

THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

No. 2115] NEW SERIES Vol. LII. No. 21. THURSDAY, MARCH 23, 1933. [Registered at the G.P.O. as a Newspaper.] SEVENPENCE

CONTENTS.

	PAGE		PAGE
NOTES OF THE WEEK	241	GREGORY ON THE ROOSEVELT RAMP. By J. S.	248
The American banking crisis—stampeding the legislatures—opening of the Stock Exchange— <i>Daily Mail</i> on the meaning of the boom in bonds: "inflation not in sight." Statement of the political policy of THE NEW AGE (as made by the Editor at the Dinner on March 18).		ORGANISATION. By John Hargrave	249
SPEECH BY C. H. DOUGLAS	244	The fundamental principles of organisation.	
Delivered at the Annual Dinner of THE NEW AGE on March 18, 1933.		THEATRE NOTES. By Richard Carroll	250
THE "A" THEOREM. (Editorial)	246	<i>The Lake. Romeo and Juliet.</i>	
		THE FILMS. By David Ockham	251
		<i>Emil und die Detektive. Madame Blanche. Let Me Explain, Dear.</i> Japanese films.	
		CORRESPONDENCE	251
		T. F. Reddaway.	

NOTES OF THE WEEK.

The American Situation

[Monday, March 13.] The London Penny Press seem to have received a hint from the Government over the week-end to give the American crisis a rest; for on this day (Monday) they all substitute other leading features in their news-programmes. During the previous week *The Times* only gave the subject pride of place on its leader-page twice, namely on Monday, March 6, when the general closing of the American banks was first announced, and on the following day. The first was headed: "The President's Speech," and the second: "The President In Action," and the two mainly consisted of applause of the speech and of the action. No attempt was made to go into the causes of the crisis beyond the observation that the American people seemed to have been overtaken by a "panic"—an interpretation which of course lent ample justification to the policy of investing Roosevelt with dictatorial powers. When a whole people get into a panic about nothing they must of course be drastically taken in hand by a "strong man" who is not in a panic—not necessarily strong in the sense of being a brave man, but in the sense that there is nothing for him to get in a panic about. Such a man is Roosevelt; and the attributes of confidence and determination which are seemingly manifest in that person would have been no less manifest in any other person whom the New York financiers might have chosen to be the poet of their pogrom. We know that a bomb was sent to him—or at least that it is said to have been sent to him—but, like the firing of the Reichstag, it didn't hurt anybody; and there is every reason to suppose that the sender had contrived that it should be intercepted on the way. Agents provocateurs are as readily at the service of financial as of political plotters. However, here is Roosevelt. The Hour has produced the Man, as Mr. Garvin would say—the real truth being that the bankers have an endless queue of "Men" for all "Hours"—that they produce the Hour as

well as the Man, and produce it for the Man, and with the Man. Against this background let us set the following extracts from *The Times* of March 6, with annotations.

"When the news reached Washington that the great metropolitan banks had been compelled to [had decided to] close their doors, the thousands gathered together for the inauguration must have felt that the very hour of the crisis had struck." "They [It was the bankers who had struck.] "They must have prayed that, as so often before [always before] the country's urgent need [due to the strike] would bring forth a man who was capable of meeting it [i.e., of conceding the strikers' demands]."

Later, the writer commends Roosevelt's speech, the shortest on record for such an occasion, particularly the spirit of it—

"A high and resolute militancy breathes in every line" [really, a powerful and unscrupulous despotism] "Many who read it in this country [i.e., in the City] will hope that the new President will infect not only his own countrymen but others on this side of the ocean [British legislators as well as American] with something like his own confidence in 'waging war against the emergency.'" [This reminds one of St. Paul's words: "We fight not against flesh and blood, but against principalities, against powers, against principles of wickedness in high places," but with the moral inverted as usual—for the President's suggestion is that the wickedness is in lowly places that is to say, in all places not yet under the rigid jurisdiction of the New York money-monopoly.]

This is a pretty plain hint that when our own money-monopolists deem it advisable they will not hesitate to trample under foot all that is left of the British Democratic Constitution. So the picture of President Roosevelt in action as painted in *The Times* will enlighten us on what may be expected of some British "Man of the Hour." Congress and the Senate had assembled on March 9 to receive the President's message, and its terms were discussed in *The Times* of March 10. On March 11 *The Times* begins an edi-

torial article on "The President's New Powers" thus:

"The President and Congress are wasting no time in their efforts to restore the normal banking conditions. The Bank Bill, which gives the Executive full powers to deal with the emergency, was passed through both Houses within a few hours of its introduction."

Towards the end of the article the writer comments, in reference to this lightning procedure

"But that a Bill containing such drastic provisions should be passed practically without opposition or even discussion shows how critical the banking situation had become, and how ready the new Congress is to respond to bold and decisive leadership."

It shows nothing of the sort; what it shows is the ignorance, indifference, cowardice or corruptibility of the types of people who get themselves elected to legislatures. Britain is not the same as America in respect of the tempers of the two peoples; but there is no difference between the mass-psychology of their respective politicians. What Washington does to-day Westminster will do to-morrow—the only qualification necessary being that before to-morrow comes the visible consequences of Washington's acts may be such as to teach Westminster that complicity in bankers' ramps is an even more dangerous game than resistance to them.

It is a significant fact that whereas the House of Representatives—the house of the masses—passed the Bill without one dissident, the Senate—the house of the classes—contained seven dissentients against the majority-vote of seventy-three—seven men who refused to bow the knee to Baal. What their immediate reasons were does not matter: what matters is their courage in standing firm in the midst of a stampede. For all we know they might deserve to be called "wrong 'uns" in particular respects, but even so, these wrong 'uns are made of the right stuff. When swords clash in a desperate conflict such as this, the shape of the blade is nothing, and the temper of the steel everything. In this country's affairs, too, Hansard is witness to the fact that it was the "party of reaction," not the "party of progress," which put up resistance to the Bank Charter Act a century ago; and when the final attack comes to be delivered against the mighty money-monopoly built up on the foundation of that Act, it may yet transpire that the "autocrats" will file into the Social-Credit lines to fill the breaches left by the desertions of the "democrats." That uplifting democratic slogan "The great appear to be great only because we are on our knees—Let us stand up" might easily be translated in action to: "The great appear to be great only because we stand so near them—Let us retire." Behind the whitest of principles may lurk a yellow streak.

