the author called "Major Douglas's Social Credit Plan." In last week's issue of that journal (August 16) the following statement appeared.

DOUGLAS SOCIAL CREDIT.

We now regret to find that, owing to the inclusion of the following passage in a letter which we wrote to Major Douglas, he had expected us, under clause (b) of our letter, to reprint in full his Statement of Evidence before the Macmillan Committee, republished in his "Monopoly of Credit":—

"There has been such a revival of interest in your Social Credit scheme during the past few months, and we have published so many letters about it that I have asked a well-known economist—not a banker, but an industrialist—to analyse it critically. He has agreed, but asks either that (a) you would write a special article for *The Engineer*, incorporating the heart of your doctrine, and including not only an exposition of the causes which in your view justify it, but also a clear exposition of the manner in which

it would remedy the present evils which you diagnose in the existing monetary and economic system; or (b) select one of your addresses or chapters as an adequate substitute for (a)."

We lay these facts before our readers, since they may have received a wrong impression from an editorial note appended to a letter printed in our issue of June 28, which ran as follows:—

"To prevent any hasty misjudgment of our actions, we wish our correspondents to know that we invited Major Douglas to contribute an article as a basis for Dr. Coates's examination. He declined to do so, as he was going abroad, but said that his 'Monopoly of Credit' might be taken as expressing his views. That book contains the minutes of his evidence before the Macmillan Committee and his Tokyo (W.P.C.) paper."

Major Douglas did in fact offer, not "The Monopoly of Credit," but his Statement of Evidence, submitted to the Macmillan Committee as a basis for cross-examination, which he considered would meet the request made under (b) in the letter to which reference is made.

The above should be read in conjunction with our editorial comments on page 10.

ARE STOLEN KISSES SWEETER?

A New Light on Communism

Lord Passfield told the Fabian Summer School that Soviet Russia was the most exciting place to go to because there were new ideas about everything. For instance he saw a man kiss his wife when he met

her at an English railway station. In Russia the train conductor would fine you two roubles if he saw you do that.

This puts a new kick into kissing, yet, delightful as the prospect is, perhaps it is best to confine it to Russia, as sometimes kisses are quite unpremeditated, and for these a free country is clearly indicated.

HELP US AND HELP YOURSELF BY HELPING OUR ADVERTISERS

WHATEVER may be the future of advertising under Social Credit, there is no doubt of its place in the present scheme of things—and the very people who have developed the most leathery sales resistance to ordinary advertising can reasonably unbend in the interest of Social Credit itself.

That greater use of our advertising columns must help this journal is obvious, and to support us by buying what we advertise will infallibly please our advertisers.

No apology therefore is needed for stressing the possible development of this paper as advertisement space increases; and this increase can be assured in two ways—by finding new advertisers, and by making it worth their while to advertise.

Many improvements which are easily made wait upon our revenue; and, though our circulation has increased rapidly since we began last year, the increase in scope and variety which a substantial advertising revenue would bring is progressive.

We are doing our best to develop this department of the paper, and look for the support of readers and advertisers alike.

IT PAYS TO ADVERTISE IN "SOCIAL CREDIT."

Of All Things

BOROUGHES CAN BORROW

Beckenham Joins the Swelling Throng

Yet another credit-worthy suburb of London is to be prepared for debt. Beckenham's charter has been approved, its rateable value is over £700,000 and its first or Charter Mayor is to be none other than Sir Josiah Stamp. The date for presenting the charter is September 26, but no date has yet been fixed for the details of its first loan to be published.

THE FIRST £5 NOTE

It Was Not Dated November Fifth

Five-pound note number one, dated April 15, 1793, is to return to the Bank of England shortly, as a legacy. It will probably be put in a glass case where it will remain as testimony to two interesting facts. First that the first concrete move in the greatest attempt to enslave the world took place less than a hundred and fifty years ago. Second that five pounds can be cancelled without the piece of paper representing it being destroyed.

CURIOUS BEHAVIOUR IN AUSTRIA

Whom Finance would Destroy it First Makes Mad

Under the yoke of debt the reactions of Austria have become flippant and apparently hysterical. In a Gilbertian attempt to "make the punishment fit the crime" Austrian traffic cops were instructed to deflate the tyres of their victims, whose subsequent efforts with a footpump were to be "a source of innocent merriment" to the onlookers. And now sporting relationships between Austria and Germany have been suspended as a protest against anti-Austrian propaganda in German newspapers.

