

SOCIAL CREDIT

For Political and Economic Democracy

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Weekly Twopence

THE SITUATION IN ALBERTA

The following letter was sent to Mr. Aberhart, Premier of Alberta, by Major Douglas, on February 24

Dear Mr. Aberhart,

Thank you for your letter of February 6. I hope that you will find it possible to adopt one of the two suggestions covered by my letters of February 13 and 18, in which case I shall have the pleasure of seeing you at a comparatively early date.

Obviously the immediately urgent matter is the method of dealing with the Bond Redemption which falls due on April 1, more especially as this affords an opportunity of a practical step towards the use of Social Credit, and I much regret that you have not found it possible to give me earlier notice of it. This seems to be a suitable occasion on which to emphasise the proposition that a balanced budget is quite inconsistent with the use of Social Credit in the modern world, and is simply a statement in accounting figures that the progress of the country is stationary, i.e., that it consumes exactly what it produces, including capital assets. The result of the acceptance of this proposition is that all capital appreciation becomes quite automatically the property of those who create an issue of money, and the necessary unbalancing of the Budget is covered by debts.

Nevertheless, it is possible to deal with the specific instance with which you are confronted, and I would suggest that the following action be taken:

- (1) That the Federal Government should be asked by letter formally to take over the Loan, renewing it on a 2½ per cent. basis, there being no obliga-

tion on the part of the Province to do other than to provide this interest. Notice that the provision of money has been specifically claimed by the Federal Government but that of credit has not been yielded by the Province. As I see it, the raising of loans by the Provinces without protest by the Federal Government in the past was an admission that the Provinces controlled their real credit, and a denial of their right to issue financial credit is a denial of their right to do their own book-keeping.

- (2) It can be assumed that the Federal Government will refuse to comply other than on conditions which you will not be able to accept. The following arrangements should then be made public. Within three months of the due date of redemption all bonds which are raised upon the credit of Alberta should be presented in Edmonton for stamping, together with the names and addresses of their owners (which will, in all probability, be found to be chiefly financial institutions). Holders of not more than five hundred dollars of bonds should be offered an alternative of renewing on the existing terms of the bonds or of paying off by the mechanism described in (3). A statutory declaration of beneficial ownership should be required.
- (3) All holders of more than five hundred

dollars of the issue falling due, and such holders of smaller amounts electing to be dealt with in this manner should be informed that a credit in Alberta of the amount of the face value of the bonds, plus 15 per cent., has been opened with the State Treasury in their favour, and that this credit will be available for the purchase of any product, whether wheat or otherwise, available for sale in Alberta at the prices ruling at the time that the credit is drawn upon. At the same time it should be explained by radio, in *The Albertan*, and otherwise, that the necessity for dealing with the matter in this way is the result of the refusal of the Bank of Canada on behalf of the Federal Government to grant to the Provincial Government financial credit corresponding to the existing real credit which forms the security for the Provincial Debt. Cataloguing of articles and materials available should be prepared, and holders of the credits assisted to sell them to prospective purchasers of Alberta produce.

I might, perhaps, add that the method which is suggested is a modification of the mechanism of "blocked Marks" in Germany and elsewhere, and has, amongst other effects, that of greatly stimulating trade within the area in which the blocked credits circulate.

Drafts upon these credits opened might be made on suitable forms devised by your Legal Department, in regard to which I will make suggestions should I visit Alberta, and the suppliers of the material which would be supplied against these credits might be partly reimbursed by a rebate in taxation and partly

by the opening of a Government credit in their favour, which would, in effect, amount to a transfer of credit from the original holders of the bonds to themselves, in return for the supply of materials or services.

You will readily recognise that such a proposal forms a basis for the re-assumption by the Province of its own credit. It was obliquely referred to in my Interim Report, page 13, Section 10.*

I am of the opinion that the mere publication of this proposal would tend to bring the Bank of Canada to terms, but, even if this is not the result, it can be put into operation and is far better than to drain the Province of its existing Dominion credits or to pile up fresh liabilities.

I have further suggestions to make to deal with the interest upon the loans, but these methods will require some time to organise, and had better be deferred until I have an opportunity of discussing them with you.

It would have been highly desirable to raise this question immediately on election.

You will understand that as I have not the terms of redemption of the Bond Issue before me I cannot fully advise you of the most desirable wording in regard to each of the clauses of these proposals. I feel sure that it is unnecessary to warn you that the wording is highly important.

Yours very truly,
(Signed) C. H. DOUGLAS

Major Douglas communicated the above letter to the press as it had been laid on the table of the Albertan House of Commons. At the same time he expressed his strong disapproval of certain of the terms, as reported in the press, of the Refunding Bill as being calculated to cripple progress towards Social Credit.

* [Published in SOCIAL CREDIT for June 21, 1935—Ed.]

CANADIAN COMMENT NUMBER ONE

We publish below a leading article which appeared in the "People's Weekly," published in Edmonton, Alberta, of March 14:

SHODDY TREATMENT

THE *People's Weekly* holds no brief for Major Douglas. But we suggest that in reading to his radio audience scurrilous anonymous letters attacking the Britisher, the Prime Minister of the province violated all the rules of courtesy and decency in public affairs. Even if the letters were genuine; even if they were written by "a lady in Calgary" and "four Calgary business men who didn't sign their names," was it necessary for the Premier to read them? Could he have had any motive in reading them except that he wanted to say to his audience the things the letters contained, but preferred to do it by quotation rather than directly and honestly? It was a shoddy bit of business.

Mr. Aberhart has treated Major Douglas very shabbily. The Premier rode into power on the Douglas chariot and gave the people to understand that he would call in the Social Credit founder as his advisor. Instead of doing so he accepted as financial dictator of the province the Chairman of the Committee on Sound Finance in Government of the Canadian Chamber of Commerce, and under such dictation has travelled as rapidly as possible in a direction completely opposite from that in which Major Douglas wishes to go. Now he has the consummate effrontery to demand that the Social Credit founder come to Alberta and try to get a clean crop from a field which has already been sowed with the weeds of financial orthodoxy. And when Douglas insists on certain conditions being fulfilled, the Premier and his newspaper heap public insults on him. It's not cricket, sir!



"D'YE KEN JOHN PEEL?"

CANADIAN COMMENT NUMBER TWO

Extract from a leader in the "Western Producer" of March 12:

IN spite of all explanations, the engagement of Mr. Magor at the same time that Major Douglas was allowed to twiddle his thumbs in England, was something that has not been satisfactorily explained. For Mr. Magor stands for everything that is the very opposite of the monetary change—he is the personification of "sound" money. That he made his advice and his ideas stick, the budget brought down last week is ample and irrefutable evidence. Mr. Aberhart has from time to time offered reasons for engaging Mr. Magor which, at least in our opinion, entirely failed to justify that course. It is conceivable that on rare occasions the best way to reach an objective is by heading full pelt in the opposite direction. In hiring Mr. Magor that is precisely what the Alberta Government did—they headed directly away from Social Credit and everything it stands for. No argument has yet been adduced which can justify it.

Premier Aberhart has suggested that, failing Douglas, he will engage some other Social Credit expert. It is unlikely that he can do so. The conditions which forced the withdrawal of Major Douglas would certainly defeat anybody else who was foolish enough to step in where he had feared to tread.

In the final resort Mr. Aberhart says that he will undertake the task himself. We wish him luck.

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Social Credit Parties

SOCIAL Credit is the belief of individuals that they can achieve certain results in association which would be impossible—or at least not so easy—in isolation. It is the assumption that by association all the associates will benefit.

In principle, therefore, Social Credit is fundamentally opposed to the system of party politics, which is based upon the proposition that one section of society can gain its ends only at the expense of some other section.

Nevertheless there are some who are sufficiently supple in the arts of compromise to believe that, as a matter of tactics—wherein the fallacy that the end justifies the means is often upheld—a Social Credit Party is a suitable method or instrument for achieving Social Credit.

For these the events in Alberta must be of absorbing interest, because in that Canadian province their theory is being worked out under the most favourable possible conditions.

Instead of having to face the weary apprenticeship of most parties—climbing through the stages of a minority group, through the dignity of Opposition, to the seats of Government—the Social Credit Party of Alberta burst into fame and power with a thundering majority. All other parties were wiped out.

Granted all the difficulties which are set out in Major Douglas's Interim Report, for example—the legacy of debt from the previous Government—the implacable hostility of the Federal Finance Department—granted all these, we feel that the present situation is a sufficient condemnation of Social Credit as a party label, and a startling endorsement of the more sophisticated and at the same time more practical tactics of pressure politics—the machinery of which in the United Kingdom is the Electoral Campaign.

For in cold hard fact what do we find?

First that the Alberta Government is in default and on the defensive, when it might have been paying 115 per cent. and establishing the real credit of the province.

Secondly, that so far from a National Dividend being in sight the Government has imposed taxes which fall most heavily on the low and middle incomes.

Thirdly, that instead of a price discount off retail prices—a sales tax is being levied on retailers.

It may be argued that a Social Credit party here, there, or somewhere else would do better, know more, or try harder; but the fact remains that if there is to be any hope in Alberta for the Social Credit Movement throughout the world it lies in one direction only:

That the people of Alberta shall awake to the fact that politicians are but second-rate experts, and that the people shall charge them with the duty of keeping their fingers out of the experts' business of administration, while holding them responsible for the results which they know can be achieved.

Pressure politics is the only hope in Alberta.

No Work—No Pay

Four firms are desperately competing for the privilege of building a sister ship to the *Queen Mary*. The entire resources of Tyne-side are being mobilised in a great selling campaign. Trade Union officials representing 41,000 workers will fight for the order. If they fail, Tynesiders will continue to starve, or near it. If they succeed, Glasgow will feel the draught.

It is worth noting and pondering that if four sister ships were decided on each of the firms indicated would provide (1) employment, (2) incomes to buy food, warmth and shelter. Whereas if no sister ship is built there will be a complete slump in (1) employment, (2) incomes to buy food, warmth and shelter.

The food, warmth and shelter is there to be bought in any case—but the rules are strict. No work—no pay.

What to Read

Social Crediters are nowadays so often asked, by those whose interest is aroused, what they should read, that we are issuing this week a special supplement as a guide, and in addition devoting considerable space to book reviews.

This supplement gives advice to all such enquirers, whether they be just beginners or whether they have already studied any of the growing literature of reform. We recommend all who may try to spread our good tidings of hope for the individual—tidings of freedom from the pinch of poverty, freedom from the fear of insecurity—we recommend all such messengers to lay in a stock of these supplements, which are now available as leaflets.

Mad Commissions

The Commissioner for the "Special" Areas now reports that the medical standard of boys and young men in the depressed areas is very low, and many of them fail to pass the medical examination for admission to the transfer and adult instructional centres. While the Government training and instructional centres are praised, he remarks that young men leaving the latter frequently have no employment to go to, and they rapidly become demoralised again.