[Thursday, March 16.] Reports of the re-opening of the New York Stock Exchange appear in the Press of to-day's date. The *Daily Mail's* account of the proceedings is illuminating and its comments amusing. It gives particulars of rises in leading stocks which have taken place to such an extent and degree as to constitute a new boom. This boom, it says, is due to the new confidence of the public. This confidence is based on belief that the crisis is now over. It does not explain on what factual foundation this belief rests; so the ordinary reader of that paper is left wondering whether the rising hopes are the cause of the rising prices or the rising prices the cause of the rising hopes. However, there is one solid fact:—prices are rising. And here comes a piece of reasoning which is a new one to see in the popular Press—one which the *Daily Mail* really ought to copyright. It draws attention to the fact that the rise in prices is not confined to stocks, but extends to bonds, and proceeds

to inform its readers that the rise in bonds is being taken as an indication that "inflation is not yet in sight." This is one of those processes of reasoning which can be entirely sound and entirely unsound according to circumstances. Which it is here depends on who are the sellers of the bonds and who are the buyers. If the sellers are bankers, and the buyers the public (embracing all classes outside the banking business) the inference that "inflation is not yet in sight" is not only correct but is an understatement. The full statement should be: Deflation is in progress. On the other hand, if the public are selling bonds to the bankers, inflation is in progress. The reason is technical, and rests on the fact repeatedly referred to by Mr. McKenna when a bank buys a security it creates credit, and when it sells one it destroys credit. Applying this to the United States, if the banks there are buying bonds from the public, they are increasing the volume of credit in circulation; and if selling, decreasing the volume. Whichever be the direction of the transfers it is obvious that they do not alter the physical fact that the stocks of goods in the U.S.A. at the present time are such and such a quantity, and the output of goods is at such and such a rate. Physical supply thus being constant, its price (meaning what it will fetch) varies directly with monetary demand, which in turn depends on the volume of credit in circulation. Therefore, if banks are buying bonds a rise in the prices of commodities is set in progress: if they are selling, a fall in the prices. In the *Daily Mail's* phrase, if banks are buying, inflation is in sight: if selling, deflation is in sight.

This analysis, it must be remembered, is expressly related to the *Daily Mail's* emphasis on the differentiation between the significance of a rise in bonds and that of a rise in stocks. For its statement implies (and its context reinforces the implication) that if the rise had been confined to stocks, "inflation" would be "in sight." Now the main distinction between these two categories of security is the general one that bankers deal chiefly in bonds while the public deal chiefly in stocks. So when the *Daily Mail* says in effect: "If you want to know whether inflation is in sight or not, watch bonds," it is logically hinting that we must watch banks if we want to elucidate the reason for its suggestion. That is why we have made our analysis on the assumption of dealings in securities between the banks on the one hand and the public on the other, and have left out of account the influence of the banks' loan-policy on security-values, as well as the influence of the public's investment-operations on the prices of commodities. On this last point Messrs. Foster and Catchings' theorem can be recalled, namely that investments out of income cause a deficiency of demand in the consumption market, leading first to a drop in the prices of consumable commodities, and in the last analysis to the cessation of supplies to that point out, is the one and only effectual source from which industrial costs can finally be recovered, and hence it is the ultimate limiting factor on all security-values, for these naturally depend upon the solvency of the enterprises that they represent.

Only those privy to the bankers' policy of the moment in New York can say whether "inflation" is "in sight," or how near at hand it is. The reason is that bankers have the power to create and lend credit to investors to enable the latter to buy securities which these bankers are selling. They can also lend them credit with which to buy new bond-issues by Governments, which Governments will of course devote the proceeds of the sale to the repayment of loans advanced (previously or concurrently) by the bankers. By these processes they can cause a rise in the prices of old securities or can prevent a fall as a consequence of the floating of new issues—in either

case the broad result is the same, a nett rise in the collective price of all securities. Readers who have access to the data can calculate the dimensions of such a rise in respect of British securities between 1914 and 1918—a period during which National Debt alone rose from seven hundred, to seven thousand million pounds. So when President Roosevelt proceeds to issue bonds, as he is said to contemplate doing, the banks will proceed to recover from the U.S. Government some of the credits which they are probably loaning at the present, or, assuming that they were to buy all the bonds themselves, to plant this newly-acquired investment of theirs on the American people in the sense of making them responsible, via the taxing authorities, for paying whatever interest and sinking-fund charges may be decided upon. Five hundred million dollars' worth of bonds are spoken of as being likely to be issued by the President to "provide employment"—i.e., to finance new work, create new costs, which will be accounted into prices, thus expanding the collective price of American production recoverable (ideally) from American consumers. So the American citizen's purse will be tapped at both ends, the shopkeeper at the one end to secure the bankers' industrial loans and investments, and the tax collector at the other to secure their official (public) loans and investments. When we speak in the future tense of the tapping of the citizen we omit another factor, which is that supposing all or any part of the proceeds of the new bond issue were not immediately devoted to loan-repayments by the U.S. Government but found their way into the consumption-market, thus expanding the previous collective demand there, then the tapping of the citizen's purse at the "industrial" end would begin at once—there would be inflation, not "in sight" but in operation.

Nothing like precision of prophesy can be derived from this theoretical analysis because what is to happen depends upon the bankers' policy, and the policy is secret, while its administration can be so camouflaged that it can be modified, suspended, or reversed at their option without anyone's being the wiser. We are, of course, on firm ground when we maintain that the creeping error in the existing system of accountancy must inevitably manifest itself in economic frustration. But the incidence of that attendant financial losses as between this or that section of the community, or as between the bankers on the one hand and the community on the other, is not predictable except by the bankers themselves. The collective loss is mathematically certain; but its distribution is largely controllable by the bankers. There is, however, a margin of impotence, and it will widen in proportion to the acceleration of the speed of events and the increased tension of necessity for the controllers to come to clearer and clearer decisions at shorter and shorter notice.

* If you are motoring at ten miles an hour the effect of a loose steering-wheel may be of no consequence; but at two hundred and seventy miles an hour—then, as Kipling might say, "You'll be a corpse, my son." Applying the moral to this country, at the time when our bankers were able at their leisure to drive the car of British industrialism anywhere across the wide, flat plains of the undeveloped world, it did not appear to matter that the steering-rod was a wee bit slow in answering the wheel. If the car progressed

* The matter from this point to the end of the "Notes" is a verbatim reproduction of the essential part of the editor's speech at THE NEW AGE Dinner. This is included so that readers who were not present may have before them an authentic account of the policy of this journal as explained to the assembly (which included, on this occasion, a considerable number of visitors).

like a yacht, alternating between starboard and larboard tacks; well, there was then room, and there was time, for that sort of thing. But to-day there is neither room nor time. The plain has become a mountainous mass of capital development, heaved up by the volcanic energy of scientific enterprise. It is intersected throughout by narrow, tortuous roads along which no longer one industrial car, but a multitude, are crossing and passing each other in frantic quest of a destination which we know to-day as national solvency. Speed at the moment is the sole condition of national survival. Yet speed along those sinuous roads is certain destruction. If the car escapes falling over the edge of the precipice it will only be to crash into another. To the right or left is civil commotion—

ahead is war. In such circumstances it is clear that to stop for repairs is as fatal as going on, and the sole remaining hope depends upon whether it is possible to tighten up the steering mechanism while travelling at speed. Fortunately that is technically possible. The adjustment, vital as it is, is relatively simple; and the part of the mechanism where it is required is easily accessible—it is within the reach of the driver, or of anyone else who springs to the driver's seat. The problem of making the adjustment and of gaining control of direction is one of nerves. Can the driver, or any other occupant of the car, summon up the resolution to tackle the repair? That is to say, in terms of the Social-Credit Analysis, do the Central Bankers, the drivers of the economic system, realise that the adjustment in the costing-system described by Major Douglas fourteen years ago is an urgent necessity. If they do not there are others who do.