M. LAVAL'S POLICY

Appeal for Judgment by Results

Under this heading *The Times* of August 17 reports an appeal by, of all people, the Minister of Finance, M. R gnier. The policy is not defined however; only a number of technical expedients are mentioned. And the results are not stated.

Well, if we know the French people, they will judge by results; and if we are right about the results the verdict will be "guilty."

WE SHOULD ALL BE FLYING NOW

Progress in the Air Frustrated by Finance

The little 35 h.p. cabin aeroplane from Czechoslovakia which has just arrived is a sad reminder of what might have been. It does nearly 30 miles to the gallon of petrol and costs about £470.

Like the motor car, throttled down by the tax on cylinder content, the aeroplane has been held up by lack of buyers. If people only had the necessary tickets aeroplanes would be turned out just as fast as Fords or Austins.

Once the monopoly of credit is broken we shall be able to live conveniently up to three hundred miles away from the work we have to do. No one will mind a two hour journey by air when he has to work only four hours a day four days a week.

GENT.'S RAYON SUITINGS SOON

New Fabrics Spell Trouble for Lancashire

A forecast was made at the Textile Institute Conference, that men will soon be wearing suits entirely made from artificial silk. The rayon shirt, and all sorts of rayon underwear are already on the market.

Of course this is splendid news, and means another conquest of Nature in the struggle to find shelter from the elements. It means most of the work of clothing men and women will be done by machinery.

Of course, also, a criminal financial system will degrade the men and women who should enjoy these new found amenities into despised outcasts, dependent on a vicious system of compulsory charity, called the dole, to live at the expense of others, who might also be enjoying happy care-free lives, but for the innumerable unnecessary calls made upon them.

478 NEW FACTORIES LAST YEAR

But do not Read only the Headline

The Sunday Times of August 18, under the headline shown above, reported that 515 factories were closed down last year. It is true that there were also 478 new ones started, but 515 is more than 478, and it seems odd to have mentioned the lower figure instead of the higher in the head-

line, especially as such a lot of people have time to read only headlines. We are puzzled by this.

BANK NOTE CIRCULATION

The Lesson of the Recent Increase

While it was not a record, unless the 1920 figures are ignored because they were mostly Treasury Notes, the note circulation was the highest for fifteen years a fortnight ago.

Money is only a ticket, in fact it has been well described as a detachable book entry, and some book entries are most conveniently recorded on a cheque, others on a bank-note. The latter, with a certain amount of silver and copper for convenience, is most popular at holiday times, because people are travelling in places where they are not known, so that cheques are not always accepted.

That is the whole reason for the increase in the note circulation at Christmas and during the summer holidays. As soon as they are over, the Bank draws the notes in again and people resume their cheque books.

THE G.W.R. CENTENARY

Only a Hundred Years Ago

The G.W.R. centenary on August 31 is to celebrate the Royal Assent to a Bill authorising a railway between London and Bristol, 118 miles; yet only two years later the first train left Paddington.

In less than a hundred years transport has been completely, unrecognisably and fundamentally revolutionised.

So has practically everything else. In physical terms we can now travel up to twenty times as fast as we could, over more and better roads. Productive capacity of all kinds has advanced in similar strides; there is a glut of everything mankind can desire. Such things as the centenary of a railway serve a useful purpose in bringing home to us what we are missing.

BRITISH TROOPS IN DURHAM

But Not to Bomb the Unemployed

By moving into camp at Tow Law, County Durham, about 3,000 troops will play a part in aiding one of the hard hit spots on the N.E. Coast. At least that is what the papers say—because during their stay they will bring much needed business to the area by making all their purchases locally. This is a new use for the Army. It reverses the effect achieved last year when a battalion marched to new quarters, instead of using the railway. The railway was terribly sore. It has often been said that war is the greatest consumer, and as the one living thing on earth that everybody is looking for is the "poor bloody consumer," perhaps the "poor bloody infantry" can be said to be on active service once more.

THE MYSTERY OF SIR BASIL BLACKETT

What has the World Lost by his Death?

Five or six years ago Sir Basil Blackett was rumoured to have made a very odd and cryptic remark; it went something like this: "Somewhere just around a corner, there must be a simple but elusive device, comparable to the hub of a wheel, or to the use of zero in notation, which has only to be put into operation to take the world out of the pit of depression straight into the millennium."

