

# SOCIAL CREDIT

## For Political and Economic Democracy

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Weekly Twopence

### THE AGE OF POWER MONEY SYSTEM PERVERTS SCIENCE

... The advance of Industry producing abundance makes distribution or destruction a necessity ... shall money dominate or serve ... ?

ONE of the main epoch-making advances in the design of the steam engine is traditionally attributed to the fact that a boy, who wished to play marbles in place of turning the steam on and off a non-automatic steam engine to which he had been assigned; and, in order to gain his reprehensible ends, conceived the idea of tying the end of the tap with a piece of string to the piston-rod in such a way that the piston pulled the tap open and shut, thus forming the first simple valve-gear.

Until he was discovered he did no work and he ate very well. But unfortunately the money and wages system saw to it that this happy state of affairs did not last.

#### The Coming of the Machine

The nineteenth and early twentieth centuries cover a period of scientific and other progress, as applied to the industrial arts, which can be summarised as being, to a large extent, the transfer of the labour of production from the backs of men on to the backs of machines. But the old philosophy has retained its iron grip upon the minds of most, with the result that we have what is called a "permanent unemployment problem," which is what we mean by the foregoing process.

#### Instruments of Release Twisted Into Fetters

But the astounding thing, which must be left to the psychologists to explain, is that,

instead of recognising this as a phenomenon of progress, and a means of release from the curse of Adam (which is not work, but unnecessary and uninteresting work), it has, through a defective money system, been allowed to be the agency of widespread distress and misery. In other words, by pinning the economic and productive systems to a rigid money wage and price system, which is based upon a philosophy which bears no relation to the physical facts of modern industry, we have made money the master both of men and goods, rather than the servant of both.

#### Social Credit the Remedy

Social Credit is the name which has been given to a technique for redressing the situation.

#### Coincides With New Testament Philosophy

It does so happen that the results which can be predicted for it, coincide with a philosophy which is probably of the greatest importance—the philosophy of the New Testament. But the essence of Social Credit is that it shall make of the money system in all its aspects of credit, price, wages, costs, and dividends, a faithful reflection of the physical facts of industry. "Reflection" is a deliberately chosen word. As we see it, goods and services should condition money, and not money, goods and services. That is really the root of the matter.

MAJOR C. H. DOUGLAS.

### MORE TROUBLE IN KENYA

THERE was an important article in the *Christian Science Monitor* on January 15 under the title "Kenya Unrest Brings Appeal for Home Rule."

The unrest referred to is not that of the natives whose healthy revolt against penal taxation was described in this paper last week.

This time the unrest is among the European residents who number in all only 18,000 men, women and children, described as "the chief civilising element in a rich country as big as France, where the only other permanent inhabitants are 3,000,000 Africans and 56,000 Asiatics."

From having been exceedingly prosperous after the last war they have been brought by circumstances outside their own control to the brink of ruin. They are in many cases unable to sell their produce at prices high enough even to pay the cost of cultivation. At the same time the taxation imposed upon them by a bureaucracy controlled from Whitehall, they complain, instead of growing lighter, has increased.

#### SECESSION DEMAND

As a reaction against these hardships imposed from without through the power of taxation, and of financial control, the farmers are demanding home rule.

The situation has become so strained that Lord Francis Scott, himself a farmer and a member of the local legislature at Nairobi, has described it as "living on the brink of a volcano."

Thus both the natives and the settlers are revolting against the dead hand of external financial control, and here is one more example of the secessionist activities which are the outcome of the present centralised

The British Government has refused to grant the demand for home rule.

The official view indeed is that any other course would be nothing less than "to tamper with the currency."

It's the same the whole world over, and likely to get worse and worse until the volcano erupts.

### 4,500,000 CAN SPEND ONLY 4s. A WEEK ON FOOD

FOUR and a half million people in this country spend, on an average, only four shillings per head a week on food."

Sir John Orr made this statement last Monday at a meeting of the Farmers' Club in London, and the London press gave his speech prominence; our headline is borrowed from the *Daily Express*.

The total income of the families comprising the 4,500,000 people to whom he had referred was only 10s. per head a week.

Sir John said that these facts showed that there was a great national need for increased production and increased consumption of animal products, fruit and vegetables. It also showed that if the increased consumption were to be brought about, these food-stuffs must be made available to the poorer sections of the community at a price lower than the present retail price.

"We can buy health and we can buy a prosperous agriculture which will make the food supply of this country safe in peace and war."

"The one thing needed to bring about prosperity in agriculture is better prices to give the farmer more money."

Better prices for the farmer which are lower than the present retail price! There is only one proposition that has ever been put forward which will do that—Major Douglas's Compensated Price.

### PRESSURE POLITICS

#### What a United Demand Can Do

ON our front page last week we observed that the Bonus Bill in the United States was an example of the success of a united demand backed by votes in bringing pressure on the government. The following extracts (not excluding those on calamity howling) from *The Times*'s leading article on the subject, on January 29, underline this:

Now that the Soldiers' Bonus Bill has been made law in the United States over the President's veto, Congress will have to consider how the money is to be raised to pay for it. . . . One thing is certain—that the members of Congress who voted for the bonus because it was popular with a large section of their constituents will be very reluctant, especially on the eve of the election campaign, to provide payment of it by the unpopular method of increased taxation.

The anxieties raised by this successful over-riding of the President's veto are not confined to the immediate budgetary difficulties, serious as they may be. Last year a similar proposal, the Patman Bill, was passed by Congress, but it was vetoed by the President, and on that occasion . . . he warned Senators and Representatives that, if it were passed, candidates for Congress would be called upon in the near future to support demands even more unreasonable. The payment, he said, would bankrupt the United States; but to meet the claims of one section of the population by a deceptively easy method of payment would encourage similar claims from other groups, inviting an ultimate reckoning in uncontrollable prices, and in the destruction of the value of savings, which would strike most cruelly those who appear to be temporarily benefited. However safe the credit of the United States might seem, it could not remain safe "if we engage in a policy of yielding to each and all of the groups that are unable to enforce upon Congress claims for special consideration." This year his warnings fell upon ears deafened by the approaching elections. The size of the majorities by which his veto was overridden cannot but inspire anxiety over what Congress may do during the remainder of the session.

We may observe that no one has anything to fear or hope from "the groups that are unable to enforce upon Congress claims for special consideration."

Either the President is misreported or is less realistic in his utterances when referring to the kind of pressure he is reluctant to yield to, for he is also on record as saying: "It is my function to yield to pressure."

### DISCLAIMER

The following letter was sent from the Secretariat to the Editor of the *Calgary Daily Herald* on February 3:

We have seen the report in your issue of January 18 of the speech by Premier William Aberhart in Calgary on Friday, January 17. Referring to the loan of two and a quarter million dollars which he obtained in September last year, he is reported to have said:

"It was at this time that the social credit paper in England started up to explain my position to the people of England. It stated in the social credit paper put out by the London Secretariat (I would not mind if it had been another paper), but in this paper they declared that while I was east that first hectic time to protect the interest of the people, that I had met Sir Montagu Norman, the Governor of the Bank of England, and had sold out to him. I have never seen the gentleman. I do not know him and have never corresponded with him. It was entirely a mistake on their part."

It seems possible that Mr. Aberhart has been misreported, nevertheless, we should like to make our position in this matter clear. No mention of any meeting between Mr. Montagu Norman and Mr. Aberhart was made in our paper either in September or October, and, in fact, the only reference to such a matter was published in our issue of November 1 and read as under:—

"We are informed on reliable but unconfirmed authority that Mr. Montagu Norman, Governor of the Bank of England, had an interview with Mr. Aberhart shortly after his election as Premier of Alberta."

We made no comment on this, and have not referred to the matter otherwise either before or since.

(Signed) W. L. BARDSLEY,

Secretary of The Social Credit Secretariat, Limited, and Editor of SOCIAL CREDIT.



The Machine:—Come! I have cut your cords. You are free at last!  
Man:—Yes, but something's holding me harder than ever!

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## SOCIAL CREDIT

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### This Plague of Taxes

THE unhappy taxpayer has reached the limit of his endurance, both in this country and abroad. In France, Government after Government falls because the people will not stand for more taxation. In the U.S.A., Congress dare not raise the money for the Veterans' Bonus from taxation—the people would not stand it. In Kenya they are "living on the brink of a volcano" because natives and settlers alike are in revolt against taxation—and so the tale goes on.

Everybody hates taxes, from the successful business man whose very success in catering for his fellows is penalised by super-taxation, to the mechanic or the typist who has to fork out each week for so-called insurance against ill-health and unemployment.

Beer tax, tobacco tax, amusement tax, whisky tax, dog tax, motor tax, land tax, stamp tax, cheque tax, marriage tax, birth tax, death tax — to say nothing of rates — everybody hates them.

The Southern Railway has appealed against an over-assessment for rating, and won; but it is still painfully aware that the huge rates it has to pay go to assist its competitors, the roads — quite apart from the irritation of having to pay them. For the public, on the other hand, the rates mean bigger railway fares, and provide an entirely inaccurate picture of the cost of rail transport.

There is no one who will sincerely say a good word for these impositions. They are costly and irritating to collect, and are the cause of a host of mean practices and intrigues. And yet they go on, ever more onerous, ever more complicated. So complicated that the cost of the Southern Railway's litigation was some £80,000; and no layman can be expected to understand even his personal income tax form, except that he has to pay up.

Like rabbits hypnotised by a stoat, the people pay and pay and pay—cursing always and thankful for any small relief that is thrown to them, but never questioning the necessity for the whole useless system.

For it is all unnecessary. There are other devices than taxation by which a government can find the money to pay for national services. But people are so mesmerised that when we tell them this they can only gape, so we are thankful when obvious facts assist us in our efforts to show the utter irrelevance of taxation to the problem of meeting government expenditure.

Read this from the *Daily Express* of February 3 (the italics are ours):

The Government's defence plans—now rapidly nearing completion—will be paid for out of a huge loan. It is likely to be more than £100,000,000. It may be nearer £200,000,000. The Cabinet has been influenced in its decision on a loan by the fact that money is cheap, and the sum required so big that it could not be raised by taxation without imperilling trade recovery. It is an important decision for the man-in-the-street, for it makes it possible for the Chancellor of the Exchequer to carry on with his present plan to reduce taxation.

Observe that a sum of £200,000,000 can be spent by the Government without recourse to taxation—and that taxation will actually be decreased simultaneously.

All right; where is the money to come from? Is it suggested that we are being let off some taxes now because we are going to be still more heavily taxed later on? If so, what about imperilling future trade recovery?