The number of registered unemployed in these areas represented 32.7 per cent. of the insured population in December, 1935.

The Commissioner says there is, above all, need for fresh industries, particularly of the lighter type. To facilitate this development, he has been authorised to establish and finance one or more trading companies, the purpose of which would be to acquire suitable sites and equip them with such facilities as railway sidings, roads, power and quays, and to erect buildings suitable for letting to persons engaged in starting fresh enterprises. (Our italics.)

Isn't our "sound" financial system wonderful? We cannot sell what we produce already in the depressed areas, so encourage further production! Are the men and children hungry? Let's build them a railway siding or two, throwing in a few more roads, dynamos and perhaps a quay or two. At what a financial cost do we continue to starve the children! God help us!

Plutocracy

Every now and then the real objective of the rulers of finance—the complete dominance over life and liberty of the individual by a system of financial rewards and punishments from which there is no effective appeal—is revealed in the public utterances of its spokesmen.

Speaking at the annual dinner of the Insurance Institute of London on March 27, Mr. Hector Hughes, K.C., said that

the doctrines of insurance undoubtedly had done much to stabilise private and public affairs. . . . The practice of insurance doctrines imparted solid strength to institutions, and it should not be forgotten that these benefits create a co-relative duty on the part of every good citizen.

As an example, the education in highway duty undertaken by certain insurance companies conferred benefits on those who learned, and should, in his view, impose a corresponding liability to punishment on those who, by their refusal to act up to the standard so inculcated, became a danger not only to themselves but also to others.

There was much to be said for punitive measures against such social enemies, who might fairly be made liable in damages for their malicious proceedings. They had some distance to travel along the road indicated by the great insurance companies before the ideals of good citizenship for which they stood received common acceptance. When they did, Mr. Hughes concluded, the stabilising influence would be more generally felt for the good of the world.

This is the doctrine of a business whose total assets exceed £1,500,000,000 and whose premium income has risen by £27,000,000 in ten years.

An Insidious Domination

It is all the more dangerous and insidious a doctrine when it is directed against such anti-social practices as dangerous driving, for example.

We want these practices reduced—but not by insurance companies. Who are they to set themselves up as arbiters of good citizenship? Let us beware in time.

Insurance companies make their living by selling security to insecure people. The more powerful they get the more likely are they to use their influence to keep people insecure and thus safeguard their market, and enhance their power.

This is not more nor less likely and natural than that armament manufacturers should adopt their own methods for selling armaments—and many believe their methods are unscrupulous—or that brewers should resist temperance reform, or that perambulator makers should resist birth control.

But freedom and security are the things

A Word to the Wise

which whole populations want, and have struggled for for centuries. We warn them that these things are being surreptitiously filched from them by methods which they do not understand.

The Cause of War

Writing of Mussolini's policy of war against Abyssinia, John Gunther, the author of "Inside Europe," says "The very reasons why he should not have made war were those why Mussolini did. *It was not a question of whether he could afford to fight, but whether he could afford not to.*" (Our italics.)

This is a situation which arises sooner or later in every industrialised country. Every increase in industrial efficiency brings increased debt and increased unemployment, until a point arrives at which some form of explosion—internal or external—is inevitable. Italy exploded into Abyssinia, and as a result, for the time being, unemployment is cured, and the people are mesmerised into accepting their miseries in a "patriotic spirit."

More recently, Germany has exploded into the Rhineland, which acted as a kind of safety-valve by preventing an external explosion. But militarisation of the Rhine won't cure unemployment or provide a market for German goods: that market which an obsolete financial system makes essential, can be won only at the expense of other countries.

For how long a militarised Rhine will persuade the Germans to pull in their belts no one knows—Britain's re-armament programme will be completed in 1939.

"Sound Finance" Ensures Poverty

A scarcity of experts for warship construction was referred to at a recent meeting of the Institution of Naval Architects. Mr. Lloyd Woolard said that the slump in shipbuilding was undoubtedly responsible to a large extent for the dearth of students. Young men had been hesitating to embark on a profession where there was likely to be unemployment.

It is lack of effective demand that has caused the slump, which has caused the unemployment, which has caused the shortage of skilled labour from which we are suffering now.

What causes the lack of effective demand?

A Viceroy's Vision

The Marquess of Linlithgow, who is shortly to begin his term of office as Viceroy of India, made a remarkable speech at the annual dinner of the London Provision Exchange on February 26.

Let these extracts speak for themselves:

"The more you urge efficiency upon the great producer-organisations, here and abroad, as you must continue to do in your own and in their interests—the more efficient they actually become—the more inquisitive they are bound to be about what may seem to them the inefficiencies and inequalities of the distributive system in and through which they have to work. I sympathise with you. I do indeed, but I do not see how you can stop them . . ."

"Just how long the fact will take to penetrate our thick skulls that the health of the next generation is largely ours to determine and that it depends for the most part upon ensuring that children and their mothers get enough of the right food, I do not pretend to know . . ."

"Of one thing, moreover, I feel certain, that when public opinion does awake—and I noticed that the chairman of the National Provincial Bank was talking about it the other day—pressure will be overwhelming and it will lead to far-reaching changes in the distributive trades as we know them to-day . . ."

"Great nations have cast aside representative institutions as unsuited to economic progress in this modern world: when more and more the vast burden of maintaining and developing the liberal tradition of Western civilisation seems to rest upon the shoulders of our Commonwealth, I must needs ask myself whether that burden is too great to be borne, whether, indeed political democracy is incapable of adjusting itself with sufficient rapidity to economic change; for, if that is so, there must be doubt if political democracy can survive, and if it does not survive among us, then be sure it will not survive elsewhere . . ."

"I have tried to suggest this evening how a start might be made in your own particular trade, but I want to remind you that it is of the essence of democracy that upon each one of us, according to our opportunity, there rests a responsibility to ourselves and to our fellow men. "Given imagination and persistent endeavour, the first glimmer of the new economic democracy—wherein, as the counterpart of political freedom and security, mankind may win economic freedom and security—can be nursed to a steady flame. Gentlemen, the responsibility for that task rests upon each one of you."

Puritanical Utopianism

It is told of Mr. Montagu Norman, that he once asked a friend, who opposed a return to the gold standard because it would impoverish Britain, if he thought it better to be rich than to be poor. The friend replied that he had been poor once and preferred riches, to which Norman replied, that he believed that countries that were too

rich went to pieces, as had happened in the case of Athens and Imperial Rome.

The subsequent conversation is not recorded, for the good reason, doubtless, that a report that the Governor of the Bank of England might wish to impoverish his country, for its own good of course, would be unlikely to increase his popularity.

The attitude of mind disclosed by this story is, unfortunately, all too common amongst those who are themselves removed from the risks of poverty. It may be summed up: "Sweet are the uses of adversity"—for others.

Such perverted Utopianism as this may well account for Mr. Norman remaining unmoved to the sufferings of millions, resultant from the return to the gold standard in 1925, and to the even greater suffering yet to come through the war that his financial policy is making inevitable.

How different is the philosophy of Social Credit, which instead of forcing people to live in the Utopias of others, would free them to build their own. It is a philosophy based on the idea "that the end of man, while unknown, is something towards which most rapid progress is made by the free expansion of individuality . . ."

Build Battleships or Bust

Forced with the growing problem of super-abundance, and, for the present, blandly oblivious of the widely spreading demand for its distribution, our rulers continue to press for every remedy except the right one.

Vast public works and rearmament schemes are thrust upon us to provide work, when the people want food, warmth and shelter.

Oh, yes, we know that the huge loans created to pay people for building battleships will put money in their pockets to buy the goods they need. But neither the banker's book entry nor the building of the battleships made the goods—they are there in plenty, waiting to be bought—a menace of bankruptcy to their present owners if they fail to sell them.

In order to save one lot of people who will starve if they don't buy food, and another lot of people who will fail if they don't sell food, what must we do? Issue a National Dividend we say. But that is not the present answer we get. It is—build battleships—and send up the National Debt £200,000,000.

FOR THE NEW READER

1. There is obvious and acute poverty.
2. Most people have less than they want.
3. There is a general feeling of fear and insecurity. Individuals fear the loss of their jobs, which means the loss of their incomes. Businesses fear the loss or shrinkage of their markets, which means the loss or shrinkage of their incomes. Nations fear one another. The whole world fears war.
4. The shops are full of goods which the shopkeepers want to sell to the public who want them but cannot afford them.
5. The factories are full of goods which the manufacturers want to sell to the shopkeepers.
6. The transport undertakings, and all those who undertake service want to sell service.
7. Each nation has so much goods and services that it strives to export to foreign markets.
8. There are not enough buyers to provide the markets that nations, businesses or individuals need in order to get rid of their goods and services.
9. We point out that the solution of all the troubles enumerated above is an increased personal income for every individual, which we call a National Dividend.
10. Such a National Dividend must be issued in such a way as to be effective: that is, it must enable the people to buy what they want.
11. Finally, we say that it is up to the people themselves to realise these obvious things, and to demand that the persons who are paid to represent them in Parliament shall urgently instruct (not beg) the Government to carry out the WILL OF THE PEOPLE.

If you are interested in this simple means of solving The Great Universal Problem of Poverty in the Midst of Plenty, and the Root Cause of War, please write to us at once. The time for action is short; the matter is desperately urgent.

ANOTHER TRIUMPH FOR PRESSURE POLITICS

Football Pools Bill Heavily Defeated

M.P.s. on Their Duty to Constituents

THE campaign of the opponents of the Football Pools Bill was so successful that it was defeated in the House of Commons last Friday by 287 votes to 24.

During the days before the second reading of this Bill, Football Pool promoters circularised their clients with a remarkable document, parts of which we reproduce below:

TELL YOUR MEMBER OF PARLIAMENT YOU WANT THIS ANTI-POOL NONSENSE STOPPED.

In a few days' time—on April 3 to be exact—a Bill will be introduced into Parliament in an attempt to rob you of your last remaining privileges. This Bill is aimed at the Football Pools, the working man's hobby.

But this Bill can be killed—and it must be killed. You can do it.

The kill-joys have always regarded the "little man" as fair game. Because they think he has little influence they have always thought he could not fight back.

A handful of cranks are trying to stampede your Members of Parliament into going against your dictates. You must stop them. The Members of Parliament are your representatives. Your Member of Parliament will do as YOU want him to do if he knows what you want.

So tell your Member of Parliament that you enjoy Pools and want to see them continued.

Tell him this anti-Pool Bill is just another dig at the little man . . . just another form of class discrimination. Tell him you won't have it and he's to see you don't get it.

Write and tell him so . . . NOW.

An Object Lesson

That the tactics adopted were completely successful is proved by the heavy voting. But the debate was interesting to read since it underlined the issue which is at stake.

Supporters of the Bill took the line that they think they know what is good for their

constituents; opponents took the line that they would vote against the Bill because their constituents wanted them to do so.

