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FOR POLITICAL AND ECONOMIC REALISM

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"I DO NOT BELIEVE THE EFFORT OF ALL THESE YEARS WILL BE WASTED."

Major Douglas in his speech at Westminster on March 7th, 1936.

"I cannot see, short of the intervention of a higher power, any human possibility of avoiding another great world conflagration. Whether any considerable proportion of civilisation will survive only time will show, but I am confident of this, that what survives of the world after the next war, will reach a state either in which there will be no monetary system at all, or one that has been radically reformed in our favour.

"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."

NEWS WITHOUT COMMENT

At eleven o'clock on the morning of Sunday, September 3rd, Britain was at war with Germany.

A British note presented at Berlin at 9 a.m., gave the German Government two hours in which to undertake to withdraw their troops from Poland.

In the reply that was received later the German Government said:

"The Reich Government and the German nation, refuse to accept or even to satisfy demands in the form of an

ultimatum from the British Government . . ."

The British Government, it said, had wrecked all chances of a peaceful settlement and the only solution now to the problem (which to them, is one of ill-treatment of German populations by Poles) was by force.

"We shall, therefore, answer any British aggression with like arms and in a like way."

His Majesty King George VI., broadcasting on Sunday, said in his speech:

"We have been forced into a conflict. For we are called, with our Allies, to meet the challenge of a principle which, if it were to prevail, would be fatal to any civilised order in the world."

A War Cabinet of nine has been set up on the lines of that established in December, 1916. It was announced from No. 10, Downing Street that the King had approved its constitution as follows:

Prime Minister and First Lord of the

Treasury: Mr. Neville Chamberlain.
Chancellor of the Exchequer: Sir John Simon.

Secretary of State for Foreign Affairs: Viscount Halifax.

Minister for Co-ordination of Defence: Adml. of the Fleet Lord Chatfield.

First Lord of the Admiralty: Mr. Winston Churchill.

Secretary of State for War: Mr. Leslie Hore-Belisha.

Secretary of State for Air: Sir Kingsley Wood.

Lord Privy Seal: Sir Samuel Hoare.

Minister Without Portfolio: Lord Hankey.

Later it was announced from Downing-street that the King's approval had also been given to the following appointments of Ministers not in the War Cabinet:

Lord President of the Council:

Earl Stanhope (formerly First Lord of the Admiralty).

Lord Chancellor: Sir Thomas Inskip

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(formerly Dominion Secretary).

Secretary of State for the Home Department and Air Minister of Home Security: Sir John Anderson (formerly Lord Privy Seal).

Secretary of State for Dominion Affairs: Mr. Anthony Eden.

Mr. Eden is to have special access to the Cabinet so as to be able to maintain contact between it and the Dominions.

“... under the Currency Defence Bill which was passed by Parliament last night, power is provided to make postal orders and certain banknotes legal tender if there should be a shortage.

“Under the same Bill authority was granted for the removal of the present limit of £550 millions to the borrowing power of the Exchange Equalization account. The spending power of the Government under the provisions of this year's Budget were also supplemented last night by £500 millions. Both these measures, of course, follow automatically from the new commitments which must now be envisaged for the 'defence of the realm.' Sir John Simon explained that the powers were emergency powers: they could not be taken as a guide to future financial policy, either in respect of the exchanges or of the Government's borrowing programme.”

—“*The Times*”, September 2, 1939.

The Minister of Supply, Mr. L. Burgin, has taken over the control of a number of supplies. Chief among the raw materials the supply and price of which will be regulated are timber, wool, hides, skins and leather, paper, jute and hemp.

Canada, Australia and New Zealand have also declared war on Germany.

Jewish Reactions

The Jewish Agency and the Vaad Leumi have announced that “Britain's war against Nazi Germany is our battle.” Registration has begun of volunteer Jews and Jewesses aged 18 to 50 for national service in the first place to the Jewish community, and secondly to serve in the British Army in Palestine in any way they may be called on.