The core of the economic problem is cost. That is how Major Douglas has formulated the master axiom of Social-Credit science. Our demand for the removal of restrictions on credit depends on a derivative principle, and therefore only a subordinate principle. This is of vital importance to re-define the narrow and rigid policy of the Social Credit Movement. Why, we are asked, do you refuse to unite with other credit reformers who are in full agreement with the principle regarding the expansion of credit just because they do not accept your axiom regarding the accounting of costs? The answer can be given by reference to the analogy of the car. Those reformers who are content merely to demand increased credit are in effect proposing to speed up the car in order to cure the swerve. We maintain the contrary that accuracy in steering must precede acceleration in speed. In economic terms, you must remove existing obstacles to distribution before you can safely increase facilities for production.

Credit reformers generally are suffering from what may be called the petrol-complex. Some of them demand more petrol—others demand petrol plus what?—plus a little something that the others haven't got. Among the latter may be cited Mr. J. F. Darling with his brand of petrol called "Rex" currency: and then there is Dr. Eisler with his two-fold petrol-supply system, which, from what we can gather, provides for delivering the juice through separate pipes—the one to drive the car and the other to keep it straight. And so with all the rest of them. They are all wrong. They are busying themselves with problems of fuel and propulsion that have long since been solved, as the Technocrats that have proved, and are ignoring the fact that, so to speak, the job can be done with a spanner, nut and bolt. We are told that there is no short cut to prosperity. We say that the immediate problem is not to get prosperity but to escape catastrophe. And since the catastrophe is imminent, we have to escape by a short cut or not escape at all.

"The New Age" Dinner, March 18, 1933.

SPEECH BY C. H. DOUGLAS.

A few weeks ago I had a visit from a charming American lady of that age which is described in voting papers as "over thirty." She informed me that advancing years had presented her with the problem as to whether she would derive the more benefit from as to whether her face lifted or her intelligence raised, and that she had decided on the latter. In consequence, at an age at which many people are content to retire from the more active occupations of life she had taken a B.A. degree at one of the better-known American universities, and had come over to this country to continue her post-graduate studies, and had been asked to address an audience of compatriots on the subject of Social Credit.

On my inquiring of her how this subject came within her programme, she said that it was becoming recognised that the progress of the world could be marked more accurately by the emergence of an idea than by the biography of kings or statesmen and she did us, here in England, the compliment of assuring us that we were providing one of these turning points to which she referred.

I mention this because the drama of events in the world at the present time provides so much to attract the attention of all of us that there may be a tendency to suppose that the action of this man or that, or the enactment of a particularly vivid scene in this great drama of which we are witnesses, is a matter of such importance as to sway the issue. Without minimising the immense necessity for the appearance of a *personnel* commensurate with the gravity of the issues, I do not think that, at any rate at the moment, this idea is wholly true. What is happening in the world to-day is the clash of fundamental ideas, and those ideas will work themselves out to what may almost be called their inevitable end, attracting to their service great masses of individuals to whom they are congenitally sympathetic.

At the present time it would appear superficially that one of these ideas—that of a centralised domination of the activities of this planet—had received, through its mechanism of international finance, a serious setback; I do not think there is any sound ground for this idea. On the contrary, I believe that this conception was never so near to success as it is at the present time, and I am by no means satisfied that a complete success will not be achieved within a very short period of time. That that success will be short lived I am confident, not because of the ability of the individuals composing the world's populations to fight successfully against the stupendous and far-reaching enslavement which is involved in it, but because of the inherent unsoundness of the idea and the internal disruptive forces which it is bound to set up.

If we recall the history which most of us were taught in our younger days, we shall remember that it was assumed, almost without question, that a narrative of the actions and more especially the battles fought by kings provided a clue through the maze of history and human development. It is quite possible, but by no means certain, that this may at a fairly remote period have had a substratum of truth, but it is, of course, certainly not true at the present time. The actions of kings and the fighting of wars are not acts of initiative—they are the outcome of causes lying much further back. What, I think, is incontestably true is that the great underlying forces which inspire human nature to action do not change substantially, at any rate within the widest period of history which we can span, although

like everything else they may be subject to evolution and they may change the forms of their expression. A recognition of the truth of this is, I think, the shortest answer to proposals which involve for their acceptance a radical change in human nature. We can regroup these forces and we can so alter their reaction to circumstances that we can achieve results just as radical as if we had changed the very nature of the forces, but this can only be done by an understanding of these forces and a conscious use of them rather than a wholly unscientific attempt to change their nature. All progress in the world, and in some ways the world has unquestionably made progress, has been achieved by recognition of truth, and the reason that so little progress has been made in the solution of social problems is, to my mind, because in this sphere alone truth has been ignored or denied.

That is what is happening in the world to-day. We see the great elemental desire for self-preservation sweeping millions of people along the path which leads inevitably not to self-preservation but to self-destruction. In the East, the circumstances imposed upon immense populations, partly by their artificial restriction into areas fundamentally too small to support them, and partly by the reckless exploitation of Westernised groups acting under compulsion of a defective financial system, are seeking economic safety through the agency of wars, potentially so destructive that the mere idea of safety of any kind is grimly farcical in connection with them. Nearer home it is common knowledge that Europe is an armed camp, and that armament factories are controlled by our old friend, Sir Basil Zaharoff, are working day and night to supply guns and munitions impartially to every side of the threatened conflict.

This curious, almost suicidal tendency of the human race to act in such a manner as to multiply a thousandfold the very dangers which it is seeking to avoid has not escaped attention, and has been put down by moralists, together with many other matters, as being due to original sin. An audience such as yourselves is hardly likely to accept such an explanation. To suppose that the average man is such a natural born fool that, with the awful memories of the last great war still engraved upon a living generation, there is a real desire to repeat those terrors upon an even more terrific scale, and with the added horrors that science has developed in the past fifteen years, is to ask too much of the credulity of any sane individual. There is, in my opinion, no doubt as to the true cause of this pathetic misdirection.