Mr. T. Williams (*Don Valley*), for example, admitted that, in opposing the Bill, he was going against his constituents' wishes, having had more letters from constituents threatening never to vote for him again than in the previous 13 years.

Let us hope they carry out their threat, for this is the kind of Member of Parliament we want to get rid of quickly.

Mr. Barr (*Coatbridge*) actually agreed that workers should have some surplus of income left for entertainments, but that it is for Parliament to see that whatever surplus they have is spent in pure, noble, and innocuous ways. He further thought we had come to a point when it was recognised that liberty ought to be wisely curtailed!

Coatbridge voters, take note.

Mr. Fleming (*Manchester, Withington*) said that it was the wish of his constituents that he should oppose the Bill: his was the shortest and best speech of the day.

Mr. Thurtle (*Shoreditch*) said there was too much of a habit in the House of Members of Parliament assuming that they knew a great deal better than the people what was good for them.

287 then voted for the freedom and responsibility of the individual; 24 for the opposite.

Do you want poverty abolished? Yes? Then get on with the campaign and give YOUR Member of Parliament no rest until he carries out his duty of expressing YOUR WILL in Parliament. Tell him THE RESULTS you want. Don't listen to Members of Parliament any more, TELL THEM instead.

BANK OF ENGLAND DIRECTORS

The following have been elected Governors and Directors of the Court of the Bank of England for the next 12 months:

Rt. Hon. Montagu Collet NORMAN, Governor.

Mr. Basil Gage CATTERNS, Deputy Governor.

Directors.

Sir Alan Garrett ANDERSON, M.P.

Mr. Dallas Gerald Mercer BERNARD.

Mr. George Macaulay BOOTH.

Mr. Laurence John CADBURY.

Mr. William Henry CLEGG.

Mr. Patrick Ashley COOPER.

Sir Andrew Rae DUNCAN.

Mr. Albert Charles GLADSTONE.

Mr. Kenneth GOSCHEN.

Lord ST. JUST.*

Mr. Charles Jocelyn HAMBRO.

Mr. Edward HOLLAND-MARTIN.

Lord HYNDLEY OF MEADS.

Sir Robert Molesworth KINDERSLEY.

Hon. Roland Dudley KITSON.

Mr. Cecil LUBBOCK.

Mr. John Coldbrook HANBURY-WILLIAMS.

Sir Edward Robert PEACOCK.

Hon. Alexander SHAW.

Sir Josiah Charles STAMP.

Mr. Frank Cyril TARKS.

Mr. James George WEIR.

Mr. Walter Kennedy WHIGHAM.

Mr. Arthur WHITWORTH.

* Formerly Mr. E. C. Grenfell.

This is Mr. Norman's 17th consecutive year of office as Governor. Mr. Catterns replaces Sir Ernest Musgrave Harvey as Deputy Governor. Messrs. Bernard, Cadbury, and Hanbury-Williams are new directors and take the places vacated by the retirement of Sir Ernest Harvey and Mr. Robert Lydston Newman, and by the death of Sir Basil Blackett.

A TEMPLE OF MAMMON

The *Journal of the Royal Institute of British Architects* for March 21 contains particulars and illustrations of the new head office of the Hong Kong and Shanghai Bank, Hong Kong.

The splendour of this building with its cathedral air needs to be seen to be believed—it conveys so little to say that the main banking hall has pier casings of Ashburton marble, walls of Botticino, a floor of Swedish green, and the barrel vault is covered with Venetian pictorial mosaic.

But certainly no cathedral could hope to compete in these difficult times.

FATHER COUGHLIN ON THE PICTURES

We call the attention of readers to an episode in "The March of Time" series which is exhibited at cinematograph theatres. This episode features Father Coughlin, who, we are informed, speaks very much to the point.

MAJOR DOUGLAS ANSWERS QUESTIONS

After his speech on March 7 at Westminster (reported in SOCIAL CREDIT for March 13), Major Douglas answered various questions. Some of these, with Major Douglas's answers, are summarised below. More will follow.

The Coming War

Question.—Major Douglas has said that action was necessary. Would he kindly specify what action would save us at present?

Answer.—I think the questioner means: What would save us from the coming war? It is quite possible that nothing will save us. There is always a point at which you must bear the consequences of your acts or omissions to act. When something acquires a certain momentum practically nothing can stop it. I have myself frequently stated that the latest date at which the threatened war could have been prevented was 1923; but I am assuming, in order to answer the question, that the world will survive this next war, though a great many of us will not.

Now, nothing can be more absurd and more unscientific than to assume that things right themselves. They do not. They are just as likely to wrong themselves, and when I said that the only thing that would save us was action, I meant, assuming the coming war to be inevitable, the only thing that would save the world will be action.

I said that I was sanguine that what remains of the world would be delivered from the curse under which we labour at the present time. I am very certain of that, because I believe that any set of ideas which are fundamentally sound inevitably come out into the realm of action. If they do not, it is because they are not sound, and in that case it is better they should not. I believe profoundly that what I have been haltingly trying to tell you to-night is fundamentally sound and will be realised in action.

Had we had the background, had we had the atmosphere we have now, in 1921 when I began to talk to fairly large audiences, we could have stopped this coming war; but unfortunately we had not that background. But I do not believe that the effort of all these years will be wasted; I am convinced that it has produced a state of affairs which will at any rate prevent the next war.

Although I know the phrase stinks—this coming war will probably be the last great war—and that perhaps is something to be thankful for.

THE WAY OF THE DISCOVERER IS HARD

WE are reminded of the unhappy history of the man who first discovered that very light metal, aluminium, of which we make such great use to-day.

The Roman historian, Pliny, who lived between A.D. 23 and 79, relates how a certain worker in metals appeared at the palace, bringing to the Emperor Tiberius a cup composed of a brilliant white metal which shone like silver.

While the artificer was presenting it he purposely dropped it on the marble floor and bruised it so that it seemed injured beyond repair. But the workman took his hammer, and in the presence of the Court repaired the damage.

The Emperor took the cup and noticed that it was far lighter than silver. He then questioned the man, who told him how he had extracted the metal from clay (no doubt that known to the modern scientist as alumina).

Tiberius then asked if anyone except the maker knew the secret, and the other proudly replied that it was known only to himself and Jupiter.

The Emperor turned to his guards and ordered them to take the inventor out and behead him instantly, and afterwards to destroy the man's workshops. The reason he gave for this brutal order was that if it were possible to obtain so wonderful a metal from clay, the value of his own hoards of gold and silver would be reduced to nothing.

We don't actually behead discoverers and inventors, but their patents are bought up and suppressed by powerful organisations because the new ideas would throw many existing plants on to the scrap-heap and ruin hundreds of industries.

It seems absurd to think that great discoveries and inventions spell the "ruin" of the industry, instead of human progress, but this comes about because of a financial system that places monetary values before human values.

Social Credit would alter all that kind of nonsense.—*The "New Era," Sydney.*

The League of Nations

Question.—If it is the present financial system that causes war, should it not be the duty of the League of Nations to change it—for the British public is behind the League?

Answer.—I began my address to-night by saying that we are engaged in a war for truth. It is one of the curious phenomena of that war that most of the soldiers on both sides do not know what they are fighting for. This applies both to soldiers on the side of lies and soldiers on the side of truth. The war to a large extent is a war to capture public opinion, and public opinion is very often captured by something which is more of a fundamental lie than even the thing from which the people think they are flying.

The League of Nations provides just one of those instances of the overwhelming importance of priority in this world. There are probably millions of things which are equally sound and good and important in the cosmos (such as the abolition of capital punishment—you can make a catalogue for yourself). The question is, what are you going to do first? A RAT is not the same thing as TAR although composed of the same letters—priority of the letters is obviously important.

The idea of the League of Nations, of course, on the face of it is attractive and is meant to sound attractive. Had we got a reformed financial system, one which did not force exports, one which did not really place everything under the control of finance, one which did not produce frustrations caused by the working of financial institutions: if these things were not so—if, I repeat, we had a reformed financial system—the right kind of internationalism would be fairly sound and proper. But not first, not before the financial system is rectified. The only safeguard against a world governed by international finance is nationalism.

Whatever may be said about the inception of the League of Nations—and some very queer things are being said—there is no doubt whatever that it has been the sport of international financiers from its very beginnings; and while it may be thought the duty of the League of Nations to reform the financial system, I do not think that the League of Nations has either the power or, so far as it is at present concerned, the desire to do so; but rather so to strengthen itself that it may become a world-government of finance—which it is rapidly becoming at the present time.

THE WORLD IN PERIL

It is important for us to come to a decision . . .

Democracy, they say, has failed. It is a lie! Democracy has never had a fair chance! It has really never been asked what it wants, but has been tricked again and again into giving decisions between two alternative policies, in neither of which possibly it is interested, and which often enough would tax the ingenuity of an expert.

While we still have a Parliament, then let us say to them: "We don't care a fig for your politics. It is results we want. All around us we see plenty—more than enough for all. Yet people go ill-fed, ill-clad, and ill-housed. You as our parliamentary representatives are sent up to carry out the will of the people. Very well, we will that you distribute that plenty for us. If you do not know how, call in the experts, but get on with the job. If you do not, we will scrap you and call in another lot to do it for us."

—John Wood, F.M.L.A., in the *Journal of the Orkney Agricultural Discussion Society.*

It is admitted by most persons that there is something seriously wrong in the world to-day. . . . All the solutions demand centralisation of administration; they involve a machinery by which individuals can be forced to do something—work, fight, etc., the machine must be stronger than the man. Practically all socialist schemes, as well as trust, capitalist, militarist, etc., schemes, are of this character, e.g., the League of Nations, which is essentially ecclesiastical in origin, is probably the final instance of this. . . . It may be observed . . . that in the world in which things are actually done . . . we do not work that way.—Major C. H. Douglas in "Warning Democracy" (pp. 164-165).

Sayings of PROFESSOR PSHAW :

PSHAW, sir! war, sir? Due to the Financial System? How dare you? What an insult, sir! why not be honest and face the fact, sir, that war is due to human nature, and is therefore inevitable!

PSHAW, sir! this idle talk of Poverty amid Plenty is very dangerous! It is absurd to suggest that a surplus for which there is no market is "Plenty" in any useful sense!

PSHAW, sir! I've no patience with the unemployed! Any man can get a job if he wants to!

PSHAW, sir! It's absurd to suggest there is a lack of purchasing power when the banks have so much money they don't know what to do with it!

PSHAW, sir! The slump was caused by the shameless running into debt of many people who should have known better, so that the banks were unable to save industry for lack of credit-worthy borrowers.

PSHAW, sir! an unearned income for everyone is morally indefensible; and in any case the mere suggestion of such a scheme would ruin the stock market, seriously affect dividends, and rob of their sole means of subsistence a large number of better-class people, who constitute the backbone of the nation.