Hundreds of refugee domestic workers in London have been thrown out

of employment by the evacuation and mobilisation. Numbers of them have at once found situations in households where English maids have been called up for emergency duties. Others are being placed in the provinces, and temporary homes are being found for those who cannot get work.

In France

A decree promulgated in Paris on September 4th, imposes the death penalty for the looting of premises evacuated by occupants.

Twenty-franc silver alloy, 10f. silver alloy, and 5f. nickel pieces have been withdrawn from circulation and notes have been substituted.

The Price Control Committee has issued a warning that all abnormal increases of price will be vigorously repressed. In the south-east six alien shopkeepers were expelled for putting up prices.

The censor has decided that French newspapers must no longer publish weather forecasts. All except seven omnibus services within Paris have now been suspended. The Metropolitan railway is maintaining a general but curtailed service.

Nazi Medal

The Nazi medal designed for wear at the Nuremberg Congress appears, according to the photograph published in the *Sunday Express* of August 27th, to incorporate the Jewish Emblem of the Holy Snake.

The theme of the Congress was to have been Peace.

Song on a Tram

“An old fashioned house,
In an old fashioned square” . . .
warbled the man in the Bowler Hat huskily.

It was very dark inside the tram, but outside there was bright starlight, and his hat swelled majestically against the window. There were only four passengers downstairs, and of these the visible signs were a couple of nodding plumes up by the driver's end, the bowler hat, and, under the stronger blue light from the conductor's lobby, a militiaman in full khaki.

The tram wound its interminable way into the town through miles of blackened out silent houses. At each

stop a waiting traveller peered up at its number and withdrew to wait patiently again.

Bowler hat could not surmount the third line of his ditty.

“You, young man,” he said turning to the militiaman, “Do you sing?”

This address direct was greeted with a shocked silence; and then in a restrained voice the young man said politely: “A little,—sometimes.”

“And pray what do you sing?” inquired the Bowler Hat jovially, beating out to himself the rhythm of the ‘Old Fashioned House.’

The young man was quite audibly embarrassed.

“Baritone, tenor, bass . . . ? Now surely, bass?”

“Oh, I see what you mean. Oh, just what comes . . . Ah, this is my tram stop.” He descended smartly and was swallowed up by the greater gloom. Bowler Hat, waiting for three seconds, then bellowed at the top of his voice, “Good-night, young man,” and leaned back with the pleased air of a child who thinks he has been clever.

From the other end of the tram one Ostrich Plume said to the other: “. . . and they took Ronnie off yesterday. Well, what I say is, I hopes they treats him well. I'll give 'em what for if they don't.”

“What time are we due at Pier Head?” Bowler Hat asked the conductor, “We'll be grey haired at this rate.”

“. . . and they say that them bombs they dropped on Poland had rays in them,” finished the second ostrich plume triumphantly.

“We're due when we get there.” The driver suprisingly joined in the conversation as he leaned on the controls and handles.

One Ostrich Plume emitted a shrill laugh and transmitted this again to Bowler Hat.

“Ho! He says when we get there!” “Come on ladies, let's have a song, then,” coaxed Bowler Hat, “Just to while away the time. All together now, on Tipperary . . .”

The driver remarked that this was enough to ruin your eyes anyway, and he wasn't going to join in any blank sing-song.

“Hoo! He says he's got business to attend to,” translated Ostrich Plume again, humorously.

Bowler Hat grunted and gave it up.

OUR INTERESTS IN CHINA

The modification of Japan's attitude to Britain following the Russian-German Pact does not necessarily solve the question of anti-British feeling in the Far East.

"Our interests in China."

This phrase can of late be heard and read with increasing frequency. Like so many other phrases designed to mislead, the clue to the real facts is exposed by the blunt if ungrammatical question: "Who's we"? A generalised answer to this question is that "we" are a few investors, mainly the "City". It looks as if anti-Japanese and alleged pro-Chinese propaganda was being gradually encouraged, it is just as well to be clear on the facts and arguments. For instance recently the editor of a technical weekly wrote that no one in Europe would object to a nice war in the Far East in protection of British interests.