Social Crediters got quite excited, but nothing happened. It is believed that Sir Basil was one of the group of Directors of the Bank who decided to go off the Gold Standard in the absence of Mr. Montagu Norman. And there is no doubt that he was talking some very "advanced" financial theory during his recent tour in Malaya. But the last speech he made before his death was very reactionary—all about finding work for the idle.

An Aberdeen Gathering

On his way to Shetland, Lt.-Col. J. Creagh Scott, D.S.O., O.B.E., and Mrs. Creagh Scott met, at the Palace Hotel, Aberdeen, a number of members of the Douglas Social Credit Group and local campaigners. A most interesting and informative discussion took place. The absence of the President, Mr. James R. Sangster, and others who are meantime on holiday was much regretted. But another opportunity will be provided early in November for Col. Creagh Scott to address a public meeting, as he did, with so much acceptance, last year.

Recently Col. Creagh Scott has published a pamphlet, "Grains of Mustard Seed," price 9d. (W. J. Sim, 12 Broad Street, Aberdeen), which was very favourably commented upon.

INDUSTRIAL LEADERSHIP

The publication by the F.B.I. of a survey of, and conclusions drawn from British commercial policy is an important event. Last week this document was examined. This week the policy of the F.B.I., in relation to the contents of its report, is criticised.

IT would be difficult to maintain that the Federation of British Industries had ever manifested a desire to live up to the full measure of its title. Formed during the war mainly to afford mutual protection to industrialists in face of the State Socialism which was then in full spate, it has, since then, been content to play the rôle which Marx assigned for it sixty years ago. Though having at first hand information regarding the technical features of industry; the potentiality of more with the employment of less; the inevitability of economic nationalism and the increment of debt; its activities have been limited to unenlightened and therefore unsuccessful attempts to protect capital as such—without reference to social disorder.

Missed Opportunities

Though the daily life of the British nation has been depreciating to a low order physically, intellectually and morally, the Federation of British Industries never doubted the ultimate success of its mission to protect industry for ever from bankruptcy and disruption. Its unique facilities for the formulation of a socially serviceable industrial policy have been vitiated to support ineffectual groushings against the results of a policy and control in every sense inimical to the interest of its members; its claims to leadership revoked to defend and endorse the superior claims to power over the community by the credit monopoly; its business instincts degraded to the level of those required to run a cook-shop in a slum.

Neither the times nor the events gently tolerate this satisfied detachment; and, albeit several years too late, the Council of the Federation recently appointed a committee to make a survey of current ideas and facts regarding the organisation of industry. The report now issued by this committee indicates in no small degree that right-thinking in regard to the essential function and the actual control of industry is making its influence felt. At any rate to the extent represented by the six signatories to this report, the existence potentially of a natural demand for industrial products far in excess of the actual effectual demand is a fact at once unassailable and provoking.

Under the limits of the terms of reference, however, they report that "The aim of industrial organisation is to relate means of production to potential demand" — leaving potential demand, a perpetually independent variable, to actualise itself as best it may. This is neither lack of sense, nor lack of knowledge, but merely lack of courage.

ACTIVE SERVICE

Only Stalwarts in Newport

The first report from Newport, Mon., shows what can be done by even a few stalwarts, but it indicates also what *could* be done with a reasonable number of campaign workers. In the first week they have collected 560 signatures "in just a corner of one district—a working class district."

Newport reckon they could collect ten times the above number if they could enlist the workers to help them. Readers in Newport, here is your opportunity for action.

Bravo, Liverpool

"I have received a letter from a canvasser in the Garston area mentioning that he and another canvasser collected 106 signatures in a total of six man hours between them. Signatures per hour, 17.6—3.39 minutes per signature." This extract from a weekly report makes us conscious of the effect which could be produced by even as few as twenty more such workers in this district working steadily for six months.

3.39 minutes per signature. Can you beat that?

Newcastle in the News

At Newcastle the campaigners will soon be rewarded for their work. The large numbers of signatures obtained indicate clearly that their objective will be achieved. Last week they collected 1,265 signatures and this is not their best effort.