No; it is to be raised by loan as it has been raised in the past, and although the nation will be richer by the new aeroplanes and battleships it will be poorer—the same nation—by an extra £200,000,000 on the National Debt, which has already risen by £400,000,000 in the life of the last Government.

Will the National Debt ever be paid off? Ask an orthodox economist.

What a racket it is! A nation in pawn—for ever—to whom?

### A Question of Control

The most significant point in the utterances of the bank chairmen in the past week is not their bland and irritating complacency, although that is bad enough. In the face of admitted facts of under-nourished millions, lousy slums, excessive taxes, frustrated trade, international friction, industrial strife — admitted directly or indirectly in every speech — they show no chagrin or humility. They are clearly aware of the mounting tide of criticism and exasperation with the banking system.

All these things they touch upon, but they say, "We are not to blame, the policy is not ours." Let Mr. McKenna speak for them:

With the development of the great consolidated banks, of which our own is an example, and with the steadily growing authority and power of the Bank of England, the framework for a comprehensive system of sound money has come into being. The system is comprehensive in the sense that each part of the money supply—coin, notes, and bank credit — is made subject to a single control. The ultimate control rests with the Government of the day, acting upon principles publicly declared or defined by Parliament in statute.

Right! We are satisfied. The people will shortly give their orders to the Government. Policy will be defined. See to it that you obey orders when they are given to you—Big Five.

### You Owe £165

Under the above title, Mr. Guy Ramsey discusses in the *Daily Express* the mystery of the National Debt. The debt, he says, stands at £7,922,124,093. To pay it off, every man, woman and child in this country would have to dub up £165. It is owed by Britain. The people of Britain owe it, chiefly for wars. Whom do they owe it to? About £20 to the United States, and the balance of £145 to Britain—that is, to the people of Britain. "If every Briton had an equal amount of money, you would owe your debt of £165 to yourself! But all Britons are not worth the same amount of money. That is where the snag comes in."

Yes, it certainly is; but does Mr. Ramsey know exactly what the catch is? When the War broke out there was only about £700,000,000 in the country, yet before the War was over we spent over £8,000,000,000. Where did the money come from? Read the Cunliffe Report on Currency and Foreign Exchanges, 1918, and you will see [price 6d. from H.M. Stationery Office]. According to Mr. Ramsey, "The Government—the Board of Directors—come to the shareholders in the concern and say: 'If we cannot have some more money, the country will go smash.' The shareholders see what they can do. The rich ones hand out thousands to the Government; the middle ones hand out hundreds; the poor hand out pounds."

Actually the banks and financial houses hand out thousands by writing drafts on themselves; the rest of us hand out pounds of our hard-earned money — and pay the interest in taxes. Shareholders, indeed! What irony!

### Red Herring

One of our correspondents this week tells the story of a woman who borrowed a shawl, pawned it, used the money to do a deal which enabled her to borrow enough to redeem the shawl, and returned it to the owner.

Was this an honest action? It was successful anyway.

Now we have proof that banks create the money which their customers deposit with them. In an attempt to deny this, banks claim that they can lend only the money deposited by their customers. A bit like the chicken and the egg, and as we have often remarked not worth arguing about.

But if we allow the banks their claim for a moment, it seems that their action in lending what has been deposited with them in the hope of paying it back is no less questionable than the shawl trick, or than taking money from the bosses' cash box and putting it on a Derby winner.

### The Great Divider

How "sound finance" causes friction even in the most unlikely quarters is shown by the story of the Franco-Belgian Frontier, as described in *The Times*. For nearly a century the French and the Belgians who live on each side of it have never taken the frontier seriously or regarded it as a barrier between them. The Nord department of France alone contains over 200,000 Belgians whose sons born in France often choose French nationality when they reach their majority. Over 80,000 Belgian workmen cross the border every day to work in the textile factories of Roubaix and Tourcoing and in the great metallurgical centres of Valenciennes and Maubeuge.

You would think that nothing could cause

# From a Seat in the Stalls

friction and enmity between the people in these frontier districts; you might as well expect the men of Kent to open hostilities with the men of Surrey. But hear what "sound finance" has done. For some years past many Frenchmen have been in the habit of crossing into Belgium, where the cost of living was lower, and buying clothes, linen and small quantities of foodstuffs, and even filling the tanks of their cars with petrol and oil. Then in March, 1935, the Belga was devalued, and Frenchmen began to make large purchases of bread in Belgium which cost about half as much as it did in France. This threatened to ruin the French bakers, who protested vigorously. *The State had to come to their rescue by issuing bread cards at a reduced rate, itself making up the difference to the bakers.*

### Smuggling and Strikes

This devaluation of the Belga disturbed an equilibrium which had been stabilised for many years; there was an immediate increase in the shopping traffic across the frontier. This drew severe counter-measures from the customs officials. Motorists had the petrol level measured in the tanks; French purchasers in Belgium had to pay duty on their shoes, even if they were wearing them; people from the Bailleul area even had to pay duty because they had artificial teeth fitted by a dentist in Poperinghe!

Naturally this produced a sudden outburst of smuggling. Regular associations were formed to organise expeditions across country with motor-lorries which crossed the streams on hastily-constructed gangways and forced their way through the woods. The customs officials were outnumbered, and sometimes even attacked. For every car captured, five got through and made big profits. Smuggling across the frontier is now a staple industry. Another consequence is the worsening position of the Belgians who come to work in France each day. When the Belga was devalued, this amounted to a wage reduction of 25 per cent. for the Belgians, who were paid in Belgian francs by the industrialists of Roubaix and Tourcoing. Then the French Government issued a decree severely limiting the number of foreigners who might be employed in each factory. All this has caused intense ill-feeling in the Belgian frontier districts. Money, strife. Money, strife. What causes war?

### U.S.A. Railway Progress

In 1923, according to *Railroad Data*, New York, of November 8, the railways of the U.S.A. started a large programme of modernisation and improvements which has resulted in the following increase of efficiency between 1923 and 1934:

The average freight train has increased from 38 to 46 cars, an increase of 21 per cent.

The average service per freight train has increased from 7,479 to 11,225 tons per mile, an increase of 50 per cent.

The coal required to move 1,000 tons has been reduced from 163 to 122 pounds per mile, an increase in efficiency of 25 per cent.

The long freight trains have involved using more powerful locomotives, heavier rails, stronger bridges and other improvements which make up the increment in association of a railway system.

The whole programme has been carried out efficiently by first-rate railroad experts.

### The Planning Fallacy

Undeterred by the solid achievement just recorded, that branch of second-rate experts who are trying to run American industry from Washington, have been trying to impose a legal limit on the length of freight trains, as well as to add more men to the train crew, whether they are needed or not. Neither of these proposals will add to safety on the railways, in fact the risk is greater when a larger number of trains run on the same volume of traffic.

The only reason is to try and make work, and is the sort of half-baked scheme governments try to palm off on to industries well able to take care of themselves.

Not until governments accept the facts of the power age, and arrange for the distribution of abundance, instead of trying to force men to work where they are not wanted, will this sort of tomfoolery cease.

### Open Spaces in London

Local residents are up in arms against the L.C.C. for enclosing the greater part of Tooting Graveney Common, an open space in South London. The action of the L.C.C. is well-meant; the enclosure of the common is to provide a sports ground. Nevertheless, the common will be spoilt, its beauty and its peace will depart.

Why not take an area of land at present covered with mean little suburban houses, and turn it into a sports ground, leaving the

common alone? Could not London afford to do so? There are building materials, plant and labour available in abundance, and the dwellers in the demolished houses would be only too glad to be moved into modern commodious flats which could be erected on one quarter of the space at present occupied?

Look at this sort of thing from the REALIST point of view. We have all the REAL things necessary. WHY, then, do we hesitate? Any answer which suggests that there are not enough tickets is disqualified.

### Stabilisation Impossible

Mr. Orme, chairman of Martin's Bank, at its annual general meeting on January 21, spoke of the "pressing need of stabilisation." Permanent world recovery could, he said, only come about by general stabilisation of currencies.

But as the real cost of production is that which is consumed in the process; and as processes are continually being improved so that the real cost grows less and less; it is just nonsense—it does not make sense—to aim at stabilisation.

If stabilisation is the aim, then all improvements in processes of production must be forbidden.

### Where the Remote Bermudas Ride

Five days before Christmas a small boat capsized in a heavy sea in the harbour of Hamilton, Bermuda. Four men clung to the wreck, in pitch darkness, with a gale blowing up to 60 miles an hour. Their cries for help were heard by Constable J. H. Edwards, on duty on the quay, and he promptly stripped and dived to the rescue. One man who could not swim was nearly drowning, and the other three dared not leave the wreck. So the constable fetched a cargo skid and hoisted the drowning man on to it, and remained helping the other three until they were all pulled out into boats from the ferry which arrived just in time. He was in the water for 40 minutes.

Constable Edwards has had several articles on Social Credit in the Bermuda paper, and sent a tithe from his £5 reward to the Social Credit Secretariat Limited. This year's most exciting contribution.

### Those Recognised Authorities!

If a man in a factory earns £1 as wages, and out of that pays his doctor 10s. for attendance, the income tax officer, for his own purposes, counts at least 10s. of the industrial worker's wages twice over.

He counts the 10s. as income of the worker and he counts the same 10s. as income of the doctor.

With these facts in mind, one of our correspondents wrote to Mr. Geoffrey Crowther after his recent series of broadcast talks "explaining" the economic system, asking how the figures "quoted as the National Income" were arrived at. "Were the income tax figures used to ascertain the total?" he asked.

The reply was that the speaker was not sufficiently expert on the subject to be able to enter into a discussion on the methods of calculating the National Income.

In his talks he used the estimates of the recognised authorities on the subject, but he is quite ready to believe there is room for argument about their methods.

### Easy Come, Easy Go

"Marriages and motor-cars are two luxuries which seem likely to attract a liberal share of the easily won new money. The former will give a fillip to the furnishing and the jewellery trades and the latter to producers of steel, copper, nickel, oil, rubber and so forth.—*Financial Times*, January 29.

"Luxuries" is a lovely word, and "Easy Go" a charming comment to attach to marriage as a result of new-found affluence. But "easily won" is almost breath-taking—we seem to remember a Bonus Army encamped in Washington having by no means an easy time. And the whole history of the Bonus Bill is one of tremendous effort against the entrenched forces of finance.

The President's veto cannot be overcome by the snapping of fingers.