It has been stated that the amount of "British" investments in the coastal areas of China is about 60 million pounds Sterling. The World War cost this country about £9,000 M, so it would be very optimistic to put the cost of an Anglo-Japanese war at less than £200 million, if pressed to a reasonably effective conclusion and ignoring European repercussions. The British reputation for hard headedness and a capacity for calm businesslike cal-

culcation must be ill-founded if they are prepared to spend several times over the amount of what is at stake. It must of course not be overlooked that the people and institutions whose investments are threatened are not the people who will either fight or bear the cost of a war. The latter are the public as a whole and it is to mislead these, that present and future propaganda is designed for.

There is also another aspect and that relates to the British nationals whose living is in the Far East and whose very lives are threatened. That is an aspect which makes calm reasoning difficult. It has made even the Premier's blood boil. That however is no reason for any hasty or ill-considered action such as City interests would like to involve us in. Extra-territorial rights in China have always been an anomaly and a violation of Chinese sovereignty. In this country we do not tolerate the presence of undesirable aliens. If British citizens expect to remain in a foreign country, they must first assure themselves that they are really welcome. As a nation we have no concern in the problem confronting the Chinese, which is whether they are to be exploited by

Japanese or by Chinese financiers or not at all. The nationals in our own country happen to have their hands full in this respect already. If British citizens choose to live in a foreign country they must conform to the laws and wishes of those foreign peoples. So long as they are doing a useful job of work—useful from the point of view of their hosts—they will be welcome. If not, then their presence is inexcusable. When there is a change of sovereignty, as has occurred in the new Japanese controlled areas of China, the answer to the question of being welcome or not, can undergo complete reversal. So far as those areas of China are concerned that are not colonies in the British Empire, it is plain that British citizens should withdraw, even if only to avoid incidents which might involve the Empire. As for the colonies, such as Hong Kong, the question is more involved, but abandonment or a war to retain them must depend on the question as to what value those colonies are to the people of Britain apart from the investments made in them by the City. Even here the answer is simple if we believe those who maintain that those colonies, far from being assets, are actually liabilities.

MONETARY POLICY OF ABRAHAM LINCOLN

(With acknowledgements to 'Money').

Here is an abstract of Lincoln's Monetary Policy from page 91 of Senate Document No. 23 certified as correct by the Legislative Reference Service of the Library of Congress:

"Money is the creature of law and the creation of the original issue of money should be maintained as an *exclusive monopoly of National Government.*

"Money possesses no value to the state other than given to it by circulation.

"Capital has its proper place and is entitled to every protection. The wages of men should be recognized in the structure of and in the social order as more important than the wages of money.

"No duty is more imperative on the Government than the duty it owes the people to furnish them with a sound and uniform currency, and of regulating the circulation of the medium of exchange so that labour will be protected from a

vicious currency, and commerce will be facilitated by cheap and safe exchange.

"The available supply of gold and silver being wholly inadequate to permit the issuance of coins of intrinsic value or paper currency convertible into coin in the volume required to serve the needs of the people, some other basis for the issue of currency must be developed, and some means other than that of convertibility into coin must be developed to prevent undue fluctuations in the value of paper currency or any other substitute for money of intrinsic value that may come into use.

"The monetary needs of increasing numbers of people advancing toward higher standards of living can and should be met by the Government. Such needs can be served by the issue of national currency and credit through the operation of a national banking system. The circulation of a medium of exchange issued and backed by the Government

can be properly regulated and redundancy of issue avoided by withdrawing from circulation such amounts as may be necessary by taxation, redeposit and otherwise. Government has the power to regulate the currency and credit of the Nation.

"Government should stand behind its currency and credit and the bank deposits of the Nation. No individual should suffer a loss of money through depreciated or inflated currency or bank bankruptcy.