Running through all history like the thread of Ariadne, it is possible to trace a continuous policy which I can only describe as a divorce between things themselves and the description of them. A well-known instance of this, of course, is the glamour of war. War, at any rate modern war, is a dirty, beastly, inhumane, insane undertaking, proving nothing, adding nothing to the content of human values, and incidentally definitely dysgenic, having a strong tendency to carry on the race stock and to leave the weakling to accompany. Not only that, but the conditions which accompany a war give play to intrigue, corruption, tyranny, and wire-pulling under cover of the suppression of publicity and the necessity for centralised control which are imposed by the exigencies of the struggle. Yet no war was ever carried on without a definite organisation to represent it as being in some way magnificent, glorious, and ennobling.

This antithesis is a commonplace, and forms the basis of the misguided activities of pacifists unable to recognise that without a rectification of the causes of war, the suppression of war is as likely to be productive of good results as is plunging a sufferer from measles into cold water for the purpose of driving in the spots.

We are beginning to recognise, however, that this

constant tendency to present a false picture of what is actually going on in the world extends all through our civilisation. We who are dealing with the problems of finance, recognise that the fundamental problem is this false picture presented by finance, of the facts existing in the world to-day, and we know that finance and the people who operate the financial system regard it as of the first consequence that they should obtain control of the mechanism of public information, whether through the newspaper, broadcasting agencies, or the moving-picture, so as to present a false picture of civilisation, bearing only the most nebulous relation to the facts of the world as they do exist.

At this very period in which we live, it is probable that one of the fundamental struggles which is taking place, and one on which the future of civilisation depends perhaps more than on any other, is the attempt to obtain an atonement, or as it has been pronounced an at-onement, between reality and the description of it. It is the importance of that attempt which justifies the work which is being done by the Social Credit movement, which might be properly described as a movement for honesty in public life. It is elemental to say that no progress towards a sane world is possible while the symptoms of its malaise are subject to persistent misdirection. This is the justification for the short examination that I wish to put before you of what is going on in the United States and on the Continent at this present time, an examination which makes no claim to consideration other than that it is not made for any purpose other than to represent the facts as I see them.

The reason that the United States, in my opinion, should properly take priority in this examination is quite a simple one. From the physical or factual point of view, the United States represents the furthest development of our modern power civilisation. Simply considered from this point of view, and taking into consideration the lack of complicating factors presented by a continental organisation, containing within its political boundaries almost every raw material and natural resource required for the purposes of the highest material civilisation, we should expect any problems presented by a divergence between facts, and the presentation of the facts, to reach their maximum at this point, and we do, in fact, find exactly what we expect to find. This divergence, the paradox of poverty amidst plenty that has at this time reached such an intolerable stage that action of some sort to deal with the situation was plainly imperative. On March 4 Mr. Roosevelt took office as titular head of a population of 130,000,000 in effective control of a continent stretching from the Atlantic to the Pacific, and from sub Arctic to subtropical latitudes, and announced his intention of grappling with the situation without delay. His inaugural speech, so far as its denouncement of financial agencies was concerned, might have been made by anyone in this room, and must, I have no doubt, have raised hopes in the minds of millions of his listeners all over the world that the doom of oppressive finance had been sounded, and that their champion was speaking to them. I wish I could believe it.

No one who has followed as closely as, no doubt, most of you here in this room have followed, the growth of criticism directed against the banking and financial system cannot fail to realise that had Mr. Roosevelt not also attacked it, he would have been branded at once in the public eye either as hopelessly ignorant and unresponsive to public opinion or as determined to stifle criticism, and the results might have been immediately disastrous. So far from shirking the subject, however, he delivered an attack on bankers which, in violence, probably exceeded any attack which has ever been made by so responsible an official at any time, anywhere. But I should like you to note most particularly that the attack was

made upon persons; it was not made upon a system. And, further, that the concrete steps which were made almost at the moment of his taking office, and which had obviously been prepared in advance, were all of them steps calculated to strengthen the banking and financial system as such. The problem, as stated by Mr. Roosevelt, before the world was a problem of relieving unemployment, and, as everyone in this room knows, that is not the problem before civilisation at the present time. To descend from the sublime to the ridiculous, I notice that Mr. Lloyd George has emerged from retirement to make what I can only describe as a Vaudeville appearance, in which he has pointed out, firstly, that the United States has just emerged from an administrative control by financiers to the leadership of a man who is free of control from financiers, and, in another speech, that the provision of work is a great moral issue to which the Governments of the world must devote their attention. It seems to me that this was all that was required to round off the picture. I find it entirely beyond my powers of credulity to believe that Mr. Lloyd George is unaware of the ring of financiers who surround Mr. Roosevelt, and without whom, no doubt, he would never have been returned to office.

It is quite clear from these various pronouncements that the main lines of United States action in the present crisis are, firstly, to remodel the American banking system on the British branch banking system so as further to consolidate the monopoly of credit in a few hands, and secondly, by means of immense schemes of public works financed by loan credit issued by this strengthened banking system to induce both an increase of employment and a rise in commodity prices. The public debt of the United States will be enormously increased at the expense of the private debt held by the industrialists, and of the industrialists will be reduced to a position which will make it impossible for them to form a menace to the bankers such as they undoubtedly offered in 1929. At any rate, in theory, this will result in raising taxation of various kinds to fantastic heights, but there is nothing in the physical situation to prevent the colossal overheads being scaled down periodically while leaving the banks in supreme control of the situation. There is one factor which seems to me not to be provided for in this scheme, and that is the impossibility of continuously employing the population of the United States without sabotage on a scale which can only be provided by war.

On the Continent of Europe the economic situation has become secondary to the purely emotional situation, commonly called "politics." In Germany, very much the same kind of destructive criticism as that used by Mr. Roosevelt has been employed to produce a similar dictatorship in essence under Herr Hitler. You will not have failed to notice that immediately the dictatorship was obtained the denunciation of financiers has died down, and Herr Hitler has issued a plain threat to his own followers that what he now requires from them is discipline. I feel confident that every effort will be made to compose any difficulties which might lead to war in Europe with what success only time can show. Viewing the whole situation shortly, then, I can only see one stubborn fact which seems capable of resisting the immense political skill which is being employed to retain the control which finance has acquired over the lives and even the intelligence of the human race, and that is the steady advance of mechanical progress. Under the existing financial system the retention of the human employment as a condition of access to the means of life seems to me inevitably to involve what the professional economists call a "favourable balance of trade." That favourable balance of trade most certainly cannot be obtained by commercial intercourse between highly developed nations, and it would appear essential that those nations

under the stress of financial compulsion must compete for such markets as those of China and the undeveloped regions of the middle and the far East. The Pacific, therefore, is, in spite of danger spots in Europe, the real centre of gravity, and it is there in all probability that the future of civilisation will be decided.

That is the picture which we see in looking round the world to-day, and it would be difficult to deny that it is a gloomy picture. It is the direct result of endeavouring to carry on the business of the world in accordance with a defective conception or idea.