Newcastle have proved that the Electoral Campaign is not only sound in theory, but that it is workable in practice. Let us say here and now to all those who have not yet embarked upon the campaign, "You have your proof—order your supplies of Leaflet No. 5 now and we will give you the utmost

Such is the inhibition enthralling even the Federation of British Industries that the recognised definition—"The aim of economic organisation is to relate effective demand to the means of production"—is reversed as to terms, and initiated as to sense.

The reason is not far to seek. The prevailing undercurrent of the report is finance. No longer does the burden of taxation, Government interference, or the exorbitance of labour constitute the special problem confronting the Federation—but finance. Not finance in the wide and woolly sense of an awesome immanence, but as a banking system.

"It has long been felt by industrialists that financial institutions have taken decisions on matters vitally affecting the interests of Industry without consultation. . . . Industry will be in a stronger position to command this consultation where it is fully organised. . . . in fact, the views of such a body could not well be ignored either by bankers or issuing houses."

We may commend the intuition while demurring at the terms of the statement. What do the "views" of the organisation amount to? Easier terms of credit, a little longer to pay, a lengthening of the tether, a little shortening of the lash?

We are told that "modern conditions demand that industries should work more closely together as units, both to improve their internal efficiency and to enable them to negotiate with other interests, notably finance."

A Little Undignified

We might well ask if this was written for the Federation of British Industries or the Trade Union Congress. At any rate the same cap is in the same hand, while the other is touching the same forelock. Doubtless the "views" are the same: a little larger share of the spoil after robbing the final victim—the consumer.

Again we note that the instinct is right but the attitude is wrong, the courage is lacking. British Industry must confront finance, not as a servile suppliant for favours, but as representing substantive powers in communal welfare. Whatever concessions can be wrung from the banks by altar service will quite inevitably be turned by the progress of "modern conditions" into the dust and ashes of increased debt.

The paymaster of industry is the public as consumers. Allying its demands with those of the public for a financial system so ordered that the purchasing power of the public is equivalent to productive capacity, will establish the Federation of British Industries in its rightful place. That is, the representative of "an aristocracy of producers serving a democracy of consumers."

F.H.A.

help in our power to get started."

Widnes Keeps It Up

Since our last mention of the work at Widnes the reports have indicated a maintenance of their steady progress. On July 19 the figures given were rising; these are here brought up to date: 99, 55, 180, 157, 185, 278, 266.

Widnes is improving her technique for obtaining signatures. The Electoral Campaign has never been tried before; we started at scratch and it is only trial and error which can make us perfect campaigners. The trial itself is the secret of success, for to those who have started the campaign the canvass has proved far less formidable than was expected. The recruiting of new workers is the only genuine obstacle, and it is not an insurmountable one.

Here is Initiative

A lady in Cheltenham was most anxious to start the campaign. She wanted a little experience before launching out, so she hit on a splendid idea. She arranged to go to Southampton for a week's intensive training with Southampton's best team. Southampton workers were pleased with this compliment to their ability, and it must be stated that the lady concerned was a great help to them in the excellent work she accomplished. Let us hope that her visit has proved of real value to her work in Cheltenham.

Southampton workers are grateful for her assistance and the useful contribution she has made. They wish to state too that they would be only too delighted to hear from any other workers who wish to come into their constituency to lighten their burden!

"Miss Otis regrets she's unable to lunch to-day." She's gone Canvassing.

"Love's last word is spoken." So you are free to go out Canvassing.

The Secretariat Belongs to YOU

If you are a Member of an Affiliated Group

THE following memorandum has been sent to every Social Credit Group and Association which is affiliated to the Secretariat, or which contemplates affiliation. The Director of Organisation has requested each Group to bring this, and his memorandum on organisation (O.D.1) before a meeting of its members.

We are getting into the thick of the battle for Social Credit, and questions of organisation — our battle array — are becoming of paramount importance. We cannot, in fact we dare not, place the issue for which we are fighting in jeopardy because of misunderstanding.

You are asked to study this memorandum very carefully so that you will be familiar with it when it is brought up at your group meeting.

A.—Explanatory

1.—The relationship between the Social Credit Secretariat and the Social Credit Movement is bound up with the purpose for which the Movement exists (i.e., to get Social Credit established), with the policy governed by this consideration, and with the organisation required to give effect to this policy.

2.—The Social Credit Secretariat exists to serve the Movement as headquarters for the purpose of implementing the policy of Social Credit on the lines laid down by Major Douglas at Buxton on June 9, 1934, and subsequently endorsed by the overwhelming majority of the Social Credit Movement in Great Britain.