"Government possessing the power to create and issue currency and credit as money and enjoying the power to withdraw both currency and credit from circulation by taxation and otherwise, need not and should *not* borrow capital *at interest as the means of financing governmental work and public enterprise.* The Government should create, issue and circulate all the currency and credit

(continued on page 8)

THE SOCIAL CREDITER

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SATURDAY, SEPTEMBER 9th, 1939.

12, LORD STREET,
LIVERPOOL, 2.

HOW FAR SHALL I GO?

The War for World Revolution has begun. What we may expect in the nearer future is embodied in an important article which has not reached us in time for publication in this issue.

We wish to all men safe conduct, and hope of deliverance through Douglas.

Britain is fighting Hitler; and, for Britons, Hitler is the incarnation of a false notion of human society, the notion that men exist for the state.

If Britain wage this war undeviatingly, incorruptibly and with all her strength and her courage, a right order of society will be nearer. We shall be asked, and we ask ourselves: "Can, then, the wrong means produce the right end?" The answer is, NO: it is not by Britain's necessary opposing of the Nation's force to a dictator's will that the end will come, but through the operation of realities which the circumstances of the time so monstrously distort.

It will not be WAR that produces the end desired (we believe) by every Briton and by every German; but the capacity of them all *not* to deviate: to resist corruption, to grow in strength and to have courage. The night is not the star.

There are two wars in progress to-day, and the greater one is between Peacemakers and Warmakers.

It is this war between Peacemakers and Warmakers in which we are so definitely and inalienably enlisted.

Men around us are more or less consciously making up their minds about that last thing that men discover—themselves. It is, of course, a vastly different thing to make up one's mind about one's-self and to discover that one's mind has been (in the main) right about it. The theme has been staged with genius in Conrad's *Lord Jim*. But "Tuan Jim" would never have suffered

the knowledge of error in this vital matter of himself, if he had not first 'made up his mind.' The making-up of his mind about the vital matter of what the heart and core of Jim really were was a great imaginative exploit. Jim ennobled his *mind* (by making it up so grandly); but the 'make-up' was—make-up, and in the real Jim was something which wouldn't quite stand up to the paint.

Douglas has told us in past days, what millions may discover only too soon, that the security of three, four, five—or fifty-five (whatever it is)—hundreds of pounds per annum is very small-beer side-by-side with the loss of individual freedom. That was realism. He has also told us (was this realism too; or was it tolerance?)—that if a man throws away his livelihood he throws away a great part of his usefulness in our war.

In the way of self-knowledge it is idle to tempt men farther than they will go; they will go, all of them, with the Spirit, whither it listeth. T. J.

*The United Ratepayers' Advisory Association,
Sentinel House, Southampton Row, London, W.C.1.*

RESURGAM!

*The Editor,
The Social Crediter.*
Dear Sir,

Owing to the fact that this country is now at war, circumstances necessitate that the United Ratepayers' Advisory Association should suspend activities and accordingly it is closing down forthwith. Letters sent to the U.R.A.A., at Sentinel House, Southampton Row, during the next month will be collected and dealt with.

Resurgam!

I should be obliged if you would publish this letter.

Yours truly,

JOHN MITCHELL.

Sentinel House, Southampton Row, London, W.C. 1. September 4th, 1939.

ANNOUNCEMENTS

The price of *The Social Crediter* will be increased to 6d. with the appearance of the next issue. Subscribers will be supplied with copies for which they have already subscribed at the contract price, unless they voluntarily relinquish their right in this matter. It is hoped that readers will recognise, with us, that there are several reasons behind our invitation to them to tax themselves to this additional extent (3d. weekly) in support of their favourite newspaper.

U. R. A. A.

Mr. John Mitchell has addressed the following letter dated September 5th to those who have assisted him:—

"It is obvious, if only because the Law will operate to prevent us, that all campaign activities must cease while war continues. D.O.R.A. prevented any effective action even during the last days of "peace".