### What is the Answer?

Why do people use soap to wash dirty linen? It can be cleaned without soap, but it takes much longer and means much harder work.

The answer is obvious. Well, then, what is "the unemployment problem"? It could be "solved" by forbidding the manufacture of soap and all the other things that go to make life easier and save labour.

What is the alternative?

# CAN THIS HAPPEN HERE? ... IT CAN AND WILL—IF ...

THIS book\* describes democratic America swayed to a dictatorship. Present chaos and distress increased by but one degree. A thousand voices demand a thousand schemes—confusion and incipient revolt. As a tidal wave may throw up filth, the presidential election sweeps into office one Buzz Windrip; empty of soul, rotten of mind, but—magnetic in speech. He promises all—that all these schemes shall be fulfilled, if democracy will but give him the power to do it. He is elected.

The story is written round Doremus Jessop; a sound, honest editor of a small-town newspaper. A man not pugnacious, but one who loves the traditional American liberty of thought, speech and action. These he continues, guardedly, to support; but soon

Doremus discovered that neither he nor any other small citizen had been hearing one hundredth of what was going on in America. Windrip and Co. had, like Hitler and Mussolini, discovered that a modern state can, by the triple process of controlling every item in the press, breaking up at the start any association which might become dangerous, and keeping all the machine guns and aeroplanes in the hands of the government, dominate the population better than had ever been done in medieval days.

*But this can't happen in Great Britain?*

**If you allow this thing to go passively you will be regimented through the various stages until we arrive at an effective dictatorship in which nothing can be done. . . . All shades of opinion now recognise the existence of this paradox (poverty in the midst of plenty) and it is put forward as the prime justification for dictatorship of the nature of Fascism or Russian Communism. . . . That is the problem which is exercising the great political forces of the world, not to free people, but to enslave them.** (Major C. H. Douglas.)

*Douglas does not leave out Great Britain.*

## Murder

Faced by suppression, injustice and cruelty, Doremus publishes an outspoken attack on those responsible. Immediately he is arrested by the "M.M." troops. His son-in-law, a young doctor, immersed in his work and not yet fully aware of the powers wielded by the officers of the dictator, comes to Jessop's aid. He breaks into the Court Room with:

"I've just come here to tell you that I have had enough . . . everybody's had enough . . . of your kidnapping Mr. Jessop . . . the most honest and useful man in Beulah Valley!"

Swan, the District Commissioner, held up his hand: "A moment Doctor, if you will be so good?" And to Shad: "I should think we'd heard enough from this comrade, wouldn't you? Just take the bastard out and shoot him . . ."

From the courtyard the sound of a rifle volley, a terrifying wail, one single emphatic shot, and nothing after.

## Brutality

Doremus is released for a time, on condition that he will teach an M.M. ruffian how to edit the paper in a way satisfactory to the new authorities. Later he becomes a member of an "underground" organisation, formed by men of like courage with himself, to overthrow the dictatorship. By devious means news of the appalling conditions underlying the surface is collected, printed and distributed in secret.

Doremus . . . began to see something of the biology of dictatorships . . . The universal apprehension, the timorous denials of faith, the same method of arrest . . . sudden pounding on the door late at night, the squad of police breaking in, the blows, the search, the obscene oaths at frightened women, the third degree by young snipe officials . . . and then the formal beatings, when the prisoner is forced to count the strokes until he faints, the leprous beds and the sour stew, guards jokingly shooting round and round a prisoner who believes he is being executed, and waiting in solitude to know what will happen, till men go mad and hang themselves . . .

Thus had things gone in Germany, exactly thus in Soviet Russia, in Italy and Hungary and Poland, Spain and Cuba and Japan and China . . . All dictators followed the same routine of torture, as if they had all read the same manual of sadistic etiquette.

## THIS CAN'T HAPPEN HERE?

**I would repeat, with all the emphasis that I can place on the matter, that the people of this country . . . are faced by an implacable enemy, and that enemy is the financial system and all those who support it . . . I believe that this force is implacably hostile to the best interests of the human race, and that there is no**

\* "It Can't Happen Here," by Sinclair Lewis. London: Jonathan Cape. 7s. 6d.

**crooked and slimy trick too despicable, no crime too black for it to commit to further its ends.** (Major C. H. Douglas.)

*Douglas was speaking of our own country.*

## On the Surface

Foreign correspondents are entertained by the new régime, one reports:

I assure you that I have never seen the United States so great, our young and gigantic cousin in the west, in such bounding health and good spirits . . . innumerable parades and vast athletic conferences of the M.M. and lads and lasses of the Corpo Youth Movement exhibited such rosy contented faces, such undeviating enthusiasm for their hero, the Chief Mr. Windrip, that involuntarily I exclaimed, "Here is a whole nation dipped in the river of youth . . ."

## Betrayal

Doremus is betrayed; he is arrested, flogged, tortured and thrown into foul, degrading imprisonment.

The new President does not attempt to honour the promises made to those who gave him supreme power. Once firmly in the saddle, the dictator tells the populace that they are not going to get any five thousand dollars a year, but instead

"reap the profits of Discipline and of the scientific Totalitarian State not in mere paper

some use of it. The real fact is that the word "ownership" is quite meaningless when it is applied to the relations between any undertaking and a large number of what the law calls "tenants in common." (Major C. H. Douglas.)

*It is the RESULTS of ownership of our rightful inheritance which must be assured to each individual. Assured by National Dividends "to buy the goods now destroyed and restricted."*

## Nearer the Mark

But here and there Doremus strikes sparks:

"More and more, as I think about history," he pondered, "I am convinced that everything that is worth while in the world has been accomplished by the free, enquiring, critical spirit, and that the preservation of this spirit is more important than any social system whatsoever. But the men of ritual and barbarism are capable of shutting up the men of science and silencing them forever.

"The tyranny of this dictatorship isn't primarily the fault of Big Business, nor of the demagogues who do their dirty work. It's the fault of Doremus Jessop! Of all the conscientious, respectable, lazy-minded Doremus Jessops . . ."

On that ground Doremus is near to the central problem:

**The keynote, I am convinced, of this situation is personal responsibility. . . .**

## TO HIS MAJESTY KING EDWARD VIII.

With humble duty The Social Credit Secretariat Limited, on behalf of affiliated organisations in all regions of Great Britain, Northern Ireland, the Dominions overseas, and the continents of Europe and North America, respectfully tender to Your Majesty their profound sympathy, and beg to express their sorrow at the death of their beloved Sovereign, King George. They ask Your Majesty to convey also to Queen Mary and all other members of the Royal Family deep sympathy in their bereavement.

(Signed) C. H. DOUGLAS,  
Chairman.

The above letter was sent on January 27 on behalf of the Social Credit Secretariat Limited, and has been acknowledged.

figures, but in the vast dividends of Pride, Patriotism and Power."

## Rebellion and War

After two or three years of this régime, America shows signs of rebellion. Thousands are "executed," but the government decides on war as a distraction from what is happening in their own country. War against whom? It merely had to be decided:

Whether it was Canada, Mexico, Russia, Cuba, Japan . . . that was "menacing her borders," and proceed to defend itself outwards . . . The Secretary of State demands "that, in order to bring and hold all the elements in the country together by that useful Patriotism which always appears on threat of outside attack, the government immediately arrange to be insulted and menaced in a well-planned series of 'incidents' on the Mexican Border . . ."

*Can this happen here?*

**Alternatively, if we persist, and allow matters to go on as at present, we shall be involved in one catastrophe after another, and I have no doubt we shall descend again into something approaching the state of the Dark Ages. . . . if this consciousness of sovereignty cannot be aroused and made effective, I see no future for civilisation other than ever-increasing economic and political slavery punctuated by Battle, Murder and Sudden Death; War, Pestilence and Famine.** (Major C. H. Douglas.)

## The Tragic Misconception

In prison, Doremus has opportunity for reflection. He considers those masses of of Americans who welcomed Buzz Windrip as the saviour of their country, and it is of the essence of tragedy to find this timid, yet heroic Doremus make, in these speculations, the same quality of error as had brought the downfall of his beloved country.

"Whatever government may be decided on . . . that government is not a game for a few . . . but a universal partnership in which the state must own all resources so large that they affect all members of the state."

*Is this the way out?*

**I have been struck with the hypnotism exercised by such phrases as "Public Ownership." . . . I should like to see one of the public owners step upon a battleship of the Royal Navy with a view to removing his bit of property or making**

**Just so long as you have the machinery of government without a dynamic will in control, you have a body without a soul. . . . It is immensely urgent, not that we should change the form of the body, but that the mechanism should be controlled by a political will. . . . As far as I can see . . . the only method by which you can achieve results [is to] take action along the lines of the Electoral Campaign—and insist that your Parliamentary representatives shall do what you want. . . . If you do not express your will, then the position is this: Unless you have a corporate will . . . the corporate body becomes an insane body and will undoubtedly destroy itself and you.** (Major C. H. Douglas.)

*If you do not express your will — if that massive body of physical possibilities which is Great Britain be not forthwith endowed with a corporate will—IT CAN—more—IT MUST HAPPEN HERE.*

EDWARD HEWLETT

## CAN SHEFFIELD AFFORD IT? SHEFFIELD'S NEW LOAN

The Finance Committee of the Sheffield City Council recommends the creation of redeemable debenture stock to be issued to an amount sufficient for the purpose of replacing loans, but not exceeding £2,000,000. —"Financial Times," February 3.

Borrowing to repay loans! Then what's wrong with creating to pay dividends to the people? Then the people could buy the produce of Sheffield, and industry would hum.

## ARCHBISHOP DEMANDS MONETARY REFORM

Money was made for man, not man for money. To say that the social services must be starved and sons and daughters of God kept in penury—at a time when poverty is the one evil which we have power to eliminate completely—because of the claims of a monetary policy is merely to say that the policy is a failure.—*Archbishop Le Fanu, Anglican Primate of Australia, in the "New Era" (Sydney), October 17, 1935.*

## SHOT AND SHELL

Tobacco from Sumatra, raw materials from the Dutch Indies and various other overseas materials will form part of the payment for a vessel ordered in Germany by Koninklijke Paketvaart Mij, Amsterdam, under a new barter agreement.—"Daily Mirror," January 20, 1936.

8,000,000 who missed prosperity. They have missed the prosperity brought by the wave of barrack and aerodrome building which has swept Germany. In Central Germany small towns, until recently in distressed areas, are now booming. Garrisons have been established in them, sometimes numbering almost as many as the civilian inhabitants.—"Daily Express," January 20, 1936.