THE CORRECT FUNCTION OF MONEY

Schemes to alter the balance of public entertainment are charming, and in almost all cases estimable, but they depend in the last instance on one undependable factor, the public. Nobody knows that better than Mr. Korda. "The public," he says, with a shrug of his shoulders, "get exactly the cinema that they deserve."

Look at it simply. Every time you take a ticket at the box-office you register a vote for the particular film showing at that theatre. You prove that you have chosen it in preference to any other programme available in the neighbourhood at the time. The votes are recorded; the results checked; later films of the same type are booked or rejected, according to the statistics.

Attendance at the cinemas dictates the choice of the exhibitors, and, in turn, controls the policy of the producers. The sequence is inevitable.—*"The Observer," March 29.*

* * *

Money (economic) votes give orders to producers. Political votes can give orders to politicians. A National Dividend will extend the franchise. That will mean real Economic Democracy.



Work or Leisure?

J. M. Keynes reviewed by R. L. Northridge

MR. BALDWIN apparently set a fashion when he declared that he had been wrong; the latest example of such public candour is Mr. J. M. Keynes, whose new book, "The General Theory of Employment, Interest and Money,"* overturns many of the basic contentions of the Classical Economists and amounts, in parts, to a recantation of his own earlier beliefs. It is a lengthy admission that effective demand can fall short of current production.

Consider, for example, this passage in the light of the A + B Theorem, that stone which the builders rejected.

"Consumption is satisfied partly by objects produced currently and partly by objects produced previously, i.e., by disinvestment. To the extent that consumption is satisfied by the latter, there is a contraction of current demand, since to that extent a part of current expenditure fails to find its way back as a part of net income. Contrariwise whenever an object is produced within the period with a view to satisfying consumption subsequently, an expansion of current demand is set up. Now all capital investment is destined to result, sooner or later, in capital-disinvestment. Thus the problem of providing that new capital-investment shall always outrun capital-disinvestment sufficiently to fill the gap between net income and consumption, presents a problem which is increasingly difficult as capital increases. New capital-investment can take place only in excess of current capital-disinvestment if future expenditure on consumption is expected to increase. Each time we secure to-day's equilibrium by increased investment we are aggravating the difficulty of securing equilibrium to-morrow." (Bk. III, Chap. 8, Sec. iv.)

Now, while it is both ungenerous and unwise to criticise anyone adversely for modifying his opposition to one's own views, there are other considerations that must not be overlooked. First of all, our modern Pauls do not abandon their positions until the facts have made them completely untenable. Here another quotation from Mr. Keynes is in point.

"Although the (classical) doctrine itself has remained unquestioned by orthodox economists up to a late date, its signal failure for purposes of scientific prediction has greatly impaired, in the course of time, the prestige of its practitioners. For professional economists, after Malthus, were apparently unmoved by the lack of correspondence between the results of their theory and the facts of observation;—a discrepancy which the ordinary

* London: Macmillan. 5s.

man has not failed to observe, with the result of his growing unwillingness to accord to economists that measure of respect which he gives to other groups of scientists whose theoretical results are confirmed by observation when they are applied to the facts." (Bk. I, Chap. 1, Sec. 3).

Secondly, and more important, while Mr. Keynes is disposed to admit the flaw in the price system, his entire examination and such recommendations as he suggests are based upon the assumption that what is required from the productive system is employment. Such an assumption is unwarranted, untrue and mischievous in the highest degree. Mr. Keynes does not intentionally attempt to increase the work necessary in his own home; why should he try to increase it in industry? The whole aim, conscious or unconscious, of scientific progress is to decrease the man-hours necessary for any given volume of output, and thereby to increase human freedom by disemploying more and yet more workers.

In other words, Mr. Keynes' efforts so far have been directed only towards making the present system a more stable, and therefore a more effective, governmental device. Employment, and not human freedom, is his declared objective. There may well be a connection between this fact and the price of this book, which is far below the cost of production for a work of this nature.

The first public statements of the Rt. Hon. Reginald McKenna upon the creation of bank credit were made almost fifteen years ago but no further progress towards Social Credit has yet been reported. Mr. Keynes' latest work may also be of use when approaching those who require the authority of well-known names to support their own mental processes, but it would be most unwise to expect further help from him — at any rate, until it has become unnecessary.

It must in fairness be added that this book is probably the most important work published by any orthodox economist since the war and, although it is specifically directed to Mr. Keynes' professional colleagues, few members of the general public who have given any study to the subject will fail to gain at least five-shillingsworth of instruction from reading it.

We Did Not Prevent It

This book* pictures England under a dictatorship, a most absorbing story so subtly clever that the reader can see all the makings of this stark possibility operating to-day. It deserves a wide circulation, for it deals with certain realities that exist now and to which many responsible people close their eyes, hoping like the silly ostrich that the danger is averted thereby.

The governing brutes in the story are not caricatures of continental dictators, they are English and true to a certain type—slaves to a cruel duty, and instrumenting a terror efficiently and with devotion.

England betrayed by the cowardly sloppiness of the ostrich spirit; England in which liberty exists no more, where free speech is the inevitable passport to the training camp and the whipping post, where prosperity is dead, and a secret terror of the bludgeon and the bullet dominates all with ever present dread.

"What have we done to deserve this sort of thing to happen in England?"

"We did not prevent it." G.H.

Credit Policy

I have just finished reading "The Problem of Credit Policy,"† by our old friend, Mr. Durbin, of the London School of Economics.

Mr. Durbin does not leave us long in doubt as to the purpose for which he considers a money system should exist. On the first page of his preface he states: "... It has become possible... for the economist to state... what should be done in the realm of credit policy to secure and maintain indefinitely full employment and a maximum productivity"; and again on page 109: "What is the general credit policy which will maintain full employment?" (my italics). So now we know. The object of our financial and industrial systems is work for work's sake and a maximum production of goods, irrespective of our ability to distribute the glut!

From this unpromising beginning, Mr. Durbin proceeds to an analysis of the relation of incomes to prices. Although he does not mention Major Douglas anywhere in his book, he attacks the Social Credit

* "In the Second Year," by Storm Jameson. London: Cassell. 7s. 6d.

† "The Problem of Credit Policy," by E. F. M. Durbin, of the London School of Economics. London: Chapman & Hall. 10s. 6d.

Movement indirectly in his attempted proof that incomes and prices equate with each other. As this "proof" is based on the fallacies in his former book, "Purchasing Power and Trade Depression," which have been sufficiently exposed elsewhere, I will not waste time over the matter here, beyond remarking that Mr. Durbin appears to be entirely ignorant of the costing system under which industry, financed by loan-credit, must work.

The first 100 pages of Mr. Durbin's book contain more tortuous jargon than can ever before have been compressed into a similar space. In spite of his almost unintelligible attempts to show that incomes and prices should equate in all circumstances, there emerges at the end of it all Mr. Durbin's suspicion that in fact we are short of purchasing power!

He then proceeds to examine what we can do about it. First of all he discusses the proposals of a gentleman called Professor Hayek, who wants to stabilise the flow of money. He has little difficulty in deciding against a policy of rigid incomes in face of an increasing mountain of debt, although he does not put it quite as realistically as that. Secondly, he reviews the most popular of orthodox remedies, the stabilisation of prices; and finally he puts forward his own proposals which consist of nothing less than the issue of "Consumer Credit" (to whom, I wonder, is he indebted for both the idea and the name?).

Apart from Mr. Durbin's inconsistency in recommending a costless addition to the public income, after he had been at such pains to prove that the said income was sufficient to buy the available goods, I have nothing but welcome for this first glimmer of light in the Stygian darkness of the London School of Economics. K.M.

Distribute or Destroy!

Readers of this book* will certainly find proof that the Age of Plenty is here.

The author reviews the various plans put forward for the better use of existing powers of production. These include the "Wara" experiment, Technocracy, Social Credit, Stable Money, and the plans of some Norwegian economists, called Nordic clearing.

Comparisons are made, in which the

* "Distribute or Destroy!" by Brynjolf Bjorset. London: Stanley Nott. 5s.

Theories and Debt

IN face of the spate of books, pamphlets and articles essaying to show that Social Credit theory is a medley of fantastic ideas which flout economic laws, it becomes a question as to the best line of action for a Social Credit exponent to take.

Life is short, and a line-upon-line refutation of opponents' arguments is a lengthy business. So why not drop defence, and carry the war into the enemy's country?

Begin with facts—the facts of Debt. Take Major Douglas's "Oslo" speech.* On page 8 we get two startling facts.

First, we learn that, taking the year 1800 as the origin, and the century as our time-unit, world debt is now increasing as the fourth power of time. The fourth power!

Secondly, we learn that this present average rate of increase is greater during periods of boom than during periods of depression. While it is true that, during boom periods, many industrial concerns manage to get out of debt, this is achieved only because world debt as a whole—mostly funded debt—mounts rapidly.

These facts show that our money system cannot work without getting into debt. Even when industry is working at a low output, it gets deeper and deeper into debt; when the rate is quickened up to anything approaching what is quaintly termed "prosperity," it plunges deeper into debt at an astronomical rate.

Why? There must be a correct technical explanation of this phenomenon—this grim, unquestioned, statistical fact. Major Douglas offers the A + B theorem in explanation. The critics reject it as invalid. Very well; they may reject it, but what then is the true explanation? Disposing of the A + B

* "Money and the Price System," from SOCIAL CREDIT, 163A, Strand, W.C.2, 3/4d. post free.

theorem does not dispose of the phenomenon, though some of the critics appear to think that it does. It is up to them to supply the true explanation, if they can. And that explanation must be adequate. ADEQUATE — even unto the fourth power!

But now comes the question: Is a correct technical explanation of this phenomenon necessary before we can deal with it? Suppose all the explanations available at the moment to be erroneous, does it really matter?

One salient fact emerges from any consideration of our money and credit system as a whole. Ever since the commencement of the system in its modern form, it has been supplied with credit via the producer, and only via the producer. The more the producer is accredited, the deeper the system plunges into debt. Every new producer-credit starts life as a debt, and the system cannot liquidate debt. In fact, it fails at a most alarming rate to liquidate debt.

It must then be obvious that all attempts to repair the situation by increased injections of producer-credit are foredoomed to failure. The world can no more borrow itself out of debt than a man can hoist himself by his own boot-straps. The only form of credit injection which can counter the present form, and offset its dire results, is the form known as Consumer-Credit—as our movement understands that term.

National Dividends must come, no matter what may happen to Social Credit theories. If the A + B theorem is blown sky high, the necessity for consumer credit remains. Nothing short of National Dividends can prevent western civilisation from foundering in Debt.

A. W. COLEMAN

A BEST SELLER
WHY POVERTY
in the midst of
PLENTY?

By the DEAN OF CANTERBURY

From SOCIAL CREDIT, 163A Strand, London, W.C.2

author believes there are important traits in all of them. To quote the preface: "There is need of a greater mutual understanding, and it is hoped that this work will contribute to that end."