The sole justification for establishing a central headquarters was to secure centralised direction for specific action to gain the establishment of Social Credit. Centralisation for this limited objective having been achieved, the Secretariat can render other important services, which in themselves would not justify a central organisation, e.g., a clearing house for information, an advisory bureau for the Movement overseas, a centre of reference for authoritative information on technical matters, and so on.

3.—The Secretariat derives its authority from the recognition and support conferred upon it as a central headquarters by the Groups comprising the Social Credit Movement. This recognition and support is expressed by Social Credit Groups affiliating to the Secretariat.

Affiliation not only confers upon Groups the rights and benefits of controlling and having the services of a central headquarters, but it also involves such Groups in the responsibilities of giving active support to their headquarters.

4.—As the Secretariat was established as headquarters to secure central direction to achieve a specific objective, it exists to serve those Groups which recognise it as their headquarters, and give it support as such, for the Secretariat can do no more than mobilise the real credit in association of its individual members. Therefore, the Secretariat belongs to the Social Credit Movement as represented by its Affiliated Groups which alone must control both the policy and the personnel of the Secretariat.

It must be assumed that any Social Credit Group which is not affiliated does not recognise the Secretariat as headquarters. For the protection of Affiliated Groups, which it exists to serve and to which it belongs, the Secretariat is obliged to extend recognition and service only in return for recognition and support, and it cannot recognise or allow itself to be used by any Social Credit Group which is not affiliated.

5.—In affiliating to the Secretariat, a Group enters into association with other Affiliated Groups to secure the services of a headquarters in order to gain central direction of action in accordance with a common policy. This involves active support of the headquarters. A Group which fails to give such support (thus weakening the authority vested in the Secretariat by Affiliated Groups, and undermining the strength and efficiency of the association of Affiliated Groups) cannot expect to retain the benefits of affiliation.

B.—Affiliation of Social Credit Groups and Associations

1.—Every Social Credit Group which is in complete agreement with the Statement of Policy of the Secretariat set out below, and accepts the responsibilities which are involved, is eligible for affiliation to the Social Credit Secretariat.

2.—Applications for affiliation should be made in writing to the Secretary of the Secretariat.

3.—The Secretariat may make any enquiries considered necessary and reserves the right to decline or withdraw affiliation.

4.—Statement of Policy of the Social Credit Secretariat:

The Social Credit Secretariat exists in order to implement the policy of Social Credit. The primary objective of this policy is to increase the economic power of the individual. The possibility and, indeed, the necessity of achieving this end rests fundamentally upon the demonstrable fact that the individual is a tenant-for-life of the heritage of civilisation, and if this heritage is not destroyed by misuse it is capable of assuring to him complete economic security.

The first necessity is that he shall be presented with a true balance sheet representing the condition of his assets and liabilities. No such balance sheet exists, because of demonstrated defects in the monetary system which is employed in the denomination of the assets, on the one hand, and the claims upon them on the other.

Certain sustainable claims arising out of the replacement of the labour of the individual by machines employing solar energy have not, so far, received recognition. Many factors which are irrelevant to the presentation of an economic balance sheet, such as the insistence upon so-called moral qualities as a condition of participation in the assets, have further obscured the account.

It is considered that the steps to the rectification of this situation are as follow, and broadly in the order made:—

- (1) The regulation of prices, i.e., the balancing of claims against assets.
- (2) The National Dividend, i.e., the recognition of tenants-for-life.
- (3) The separation of a Governmental or moral system from the economic system. This involves the abolition of differential taxation, e.g., beer taxes.

It is a fundamental conception of the Social Credit Movement that group relationships, such as the State, are of importance only in so far as they conduce to the well-being and progress of every individual composing them. In consequence, the objective of the Movement is not to construct a Utopia, but to enable every member of the community to utilise his interest in the Group inheritance that he may construct for himself an existence according to his own ideas. Social Credit is the escape from Utopia.

5.—To implement the policy of Social Credit, action is necessary. The specific action which has been endorsed by the Movement is the Electoral Campaign promulgated by Major Douglas at Buxton on June 9, 1934.

6.—To conduct an effective campaign of action central direction by an executive body is necessary. The Executive Board of the Social Credit Secretariat is appointed by Affiliated Groups in Great Britain for this purpose.