Higher wages. If it means that food will rise a little, the public will pay cheerfully. They don't want food grown at starvation wages. They don't want to eat the bread of misery. —"Daily Express," January 20, 1936.

Owing to German restrictions on the export of money, British creditors are unable to collect their debts. They are, however, being paid indirectly, through shipbuilding orders placed with German firms. —"The Star," January 9, 1936.

Ten years ago 350,000 workpeople were shipbuilders. Now there are 160,000 of them, and 40 per cent. of these are unemployed—the highest percentage in industry. —"The Star," January 9, 1936.

Sir George E. Schuster has joined the boards of the Home and Colonial Stores, Maypole Dairy Co., and Lipton, as chairman.

From 1928 to 1934 Sir George was Indian Government Finance Member, and he is a director of the Westminster Bank and the Commercial Union Assurance Co.

"It is likely that Sir George Schuster will enforce a policy of conservative finance." —"Daily Express," January 25, 1936.

Sena Sugar Estates are reducing their Ordinary shares from £1 to 11s. 8d., to cover depreciation of assets. The 11s. 8d. shares are then to be further reduced to 10s. each, to permit of the payment of six years' arrears of Preference dividend by means of shares derived from the balances of 1s. 8d.—"Daily Telegraph," January 24, 1936.

Ministry of Transport refuse Manchester usual grant towards £600,000 road scheme. To secure Ministry's approval, road must be 120 feet wide, with twin cycle tracks, and cost about £1,300,000. —"Daily Express," January 31, 1936.

Cost of extension of school-leaving age will be about £2,160,000 a year, of which £1,495,000 will come from the Treasury, and the balance from local rates. —"Daily Express," January 31, 1936.

"We live in a world which is able to produce so much that it very nearly bankrupts itself."—Lord Melchett, in "Daily Sketch," January 10, 1936.

## OBITUARY

### Miss Cecilia Lake

THE Social Credit Movement has lost one of its most active and capable workers by the death, on Sunday morning January 5, of Miss Cecilia Lake, after a long and painful illness, stoically borne.

Miss Lake was on the staff of the Junior Department, Royal Grammar School, Guildford, for sixteen years, and, in a very short time after first hearing about Social Credit, became convinced that it offered the solution of the great paradox of poverty in the midst of plenty. Since that time, three years ago, she devoted all her spare time to working for it.

Though not strong physically, Miss Lake worked with untiring energy and zeal, not only as Honorary Secretary of the Guildford Douglas Social Credit Association, but in work for the Electoral Campaign, and she was particularly successful in bringing together many valuable helpers into a harmonious group. Her passing has been a great blow to Guildford Social Crediters, and all who had the privilege of knowing her will miss her very greatly.

But none who had that privilege will fail to honour her memory in the only way she would have wished — by carrying on with redoubled energy the great task she did so much to initiate.

## Overseas Notes

## PRESSURE POLITICS

THE Soldiers' Bonus Bill which, as reported in last week's SOCIAL CREDIT, has been passed by Congress over the President's veto, is going to present him with an awkward problem. "Pressure politics," as financial orthodoxy in America describes the electoral campaign methods which have been responsible for the success of the Bill, are going to succeed wherever they concentrate on common objectives, as finance knows well enough, and in the circumstances its first counter-attack takes the form of an attempted diversion to the discussion of technique.

## Telling the Experts

Like the electors of Alberta, however, the vast majority of those in the United States don't care two hoots about where the money is to come from, but do care passionately that the intolerable conditions of anxiety and debt under which they are living shall be ended at the first possible moment. The Patman Bonus Bill is therefore in that respect better strategy than the McGroarty (Townsend) Old Age Pensions Bill, since it avoids all discussion of how the money is to be found. "That," the Veterans are saying in effect, "is not our business." They are perfectly right. Both Houses have now passed the Bill without adding any directions about the methods of payment. "That," they are saying, "is not our business." And they are perfectly right too. The President vetoed it, presumably, because he regarded it as a dangerous inflationary step. That means that he has allowed himself to be railroaded by the bankers into worrying about the questions of monetary technique. Now a pressure greater even than that of the bankers has been applied, and as a politician he will have to yield to it.

The implementing of the Bill will be the business, let us say, of the Federal Reserve Bank. This institution will have the choice of issuing the money with or without accompanying financial disturbances, as it pleases. If new money is created, debt-free, some inflation may occur.

## What the Bill Lacks

What the Bill lacks which is of real importance is a demand, like our own, that these payments "must not increase prices or taxes or deprive owners of their property or decrease its relative value." To put such safeguards into effect would ultimately imply the Just Price mechanism of Social Credit being applied to the whole retail system, so that not only the veterans and their dependents, but all the inhabitants of the United States would feel the direct benefits. And once it had been applied and its consequences appreciated no people on earth would hear of its being taken off again. Central bankers are perfectly competent to apply this mechanism; they have known all about Douglas's proposals for twelve years, and in at least one case this knowledge has been explicitly admitted. (The case in point is that of Marriner Eccles, the head of the Federal Reserve Bank.) But to suppose that they will do anything about it until they

are pushed is to live in a world of make-believe. The million and more Americans who are behind the Bonus Bill are quite certainly going to make active trouble if the value of their payments is neutralised, either partly or wholly, by a rise in prices. But with explicit safeguards such as are contained in our Elector's Demand and Undertaking they would be guaranteed against any possible need to make trouble, and that would be better still.

## Father Coughlin

The following news of Father Coughlin's new paper has reached me from a correspondent in California: "Father Coughlin announced over the air to-day that he has decided to start, early in March, a weekly paper, issued only through the mail, with no subscription charge. Anybody who wants it can have it sent them by writing their request to be put on the mailing list. He spoke to the effect that he had always had the poor uppermost in his mind, and that those who were unable to pay for the paper had as much right to learn the truth as those who could pay; it would therefore be free to all who care to ask for it." I understand that its name will probably be "The People's Paper," and anyone who is interested should write to the Rev. Charles E. Coughlin, Royal Oak, Michigan, U.S.A.

Another correspondent writes to correct my slip that Father Coughlin's broadcasts are being given at what corresponds to midnight in this country. It should be at approximately nine in the evening, Greenwich time.

## Irish Free State

The obvious difference between the annual reports of this bank chairman and that is that the one attacks Social Credit by name and the other attacks it obliquely. Mr. T. S. Martin, in his speech at the annual meeting of the Bank of Ireland, used somewhat more direct methods than the Big Five of this country. Judging from the report in the *Irish Times*, he dragged in his reflections on the subject quite arbitrarily at the end of his speech. Reflections is the right word, for he had nothing new to say.

The Irish correspondent of the *Sunday Times* discussed in the issue of January 26 the possible policy which the "extreme left" in the Irish Free State might adopt, "to outbid Fianna Fail and alienate followers from the party." He concluded that the two most likely items were "social credit" and the taxation of urban rents."

## New Zealand

It is natural that in the first few weeks after the New Zealand Labour Government took office there should not be any very striking news to report. The most interesting item that has come my way recently is an assurance by the Prime Minister that "the Government will save the B class broadcasting stations from extinction, either by monetary assistance in the form of subsidies or by permitting them to earn revenue [by advertising programmes], or both." In this

## WAR

## ITS CAUSE AND CURE

WE are perpetually told that the growing danger of war, which we see only too plainly in Europe, is due to the suspicions, jealousies and hatreds between nations, which cause them to set up trade barriers of various kinds, so that, as General Smuts said, the signing of the armistice in 1918 marked the beginning of a state of chronic economic warfare, whose weapons are tariffs, quotas and financial restrictions.

This diagnosis is erroneous; international hatred is a very delicate plant, which requires skilful and deliberate culture; even then it dies readily, as was seen in Flanders at Christmas, 1914, and as I myself saw during the Somme battle.

Trade barriers are not due to primary international hatred; the hatred is deliberately created by unscrupulous politicians and dictators to cover up their own inability to relieve the poverty of the people by means of tariffs and quotas—means totally unsuited to that end.

## Poverty the Cause

Poverty is the direct cause of war in these days; in fact war is the only effective cure for poverty that exists. It acts in three ways: first it is a counter-irritant, and distracts attention from the internal situation, and fastens it elsewhere; secondly, it turns the despised, under-fed unemployed into a hero with a full belly; and thirdly it gives good wages to thousands of munition workers.

People who were ill-clothed and half-starved become prosperous; there is no longer any need to restrict the acreage of wheat, to fine farmers for growing too many potatoes (as was done at Westminster County Court on November 15, 1935), or to limit the catches of herrings.

In war-time farming looks up; industry looks up. Poverty has been cured — temporarily. And who is going to take a long view when he has been hungry and miserable for years? Especially when the long view gives only the prospect of hunger and misery indefinitely.

It is idle to talk of taking the profit out of war, when war will bring immediate gain to millions of workers in Europe, and would enable them to enjoy the kindly fruits of the earth, which at present are either left

ungathered, aimlessly accumulated in granaries, or wantonly destroyed.

The capitalist is by no means the only person who gains by armaments; the munition worker gains, the shopkeeper increases his turnover, and even the doctor stands a chance of collecting some of his back debts. The only people who lose are those living on pensions or fixed incomes, who would suffer by the increased prices.

Before the Great War, 670,000 Italians emigrated annually, mostly to America; but emigration has been at a standstill for many years now. The Americas will not admit immigrants, although the total population of South America is only 75 millions. Why is this? How comes it that 14 independent states, most of them at loggerheads with one another, can agree on any policy? Financial necessity. South America needs buyers; she cannot sell all her meat, corn and coffee as it is; a lot of it has to be destroyed every year. Immigrants are potential producers; they would increase the difficulties by producing more food, so they must be kept out.

Thus we see the two great forces which have always led to war operating as a mechanical "couple"; under-nourishment in Europe, and inability to emigrate.

Neither force is inevitable; it is physically possible to feed the people at home, or to transport them abroad where there is plenty of room for them. And yet, in a world overflowing with milk and honey, war is the only effective and certain way of relieving dire necessity. We are sitting on both safety valves, which means that we shall inevitably go up in smoke; that is a law of Nature.

One frequently hears young people accusing the older generation of its folly in allowing the world to be plunged into war in 1914. The fact that they did not prevent it shows their utter incompetence, and is directly responsible for the evils we see in the world to-day.

But what are these young people doing to stop the war, which threatens to break out in Europe at almost any moment? Are they raising their little finger to strike at its cause — hunger? Let them work for the issue of National Dividends and the abolition of poverty, and show by deeds, instead of words, that they are wiser than their forebears.