Now it is my own belief, and I might almost say that it is almost my only religion, that there is running through the nature of the Universe something that we may call a "canon." It is the thing which is referred to in the Gospel of St. John as the "Logos," the "Word." It has an infinite variety of names. The engineer and the artist refer to it when they say that they have got something "right." Other people mean the same thing when they talk about absolute truth, or reality. By whatever name you wish to refer to this idea, it does not matter very much; we all instinctively recognise its existence whether we meet it in something like architectural proportions as, say, the cenotaph, or even in the grim lines of a battleship.

Genuine success only accompanies a consistent attempt to discover and to conform to this canon in no matter what sphere our activities may lie. For instance, I have no doubt whatever that there is one single test which can be applied to any financial scheme which is put before you for your consideration, and that is, whether it represents reality, just as we know that the fundamental falsity of the present financial system is that it distorts and perverts reality.

In looking round this room I see the faces of many who have been associated almost from the very beginning, with the attempts that we are making to discover and to follow this canon in regard to the matter of finance, and I believe that the success which has been achieved up to the present, and the still greater success that I am confident will follow after a period of storm, is due more than to anything else to the single-mindedness of those, and many other people unfortunately prevented by distance or other obstacles from being here to-night, who have steadily pursued this idea. I may say that I am confident that single-mindedness of purpose directed to the pursuit of this canon to which I have referred is the only thing of absolutely primary importance in any undertaking. Given that, forms of organisation and other mechanisms for the attainment of the end, necessary as they undoubtedly are, will, as one might say, provide themselves both at the right time and in the most perfect form that the necessities of the case require. Because the canon is a spiritual thing, the forms embodying it are of infinite variety, and, not only that, change from time to time, and a slavish adherence to the form is a certain method by which to miss the canon.

In a period such as this and in connection with matters so momentous as those with which we have to deal more especially as a measure of success begins to attend us, there are bound to be attracted not only further followers of the truth, but others whose single-mindedness of purpose is not so pronounced. I am confident, however, that just as departure from the canon has produced the appalling condition of the world at the present time so the existence of a growing body of people who are aware of the situation, and singly devoted to bringing back understanding into relation with reality, constitutes not only the great, but the only certainty that eventually a world system founded upon lies will give way to one which is formed upon truth.

The "A" Theorem.

The most authoritative critical analyses of the A + B Theorem as yet released for exhibition to the public (Professor Copland's pamphlet in Australia is a typical example) all converge on one common conclusion, namely that there is no factor in the existing financial system which necessarily causes a shortage of collective personal income as measured against collective prices. Granting a deficiency, so the argument goes, it is not inherent in the design of the financial mechanism. Since this is a direct denial of the A + B Theorem it commits the critics to the affirmation of a contradictory theorem. And since the denial is based on the alleged invalidity of Major Douglas's principle of differentiation between the "A" and the "B" components of cost, the contradictory theorem must affirm the identity of those two components. It could logically be called either the "B" Theorem or the "A" Theorem. But since the critics unite in maintaining that the "B" component is, or becomes, or represents, or involves "A" (and not vice versa) obviously the proper name is the "A" Theorem.

This reasoning, though academic in a technical sense, is of practical significance in a political sense. For so long as the onus of defending an affirmative proposition falls wholly on the Douglas advocate, he argues under a heavy handicap that has nothing to do with the merits of his case. There is no fair fight until the adversary explicitly advances an affirmative counter-proposition. Let us formulate one in similar terms to those used by Major Douglas. Thus:—

THE "A" THEOREM.

The payments of a firm may be divided into two categories: A1—payments to individuals who are employees of, or investors in, that firm; and A2—payments to other firms, and thus to individuals likewise connected with them.

The rate of flow of purchasing-power to individuals is therefore A1 + A2; and the rate of flow of prices (at cost) is also A1 + A2. Since A1 will not purchase A2 must be distributed by a form of purchasing power which is not comprised in the category A1, namely that comprised in A2. And since the purchasing power the residuary proportion of the product is distributable to those individuals.

A1 may be designated Direct Payments—DP, and the individuals concerned Direct Recipients—DR, and the DP + IP, and the rate of possible recovery of cost will be equal to the rate of income drawn by DR + IR. Therefore the whole of the product is purchasable at full cost by individuals.

This being true of any one firm at any given time, it is true of all firms at all times.

Therefore the rate of flow of collective income to individual members of a community is continuously equal to the rate of flow of collective industrial cost, and the product is continuously and wholly purchasable at full cost by the collective personal incomes of the community. Q. E. D.

The "A" Theorists, so to call them, may be assumed to agree to the propositions:—

1. That in principle industry is financed by bankers' loan-credits.
2. That (*vide* McKenna) bankers' loan-credits create equivalent deposits.

They will of course agree that the truth of their theorem is not affected by the form in which the community hold and use money: i.e., that the theorem would still be sound if everybody paid for things by cheque and none by currency.

Let us make this assumption, and suppose that currency is dispensed with, and that the bankers' mind everybody's money on current account.

It follows that at any given time the credit balances of the community will be collectively equal

to the bankers' collective outstanding loans. Exactly equal: neither less nor more.

The "A" Theorists emphasise the fact that economic production is a continuous process, that at any given time new production is being commenced as finished production enters the consumption market. They rely on this fact to establish the proposition that the money paid to individuals on account of new lines of production at any given time fills up the gap left between the price (at cost) of the products just ready for consumption, and the incomes paid out, at that given time, on account of the final stage of preparing it for consumption. To put this in popular terms, they divide the community into, say, three categories which we will designate the commencers, the carriers-on, and the finishers. Their argument is that while it is true that the money paid out to the finishers, for finishing, will not meet the cost of the things finished, the money paid out to the commencers for commencing, and to the carriers-on for carrying on, will make up the difference and is available in their hands for that purpose. What the "F's" can't buy the two "C's" can.

It may be pointed out incidentally that according to this argument there must always be some C's at work on new products if the equilibrium is to be maintained. That is to say, industry can never be wound up in a solvent condition. "Of course not," someone will say. But why not? Under the barter system industry could have been wound up at any given time without showing any loss (it could never possess less than no things!) and it would probably have shown a profit (some things not yet divided up). And supposing that the barter-industries, at that given time, had undistributed products sufficient for, say, a month's consumption, there would be nothing to prevent the community from taking a month's holiday. Then primitive people could sit still and catch up with their output: modern people have to press forward to catch up! Why? Well, one answer is that under the financial system a stock of undistributed products has come to be represented by a figure which is interpreted as signifying that industry possesses less than no things, hence that the community must make some things to catch up to no things, plus some more things to get something! A moment's reflection will show that somehow the financial system, which is acclaimed as the perfection of the barter system, has reversed the principles of barter accountancy. Physical wealth, which was accounted an asset under barter is accounted a liability under finance. And on that inversion of accounting-principle is founded an inversion of moral principle. Because there is so much not consumed it is the duty of man to abstain from consumption. The modern balance sheet is a moral code disguised in figures and imposed through figures. So much for that aspect of the subject. It is outside our immediate field of survey, but it has a profound relevance to it. It will be seen also that the collective credits (say "shopping-money") of a community should be equal at any given time to the prices of goods for sale—a principle which, in normal practice, does not insist that the community should be provisioned with more money than is required to buy the finished portion of production at any given time, but a principle which, in the hypothetical case of the winding up of industry, would insist that the community should be provisioned with money equal to the cost of all the physical assets of industry—plant, equipment, materials, unfinished and finished products alike. For when industry ceases, and its assets have to be disposed of, the potential buyers can only be the community in their non-industrial aspect—i.e., consumers. All its assets are now "goods for sale," and the community must have the money to buy them. The fact that the assets are not consumable

has nothing to do with the question, which is one of equating money with cost irrespective of the things represented by the cost.