7.—The Chairman and Directors of the Executive Board derive their authority from the Affiliated Social Credit Groups which have appointed them, and they are responsible to these Groups for the direction of the Movement's activities.

Members of Affiliated Groups therefore incur personal responsibility to give whole-hearted support to the Executive Board and to accept the direction of the Chairman and Directors whom they have appointed.

8.—No capitation fee or specific financial obligations are imposed as a condition of affiliation. This is a matter for the Group Supervisors of Revenue and the Director of Revenue.

However, as the headquarters of Affiliated Groups and, therefore, belonging to them, the Secretariat must look to Affiliated Groups for its revenue requirements. Just as each member of a Group is personally responsible to provide a share of the revenue for the Group, so each Affiliated Group is under obligation to provide its share according to its circumstances, of the revenue required to carry out the work of the Secretariat. As in all Social Credit activities, this is a matter of personal responsibility on the part of all members of Affiliated Groups.

9.—The Executive Board of the Secretariat can terminate the affiliation of any Group which, in the opinion of the Directors, fails to fulfil the responsibilities and obligations of affiliation.

L. DENIS BYRNE,
Director of Organisation.

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Auld Kings Arms Hotel

Stranraer

ON SHORT SEA ROUTE TO IRELAND

An allowance of 5% on a/c.s. over £1 will be sent to the Secretariat for Patrons who show a copy of this paper.

TEL. 20.

W. MacROBERT, Prop.

Things in General—and Nothing in Particular

Financialis Germanica (Eng. Var. *Schachtii Smilensia*). Another of the insidious wall creepers. Quite hardy; generally to be found in North Germany and in the environs of Berlin, but also sometimes seen in towns further south and west, where it has very possibly been conveyed by persons unaware of the risk they run of causing the collapse of any building on which it obtains a hold.

Like the *Monti-Normanii*, it is of pleasing appearance, the flower being a round shape and of a light rose colour somewhat resembling that of the wild briar.

It blooms freely in the very early spring, usually about the time that budgetary



concerns occupy politicians, so that the bursting seedpods are often successful in effecting an entrance and securing their deleterious footing, unobserved, in any neighbouring wall.

This species is quite as dangerous and in some ways worse than *Normanii*, as it is often a year or more before it appears at the surface, and by that time the rooting is extensive. If for this reason only, it should be eradicated without remorse when discovered. FIREWORKS.

Frotti's Queries

No. 5.—"Rather a Gristly Cove, What?"

Admirable dear old Boy,

Who is this Mr. Markets? To me he is not seeming a pleasant or chubbable fellow-lad—at least as recounted in *Daily Tellagaffe*.

It appears that at Toulong (France) certain unrestings of populous (who, so says this journal-paper, were objecting to be classed like State Servants just because Government has intestines in shipping-lines) was quailed by militaries and the town now "resembles an armed camp."

Now, Editorship, it appears that "in this improved atmosphere" Markets became much more cheerful.

Well! What a gool he must be, Mong Dew! Also it says that in the cotton industrials a price-cutting warfare was causing losings of £100,000 a week. But Markets was merry as a tripod!

Perhaps indeed it was Markets who found the lost £100,000, and if so surely he must be taking it to Polis station if he is honestable?

However I ask myself what is this humour of gentleman's who laughs when Toulong docker-fellows and soldyers snipe each others with machinery-guns? To make Mr. Markets truly jolly, will it not be necessity to bomb citizens of London (because they object to being compared to Messers Chamberlain and Simon)?

And, even secondary query, oh, Sire. Why does not Mongseer the French Primer

challenge Markets to a jewel for his cheerfulness at insultings upon State Servants like Mongseer himself? But perhaps Markets has asked himself, like the Poet Shellont, whether 'tis not better "to sling alms from most outrageous fortunes" and so end oppositionings in the most sweetening manners.

Yours in sad quandariness,
 FROTTI.

Sound Finance Always Pays

(See National Government Posters)

"Sound Finance always pays."
 In letters of enormous size
 Everywhere it meets our eyes,
 "Sound Finance always pays,"
 It pays to advertise!

Sound Finance clearly pays
 Somebody who can afford
 To plaster up on every board
 "Sound Finance always pays,"
 It pays to advertise!

Sound Finance always pays
 Someone, but not you or me;
 It isn't very hard to see
 That Sound Finance always pays
 The Sound Financier.