OLD SOLDIER

## WHERE MONEY GOES TO

UNDER the title "Lost" I quoted last week the statement in the report of the Oldham Master Cotton Spinners' Association that £15,000,000 in all may be said to have been lost," and referred to the £7,000,000,000 the war had cost this country.

What became of the money? I promised to answer that question this week.

Think what was done with the huge sum of £7,000,000,000 that was spent by our Government during the war.

It was used to pay you and me for what we did then. We may have been soldiers on active service; or we may have been munition workers; or we may just have been "carrying on." In any case we were all helping or trying to help our country to win the war, and we had to be paid.

Work had to be done regardless of the cost. Every device for increasing production had to be developed and worked to capacity. The necessary money was forthcoming without stint to pay the people for their work.

Where is that money now? Who has it?

The answer is—the money has gone back to where it came from!

Which raises the question: Where did the money come from?

I will answer that one next week.

NIKE NOUS

country you take what the B.B.C. gives you, or you listen to foreign stations. That is to say, there is a complete (and extremely efficient) censorship of controversial questions such as Social Credit, except under carefully supervised conditions. In other parts of the English-speaking world, such as Australia or New Zealand, broadcasting is divided between government-controlled "A" stations of wide range, and "B" stations of local range on which anyone can "buy time," whether to advertise a product or disseminate a theory. Conditions differ in detail, but that is the general principle. In New Zealand the late Coalition had shown signs of trying to "freeze" the B stations off the air, which would have had the result, if successful, of muzzling the discussion of inconvenient questions as hopelessly as in this country. The continued existence of these B stations was a definite issue at the General Election, and the new government give every sign of living up to their pledges in a matter which closely concerns the ordinary voter.

## Leaders Who Lead

The *Standard*, which is the official organ of the N.Z. Labour Movement, shows in its editorial writing, as indeed was only to be expected, that there is still a strong "hang-over" of sentiment regarding the "problem of unemployment" in the rank and file of the Party. For example: "The terrible possibility of permanent unemployment for thousands of our citizens with all the degradation and deterioration of character and soul entailed by their dependence upon doles has spurred Labour . . . to urge . . . a shorter week." As many others of them know, it is not employment in the industrial system, but the payments which are made conditional on it, which are what matter, and it is not the dole, as such, which degrades a man, but the fact that it is dribbled out as a charity to some and not as a right to all. The *New Era* gives the names of no fewer than five members of the Labour Cabinet "who are regarded in New Zealand as being 100 per cent. for Social Credit." The list, excluding the Premier, includes the

Ministers for Agriculture, Public Works, Railways and Commerce, Internal Affairs, and the Attorney-General. Even if this estimate turns out to be optimistic, it shows that the leaders of the Party have the reputation of being more progressive than some of their followers.

There seems to be a strong possibility that a Labour Daily will be established in the near future, since the leading papers in the Dominion at present are all conservative, financially, if not otherwise.

From a correspondent in Wellington: "The Labour Party had not announced that it would give a National Dividend to everyone, but had promised a guaranteed price to the farmers. I had an inspiration on my tour and said 'The Labour Party guarantees a price to a farmer to raise pigs, why not guarantee a price to the mother, who raises the finest livestock in the world?'" The letter adds that the idea made an obvious and deep impression on the women in the audiences, and that the farmers themselves were delighted with the idea.

## "Too Grievous to be Borne"

What sound finance has done for the Canadian provinces, quoted from the Melbourne *Argus*: "Alberta levies amusement tax, race meeting tax, corporation tax, special taxes for banks, companies' tax, public utilities tax, educational tax, fuel oil tax, income tax, motor vehicles tax, pipe line tax, railway tax, succession duties, timber area tax, land tax, wild lands tax, business tax, and personal property tax." To balance the budget in the orthodox way these taxes would have to be considerably increased, or new ones levied. Is it really surprising that the people voted as they did?

J.D.B.

Dr. Brandes, from Washington, U.S.A., advises those who take sugarless tea to burn some sugar on the plate just to keep up the consumption.—"New Era," Sydney, October 10, 1935.

## G. W. L. DAY on DICTATORS AND DIVORCE

MR. ALDOUS HUXLEY once wrote a book under the title, "Brave New World" (no doubt you have read it) which carried some of the social and political tendencies of to-day a stage further and showed us the kind of world our descendants might expect to live in. The State, in this book, produces babies in the laboratory, divides them into different classes, and "conditions," each class for some special rôle of State service.

Perhaps the German professors have been reading this book. At any rate, the Academy of German Law has been looking at the German Home with a somewhat sinister gleam in its spectacles. It has been considering the political possibilities of controlled marriage.

Prevention is better than cure. It is all very well to suppress crime and Communist propaganda by Frightfulness, but how much better if little criminals and agitators could be turned away at the barriers and prevented from coming into the world at all! The idea appeals powerfully to the thorough-going Teutonic mind.

So the German jurists have now produced proposals for a reform of the Divorce Law. Any marriage which is a danger to the biological and cultural existence of the nation must be dissolved by force. On an application by the Public Prosecutor the Courts are to have power to order divorce, whether it is desired by the parties concerned or not.

Marriages are to be broken up if they "lack moral value," or are of the kind from which damage to the community arises. For example, if the parties lead an immoral or criminal life, or if they indulge in Communist propaganda!

How would those indefatigable workers,

our Divorce Law reformers, welcome such a reform in England? Think of the advantages! Freedom could be won painlessly and costlessly. All that a hen-pecked husband need do is to embezzle his Insurance stamps or falsify his Income-tax returns. A disillusioned wife could simply get some of the dear old ladies in the boarding-house to write confidentially to the Public Prosecutor. As for militant Communists, why Solomon in all his glory would not compare with one of these, given a little determination.

The only difficulty would be if the couple happened to be one of those happy partnerships who didn't want a divorce. The laws are so complicated these days that it is easy to get on the wrong side of them and be branded as a criminal. And the dear old ladies might write to the Public Prosecutor without any prompting and say that the marriage "lacked moral value."

I am afraid that you cannot legislate for some departments of human behaviour—at least, you cannot without creating a farcical situation. If I am the sort of man who would knock you on the head and take your loose cash if no law existed to prevent me, then there is a case for a law to protect you against me. But if my wife and I want to leave one another, or remain married, this doesn't affect you at all, and any law which keeps us together or separates us by force is gross official interference and can only lead to absurdities, to say the least.

In England it is clear that a large majority of people wish for the Divorce Laws to be reformed and put on a sensible basis. But what has happened? Commonsense has had to pull against a sort of Trades Union of wives, who very naturally dislike the prospect of unpensioned grass-widowhood, and by a fanatical minority of Covenanters who believe that

even God should not be allowed to put asunder those whom Man hath joined.

Against these forces, the Will of the People, not being organised and implemented, has so far been powerless. Every M.P. dreads Divorce Law Reform like the devil. The moment a motion is tabled to do something about it, his post-bag is full of threatening letters from constituents of the other school of thought. At the same time, all those who feel that marriage should be a safe economic haven for a wife, look doubtfully at Divorce Law Reform because they believe that it might bear hardly on the woman.

What is the way out of the difficulty? The Electoral Campaign? As far as I can see, the Electoral Campaign has in it. First, of course, it must remove the economic obstacle by distributing National Dividends; and as the new political principle is developed, it may be used to sweep away the obstructive resistance of a fanatical minority by opposing it with the Will of the People.

Democracy, once accurately reflected in its laws, would remove the danger of any crude absurdities here or in Germany. If it were really the national desire that that devoted husband, Herr Fritz, should be forcibly separated from his wife just because he had drunk too much Pilsener on Saturday night and sung the "Red Flag" in the Wilhelmstrasse, then it would be arranged so; but if, as is far more likely, it were not, then it wouldn't be.

It is very interesting to think about our own laws and imagine how many would survive if the people's will were brought to bear on them—especially after everyone had grown accustomed to drawing National Dividends. I know a few dozen that I certainly wouldn't back for a place. We should all get along far better without them.

Meanwhile—first things first.

## WHO'S THE BOSS? THE FUHRER CENSORED

Herr Hitler's references to the colonial problem at Munich last night were omitted from the report issued by the official news agency and from the reports which appear in the German Press to-day.

Apparently the German censor is no respecter of persons. At any rate the striking phrases in Dr. Goebbels's speech on January 17 were struck out or weakened by the censor, and the same happened with a speech he delivered in Cologne on Friday. Herr Hitler recently spoke at Detmold (according to the local Press) for almost half an hour, but all that was published of his speech could have been said in ten minutes.—*"The Times," January 28.*

## THE CAT LET OUT OF THE BAG

The Reserve Bank of New Zealand (a private corporation) commenced business on August 1, 1934, and has a subsidised capital of £500,000. Its first transaction was to take over £23,000,000 of London sterling for which it paid £28,520,000.

Where did the reserve bank obtain this money?

From its ink-bottle of course.

Where else does 99 per cent. of all bank credit emanate from?—*From the "New Era" (Sydney), October 17, 1935.*

## LET 'EM EAT CAKE

(Marie Antoinette)

It has been estimated that if the undernourished classes in this country were able to enjoy a full diet, there would be an increased trade in foodstuffs amounting to about £200,000,000 a year, giving revived activity to British farming without harming overseas trade or shipping. *Such estimates, of course, must be received with caution and the question of the cost of such proposals cannot be ignored.*—Mr. Colin F. Campbell, Chairman of the National Provincial Bank Limited, at the Annual General Meeting on January 30.

## PAUPERS

### SWIMMING IN WEALTH!

Germany's total production of pit coal in 1935 advanced to 143,000,000 tons, as against 125,000,000 in 1934, and was higher than in any preceding year since 1929.—*"Financial Times," February 1.*

The figures for the whole year 1935 show an increase in the production of pig-iron [in Germany] from 8,740,000 tons in 1934 to 12,540,000 in 1935, and of ingot steel from 11,890,000 tons to 16,100,000 tons respectively.—*"The Times," January 30.*

"We are paupers," says Dr. Goebbels, German Minister of Propaganda, "while the rest of the world is swimming in wealth."

But so is Germany "swimming in wealth" (see above)! And so are the peoples of the rest of the world paupers — "swimming in wealth."

Everywhere there is poverty in the midst of plenty.

### WHERE DOES MONEY COME FROM?

The state of the [French] Treasury will soon call for the borrowing of 3,000,000,000 or 4,000,000,000 francs (£53,000,000), and soundings have already been taken with a view to getting this money from abroad.—*"The Times," January 27.*

Money is incapable of migration. — Mr. Reginald McKenna.