"I am in a position to appreciate what bitter disappointment you must be feeling. The work we have been doing, however, will some day bear fruit, and it has been a source of great satisfaction to me to have had from Major Douglas to-day an expression of his personal assurance that it will not be lost.

"This is a personal note which I feel compelled to write now that we must cease to associate for those purposes for the advancement of which you have worked so magnificently.

"In wishing you all good luck, I should like to say how highly I esteem your fine efforts.

"Yours very sincerely,

"J. MITCHELL."

THE SOURCE OF CREDIT

CANADA'S BANK GOVERNOR GIVES EVIDENCE

In view of the progress now being made in Canada as well as on its own account, interest attaches to the public Hearings before the Committee on Banking and Commerce respecting the Bank of Canada (*) during which the witness for the Bank was subjected to cross-examination. The witness was the Governor, Mr. Graham F. Towers, and the principal cross-examiner the well-known "Gerry" G. McGeer, K.C., former Mayor of Vancouver.

The evidence before the Committee during the session covered thirty sittings and the printed proceedings over 850 pages. As the Hon. Mr. Dunning, Minister of Finance, said at the concluding meeting, "he had not attended the sittings but had read every word, and could not find for three or four pages an answer to any question." To get the more important statements by Mr. Towers and others, drastic condensation is therefore necessary. In the following, the page number of the Proceedings is given in order that those interested may refer thereto for the context and minor qualifications if there should be any.

It should be borne in mind that the statements made or agreed to by Mr. Towers are those of the Governor of a government-owned central bank, the Bank of Canada.

HOW GOVERNMENTS CAN OBTAIN MONEY

Mr. Towers: A government can find money in three ways: by taxation, or they might find it by borrowing the savings of the people, or they might find it by action which is allied with an expansive monetary policy, that is borrowing which creates additional money in the process. (P. 29).

PURCHASE OF GOVERNMENT BONDS BY BANKS

Q: A banker can purchase a dominion government bond by accepting from the Government, we will say a bond for \$1,000 and giving to the government a deposit in the bank for \$1,000?

Mr. Towers: Yes.

Q: —what the government re-

(*) Standing Committee on Banking and Commerce, Minutes of Proceedings and Evidence, 1939. \$1.00 the set. The King's Printers, Ottawa, Canada.

ceives is a credit entry in the banker's book showing the banker as a debtor to the government to the extent of \$1,000?

Mr. Towers: Yes.

Q: And in law all that the bank has to hold in the way of cash to issue that deposit liability is 5 per cent?

Mr. Towers: Yes.

(P. 76).

BOOK-KEEPING ENTRIES

Q: Ninety-five per cent of all our volume of business is being done with what we call exchange of bank deposits—that is simply book-keeping entries in banks against which people write cheques?

Mr. Towers: I think that is a fair statement. (P. 223).

THE REAL USE OF OUR GOLD RESERVE

Q: —the need for a currency gold reserve was to-day largely psychological so far as domestic currency was concerned.

Mr. Towers: As far as domestic currency was concerned; yes.

Q: Then I take it that you would agree . . . the findings of the . . . British MacMillan Committee, sec. 148, . . . as follows:—

" . . . it is not necessary that the volume of note issues should continue to be regulated, as it is now, by reference to the amount of gold held in reserve. If . . . the principle is adopted that gold reserves should be held, not primarily against note issues, but to meet temporary deficiencies in the balance of international payments, there need be no obstacle to the creation of a much increased volume of purchasing power without any increase in the supply of monetary gold." . . .

And since then there has been plenty of evidence that that theory has not been worked out but is being more generally adopted as time goes on?

Mr. Towers: Yes. (P. 277)

Q: Now, on page 112 of the Mac-Millan report—we find the following:—

"The sole use of a gold reserve is, therefore, to enable a country to meet deficits in its international balance of payments, until the appropriate

measures can be taken to bring it again into equilibrium" . . .

And it could be done under the administration we have, and the attitude of our government, without weakening our internal currency system?

Mr. Towers: Assuming that the need for expansion was a justifiable one, I would hope and expect that would be the case, yes. (P. 278).