Apart from this "get together" complex, which is apt to mislead or confuse the reader, the survey of varied proposals is fairly carried out. If the reader remembers the object of the plans set out before him, he cannot but give the Social Credit proposals full marks against all the others — though it is of course an error (possibly of translation) that Douglas should be classed with advocates of "Stable money." G.H.

The Money Mystery*

After reading the book and the covers, inside and out, it is difficult to understand why the book has been published. The text is so full of ifs, buts, suppositions, assumptions and hypothetical statements that the mystery it presumably seeks to make clear is only rendered more obscure. Perhaps, after all, this may be the real reason for the publication of the book.

The only statement which justifies the subtitle is contained on page 29. "Nine-tenths of economic fallacies would be avoided if, when puzzling out an economic problem, we thought in goods' thought, that is, of the things which are the whole object of money, instead of 'thinking in money'; asked concerning a suggested policy not whether it would give the nation or a particular group more money, but whether it would give it more things to eat and wear and use." Unfortunately this wise advice is ignored by the author himself.

So far from seeing that the problem which confronts modern democracies is one of DEMANDING RESULTS, Sir Norman Angell sees it to be "the problem of choosing between a great many different remedies that are offered them, often between rival and mutually exclusive remedies, sometimes based upon technical considerations, of the merits of which the layman often finds himself unable to judge."

A footnote informs readers that they will find the Douglas theory analysed in books by Cole, Durbin, Lewis and a pamphlet published by the Labour Party. The text of the

* "The Money Mystery—An Explanation for the Beginner," by Sir Norman Angell. London: Dent. 3s. 6d.

book states, "The various plans of consumers' credit... it is no purpose of the present study to decide."

Whoever buys and reads this book can feel certain of receiving both his reward and punishment. J.G.M.

* * *

Machines and Purchasing Power*

After an excellent chapter on The Banks and Purchasing Power, the author proceeds to investigate the claims of Henderson ("Economic Consequences of Power Production") and Douglas. Technocracy, McNair Wilson and Soddy, are dealt with later. Henderson's contention that an "unmarketable surplus" is caused by saving, he discards after careful consideration. Douglas fares no better.

The A plus B Theorem is discussed, as usual, as if it were static, ignoring the differences in rates of flow which cause a time lag; and the conclusion is reached that "the traditional doctrine of the identity of the costs of production... with the incomes of the 'factors of production' has survived Major Douglas's challenge without scathe." Having discarded the idea of an "unmarketable surplus," the author naturally sees only inflation in the Social Credit proposals.

In the chapter on Machines and Trade Depression, Mr. Nash says "there is no evidence of any universal displacement of men by machines or of any general decline in the demand for labour," a statement hardly borne out by facts. He acquits Machines of the responsibility for Depression, realising that "the lack of demand is a lack of monetary demand and not of real demand."

In discussing Money and Trade Depression, he suggests that the initial failure of demand is really in that for intermediate, and not consumer's goods. The key to the situation he holds to be the balance between savings and investment, i.e., capital expenditure. His solution is the stimulation of capital expenditure, to which end he advocates increased public works.

Although this book is disappointing in its conclusions, tribute must be paid to the fair-minded way in which each theory is handled, and the clear and orderly sequence of reasoning throughout. C.F.J.G.

* "Machines and Purchasing Power," by E. F. Nash. London: Routledge. 6s.

YOU and Parliament*

IF a man is caught in a trap, it does not necessarily follow that he is a fool, but "a man may merit the suspicion of folly who, being caught in a trap, does not at least inspect the means suggested to him for getting out."

We are enmeshed in poverty and beset by insecurity. The shadow of war is upon us. Whichever way we turn we seem to be up against a wall, as if in a trap. There seems to be no way out. We are in despair.

What are Governments doing about it? Their actions are those of madmen. In spite of a universal desire for peace and plenty, war and scarcity are with us. This desire for plenty and security exists, but it is not clearly and unitedly expressed. The peoples are neglecting to give directions to their Governments, and, like a body without

* YOU and Parliament, by Tudor Jones. London: Figurehead. 1s.

a soul, a Government that lacks direction is a lunatic.

It is the people themselves who are responsible, and in "You and Parliament" Dr. Tudor Jones reveals this with a vivid light. He points to the urgent necessity for the peoples to take action to tell their Governments what they want — to express their WILL. The peoples must ACT. That is the only way out of the trap.

"What is urgent in this world," says Major Douglas, "with an urgency that transcends any other urgency, is a study and practice of the science of Social Dynamics."

This book is important because it is a study in Social Dynamics. Get it, study it, then ACT, for, as Major Douglas remarked at the close of his address to Social Crediters at Westminster on March 7, "ACTION now is our only hope."

YOUR MEMBER OF PARLIAMENT IS YOUR SERVANT—INSTRUCT HIM.

A Novel About Use for Gold

IN this novel* the writer pictures a real use for gold at last. A scientist discovers a cancer cure involving gold as an ingredient. His discovery synchronises with an alarming increase of cancer cases, just at the moment when a scheme for monetary reform is gaining ground under the leadership of a Parliamentary battler who is not a careerist.

The financial high-priest of the country, after hatching a plot with his colleagues abroad in international conference for the purpose of killing the dangerous heresy of monetary reform, hears of the cancer cure

* "Death and the Golden Image," by Whyte Hall. London: George Harrap & Co. Ltd. 7s. 6d.

just as he has "persuaded" the Cabinet to reject the new financial proposals. He investigates, and meanwhile finds he is himself suffering from cancer; but to his horror, discovers that the scientist will not let him have the cure unless he consents to make it available for all by releasing the whole supply of gold for medicinal purposes. The banker regards this attitude as blasphemy, crooks are employed to steal the cure so that he can have himself what he denies to the majority, but in spite of these unscrupulous methods and several murders, he fails. An interesting thriller packed with an insight of psychological truth much more strange than its fiction. G.H.

Machines and Men*

This book is the autobiography of a mechanic—a skilled fitter and turner—and describes his experiences in many London workshops. His account, covering the last 40 years of the psychological reactions of himself and his fellow-workers to the coming of the machine and mass-production conditions, presents a true picture as seen and felt by the best type of intelligent craftsman.

At the end of his book the author quotes the late Lord Leverhulme: "We might with the means science has already placed at our disposal, and which are all within our knowledge, provide for the wants of each of us in food, shelter, and clothing, by one hour's work per week for each of us from school-age to dotage."

The author points out that: "The machine has advanced since then, and will continue to advance, still further increasing man's productivity to beyond the dreams of engineers and scientists. To what purpose, we repeat? That the world's statesmen shall meet in conference to discuss the necessity for increasing production, lowering wages, reducing the standard of living, the imposition of tariffs and economy and the necessity for workers to give even more manual labour and service for the wages they receive, whilst millions are unemployed and poverty stalks through the world? That, surely, is not the end of man's mechanical achievements! The only intelligible end is to give economic security to all—to provide every man, woman and child with a happier life, teeming with richer possibilities. That is the true purpose of the machine."

All students of Social Dynamics should read this book. The sincere spirit of the writer shines in every chapter. He is of the finest and most advanced type to be found in any class or country, in his love of fair play, justice, good faith, and goodwill, backed by a high courage that will accept cheerfully cruel punishment rather than be party to what he would call "a dirty trick." G.H.

* * *

An Orthodox Text-Book

These lectures† are orthodox and are therefore very interesting to students of the newer economics; for him they provide a clear, short explanation of the difficulties and of the impossibility of the existing system of money-controlled industry.

The lectures do not appear to contain any theory of the desirable relation between the possible output of goods and services and the supply of money necessary to the process of their consumption. It is a handicap to

* By W. F. Watson. London: Allen & Unwin, Ltd. 5s.

† "Economics in Practice. Six Lectures on Current Issues" by A. C. Pigou, M.A., Professor of Political Economy in the University of Cambridge, 1935. London: Macmillan & Co. Ltd. 4s. 6d.

the orthodox that they must take things as they are, and make the best they can of there being no such relation in the existing money system. For example: in order to cure slump conditions, the author argues, in "The Balance of Trade" (p. 51), in favour of "... securing cuts in the rates of pay asked for by labour and capital in the hope of thereby causing more men to be employed."

Further, when discussing the fall in prices (p. 68), the adverse balance of trade, and the orthodox method of gold export, raising money rates, etc., to secure adjustment to an adverse movement in foreign conditions, the author writes:

In a perfectly frictionless world there would be nothing objectionable about it. Money wage rates would adjust themselves forthwith to the price movement: and though, of course, the depression abroad, with its reaction on the real demand for our exports, would injure us in some degree, so far as the money situation went, all would be well. Prices and Wages, still in appropriate adjustment to one another, would slide down to a lower level...

The actual world unfortunately is not perfectly frictionless. The mechanism of adjustment does not work smoothly... For downward movements in money wages and other costs are strongly resisted.

If only that resistance could be flattened out! But the human element objects to wages being always automatically less than prices, and so "unfortunately" prevents "all being well" with Money. A.W.

* * *

Objective Evolution*

The language of this book is extraordinary, savouring strongly of intellectual gymnastics.

It appears to go a long way round (a strange way, devised by the author) to arrive at a conclusion that could be stated (and is stated in the Social Credit Movement) in a much simpler and more direct language.

On the jacket of the book we read:

The latest indications of science are combined to form a synthesis illustrative of the evolution of creative consciousness and its effects as manifested in the development of civilisation.

Just as the phase of civilisation which is passing was coloured by the principles of a social ethic in the Christian religion, so the age of science should evolve a politico-sociological plan characteristic of its new psychological values.

When new levels in human psychology generated in the blend of dynamic values resulting from psycho-reprogenetic synthesis, unfold their characteristics in the intellectual and philosophic fields then a new period in civilisation can be said to have begun. The march of civilisation is the visible measure of the evolution of psychophysical values.

The above language is typical of the book—a strange approach to saying that a new era is due, together with the necessity to issue a National Dividend. J.C.

* By C. Pleydell-Bouverie. London: Williams & Norgate. 7s. 6d.

THE HAND OF THE POTTER

Address to the Electorate on the Subjugation of Party

Dedicated to Major C. H. Douglas

STEP down, step down, you little men,
The wind is riding through the streets again,
Make way for the lordly overmen
And bare your heads.
Let your ranks divide,
Be scattered far and wide,
Your clay return to the Potter's shop again
Under the Potter's hand.

The Shop rejoices in a new design—
A bolder stratagem, a purer line—
Only the clay is wanted to refine—
The Potter calls his medium in again.

Check in and render up your stewardship
Record your service both of heart and lip.
Then leave the Potter free and stand aside
And he will provide, out of your urgent need,

A bowl and pitcher simply planned
To carry all the wealth of all the land,
With a feed-pipe from the secret store of earth
To every living thing.

Check in, you common clay,
Strive how the Potter may
He must await your will
Or turn away.