Since August 31, 1934, the French internal debt has increased from £4,093,400,000 (at current rates) to £4,277,773,000 on August 31, 1935. An addition to the debt of some £400,000,000 is estimated in 1936.—*"Financial Times," January 28.*

### LIGHT FOR ACCOUNTANTS

In its issue of January 25 *The Accountant* publishes two articles entitled "Social Credit." The first is by H. Ballantyne, Organising Secretary, The Economic League, Liverpool, and is of course anti. The author of the second article is A. L. Gibson, a Director of the Social Credit Secretariat Limited, and he puts up an exposition of Social Credit which leaves Mr. Ballantyne's boat becalmed.

## THIS MAN DESPAIRED

"I am going to join old Sam Chaplin (an old friend who died three weeks ago), my loved ones, and our late King George," read a note left by Samuel Nevard, aged 70, painter and decorator, Christchurch-road, Southend, who took his life by gas poisoning.

The letter was read by the Coroner at the inquest to-day, and a verdict of "Suicide while of unsound mind" was recorded.

It was said the man despaired because he could not work through illness. "My ready money has gone in the last seven months since I could do no work," he wrote. "I have lived too long and got past my usefulness. I am better out of the world, so Bod (his dog) and I must go."—*"Star," February 3.*

Poverty in the midst of plenty.

### CLERK TRIES TO LIVE ON 25s. A WEEK

Beaten in his struggle to live on 25s. a week, a 25-year-old clerk, Sydney Mansell Adnitt, gassed himself in his room at Lancaster Gate Terrace, W., where he was found dead on Monday.

At the inquest at Paddington to-day the Coroner (Mr. Ingleby Oddie) said that Adnitt had been well brought up and apparently was unable to obtain satisfactory employment.

"He must have been having a terrible struggle," said Mr. Oddie, "because he had taken a single room unfurnished at a rental of 16s. 6d. a week, without service, and he had to furnish that room somehow or other and live on his earnings of 25s. a week."

"Suicide" was the verdict.—*"Evening Standard," January 29.*

Poverty in the midst of plenty.

British shippers of tinsplates are prohibited from making any further sales for the next two or three months, through international tinsplate scheme. At the moment, there is an exceptional demand for Welsh tinsplates, but South Wales factories can only work at fifty-five per cent. of capacity.—*"Daily Express," November 11, 1935.*

## TASMANIAN WISDOM

The people are being prevented from possessing and consuming their increase in wealth.

WE quote the following passages from the "General Comments" which follow the report on the Monetary System recently issued by the Government of Tasmania, and abstracted in SOCIAL CREDIT of January 24.

One fact revealed by this investigation has been the lack of understanding among bankers and others of the economics of the present money system.

The essential difference between wealth (well-being) and its common measure or symbol, called money, is of the utmost importance.

The wealth of a nation is determined by its ability to produce and distribute wanted goods and services . . . . It is physically impossible for a nation to become poorer unless it consumes wealth at a greater rate than it produces wealth. In other words, so long as national appreciation of wealth equals depreciation of wealth the nation is solvent. When appreciation exceeds depreciation (as is actually the case with all progressive nations), the nation undoubtedly is richer by the amount of that excess.

Unlike an individual, a nation cannot make itself bankrupt by using its wealth, so long as it takes care not to depreciate unduly its capital resources, mines, forests, fertility, etc. On the contrary, **any failure of a nation as a whole to produce and consume what it can reasonably produce,** without overtaxing either its capital assets or the work or desire to work of its people, **is a definite loss to the nation,** which must be reflected in the unnecessarily low standard of living of its people.

The tendency in some quarters is to regard the export value of production as the main consideration and to look upon home consumption as something which is of no particular importance.

"What is the object of industry?" Some think it is to make fortunes; others think it

is to provide employment; others, again, believe it is to provide goods and services.

But the mark of national wealth or well-being is surely that few or none of the people shall be in debt and that all, or nearly all, shall have plenty.

The real credit of a country has been defined as the rate at which it can deliver goods and services as, when, and where required.

Suppose that all the community except one are at work producing goods and services and improving the community's wealth and happiness, etc., and that this one—not perhaps a satisfactory worker or a useful citizen—went out and found a large quantity of gold. By using this gold discreetly he would be enabled to obtain great control over the possessions of the community.

One of the witnesses, Alderman Harvey, stated in evidence that he had given a series of broadcast talks on banking in November, 1934, with the object of informing the public concerning banking practice and checking erroneous ideas. In para. 7 of his submitted evidence this witness stated: "The banks' principal source of profit is interest. To obtain interest the bank must lend money—it borrows and it lends—a quite simple and straightforward transaction." And in para. 13, "Nevertheless, it must be remembered that a bank borrows before it lends." These views were, until recently, widely held among bankers and economic advisers, and also among some politicians.

Yet for the last forty years the contrary opinion has been clearly expressed by such authorities as McLeod and more recently Hawtrey and others.

It clearly suits the interest of the bankers to persuade the public to believe this.

# THE BUXTON BATTLE ORDERS

**OH that we in England were all as clear sighted as Marsden in Australia! We print this article to arouse a spirit of healthy competition between this country and Australia. Which will achieve economic freedom first?**

**For Democratic Nations to be virtuous and prosperous they require but to WILL it . . .**

**Dr. Tudor Jones**

HOW many Social Crediters realised the tremendous import of the speech made by Douglas at Buxton on June 9, 1934?

I must admit that it is only recently that I have realised the full import of the message. There must be hundreds in the same position, who also are anxious to make up the lost time by immediately acting on Major Douglas' advice to use the electoral campaign method.

It provides for the continuous exercise, as opposed to the present sporadic attempt at election time, of the people's will in the political sphere.

The keynote of the message was to bring pressure to bear upon those in responsible authority, and demand results from your elected representative.

His job is to represent the policy laid down by the electors, not to put a policy before constituents, and still less to confuse them by technical details which are neither the business of the elector, nor of the representative.

The implementing of the policy is the work of administration, and concerns a body of technicians who are in possession of the necessary information to devise a plan.

If the representative fails to carry the policy into effect, or mishandles it, he must be considered either as unwilling or incapable of representing his constituency, and must give place to another.

There must be no room for haggling over ways and means, and no excuse for putting obstacles in the way of carrying out the people's will.

The Member must be confined to a simple clear-cut issue—in short, he must be prepared to obey the people's orders once he undertakes to represent them.

You merely tell him what you want, and remember you are the greatest expert in the world on what you want.

The results of such a policy are far-reaching. For the first time in history the elector would cast an effective vote, and would be in a position to exchange the present ineffective political democracy for economic democracy.

The decadent party system of to-day, by which finance gains its victories, would cease to be the by-play through which hidden power attains its end.

Direct responsibility would make an end

of the present impossible position of not being able to fix responsibility on anyone. Now delegated authority and Cabinet Government are the smoke-screens of defaulting representatives. Behind these political instruments the real government of finance moves to its own sure, predetermined ends.

The electors, "like hungry sheep, look up and are not fed." In desperation they are prepared, in many instances—and it might conceivably happen even in British communities—to hand over the precious mechanism of democratic government, and place themselves in the hands of a self-styled saviour in the hope that such a dictator would be able to regain control over those economic factors which have so long escaped and baffled them, and which they can no longer understand or control.

Such is the soil out of which dictators grow.

The vote must be made the supreme political instrument. The democratic vote must be retained at all costs, for it is the sole means by which men and women can enforce economic democracy, and until this is achieved it is indeed a precious heritage, not to be bartered for a mess of pottage.

Under the proposed plan of action, the representative and not the party would be the main consideration. The policy would be wide enough to include all men of goodwill, and would be a subject on which there could be little disagreement.

There would be small opportunity for intriguing interest to split the community into weak and warring factions.

What could be done with the power of unity among the people!

**When the community is divided over ways and means by which a thing can be done there are endless schemes, and then it is that finance gets on with its plans for outwitting all sections of the nation.**

Sufficient has been said to indicate that we have in the battle orders issued at Buxton, a means of making the will of the people supreme over the intrigues of finance.

No representative can afford to run the risk of being unseated, especially when he will be without the usual cover to take refuge in.

Once he realises that he will be judged

only by results, the onus is on him to do, and not to explain.

How shall we organise for it? **First, we must realise that the Buxton speech marked a new stage in Social Credit history.**

For 14 years the Douglas theory had been carefully taught, with great insistence on its principles and technique. There was practically no question or argument on it which had not at some time or other been satisfactorily answered by Douglas.

It became evident that this could go on indefinitely with no very disturbing effect on finance.

In June, 1934, Douglas at last assented to the desire of his followers for action. The result was that the educational period gave place to a programme for putting Social Credit into effect.

**In devising a plan of campaign, Douglas proved himself as great a tactician as he had an original thinker in economics.**

His analysis of the political position eventuated in the plan of action above outlined. Under the scheme everyone can be mobilised for active service in the cause of Social Credit.

Our leader's plan of campaign is parallel with the action of Cromwell in his organisation of the "New Model Army," in which he sought to concentrate his desultory fighting forces into a compact trained body, able to combat on more equal terms the opposing "gentlemen of honour," as he termed the forces of Charles.

In short, he turned mere fighters into soldiers.

So in this case it is the average man and woman in each electorate who must be trained to mobilise public opinion against the "gentlemen of dishonour."

They must work hard to convince the mesmerised public of the plenty that is awaiting their order for distribution.

This, together with the mobilisation of the votes of the people, is the task before us.

"It is not sufficient," said Douglas, "that an idea is right. It must be dynamic."

Social Credit is no longer an idea; it has become a force in world politics.

—From "The New Era" (Sydney, N.S.W.)

## SECRETARIAT NOTICES

The Social Credit Secretariat Limited is a non-party, non-class organisation and it is neither connected with nor does it support any particular political party, Social Credit or otherwise.

HAVE YOU APPLIED YET? Please read the notice below addressed To Every Reader. It applies specially to you.

**Back Numbers of "Social Credit."**—There is still a quantity of back numbers of SOCIAL CREDIT available in bundles of fifty assorted copies, suitable for free distribution as specimen copies, at 1s. for fifty, carriage free.

**How To Get What You Want.**—Specially written by G. W. L. Day and G. F. Powell to bring home to electors their responsibilities and their powers. This 2d. pamphlet will serve as a very powerful education in Social Dynamics, simply and racy written.

Price to Affiliated Groups in minimum lots of one gross (144): one penny each, smaller orders at 1s 6d. a dozen, carriage paid. Retail price of single copies, 2d.