Q: . . . having the huge available money resources which we are neither using nor abusing, the elimination of our gold reserve provision in our Bank of Canada Act would not alter the policy of the Bank of Canada or the government at all?

Mr. Towers: No; in other words, that gold reserve provision is in no sense a hampering one and I would not expect it to be in the visible future . . .

Q: And if we eliminated that from our Bank of Canada Act, the gold provision of 25 per cent as against Bank of Canada note issues, it would not affect the monetary policy or the monetary situation in Canada at all?

Mr. Towers: It should not, no. (P. 279).

Q: . . . the findings of the Mac-Millan Committee . . . in other words, they made a finding that the volume of purchasing power to be issued through the banking system was not necessarily to be limited by the supplies of gold; and I think we are in general agreement on that?

Mr. Towers: Yes.

ISSUE OF CURRENCY

Q: 12 per cent. of the money in use in Canada is issued by the government through the Mint and the Bank of Canada, and 88 per cent. is issued by the merchant banks of Canada on the reserves issued by the Bank of Canada?

Mr. Towers: Yes.

Q: But if the issue of currency and money is a high prerogative of govern-

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ment, then that high prerogative has been transferred to the extent of 88 per cent. from the Government to the merchant banking system?

Mr. Towers: Yes. (P. 286).

CREATING NEW MONEY

Q: When a \$1,000,000 worth of bonds is presented (by the government) to the bank a million dollars of new money or the equivalent is created?

Mr. Towers: Yes.

Q: It is a fact that a million dollars of new money is created?

Mr. Towers: That is right. (P. 238).

PAPER CURRENCY TO PURCHASE GOLD

Q: Now, as a matter of fact to-day our gold is purchased by the Bank of Canada with notes which it issues, . . . not redeemable in gold . . . in effect using printing press money . . . to purchase gold?

Mr. Towers: That is the practice all over the world . . . (P. 283).

BANKS ISSUE A SUBSTITUTE FOR MONEY

Q: When you allow the merchant banking system to issue bank deposits . . . with the practice of using cheques . . . you virtually allow the banks to issue an effective substitute for money, do you not?

Mr. Towers: The bank deposits are actually money in that sense.

Q: . . . as a matter of fact they are not actual money but credit, book-keeping accounts, which are used as a substitute for money?

Mr. Towers: Yes.

Q: Then we authorize the banks to issue a substitute for money?

Mr. Towers: Yes, I think that is a very fair statement of banking. (P. 285).

POWER TO CHANGE THE BANKING SYSTEM

Q: Will you tell me why a government with power to create money should give that power away to a private monopoly and then borrow that which parliament can create itself, back at interest, to the point of national bankruptcy?

Mr. Towers: . . . we realize, of course that the amount which is paid provides part of the operating costs of the banks and some interest on deposits.

Now, if parliament wants to change the form of operating the banking system, then certainly that is within the power of parliament. (P. 394).

INCREASE OF DEPOSITS AND INFLATION

Q: So that with the increase of 500 million of bank deposit money (from 1934 to 1938) we have not had any inflationary result?

Mr. Towers: We have not. The circumstances of the time have not encouraged it. (P. 643).

FINANCE IN WAR AND PEACE

Q: . . . so far as war is concerned, to defend the integrity of the nation there will be no difficulty in raising the means of financing whatever those requirements may be?

Mr. Towers: The limit of the possibilities depends on men and materials.

Q: . . . and where you have an abundance of men and materials you have no difficulty, under our present banking system, in putting forth the medium of exchange that is necessary to put the men and materials to work in defence of the realm?

Mr. Towers: That is right.

Q: Well, then, why is it, where we have a problem of internal deterioration, that we cannot use the same technique . . . in any event you will agree with me on this, that so long as the investment of public funds is confined to something that improves the economic life of the nation, that will not of itself produce inflationary result?