The Potter's art is wide.

Not his the loss if you deny him now.
Some other clay may hide
The line he seeks to limn:
And while you slyly weigh
And halt and say him nay
His eye may turn, in contemplation far
To the furthest gleaming star,
There to discover, in that alien world
A womb to bear his precious seed to birth,
A race to found another, nobler earth.

McCARTY, Cambridge

PRESS PARS ABOUT ALBERTA

Mr. Aberhart, Premier of Alberta, declared to-day that Alberta would arrange to meet its \$3,200,000 bond maturity on April 1.

He did not, however, give details as to how it would be done. He denied that he had agreed to join the Loan Council.

Mr. Aberhart has suggested that he might make a "token" payment, or that "perhaps the bondholders will appreciate our unfortunate position and receive a new issue of bonds in settlement of the old maturity."

The default was announced to-day by Mr. Aberhart, Premier of the world's first Social Credit Government, who said: "We haven't the money. I'm sorry, but we must default."

Mr. Dunning tabled the correspondence with Mr. Aberhart in the House of Commons here to-day. This indicates that it was Mr. Aberhart's proposal compulsorily to convert part of Alberta's total debt totalling \$160,000,000 (£32,000,000) and the refusal of the Loan Council plan which inspired the Federal decision to permit Alberta to default.

The Alberta Cabinet sat all the morning in a fruitless search to end the default.

"My refusal to lend Alberta another \$3,000,000 'without strings' does not mean that Social Credit is doomed," declared Mr. Dunning. "If Social Credit is sound it will prevail regardless of my action."

"My chief concern is to keep the Dominion's credit 'sweet,' and my attitude towards bankrupt provinces is not dictated by political considerations. Ability to repay, rather than ability to borrow, must be the test applied to future provincial borrowings from the Ottawa Government."

It is interesting to note that Major Douglas advised the Province to pay off last Wednesday's \$3,200,000 maturing debt by announcing that the holders would be allowed a credit equaling 115 per cent. of the face value of their holdings with which to purchase Alberta products.

Mr. Aberhart, £5-a-month Premier of Alberta, is at grips with a crisis in his Social Credit Party. The party forced him to allow Alberta to default on maturing bonds on Wednesday, and he violently disagrees with his supporters about asking Major Douglas to advise him.

Should this acknowledged economic expert [Dr. Schacht] leave his post the German financial and economic position may well crumble.—"Financial Times," March 30.
So Hitler depends on this pro!

Sir John Orr, the nutrition expert, says the diet of nearly half Britain's population is deficient in vitamins. Nearly 5,000,000 can spend only 4s. per week each on food, and 9,000,000 can spend only 6s. each.—"Daily Telegraph," March 12, 1936.

Some Recent Books

"With Dates of 'Social Credit' in Which they were Reviewed

WHY NOT END POVERTY? by the Rev. F. H. Drinkwater (Burns Oates. 3s. 6d.)—S.C. Feb. 28.

SOCIAL CREDIT AND CHRISTIAN IDEALS, by the Rev. John Knowles, B.A. (Figurehead. 1s.)—S.C., Feb. 28.

SOCIAL CREDIT, by A. Hamilton McIntyre, C.A. (William Blackwood. 3d.)—S.C., Feb. 21.

THE REBUILDING OF BRITAIN, by W. Craven Ellis, M.P. (Allen & Unwin. 2s. 6d.)—S.C., Jan. 31.

WALES AND THE WORLD, by the Rev. R. David (Newport: Joyce & Sons. 1s.)—S.C., Jan. 31.

LE NATIONALISME ECONOMIQUE: SES PRINCIPES, by Henri Bouhaben (From SOCIAL CREDIT. 1s.)—S.C., Jan. 31.

THIS LEADS TO WAR, by G. W. L. Day (Figurehead. 1s.)—S.C., Jan. 24.

ECONOMICS? DEVALUATION? OR WHAT? by Count W. G. Serra (Nairobi: Boyd & Co. 50 cents.)—S.C., Jan. 24.

ZAHAROFF THE ARMAMENTS KING, by Robert Neumann (Allen & Unwin. 10s. 6d.)—S.C., Jan. 17.

LIFE AND MONEY, by Eimar O'Duffy, new edition (Putnam. 5s.)—S.C., Jan. 10.

WORLD PRODUCTION AND PRICES, 1925-1934 (Allen & Unwin. 5s.)

THE "NEW ERA" BOOKLETS (The New Era, Sydney. Six Social Credit booklets. 6d. each)—S.C., Dec. 27 and Jan. 3.

FROM DEBT TO PROSPERITY, by J. Crate Larkin (New York: New Economics Press. 25 cents.)—S.C., Dec. 27.

THE DEFEAT OF DEBT, by R. McNair Wilson (Routledge. 6s.)

PRINCIPLES OF ECONOMIC PLANNING, by G. D. H. Cole (Macmillan)—S.C., Dec. 6.

MONEY. THE VIEW OF THREE CENTURIES, compiled by Montgomery Butchart (Stanley Nott. 12s. 6d.)—S.C., Nov. 29.

SCOTTISH JOURNEY, by Edwin Muir (Heinemann. 7s. 6d.)—S.C., Nov. 22.

THE REMEDY FOR THE FARMER'S PLIGHT, by J. Creagh Scott (SOCIAL CREDIT. 3d.)—S.C., Nov. 15.

ECONOMICS FOR EVERYBODY, by Elles Dee (SOCIAL CREDIT. 3d.)—S.C., Nov. 1.

MONEY IN INDUSTRY, by M. Gordon Cumming (C. W. Daniel. 3s. 6d.)—S.C., Oct. 18.

THE STARS LOOK DOWN, by A. J. Cronin (Gollancz. 8s. 6d.)—S.C., Oct. 11.

PROPERTY—ITS SUBSTANCE AND VALUE, by Comte W. G. Serra (Figurehead. 3s.)—S.C., Sept. 27.

FRAUDULENT CONVERSION, by George Lancing (Stanley Paul. 7s. 6d.)—S.C., Sept. 27.

MADE IN JAPAN, by Guenther Stein (Methuen. 7s. 6d.)—S.C., Sept. 6.

Patk. M'Shane, occupier of a labourer's cottage at Lisachrin, applied for a reduction in rent. He had five children and earned 10s. a week. The rent was reduced to 2s.—"Northern Constitution," January 25, 1936.

A girl of 23, about to become a mother, was charged at Marylebone Police Court with stealing clothing from her employer. It was stated that she had stolen so that she might be sent to prison, to have her baby there.—"Daily Express," February 25, 1936.

"We pride ourselves on living in a scientific age, yet we are miserably content to exist most unscientifically, enduring a farcical situation of economic waste and artificial shortage in the midst of plentiful production."—Prof. Julian Huxley, "Daily Telegraph," February 12, 1936.

TO "PUBLICITY," SOCIAL CREDIT,
163A, STRAND, W.C.2.

Send me particulars of the little TASK OF HONOUR referred to overleaf. I want to help.

SEE
STAMP
1/4d.
REVERSE

CUT ROUND THIS BORDER

ACTIVE SERVICE

London Groups

It looks as if North-West London is finding rivals for honours in the Electoral Campaign in the **East London Area**. Campaign workers are going out two or three nights each week, in spite of wifely grumbles. Already they have East Ham North in a very interesting position, and in a few weeks they expect to have seven East London divisions vulnerable.

The Supervisor arranges to meet at different points each week. Workers assemble at these points at 8 p.m. and move off sharply to the streets for two hours canvassing. This enables volunteers to meet them, and readers who are within easy reach of a rendezvous should make a point of joining a working party one evening. The rendezvous is announced by the Supervisor in SOCIAL CREDIT—a little practical experience is worth any amount of opinions.

The rate of collection is under five minutes per signature, and another ten workers are required in order to bring the weekly total of signatures to 1,000. Are London readers going to be laughed at in Liverpool and Newcastle? It is up to Londoners to set the pace for the whole country, and we want every Social Crediter to make it a point of honour to get this job done, not because we like doing it, but because it is our duty and because Major Douglas has asked that it shall come before everything else.

While others talk, and having talked, talk on, the **North-West London Area** is getting workers, and also getting a move on. This group was started by Mrs. E. B. Taylor, who got four or five others together. There are now 40 workers, and only about five know anything about Social Credit. The remainder don't know, and aren't specially interested—

but they want to get National Dividends, and they want Poverty ended. That is what interests them and they intend that pressure shall be applied to the Government without delay. They see in the Electoral Campaign the machine which will bring that pressure to bear. If all "followers" of Douglas had followed from the start after the Buxton Speech, the job would have been done by now!

Another 1,107 pledges have been collected by **Newcastle**, and others sending in reports include **Rotherham**, where the rate of collection is one every six minutes. **Richmond, Surrey**, sends in the total number collected, but totals are not published for obvious reasons. **Fulham Group** collected signatures last week at a rate of one every eight minutes. This may be a bit slow, but it would be quicker if more people helped by working in the Campaign. A lone wolf in **Bedford** is pegging away, and setting an example for others to emulate. It is thus that groups are formed, and individual workers are only the pioneers and scouts. We want more of them. T.H.S.

Hastings Group

The group is young and is having lectures and discussions to try to get workers for the Electoral Campaign. The membership is increasing.

The Supervisor of Propaganda has succeeded in getting reports of all meetings into the local press, and has a promise from one editor that all correspondence on Social Credit shall be allowed fair play.

It is expected to increase the circulation of SOCIAL CREDIT by at least twice and probably four times its present circulation in this town. A.J.M.

SOCIAL CREDIT and the Electoral Campaign

NOT many persons, asked what they want more than anything else, will at once reply that it is **freedom to go their own way**; but, on the other hand, there is practically nobody who will deny that that is what he or she wants. Those who are doubtful, those whose life has been so hemmed in that the meaning of freedom conveys little to them, will, nevertheless, almost unanimously agree that the first step towards freedom, namely, a larger personal income with complete security, is the thing they most immediately and urgently desire.

It is a potent though not a very surprising fact that there is this one matter upon which almost complete unanimity prevails. **The will of the people is unanimous in the desire for an adequate and secure personal income to enable them to buy the goods and services that would give them more joy and greater freedom in life.**

The goods and services necessary to give joy and freedom are available in abundance—probably for the first time in the history of man, thanks to man's ingenuity and industry in harnessing the unlimited sources of energy in nature to machines. The ability to produce abundance is due to Social Credit. The credit of a society is that which the various individuals in that society believe that, in association, they are able to produce. This credit is properly called Social Credit, and when society is civilised and industrialised as ours is to-day Social Credit is virtually unlimited in its power to produce. Therefore, the unanimous will of the people for means to enjoy abundance can be fulfilled—the real, the physical means are there.