Reverting now to the "A" Theorists' continuity argument, we can give a tabular illustration of it. Following their lead we can assume, without falsifying their position, that there is a closed credit-area in which production goes on in nine forms, each form requiring nine processes, and each process occupying the same time. Let us assume that one pound is distributed in respect of each process. Thus finished products would cost £9, and intermediates would cost various lower multiples of £1. We will tabulate the cost (omitting the money sign).

(J.)	A.	B.	C.	D.	E.	F.	G.	H.	J.	(A.)
1	1	1	1	1	1	1	1	1	1	1
2	2	2	2	2	2	2	2	2	2	2
3	3	3	3	3	3	3	3	3	3	3
4	4	4	4	4	4	4	4	4	4	4
5	5	5	5	5	5	5	5	5	5	5
6	6	6	6	6	6	6	6	6	6	6
7	7	7	7	7	7	7	7	7	7	7
8	8	8	8	8	8	8	8	8	8	8
9	9	9	9	9	9	9	9	9	9	9
(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)

Here the letters denote the forms, and the numbers the costs, of the products. Time progresses downwards, as is indicated by the downward increases in the figures of cost from 1 to 9. The letters and the figures in brackets are put in as a reminder that the table can be extended indefinitely horizontally and downwards—there can be as many multiples of the "A" to "J" series as you like, and as many repetitions of the "1" to "9" processes as you like: but the table as it stands will suffice for the purpose.

Now it will be seen that we have taken one liberty in setting out our figures, because we have shown all the nine lines of production as starting and ending together. This, however, is only to assist our preliminary explanation. We will now put that right. Let us imagine (someone may do the job one of these days) that we have cut the table into strips vertically, the first containing the letter "A" and figures 1 to 9 and the others as they come; also that we have pasted each slip round the narrow circular wooden disc so that it lies round the disc like a tyre round a wheel, with the figures exposed. The letters are not included in this operation—our object being to have the nine numbers positioned equidistantly round the disc and exactly occupying its circumference. Next imagine the nine discs assembled concentrically on a common axis so that each may rotate independently of the rest. This can be so arranged that a person standing end-on to the discs and rotating any or all of them, can get any series of the numbers he likes in a horizontal line. When he does so the figures on the other horizontal lines occupy their positions automatically. Some lines are in sight and others out of sight. Now cover up the machine (so to call it) and leave an aperture just large enough to expose one row of figures at a time. Lastly, imagine there is a device by which the nine discs can be locked together so that none can rotate independently.

What's this all for? Well we have got something which is a sort of calculating-machine, helping us not to wander from the logic of the assumptions outlined previously. Thus: if we set out on the machine the top line shown in the table where all the figures are alike, and then lock the discs and rotate them to bring the next lower line into view, the machine will show us, through the aperture, what combination of figures must necessarily appear at each successive turn from our initial arrangement. When we have once set the given combination we must let the machine tell us all the others. If we make the combination all "one's" at our selected "moment of time," it will be all "two's" at the next, and

so on up to the "nine's" and on to the "one's" again and so on.

Now the most realistic combination to start off with would be one which represented all stages of production in operation together at a given moment of time. This would be the series 1 to 9. The order does not matter, but for convenience let us say 1, 2, 3 and so on up to 9, which would indicate that process "A" had started at the same time as process "F" had ended—the others "carrying on" at intermediate stages. This is how the "A" Theorist would arrange the numbers:—

A	B	C	D	E	F	G	H	J
1	2	3	4	5	6	7	8	9

He would point out that at this particular moment of time, while the costs at "J" exceeded the incomes at J by £8, there were incomes of £1 each at the other eight points, which were collectively equal to the balance. Or, that the nine sets of producers were drawing £9, which sum would pay for all the products at J.

Having shown that, and having emphasised the fact that production is continuous in the sense previously described, he would give a turn to the locked discs, they would expose to view the following numbers:—

A	B	C	D	E	F	G	H	J
2	3	4	5	6	7	8	9	1

"Here, you see," he would say, "that you have exactly the same figures in the series, the only difference being in their order. At this moment of time it is at 'H,' instead of at J, where the goods are to be bought. But the people can buy them all the same." And so he could go on. Every successive combination that came into view would automatically tell the same story. Hence he would draw the general conclusion that personal earnings are always sufficient to meet industrial costs as, when and where industry requires to recover them.

We can now proceed to see in what other respect the machine would corroborate him. As has been seen, there is a constant recurrence of the same individual figures at every turn ("moment of time"). Now the numbers 1 to 9, if added up, come to 45. So there is a constant recurrence of that total. This means (by the assumptions of this analysis) that at any given moment of time the total of bankers' loans in use in the nine processes is £45. That would square with the "A" Theorist's case, and he could show it to be consistent with experience, which has shown that the banks have maintained loan-credit at a fairly constant volume over long periods of time, proving, as he would assert, that for every repayment of a bank-loan another is issued. So far all's well.

We can take this constant of £45 and resolve it into two, namely £9, the recurring cost of finished products, and (by difference) £36, the recurring cost of materials in process. Now (by McKenna) outstanding bank-loans are offset by equivalent deposits. Hence the collective cost, £45, in this analysis is set-off by an equivalent deposit—a credit-balance in the "A-J" communal account. And since the cost is a constant figure the deposit is a constant figure. The conclusion must be that at any given moment the "A-J" community are in credit to the amount of £45, which means that they have collectively a legal call upon money sufficient not only to pay for the £9 worth of goods for sale, but to pay also the £36 worth of material in process. "Material" in this context represents capital in all its forms in modern industry. Hence if we generalize the conclusion and apply it to modern industry we are driven to affirm something which contradicts all experience. A moment's inspection of any line of figures disclosed by the machine will show that the £9 collected by the group selling the finished goods make in effect, a present of £1 each to the

other eight producing groups, retaining the balance of £1, which is all they require seeing that they are now commencing a new series of processes. (It is true that in modern industry individual groups do not work round in this circular fashion, but the theory of continuity assumes the principle to be at work behind modern sub-divided and specialised functions.) Evidently the banker of this favoured community either lends them £45 in perpetuity and lets them use it as they like, or else automatically divides out the £9 repaid by the one group in the form of new loan-credit of £1 each to the nine groups. The common principle to both the alternatives is that no group except the one which has sold finished goods is called upon to pay out any money, except in personal remuneration. As a consequence, no group at all needs to "raise capital" from among its members. There is no such thing as private investment.