Mr. Towers: Yes, I agree with that, but I shall make one further qualification, that the investments thus made shall be at least as productive as some alternative uses to which the money would otherwise have been put. (P. 649).

GOVERNMENT EXPENDITURE INDIRECTLY RECOVERED

Q: You do not suggest that it is necessary that the Government should be able to recover the money that they invest in capital works, providing those works are beneficial to the country?

Mr. Towers: The Government indirectly really does recover, because what benefits the country will benefit the Government, and the Government revenue, even although you cannot see that this specific thing has done it. (P. 768).

PHYSICALLY POSSIBLE AND FINANCIALLY POSSIBLE

Q: Would you admit that anything physically possible and desirable can be made financially possible?

Mr. Towers: Certainly.

"The maintenance of civilisation has been effected only by the persistent endeavours of enlightened and energetic men. Any weakening in effort involves not merely the loss of individual arts and crafts, but even the risk of destruction of a civilisation, as happened in the past in Egypt, Babylonia, Cambodia, and America."

—G. Elliott Smith in "The Diffusion of Culture."

KEEP IN TOUCH

Remember that it is in social credit that the germ of sanity exists, and we who know this must assume the responsibility of keeping those practices and ideas alive and vigorous, ready to sprout and extend as soon as opportunity occurs.

The Social Crediter will help to keep us in touch with each other, which is the first essential. In the next few months many readers will be moving round the country: *The Social Crediter* will follow you if you send us a post-card with your new address. It would also help if you could add the length of time that you are likely to be there.

And to all our readers—Good Luck!

SEND US A POST CARD

CONVERSATION WITH SALLY THE CAT

"I think you might have shown a more generous spirit towards the two refugee cats who were brought to the Nest for safety."

"I refuse to have anything to do with cats of that class."

"In that case you might have ignored them. But to slap their faces and chase them into the next garden was not only inhospitable, it was an unnecessary piece of hooliganism which reveals a mean and ugly nature masked beneath a benevolent and, if I may say so, extremely charming exterior."

"Do you have to make a speech about it?"

"I feel very strongly on such matters. What would you think of me if I slapped visitors' faces and chased them out of the house?"

"I should mind my own business."

"In times like this we must try to help each other regardless of personal tastes and prejudices. To-morrow I expect to see you and the refugee cat eating and drinking from the same saucer."

"You're in for a disappointment."

"Do you mean to say you won't?"

"I'll starve to death first."

"So you're nothing but a miserable

little snob?"

"If refusing to eat with guttersnipe alley cats is snobbery, then I am a snob. Besides, the kittens are reaching an impressionable age, and one can't be too careful . . ."

—NAT GUBBINS IN THE "SUNDAY EXPRESS."

"Triumphant autocracies are invariably based upon the ruins of some democratic form of government which had sadly failed to live up to its glorious promises."

—H. W. LOON.
Quoted in the "Grand Magazine", June, 1938.

Books to Read

By C. H. Douglas:—

Economic Democracy	3/6
Social Credit	3/6
Credit Power and Democracy	3/6
The Monopoly of Credit	3/6
Warning Democracy	3/6
The Tragedy of Human Effort	6d.
The Use of Money	6d.
Approach to Reality	3d.
Money and the Price System ...	3d.
Nature of Democracy	2d.
Social Credit Principles	1d.
Tyranny	1d.

Also

The Douglas Manual	5/-
The Economic Crisis: Southampton Chamber of Commerce Report	6d.
Alternative to Disaster by L. D. Byrne	4d.
The Bankers of London by Percy Arnold	4/6.

Latest Publications

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BIRMINGHAM and District. Social Crediters will find friends over tea and light refreshments at Prince's Cafe, Temple Street, on Friday evenings, from 6 p.m., in the King's Room.

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LIVERPOOL Social Credit Association: Meeting for Social Crediters and their friends who are not satisfied with present conditions next Thursday, September 14th, at 8-0 p.m., in room 4, 98a, Whitechapel (Tunnel end), next door to Lloyd's boot shop.

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