Sound Finance must have its way!
 Grit your teeth, square your backs,
 Tighten belts, pay your tax,
 So that Sound Finance may pay
 The Sound Financier!

Sound Finance must always pay!
 We go without while things abound,
 Just to keep our Finance "Sound,"
 Otherwise it might not pay
 The Sound Financier.

Sound Finance always pays.
 Wealth may waste, men may rot,
 Sound Finance alters not,
 It always, always, always pays
 The Sound Financier.

C. G. DOBBS.

Strong i' th' Arm and Weak i' th' Head

Thirteen hundred coalminers went on strike last week at Follonsby Colliery, Durham. Everybody else, of course, is quite calm. Indeed two much larger collieries had been shut down for lack of orders in the same week.

The reason for the strike is even more ludicrous than the strike itself. The miners object to the fact that they have been graded as good, moderate, bad, and very bad workmen. It is curious how reactionary trade unions tend to become.

Nobody else would expect anyone to employ bad workmen in a coal mine—they would be a menace to their fellow workers.

It will indeed be a happy day when only the very best, picked men will be allowed to do any work at all. The rest will be able to sit back and enjoy the results.

P.B.S.



ELECTORS

Demand National Dividends

Leaflet No. 4

For Recruiting.—Contains a space for address of local group or supervisor. For distribution at meetings, or delivery by post or from door to door after collecting signed demand forms.

6s. for 1,000 (postage 9d.); 3s. for 500 (postage 9d.); 1s. 6d. for 250 (postage 4d.); 7d. for 100 (postage 2d.).

Leaflet No. 5

Elector's Demand and Undertaking.—The instrument of the Electoral Campaign, in purple on orange or purple on white.

(post free) 12s. 6d. for 1,000; 6s. 3d. for 500; 3s. 2d. for 250; 1s. 7d. for 125; 10d. for 60.

Leaflet No. 6

For Personal and Business Friends.—Not suitable for the house-to-house canvass, but for use in offices, factories, or by travellers, or at parties. Space for 24 signatures.

(carriage extra) 27s. 6d. for 1,000; 3s. for 100; 1s. 6d. for 50; 9d. for 25.

Obtainable from the offices of SOCIAL CREDIT, 163A, Strand, London, W.C.2.

GROUP SECRETARIES AND BUSINESS MEN

POSTERS, SHOWCARDS, SIGNS, BANNERS, STREAMERS, RUBBER STAMPS.

Quotations by Return.

GOODSIGNS LTD.,
 66, NORWICH AVENUE,
 BOURNEMOUTH.

Just Price. 5% to the Cause.

SECRETARIES

SAVE COSTS IN CIRCULARISING!

USE THE JOURNAL FOR NOTIFYING MEMBERS OF

MEETINGS LECTURES ETC., ETC.

... AND TELL THEM TO WATCH

"SOCIAL CREDIT"

You Will Attract New Members

Announcements & Meetings

Notices will be accepted for this column at 6d. a line, minimum three lines.

Notices must reach the publishing office by the Monday morning before the date of issue.

Belfast Douglas Social Credit Group

The Headquarters—Princes Chambers, 72, Ann Street—are now open each afternoon and evening for the purpose of answering enquiries regarding Literature, Lectures, Meetings, etc. Meetings are being held at the above address as follows:—For Men—on Thursdays, at 3 p.m. These meetings are intended for those unemployed especially. Public meetings on Thursdays, at 7.45 p.m. Admission free.

Manchester Social Credit Club

Future meetings will be from 7 p.m. on first and third Tuesdays every month, at Grosvenor Hotel, 2, Deansgate. Next meeting, August 20.

Newcastle-on-Tyne Douglas Social Credit Movement

New Group Headquarters at 31 Oxford Street will be opened on August 28, at 7.30 p.m. All members and friends please attend for all particulars of coming winter activities.

For Sale—Essex

Freehold Bungalow of superior design, at Upminster. One minute from main bus route to London. Small garden. Room for garage. Select neighbourhood. Price £825. Particulars of owner, 143 Corbet's Ley Road, Upminster, Essex.

Situation Wanted

Widow of literary man, Social Crediter—wide interests—seeks post as matron of small school, or other responsible position, where holidays would coincide to some extent with school vacations. Address, Mrs. Eimar O'Duffy, c/o this Office.

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