We can halt at this point, because in modern industry the raising of capital from private individuals, directly or indirectly, is not only technically necessary but politically compulsory. And no arithmetical demonstration of the "A" Theorem can be complete which does not take that fact into account.

Gregory on the Roosevelt Ramp.

"... By refusing to allow unsound or doubtful banks to reopen, the Administration has displayed a masterly tactical sense. It has strengthened the position of the strong banks; it has thrust back upon the depositor a sense of his individual responsibility in choosing the bank which he did, and has therefore diverted part of the blame from itself."—*The Economist*, March 18.

Comment on these Gregorian sentences is perhaps superfluous. But really, can even the most egregious professor be serious in the suggestion that we must applaud Roosevelt and Co. for their decision to "larn" certain U.S. citizens to be depositors? Where were most of these small "unsound" banks but in small towns in the Middle West—farmers' banks and so on? In such places people must put their money in the local bank—which in America is usually not, as here, a branch of a national bank but a separate organisation. Would Professor Gregory have the farmer and tradesman travel up to Chicago or New York every time he wanted to bank or withdraw a few dollars? There is the implication in his words, also, that a depositor should inquire into the financial strength of a bank before risking his savings in it. If only that state of mind were general there would be a hope of getting American depositors to realise that they have most to fear from the strengthening of the "strong, sound" banks. But to treat Professor Gregory's remark on the ordinary plane of human behaviour, he surely knows that the average citizen of a small town no more thinks of investigating the resources of his local bank than he does of questioning the laws of nature; and that were depositors generally inclined to do so, no bank would be a "sound" one. In any case, it is clear enough that it was the deflation policy organised by Wall Street which caused the depression which caused the banks outside New York to become "unsound"; and we should like to hear Professor Gregory prove that the depositors of the United States had any say in starting that policy of deflation.

I hope that not a few readers of the *Economist* will be revolted by the cynicism of the phrase "masterly tactical sense." So the U.S. Administration is to be praised for hoodwinking those unfortunate Americans into thinking it was their own fault that their savings have been wiped out?

J. S.

Organisation.

By John Hargrave.

We sometimes hear such a phrase as "He does not organise his day in such a way as to get through his work."

It is therefore possible for an individual to apply, or fail to apply, organisational ability to his own affairs. A human being may be regarded as an organism, and such an organism can organise its own activity according to some plan, time-table, or schema. It can be said, also, that such an organism is itself an organisation of organic interdependent parts.

What, however, can never be said with objective truth is that an organisation composed of human beings is itself an organism. If we are to avoid being lost in the popular mythology of modern democratic idealism, we must understand that an organisation is not an organism. What, then, is an organisation?

An organisation is a number of individuals who agree to accept, are forced to obey, or in one way or another do in fact abide by a particular set of rules or regulations which may be based upon traditional usage—the age-long custom of the tribe—a legal code, the vote of the majority, the direction of a leader or of leaders, and so on.

Such rules and regulations may or may not be advantageous to each or any one of the individuals composing the organisation. Here, again, we are saying something that does not tally with the generally accepted view. For example, it is generally held that although the rules and regulations of an organised community—a state—may be obviously and without question stunting and harmful to the individuals as such, yet they can also and at the same time be extremely beneficial to what is called "the state as a whole." Now, whereas it might be perfectly true to say that they are extremely useful and possibly necessary in keeping "the state" organisation intact, it does not follow that this result is beneficial to "the state" regarded as individuals in association for a particular purpose. There can be but one logical purpose in any such association, and that is: the welfare of the individual. To regard "the state as a whole" as something apart from the welfare of the individual is to reduce the state as a reality of flesh-and-blood to an abstract concept in which the individual can be, and is inevitably, altogether "pulped."

If we bear in mind that an organisation (for example, the state) is not an organism, but only a technique, a method embodied in a set of rules or regulations, we shall see at once that the mere maintenance of the state (organisation) for the sake of doing so is, in actuality, organisation for the sake of organisation, which is absurd.

Yet this absurdity is prevalent in every country, not only in the strange idolatry regarding the structure and mechanism of "the state," but in almost every human activity whatsoever. It may almost be said that the urge to organise in some form of group-association has become a conditioned reflex, so that it is only necessary to throw out an idea or even a point of view or opinion—and very soon there will be a Study Circle, a League, Association or Society of some sort, with the object of talking about the particular notion (and even notions having no logical connection with it, but which have been muddled up with or brought alongside it for the sake of having an "open mind" and of "hearing all points of view impartially," and so forth).

In order to steer clear of this absurdity (organisation for the sake of organisation) and of the futile gregariousness that seems to give rise to it, and certainly spreads from it, it is always necessary to remind ourselves that organisation is only useful when

there is something to be done that cannot be done without organisation.

Whether we want that "something" done at all is, of course, another matter and one of the utmost importance. One may well ask:—

- (i.) What is the proposed objective?
- (ii.) Do I want it?
- (iii.) Does it call for organisation?

and, if so,
(iv.) What kind of organisation?
Except with those who suffer from a chronic organisation-complex, the objective determines the form of organisation to be used.

For example, if the objective is the study of folklore in Somerset, the form of organisation (if any) necessary to this end need not be, and perhaps should not be, the same as that required for some other objective, as, for instance, salvaging a sunken submarine in the Solway Firth. This statement may seem to express a commonplace; but that is not so.

The general tendency throughout the world to-day is to attempt to apply exactly the same kind of organisational mechanism to the accomplishment of any and every objective. This so generally accepted form of organisation is determined, not by asking—"What is the best and quickest way of getting this job done?"—but by reference to the dogma of democratic idealism, which is: that the "will" of the majority is sacrosanct. When put into operation, this results in one very special mechanism of delegated power—organisation by the committee-system—that only too frequently sidetracks, evaporates, or in some way waters down, slows down, and brings to naught the "will" of the majority.

That is not to say that this system of organisation is worthless and should be scrapped. It depends entirely on the objective decided upon.

There are, then, various organisational forms to choose from, and, once it has been found that some form of organisation is needed, the thing to do is to use the most effective form (or forms) of organisation to achieve the given objective.

To attempt to apply one form only (and that one, as we have seen, based upon a particular concept of democratic idealism) to any and every end, is like a man who, on principle, is determined to use nothing but a spade, not only for spadework, but to carry water from a well, drive a nail, saw a log, write a letter, row a boat, and eat his porridge!

No matter what the objective may be, however, there is a known canon of effective organisation that can be expressed in three words, and so is easily memorised:—

- (i.) Focus,
- (ii.) Uniformity, and
- (iii.) Obligation.