**Volunteers Wanted.**—Speakers on the Electoral Campaign are wanted. The Secretariat is receiving constant enquiries for them.

Will those qualified, or willing to work in order to become so, please send in their names and addresses to The Secretariat, 163A, Strand, W.C.2?

Please state whether available in the afternoon, or evening, or both.

## A CHRISTIAN'S RESOLUTIONS FOR 1936

By the Very Reverend HEWLETT JOHNSON, B.Sc., D.D., DEAN OF CANTERBURY.

Reprints of page 171 from SOCIAL CREDIT of January 10, containing this article and supporting evidence are now available. Use them in your letters. Broadcast this vital message far and wide. 1s. 2d. hundred, plus postage.

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**Overseas Relations.**—Mr. E. F. Broomfield, 36, College Road, Woolston, Southampton, knows two people in Alberta who would be glad to exchange the *Alberta Social Credit Chronicle* for SOCIAL CREDIT. If any readers interested will write to Mr. Broomfield he will put them in touch with his correspondents in Alberta.

## ACTIVE SERVICE

**L**AST Thursday the National Dividend Club listened to a most interesting and instructive address by Lt.-Col. J. Creagh Scott, D.S.O. The speaker mentioned some of the difficulties he encountered when organising the Electoral Campaign and addressing meetings on Social Credit in the North of Scotland.

A London audience finds it difficult to realise that there are districts in the British Isles where money is not used, has no meaning, and is not wanted by the inhabitants. Everything is done by barter, and if a visitor is provided with tea at a cottage he leaves a pot of jam, or arranges for it to be sent. Likewise the question of "work" is a difficult problem in a district where all work is done by hand.

Nevertheless, the Campaign has been started there; it is progressing, and local political organisations recognise that they have now to consider the demand for the abolition of poverty and the issue of National Dividends as something to be reckoned with.

Already the balance of power is held. In the recent election the former M.P. was sacked and the new Member was immediately told the same thing would happen to him if he did not obey the orders of the electors.

The Supervisor of the Electoral Campaign for London reports that there are over 700 names on the register for London workers. The Registrar is in need of a typewriter. Anyone who has a typewriter for sale, or to give away, should communicate with the Secretary, National Dividend Club, 28, Ashburnham Gardens, Upminster, Essex.

Organisational arrangements have been made for the East End. More volunteers are wanted, and names should be sent to the Supervisor at Woodford, c/o the Director, Social Credit Secretariat, 163A, Strand, W.C.2.

Two or three meetings will be held in this area this week addressed by members of the National Dividend Club.

**Liverpool** is setting an example to Southampton and other former leaders in the Campaign. Five United Democrat Groups have come into being in the Waver-tree Division, and each has duly appointed a Campaign Supervisor. Every encouragement should be given these by people locally, and those interested are asked to get into touch with Miss D. M. Roberts, Fern Lee, Hale Wood Road, Gateacre; A. Ferguson, Esq., 28, Childwall Crescent, Liverpool, 15; J. F. Monk, Esq., 61, Barrington Road, Liverpool, 15; R. S. Hughes, Esq., 41, Granville Road, Liverpool, 15; A. Cooney, Esq., 44, McBride Street, Liverpool, 19.

A favourite retort of those who have a vested interest in Social Credit as a theory for adoration, is: "It can't be done!" when they are asked to invest in the Electoral Campaign, or take up an interest in the abolition of poverty as a policy for adoption.

Week by week come reports both from groups and individuals of what has been

done in different parts of the country. In 16 hours' work one man collected 270 pledges. True this was a long way from the "Centre of Empire," but while others talked, discussed and counter-talked, this Douglasite carried on sawing wood. To show that this is not an isolated instance of what individuals can do and are doing, there is the case of another Douglasite in a part of the British Isles as far removed from London as it is possible to be. He collected 40 names inside one hour's travelling. These facts are worth 20 times the number of opinions.

Not only has one man been able to collect these pledges, but in addition he has collected nearly £3 in a district where practically none of the moneyed class are as yet giving their support.

Having seen what ONE man IS DOING it is possible to calculate what 1,000 WOULD DO if only a small fraction of the many who read this paper each week would take the little trouble which is required to make the initial effort.

### HIS MAJESTY

By special request we are reprinting as a leaflet the above-named article, with the poem and the two quotations which appeared in SOCIAL CREDIT on January 31, page 195. A limited number only will be available, price 1s. per 50, post free.

### TO EVERY READER

**YOU CAN** do something to help the cause for which this paper stands, if you will. Unless you live alone on a desert island, there is at this moment a special little task that only YOU can do—waiting to be done.

A simple easy little job, not beyond your capacity, but one which, if done, will have far-reaching effects of great importance to the Movement.

**FIVE MINUTES EACH DAY FOR A WEEK WILL SEE IT THROUGH.** Will you try it?

If you mean business—write your name and address on an envelope, place a ½d. stamp inside it, put it inside another envelope bearing ½d. stamp and post it to "Publications," SOCIAL CREDIT, 163A, Strand, London, W.C.2. LEAVE BOTH ENVELOPES UNSEALED.

## "THE DOG BENEATH THE SKIN"

Apart from a fine tirade at the end, which amounted to a call to the company and the audience to choose a policy and demand its administration, this play, at the Westminster Theatre, rightly stuck to destructive criticism.

Two iconoclasts, W. H. Auden and C. Isherwood, with their wit about them, have constructed a kind of teasing irritating review which certainly got under the skin of a good many dogs in the audience. Sentimentality is barred and the theme is—It's cash not love that makes the world go round. Most of the criticism of the modern world is good criticism, sharp, but not ill-natured, and there is a running commentary in verse which sounded to an amateur like pretty good verse.

It is a brave effort in what is practically a new genre. Different parts have been tried before, but the blend is—well rather like a pickled walnut sundae with whipped cream and Worcestershire sauce.

Mr. Geoffrey Wincott's speech in the last scene will not disappoint any Social Crediters who take their friends.

## MAJOR DOUGLAS TO SPEAK IN LONDON

Arrangements are being made for a meeting to be addressed by Major Douglas on February 26. Full particulars will be announced in SOCIAL CREDIT next week.

American firm is producing glass yarn, which will stand a strain of a million pounds per square inch, of which a million yards are obtained from a pound of glass. The fabric is described as pliable, yet completely fireproof, and heat and cold proof.—"Western Producer," January 2, 1936.

# CORRESPONDENCE

## Baruc

Is it a coincidence that "Baruc," whose cartoons so brilliantly portray the economic prophecies of Major Douglas, should bear a name almost identical with that of the scribe who accompanied the great religious prophet Jeremiah when he visited these islands "to build and to plant?"

Tradition tells us that Jeremiah accompanied by the Princess Tara and Baruch, the scribe, visited Ireland after the disastrous defeat of Zedekiah in order to establish "in Israel" the Davidic line of kings who were to reign for ever and from whom the present Royal house is believed to have descended.

Walsall REGINALD H. W. COX

## Rendezvous

A few months ago two of us agreed to meet for lunch one day each week at a certain place and time. Gradually others joined us, and now we know that we can always meet someone interested in the Electoral Campaign one day each week. It has become a kind of club, and has possibilities for development. I suggest that a few others should start similar "circles," and let it be known how, when and where they can be found, so that visitors and enquirers may find them.

We meet at the A.B.C. Restaurant between Charing Cross Station and Lyons' Corner House, at the Trafalgar Square end of the Strand, from 12.30 to 2.0 on Fridays, and we welcome anyone interested in working the Electoral Campaign. They will find us on the 2nd floor, and a red pledge form, or SOCIAL CREDIT is displayed as a guide.

If anyone else will start a "circle" will they please let me know in order that a register can be kept? My address is 28, Ashburnham Gardens, Upminster, Essex.

Upminster T. H. STORY

## Banker Tells Fish Story

A banker has stated that under Social Credit, the populace would feel like fish out of water.

Actually, that describes their present condition. They are just like a fish on dry land. It has plenty of oxygen, but cannot breathe because it lacks water as a means of distribution.

We can produce the goods. People need them. They want them. But the means of distribution is not there. That is why they are now like fish out of water.

This can be remedied. Not in the dim and distant future—but as soon as our M.P.'s realise that they must obey the orders of those who vote for them.

Bingley, Yorks ALFRED T. FLEMING

[M.P.'s will realise that they must obey their electors just as soon as enough electors are prepared to support them in carrying out their orders in the teeth of the Party Whip.—Ed.]

## Make Them Join Up!

You have done your day's work. You have added a Social Creditor to the lists. Your man nibbled, took the bait—and was hooked.

The battle won, you go home buoyed up with a pleasurable feeling of having done good work. But after a while a disturbing thought knocks at the door—a doubt whispers its way into your mind: "Can I rely on that chap's promise now? Will he report for work? (or turn up at the group study meetings—whichever it was you made him promise). Couldn't I have tied him down somehow—made more sure of him?"

Yes. You could have made him, what a friend of mine calls "join up"! When he first used that expression, I wasn't sure of what he meant. "Why, I made him subscribe to the paper, of course," was the answer.

Of course! My friend does not count any man a Social Creditor until he has "joined up" and SOCIAL CREDIT is his every week. In his early days he was very keen on getting hold of free pamphlets to distribute. But we soon agreed that a man is more likely to prize—and read—a paper he pays for than a free pamphlet. The literature given to him is put away carefully. "Mary, this is a most interesting book Mr. Thingamebob gave me—for goodness' sake don't throw it away. I am going to study it carefully, only not to-night; I'm rather tired."

Though the Social Credit organisation has departments for publications and for revenue, both more directly concerned with the selling of the paper, it is clearly the duty of every propagandist to increase the sale of the paper—the paper which is, after all, his best ally, his most immediate weapon, to cultivate the habit of mind—in yourselves and your "victims"—which counts no man a Social Creditor till he has "joined up."

London, S.W. L. E. H. SMITH.

## Taxation Inquisition

I read Major Douglas's article on Income Tax and its bearings in SOCIAL CREDIT of January 17 with much appreciation. There is still about £300,000,000 paid every year by Income Tax payers as interest to the holders of War Loan; this has been going on since 1918 and there must be now about £5,000,000,000 paid as interest during that period, whilst the original War Loan of £8,000,000,000 has scarcely been reduced during the same time. What do your common-sense readers think of that?

The Inland Revenue system seems to me not so much a system for collecting taxes as an inquisition system for analysing a man's life through his bank books for ten or twenty years past, which Inland Revenue clerks have the right of doing according to the laws of England.