The Electoral Campaign for National Dividends—that is, for personal incomes to buy all they want of the output of Social Credit—is designed to **awaken the people to the facts that they need no longer suffer poverty, and that they can, by expressing their will for it, have abundance.** It further seeks to demonstrate that poverty suffered unnecessarily when abundance is possible is the responsibility of each person. It is indeed designed mainly to awaken the people to the fact of their individual responsibility and of their power.

The people are the supreme and sovereign power in a state, and each person has a responsibility to exercise that power for the common good, which is the good of each individual comprising society. If the people allow that sovereign power to be exercised by a section of themselves, whether political parties or vested interests, they are responsible, and when that section is allowed to exercise sovereign power to the detriment of society as a whole and the misery of the individuals comprising that society, it is **THE PEOPLE** who are responsible.

To awaken the people to a sense of their responsibility is no easy task, and the awakening cannot be expected to take place in a flash. The first stages consist in obtaining from each responsible individual, i.e., the Parliamentary elector, a declaration that he or she demands not merely the abolition of poverty but the issue of National Dividends. It is further necessary that the electors should sign an agreement to **vote for those Parliamentary candidates who undertake to represent them in their expressed demand.** In order to get the widest possible response, it is **necessary to adhere rigidly to the known unanimity of the people** and to avoid anything likely to break that unanimity, or divert the attention of the people to side issues. So long as the attention of the people can be concentrated on these two things, on this unanimous demand for certain results, namely, the abolition of poverty and the issue of National Dividends, so long will progress towards the achievement of that result be most rapid.

It thus follows at once that any discussion of methods of achieving the desired result—which, under present-day conditions, is a possible result—must tend to retard progress towards that result by diverting attention to an irrelevant subject. It is not the concern of the people, nor are people interested in, nor technically competent, to *judge of the method* of producing the result they all want. It is vitally important, however, that they should be in a position to *judge of the result*; and there can be no doubt at all that the people are competent to judge whether or not the result they demand is produced.

Immediately the question of methods is raised, everybody who has a plan, good or bad, wants to push his own pet theory, and the result is Babel and dissension, and as it is unanimity that is most necessary for rapid progress, so it is vitally necessary that nothing shall be done or said to disturb that unanimity.

Those who are interested in methods are,

S.O.S.

Remember Your Paving Stones!

We hope that all groups are already hard at work collecting their share of paving stones for our Road to Freedom.

A Competition for Our Readers

Prize of Three Guineas!

Several Prizes of Five Shillings

The High Road to Freedom is now in course of construction. Volunteers are wanted to assist in road-making operations, by suggesting ways by which a Group could raise, in three months, £100 for the purchase of paving-stones. **The sender of every suggestion published will be given a preliminary award of 5s.**

Group Revenue Supervisors are asked to test these suggestions, and at the end of three months to report on the results secured by their adoption. **The author of the suggestion which is shown to have raised the largest sum of money will be given a further award of three guineas, or, alternatively, books to this value, chosen from the list published in SOCIAL CREDIT.**

Competitors are asked to make their letters as brief as possible. Any method which can be stigmatised as gambling cannot be considered. The Editor's decision will be final. Every letter submitted must be accompanied by the coupon printed hereunder, together with a 6d. postal order, crossed, and made payable to the Social Credit Secretariat Limited, 163A Strand, London, W.C.2.

Coupon No. 2

Name

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Date

No. of postal order

SECRETARIAT NOTICES

Campaign Speaker Available for E. Midland and N.E. Counties.—We have pleasure in announcing that Mr. J. M. Ryan is prepared to speak on the Electoral Campaign. His business engagements carry him on a tour of Lincolnshire, Yorkshire, Durham and Northumberland. Groups wishing to make use of his services are invited to apply through the United Democrats, 163A, Strand, London, W.C.2. His itinerary is as follows:—

Leeds, Bradford, Halifax, etc.: weeks beginning April 13, 20, and 27.

Newcastle, Sunderland, Tyneside: weeks beginning May 4 and 11.

Sheffield, Barnsley, etc.: weeks beginning May 18 and 25.

Scarborough and Bridlington: week beginning June 1.

Hull: week beginning June 8.

Grimsby, Lincoln, etc.: week beginning June 15.

Other parts of Lincolnshire: week beginning June 22.

Middlesbrough, Stockton, Redcar, Hartlepool, Darlington: week beginning June 29.

Grocery and Provision Trades.—Readers engaged in or connected with these trades are requested to communicate with the Department of External Relations of the Social Credit Secretariat in order to assist in supporting certain remarks of Lord Linlithgow, reported in the *Grocers' Gazette* on February 29. (See editorial comment on page 66.) Correspondence has appeared in subsequent issues, and also articles in the *Fingerpost*, organ of the Scottish Grocers' Federation. Please mark letters S.R.N.

The Dean's Letter.—The Dean of Canterbury's Campaign to End Poverty has been compelled to raise the price of the combined letter and pledge form to 7s. 6d. a 1,000, owing to higher printing cost.

READ THAT NOTICE

in the opposite column addressed to every reader.

Then fill in the form overleaf and send it to the address shown.

Your little task is waiting here for you.

of course, at liberty to study methods and to discuss them. It must, however, never be forgotten for a moment that the first and essential step is to get as many people as possible to **realise their responsibility and their power**, so that they will volunteer to work in the Electoral Campaign, and, when it is understood that this is the business of the Electoral Campaign, the tremendous responsibility of its directors may be understood. Accompanying that responsibility, is a task of very hard and anxious work for which loyal support is essential. N.N.

The Buggins Family Think It Over

(With acknowledgments to Mabel Constanduros.)

Mrs. Buggins: "There's a young man 'ere wants you to sign a form in favour of National Dividends."

Grandma: "Natural what?"

Mrs. Buggins: "No, grandma, *National*—National Dividends."

Grandma: "Never 'eard of 'em. I don't want any."

Mrs. Buggins: "It's money, grandma."

Grandma: "Money? Why didn't you say so? Give me the paper, young man. When do I get the money?"

Canvasser: "As soon as the majority of people say they want it."

Grandma: "Do you mean to tell me the majority of people don't want money?"

Canvasser: "Well, they want it for themselves all right, but some of them don't want others to have it unless they work for it."

Grandma: "Thought we'd got two million unemployed. How can they work for it?"

Mrs. Buggins: "He's quite right. Some people think you ought not to have anything if you don't work for it."

Grandma: "Bet they never refused any money what they 'ad left 'em."

Mr. Buggins: "You don't understand, grandma. They think you ought to prove you're worth the money."

Grandma: "Mrs. Plinket couldn't prove she was worth an old age pension, I know."

Mr. Buggins: "Unearned money destroys the character."

Grandma: "The toffs 'aven't lost their character, 'ave they?"

Mr. Buggins: "The toffs is inoculated to it like. They're used to money. A Dividend don't hurt them."

Grandma: "I'll soon get used to it all right. I'll see that it don't hurt me. 'Ere, young man, wots the idea? Wot are you going to give me the money for?"

YOUR M.P. IS YOUR SERVANT— USE HIM

Canvasser: "Well, the idea is to buy the surplus goods."

Grandma: "Superfluous goods?"

Canvasser: "Yes, the goods they restrict or destroy to-day."

Grandma: "What do they destroy 'em for?"

Mr. Buggins: "Why, to keep up prices."

Mrs. Buggins: "This young man says we want a National Dividend, so that we can all buy the surplus goods."

Grandma: "All right. I understand. I'll sign. Give me the paper."

Mr. Buggins: "Steady on, grandma. This is where it pays to be educated. It's inflation. That's what it is. It'll put up prices."

Grandma: "Inflation! Your 'ead's got inflation. Just now you said they wanted to put up prices. That's wot they're destroying goods for, ain't it?"

Mr. Buggins: "That's right. Seems silly when you come to think of it. They're afraid of people having more money because it will put up prices, so they destroy the goods to put up prices. Don't seem straight when you come to think of it."

Canvasser: "If you sign this form you'll be telling them not to let prices go up. And every vote counts."

Mr. Buggins: "Ere, let's all sign. The National Dividend is a lot saner than this artificial scarcity racket."

Grandma: "Tell Mrs. Plinket if 'er dividend's going to 'urt 'er, she can pass it on to me."

E. LIDDALL ARMITAGE

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 which 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 — volunteer NOW for the TASK OF HONOUR — contribute freely and willingly a little time and effort towards laying the foundations of the SOCIAL CREDIT STATE in which the rule of fear and want will be banished for ever.

Don't delay—fill in your name and address overleaf, fix a ½d. stamp, cut out and post in an unsealed envelope bearing ½d. stamp to "PUBLICITY," SOCIAL CREDIT, 163A, STRAND, W.C.2.

CORRESPONDENCE

Starting at the Circumference

Please forward to me at the above address as many copies of SOCIAL CREDIT (of past numbers) as you can for 3s. 6d. Indeed I am of the opinion that wise distribution to those who cannot buy them will do good. Here is a reader's list for your consideration. Casual wards. These men are hungry for good reading and can't afford it. But they are some of the few left who have time to read and think. Unemployed waiting in long lines outside labour bureaux every week with oceans of time to think and to some purpose. Intellectuals with money read *too much* and just get a headache. Scholars, thinkers, etc., are immersed in literature. Pubs, hospitals, prisons, asylums, workhouses, casuals, unemployed, policemen, doctors' and dentists' waiting rooms. These are some of the chances of individual thinking left.

Salcombe EDWARD G. WEST

How to Buy British

A few days after my recent meeting at Sidmouth, on behalf of the Electoral Campaign, I was asked by a man in Exeter who thought he was an antagonist, because he knew nothing about it, of course, "Have you been painting Sidmouth red?" I replied, "No! True Blue. I have been inviting them to 'buy British' and to demand the National Dividend, without which it cannot be done."

Keep at it, Electoral Campaigners. A few more crow-bars will get it into the heads of the people that you cannot "buy British" without money.

Okehampton J. CREAGH SCOTT

"Adopt" a Clergyman

I have often thought that if we could convert the clergy (of every sect) to Social Credit, and have them disseminate it from their pulpits continuously, we would soon have sufficient people awakened to sweep the polls at the next election.

To this end I suggest that each Social Creditor "adopt" his or her clergyman, send him his or her copy of SOCIAL CREDIT each week after perusal, underlining every special juicy bit to make him squirm.

I have already "adopted" mine.

Glasgow, S.E. JOHN SMITH
[Clergymen are not financial experts, so in this connection keep in mind that Social Credit is the belief of the people that, in association, they can get what they want.—Ed.]

Press Pressure

Mr. Buffham's letter in your issue of March 13 prompts me to say that the *Glasgow Herald* admitted at least two very long series of letters on the general subject, one of which allowed of an excellent summing up by H.M.M.

These ran in 1929 and 1931 and were of very great educational service, but I fear ministered largely to a desire for mere arguments and polemical writing much in evidence on this side of the Tweed. I formed this opinion on the basis of discussions with my non-Social Credit colleagues and friends who merely enjoyed the arguments and went no further.

I agree our press letters require now to be designed on the *effective demand* principle and efforts should be made to overcome the benightedness of the Labour press especially.

Certainly boycott papers hostile to Social Credit, but see to it that they are made aware of the reason.

Carmyle CHARLES H. WRIGHT

COTTAGE FUND

to April 6, 1936

All friends and supporters are reminded that the Cottage Fund is still open. The splendid lead given by Miss McCallum ought not to require a lot of urging to follow. We need funds to carry on the fight. We reach 10,000 readers at least every week, mainly by the voluntary work of a few. Do not let them go unsupported. Give us what you can so that the good work can go on.

| | £ | s. | d. |
|--------------------------------|-----|----|----|
| Amount previously acknowledged | 25 | 18 | 0 |
| Walmley | 1 | 0 | 0 |
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| Hard-Up | 1 | 0 | 0 |
| X.Y.Z. | 1 | 0 | 0 |
| Anon. | 20 | 0 | 0 |
| | £49 | 0 | 0 |

No Poverty

Conversation between Social Creditor and Bank Manager.

S.C.—What do you think of Social Credit?
B.M.—A crank's idea.

S.C.—But you agree that there is poverty in the country while food is being destroyed?

B.M.—There is no real poverty anywhere.

S.C.—How do you account for that, in view of the evidence of doctors and others?

B.M.—Well—they can always beg a crust of bread, so how can there be poverty?

Rubery A. H. BUFFHAM

The Limit

Your readers should notice this extract from a leader in the *Coal Merchant and Shipper* of February—only just got into my hands. But note the iniquity of the sentence italicised by me!

As for the question of the source from which the money for the increased wages has actually come—where do the critics of the owners in this matter suppose that the money for any wages comes from? As we have said over and over again, it is not, in the last analysis, the owners who pay the wages but the coal. Demonstrably, the owners, as a whole, were not getting anything out of the industry and therefore had nothing to give. In many districts wages were already getting 100 per cent. or more of the divisible proceeds; and as was recently pointed out by Mr. Philip Gee, any balance of the proceeds from sales that was left over after payment of wages and costs other than wages has been absorbed by interest on borrowed money (debentures and overdrafts, not owners' or shareholders' capital). *Extremists may snort at the claims of mere lenders of money, but unless that interest had been paid the undertakings by whom it was owing would have gone bankrupt and been closed down.*

Isle of Wight C. JONES

[In other words if the banker's claim is contested, banks will sit in judgment, and carry out the sentence; so extremists had better beware of snorting.—Ed.]

A Tax By Any Other Name . . .

Frequently, mention is made in your magazine, of "rates and taxes." "Rates" is a word we do not use in connection with taxes. My dictionary defines it as (Gt. Brit.) a tax assessed on property for local purposes, as distinguished from a tax to the sovereign.

I believe it would be of interest to your readers in the United States if you defined the difference in more detail. Over here, we use three words for the monies collected from the general public for governmental purposes. "Duty" is that collected on imports. "Tax" and "License" are not so clear. "License" is generally a fixed amount as for a privately owned passenger car (in California) and while it is a fixed amount for a dog, it is called a "Tax" as often as a "License."

Income tax, gasoline tax, property tax, etc., are according to some variable value. Licenses for businesses vary, sometimes as to the type of business and sometimes as to the volume of turnover, and then there are "Permits" for new buildings and other construction. Some are purely revenue measures and some are supposed to be regulatory. Do not state that these apply to all our states for they vary greatly, just as do our other laws and regulations.

California BERNARD ROWNTREE

[Yes. Like a rose you do not alter the smell of a tax by calling it a rate, which is the name for a tax collected by a local administrative body as distinct from the national administration. Like bad smells taxes, whatever name disguises them, should be traced to their source and abolished.—Ed.]

THE DEBT INDUSTRY

Mr. R. G. Hawtrey, of the British Treasury, in the "Art of Central Banking," says:—

"When a bank lends, it creates credit. Against the advance which it enters amongst its assets, there is a deposit entered in its liabilities. *But other lenders have not this mystical power of creating the means of payment out of nothing. What they lend must be money that they have acquired through their economic activities.*"

Money

The hidden truth of finance know,
Of money flowing to and fro,
The Banking System's very own;
All you have now is still a loan.

It never gives, but only lends
Tokens, on which man most depends
For life, and spends; sly money prank,
Return ensuring to a bank.

World-wide rule is the System's aim,
Wealth of the gifts of man to claim,
Doomed to work for it alone,
For money he may never own.


COOLABAH

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The sharpest blade you can use
and only a penny each — or six
in a packet for sixpence.

KLEEN BLADES

FIT ALL 3-PEG HOLDERS



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Fellow "Social Crediters,"

Will you please compare the prices of these cars with anything offering elsewhere. It is in your own interest to do so:—

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- 1926 Rolls Royce 20 h.p. Fabric Saloon, 4 speeds, 2 spare wheels, £195.
- 1934 Bentley 3½ litre Park Ward Saloon, £925.
- 1933 Austin 20 h.p. Whitehall Saloon, £125.
- 1934 Austin 16 h.p. heavy, Saloon de Luxe, £140.
- 1929 Austin 16 h.p. Saloon, 13,000 miles only, £40.
- 1935 Austin 12¼ Ascot Saloon de Luxe, 6,000 miles, £130.
- 1934 Riley 12¼ Mentone Saloon Preselector, excellent car, £150.
- 1934 Daimler 15 h.p. Saloon, perfect car, £195.

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Roll of Honour

The following have reported their
Task of Honour completed

- 35. A. BULLOCK New Zealand
- 36. J. McCREA Belfast
- 37. R. BURNS Newcastle-on-Tyne
- 38. Dr. N. L. JOYNT London, N.W.
- 39. C. HOLLANDS Hastings

Erratum: The name Mrs. M. Mitchell which appeared on the Roll as No. 30 should read Mrs. Wm. Mitchell.

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START TO-DAY!

THE Electoral System has not yet been made *useless* in the hands of British men and women as an instrument of political democracy. But the time in which they may so use it may well be short.—"YOU and Parliament," by Dr. Tudor Jones.

We need MORE readers—MORE sales!

EXPAND THE CIRCULATION OF "SOCIAL CREDIT"

The new battalions of Campaign workers can be raised only if its existence—and the reason for its existence—is continually being brought to the attention of New readers!

Propagating SOCIAL CREDIT is quite a different matter from theorising about technicalities.

VOLUNTEER FOR THE TASK OF HONOUR TO-DAY

FORM ON PAGE 69

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, April 27, at 8 p.m. Mr. D. H. Smart will speak on "New Testament Philosophy and Social Credit."
Chairman: Mr. P. D. Pratt.

Liverpool Social Credit Association

Meetings held in Reece's Café, 14, Castle Street, first Friday each month, 7.45 p.m.
Hon. Sec.: Miss D. M. Roberts, "Fern Lee," Halewood Road, Gateacre, Liverpool.

East London Democrats

Campaigners meet Leyton Midland Station, April 15 and 17, at 8 p.m.

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.

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Furnished cottage with lounge hall, living room, kitchenette, two bedrooms (3 beds and bed-settee); Bournemouth Pavilion, etc., 20 minutes by 'bus; close to golf links. Woodland and moorland walks nearby. Full particulars and photo on receipt of stamped addressed envelope to Miss McCallum, The Cottage, West Parley, Wimborne. Terms: Easter to end of June, 35s. weekly; July to September, 2½ guineas weekly, payable to the Secretariat, as a contribution to the funds from the owner.

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"SOME MUTE INGLORIOUS DOUGLAS—"?

In 1820 five men were sentenced to death for trying to blow up the Cabinet.

This was the Cato Street Conspiracy. One of the accused said that he confessed the plan was disgraceful and inhuman, but, "His Majesty's Ministers conspire together and impose laws to starve me and my family and fellow-countrymen. . . . I do not see that it is so bad as starvation, my Lord." He meant sudden death by assassination.

The King's Evidence, Robert Adams, deposed that

"an attack was to be made on the Bank. The funds were to be removed, but the books were not to be destroyed, as they would enable them to SEE FURTHER INTO THE VILLAINY PRACTISED ON THE COUNTRY FOR YEARS PAST."

After the execution "the ceremony of decapitation provoked a lively expression of horror and disgust from the assembled multitude"; and the writer goes on to say that many troops were needed to keep order.

The finest banking system in the world!—Culled from George Borrow's "Celebrated Trials."

ELECTORS!

BLAME YOURSELF:

WHEN expectant mothers get too little food, and little children starve midst plenty (while governments are mad)—yet **YOU** don't act.

When food and goods are deliberately restricted and destroyed (with the connivance of mad governments)—while **YOU** don't protest.

When avoidable bankruptcies and suicides increase year by year (because governments are mad)—through **YOUR** silent consent.

A GOVERNMENT IS MAD:

WHEN it is a body without a soul—for which **YOU** have responsibility.

When it is without intelligent direction—and the responsibility is with **YOU**.

When it is the catspaw of interests at variance with those of the electors—and **YOU** don't veto this.

YOU HAVE RESPONSIBILITY:

BECAUSE Great Britain is a democracy and **YOU** are an elector.

Because electors should demand results and **YOU** don't.

Because electors ought to vote **CLEARLY** for the things they want, and **YOU** don't.

YOU MUST ACT:

BECAUSE by **ACTING** unitedly with others you could have things put right.

Because through concerted **ACTION** with others there is a precise, infallible way to abolish poverty for ever.

Because by **ACTING** with others you can win real freedom for yourself and for everybody.

Undeniable proof of all the above, point by point, is contained in

"HOW TO GET WHAT YOU WANT"

By G. W. L. Day and G. F. Powell

Price 2d.

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DEMAND RESULTS

If only 5,000 canvassers in the British Isles were each to work one hour per week at the Electoral Campaign and only ten signatures per man were obtained, this would equal 50,000 signatures a week, 200,000 a month, or 2,400,000 a year. If only all the rank and file of the Social Credit Movement would demand of their leaders action in the Electoral Campaign, what a tale we would have to tell at the end of twelve months!

A National Dividend is money to buy the things that are being destroyed, and the production that is restricted.

The Rubaiyat of Ah Nah Siam

Now, the New Year reviving old Desires,
The hapless People front the Sunset's Fires,

Where the Red Hand of Finance in the Sky
Points to their Wealth heaped up in Funeral Pyres.

Over a million pigs in Denmark burned!
To Earth again the Cotton Crop is turned!
They're clubbing Calves throughout the Argentine!

It is so **WRONG** to **EAT** till you have Earned.

Look to the Bankers round about us—Lo!
Laughing into the Cotton Trade they go
And bash ten million Spindles into Dust.
("ere Missis, mend my Shirt so it won't show!")
A.G.S.

ELECTORAL CAMPAIGN

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

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WITH NATIONAL DIVIDENDS

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