I brand this law without the slightest hesitation as a blackmailing law. There are many similar under the Inland Revenue "rules" or laws which a virile Parliament should not allow. My book, "War Loan and Income Tax Analysed," enlarges on this.

I am watching with sympathetic interest the struggle of Social Credit for financial freedom all over the world, and I am glad it is not attaching itself to any watertight, thought-tied political party. Political parties seem all the time busy fighting one another over abstract formulas that lead nowhere.

I read SOCIAL CREDIT every week and admire its breezy articles that wake one up.

Birmingham: MICHAEL B. SHIPSEY

## Much Ado About Tickets

The following true story illustrates our knowledge of the shortage of purchasing power.

A certain woman, whose power to borrow was not high because her husband brought in less than £2 per week, required 20s. This one pound she must have before nightfall to meet an urgent private need. The local grocer, bitten many times, refused the loan, likewise the butcher.

The woman had a friend who possessed a magnificent shawl, purchased in better days. This shawl our heroine secured to show to a visitor to her home (so she said). The next step was to pledge the shawl for 8s. With the 8s. she discharged her liability of 4s. with the drapery check collector and as a result secured another check on a retail drapery store for £3. The drapery check was used to purchase blankets round about the value of 60s. These blankets followed the shawl into pawn and with part of the money allowed by "Uncle" on the blankets the shawl was redeemed and returned with thanks.

The woman had enough money to meet the urgent need of that day and a load of debt for many a long day to come.

Sheffield H. MARSH

[See editorial comment on page 202]

## Pressure

The following, taken from a Tinplate Market Report, dated January 29, may interest you:—

The announcement that the old established firm of John S. Tregoning & Co. Ltd., Morfa Works, Llanelly, one of the last of the original proprietary firms of the mid nineteenth century, has been absorbed by Richard Thomas & Co., has caused surprise and some uneasiness, as it indicates the increasing tendency towards centralisation.

It is impossible nowadays to get a letter in either the *Birmingham Post* or *Mail*. The Douglas ban seems to have descended once again. I should like to see something of this matter in SOCIAL CREDIT. What is the experience of other letter writers in other parts of the country?

Birmingham D. STEWART

## Banks

PERHAPS one of our readers with a taste for statistics will compile a table showing the percentage of corner sites occupied by banks as compared with those occupied by other undertakings.

Has anyone during this time of industrial depression and labour distress noticed any bank premises for sale?

Is there any possible room for doubt, not merely who did best out of the war, but is doing well out of the peace?

... It cannot have escaped notice that every bank composing the Charmed Circle of Five has pulled down its barns to build larger.—Major C. H. Douglas in "The Control and Distribution of Production" (p. 129).

# RIGHT ABOUT FACE!



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- 1935 Vauxhall 14 h.p. Saloon de Luxe, 6,000 miles. £155.
- 1934 Austin 10 h.p. Tourer, faultless condition. £89.
- 1935 Morris 10/4 Saloon de Luxe, 9,000 miles. £115.
- 1935 Morris 12/4 Saloon de Luxe, 7,000 miles. £125.
- 1935 Hillman Minx de Luxe Saloon, blue, £110.
- 1934 Alvis Speed 20 h.p. Sports Saloon, excellent condition, £365.
- 1931 (Nov.) 33 h.p. Packard small 8-cyl. 7-seater Limousine, £195.
- 1934 Bentley 3½ litre 4-door Sports Saloon, by Park Ward, £950.
- 1935 Austin 10 h.p. Cabriolet, excellent condition, £115.
- 1933 Austin 10 h.p. Cabriolet, blue, exceptional condition, £75.

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**Announcements & Meetings**

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

**Belfast Douglas Social Credit Group**  
Group Headquarters: 72, Ann Street  
Office Hours: 2.30 to 5.30 and 7 to 10 p.m.  
Public Lecture each Thursday at 7.45 p.m.  
Bring or send that new "enquirer." Questions and discussion invited.

**Cardiff Social Credit Association**  
Meeting at 10, Park Place, on Monday, February 17, at 8 p.m. Mr. T. B. Stevens will speak on "Are Political Parties out of date?" Chairman: Mr. P. D. Pratt.

**Glasgow Social Credit Group**  
Meetings each Wednesday in the Rooms, 200, Buchanan Street, 8 p.m. Open Discussion "Short Talks on Social Credit."

**Week-End School**  
A Week-end School and Social for Social Crediters will be held at "Netherwood," The Ridge, Hastings, opening February 29. S.C. Speakers. Dancing. First-class accommodation. C heat, h. & c. throughout. Four acres of lovely grounds. Cuisine for all diets. Inclusive charge for two days from 15s.

**National Dividend Club**  
Electoral Campaign.

At all meetings time will be set aside for comments, discussion, questions and answers, for our mutual assistance in the Campaign. Whether yet members or not, all are welcomed. The Campaign Supervisor invites enquiries from all.

All enquiries should be addressed to the Honorary Secretary: Capt. T. H. Story, 28, Ashburnham Gardens, Upminster, Essex.

Urgently needed for CAMPAIGN work—the gift or loan of an old typewriter. Reply c/o Editor.

**FROTTI FLITS FROM FLOWER TO FLOWER**

**B**ELOVED Ed,  
I have been making some extraps from speechings of grate English bank-fellows, and here they are, if you are at all interested. Every wordings is drawn from genuine 1936 vintage Annual Reports, and each sentence is completed and intacted. If here and there I have changed orderings of the sentences and adopted new cistern of paragraphs, and if also I have occasionally lifted sentiments from one half of speeching and placed it gratuitous in other halves, it is only because I am hopeful of making meanings more helpful.

Here, then, it goes. (My Italianics.)

**Mr. Colin F. Campbell.**  
Chairman, National Provincial Bank, Ltd.

"Some of the critics of the banks and of their methods and outlook imagine that they are concerned only with *monetary and financial matters* and have no care for the *real wealth* and welfare of the nation, as long as they can make profits out of handling debits and credits.

"Nothing could be more untrue. It has been estimated that if the under-nourished classes in this country were able to enjoy a full diet, there would be an increased trade in foodstuffs amounting to about £200 million a year, giving revived activity to British farming without harming overseas trade or shipping. However the *question of the cost* of such proposals cannot be ignored. The strengthening of our defensive forces will be generally recognised as a national necessity."

There you are, old bloke-cove. Nothing could be fairer than that. By the way, query, who exactly does it cost? And what? Anxious to become well-informed fellows I am excessively grateful for elucidations of this notty point.

"As bankers we have of course no politics. We shall admit that the result of the General Election has relieved the country of certain awkward possibilities."

So much indeed for Colin. Now, sir, I beg you to turn honourable attentions to

**The Hon. Rupert E. Beckett.**  
Chairman, Westminster Bank, Ltd.

"Some are to be found who ascribe to the banks the powers of a dictatorship.

"This is moonshine. We now see the business of these islands, with its ramifications all over the world, being conducted, on its financial side, by the comparatively few banks of to-day."

And that, ancient hail-fellow-well-met, is the sunshine, no doubt, on which the Empire never sits.

"To me personally it is curious that one of our favourite aphorisms should be directed to the iniquity of owing money, because ever since I came to man's estate I have never owed less than £5 million."

And 4/9 instalments on a grammerfone, Rooport, puts an unemployed chappy into

quod. So consider yourself lucky. And try to budget your balances before next year.

Now, make way, please for  
**Mr. F. Favill Tuke.**  
Chairman, Barclay's Bank.

"When the banks as a whole increase their total assets by making advances, purchasing bills or securities, or by any other means, the effect is to add to deposits. The suggestion so often made that a bank creates credit out of nothing is definitely incorrect. If the average holding of cash is increased by £3½ million the cash available will support an increase in deposits of approximately £120 million. This is what actually took place last year."

There, nobel sir! Credit out of nothing is defiantly incorrect, though 120 out of 3½ is another matters altogether.

Now, leaving Favoured Took, we pass along to

**Mr. J. Beaumont Pease.**  
Chairman, Lloyds Bank, Ltd.

"We seek abundance, we find poverty. We strive passionately for peace, and in our efforts come perilously near war. We may surely believe that wholehearted co-operation for a common aim must eventually be crowned with success."

I quote this, sir, because it was followed almost immejtully by a row between the shareholders and some of the staff who wanted to propose a union to protect themselves from wage-cuts — sad case of peoples co-operating in different directions, I think.

Lastly, though not leastly,  
**Mr. Reginald McKenna.**  
Chairman, Midland Bank, Ltd.

"To-day bank deposits operated upon by cheque are the dominant means of payment, or more conveniently the dominant part of the money supply.

"The long striving after safe and efficient money raises the question whether the problem is yet finally solved for all time. I do not think so. For one thing the indices which must serve as guides to monetary management by credit control are complicated, and perhaps not all of them are yet apprehended, and even the acutest economist."

(One for jolly old Prof. Groggery, perhaps, do you think, sir?)

"Again new conditions both national and international will arise which will call for further adaptation and development of our monetary system."

Well, old funny-face, there they all are, observe. I am of opinions that having read them all most carefreely I could commence a Bank mine own self. But, as Mr. McKenna says at the start:

"To-day a proposal to form a joint stock bank for general banking business would not receive a moment's serious attention." I am afraid, sir, it is Monopole.

FROTTI

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- Economic Democracy (4th Edition) 1934) ... .. 3s. 6d.
- The original statement of the philosophy and proposals of Major Douglas.
- Credit-Power and Democracy (4th Edition, 1934) ... .. 3s. 6d.
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**With Acknowledgment to Messrs. Guinness**

**T**HE people of East Grinstead have demanded the removal of a brass snake from the wind-vane of the local hospital, as they say that it brings them bad luck.

The new bronze doors of the Bank of England are adorned with two brass snakes, the Sign of Hermes, and believed by many people to represent an international secret society.

East Grinstead says, as you can,  
"One snake is -bad for you."  
But Norman says "Pooh, pooh, man,  
Just see what two can do."

P.B.S.

**THE FAUX PAS**

When recently I went into a Flicky House  
To see and to admire the art of Micky Mouse,  
I blurted out, "Oh, isn't he like you,  
My dear and most distinguished friend,  
Nike Nous!"  
"How dare you, sir?" he roared. "I'm not like Micky Mouse,  
And, anyway, I'm not Nike Nous but Nike Nous!"

C.G.D.

**ELECTORAL CAMPAIGN**

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

**We Will Abolish Poverty**  
**Elector's Demand and Undertaking**

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

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