An effective organisation must have a clearly defined and attainable objective, or focus-point; there must be at least one point of uniformity (not necessarily a uniform, of course); and at least one duty, however small it may be, accepted and faithfully carried out as an obligation by each individual member.

An organisation that does not show these three characteristics is not likely to function as an effective instrument, and, indeed, is hardly to be classified as an organisation at all. Such a group is more in the nature of an association. Of course, it is possible to organise with the object of association; that is, in order to meet together. But that is association for the sake of association, and hardly an objective. For the sake of association, and hardly an objective, for example, a number of individuals may be convinced that the earth is flat, and may like to feel they "belong" to a Flat-Earth League. The focus in this case is simply the idea that the earth is flat (which is not an objective), and neither uniformity, or obligation, is essential. In fact, more than this idea, nor obligation is essential, is not organisation, as we are here defining it, is not

Roosevelt's drive for "clean finance." Harriman, of Harriman's National Bank, arrested; another banker commits suicide.

Sir H. Thornton (American chief of British railways during the War) dies.

U.S. delegate to League of Nations Committee on Sino-Japanese conflict, Hugh S. Wilson.

New York Stock Exchange reopens.

Communist-Nazi fighting at Elbing, Prussia.

English Communists sentenced for attempts to seduce soldiers, etc.

March 17, 1933.

Dollar fluctuates wildly (3.41-3.45).

I.C.I. restore wage cuts.

Jehol war continues.

Budget apprehension: higher tariffs suggested.

Bank of England buys French gold to support the franc-sterling rate.

MacDonald presents his new plan to save Disarmament Conference.

Wall Street rises.

U.S. Economy Bill passes Senate.

Dr. Luther, of Reichsbank, resigns: Schacht to replace him.

New York mortgage-guarantee companies to close down on orders of banking dictator. (N.B.—Frozen mortgages in New York State £600 M.)

London newspaper circulation war reopens.

Bank Returns: record high reserves of 48.5 per cent.; Bankers' clearings £562 M. (minus £114 M. on corresponding week last year).

March 18, 1933.

Disarmament—MacDonald flies to Rome to see Mussolini.

Forthcoming Meetings.

Brighton and Hove.—Four lectures will be given by Mr. Frank Griffiths, of Kibbo Kift (Green Shirts), at 8, Powisvillas, Dyke-road (Clock Tower end), at 8.30 p.m.

Lecture 3.—Friday, March 24.—The Douglas Social Credit Proposals.

Lecture 4.—Friday, March 25.—Breaking the Money Monopoly.

Fee, single lectures, 1s.

N.B.—All students in this district, it is hoped, will endeavour to attend. Any further particulars may be obtained from the secretary, Mr. D. G. Phipps, 24, St. Aubyns, Hove.

At Newport Town Hall Assembly Rooms, under the auspices of the Newport Debating Society, Dr. J. E. Humphries, M.Sc., Ph.D., B.A., will meet Councillor A. E. Pugh in debate on a motion to the effect that the principles underlying Social Credit would solve the economic problem. Dr. Humphries will affirm and Councillor Pugh oppose.

Date, March 29. Time, 7.30 p.m.
At the Public Hall, Ipswich, Major C. H. Douglas will speak on "Money—Servant or Master." Date, Tuesday, April 4. Time, 8 p.m. Admission by ticket, 1s. reserved, 6d. unreserved. Apply to Mrs. Harrison, The Ancient House, Butter Market, Ipswich.

The Belfast Douglas Credit Group are holding a further three meetings in the Grand Central Hotel, at 7.30 p.m. Admission 6d. each night. The dates are:—

March 22.

March 29.

April 5.

FORTHCOMING DEBATE.

Debate on "Social Credit" between R. G. Hawtrey (H.M. Treasury) and Major Douglas, in the Central Halls, Corporation Street, Birmingham, at 6.30 p.m., March 22. Admission by ticket, applications for which should be made to G. Kay, Hon. Sec. Birmingham Social Credit Group, Marchmont, Old Croft Lane, Castle Bromwich.

THE BIRMINGHAM DEBATE.

In answer to correspondents, this debate between Major Douglas and Mr. Hawtrey will be reported in THE NEW AGE in due course.

SUBSCRIPTION RATES.

The Subscription Rates for "The New Age," to any address in Great Britain or abroad, are 30s. for 12 months; 15s. for 6 months; 7s. 6d. for 3 months.

CREDIT RESEARCH LIBRARY

Books and Pamphlets on Social Credit.

- BRENTON, ARTHUR.
Social Credit in Summary. 1d.
The Key to World Politics. 1d.
The Veil of Finance. 6d.
Through Consumption to Prosperity. 2d.
- C. G. M.
The Nation's Credit. 4d.
- DEMANT, V. A.
This Unemployment. 2s. 6d.
- DOUGLAS, C. H.
Economic Democracy. 6s.
Credit Power and Democracy. 7s. 6d.
The Breakdown of the Employment System. 1d.
The Control and Distribution of Production. 7s. 6d.
Canada's Bankers. (Evidence at Ottawa.) 2s. 6d.
The Monopoly of Credit. 3s. 6d.
These Present Discontents: The Labour Party and Social Credit. 1s.
The World After Washington. 6d.
Social Credit Principles. 1d.
Warning Democracy. 7s. 6d.
The New and The Old Economics. (Answer to Professors Copland and Robbins.) 1s.
- DUNN, E. M.
The New Economics. 4d.
Social Credit Chart. 1d.
- GORDON CUMMING, M.
Introduction to Social Credit. 6d.
- H. M. M.
An Outline of Social Credit. 6d.
- HATTERSLEY, C. MARSHALL.
This Age of Plenty. 3s. 6d. and 6s.
Men, Machines and Money. 4d.
- HICKLING, GEORGE. (Legion of Unemployed.)
The Coming Crisis. 2d.
- POWELL, A. E.
The Deadlock in Finance. 3s. 6d.
The Flow Theory of Economics. 5s.
- TAIT, F.
The Douglas Theory and Its Communal Implications. 3d.
- TUKE, J. E.
Outside Eldorado. 3d.
- YOUNG, W. ALLEN.
Ordeal By Banking. 2s.
- W. W.
More Purchasing Power. 2s. 5 for 6d.

Critical and Constructive Works on Finance, Economics, and Politics.

- DARLING, J. F.
Economic Unity of the Empire: Gold and Credit. 1s.
- HORRABIN, J. F.
The Plebs Atlas. 1s.
An Outline of Economic Geography. 2s. 6d.
- LUDOVICI, A. M.
A Defence of Aristocracy. 7s. 6d.
- MARTIN, P. W.
The Limited Market. 4s. 6d.
- SYMONS, W. T., and TAIT, F.
The Just Price. 2d.

Instructional Works on Finance and Economics.

- BARKER, D. A.
Cash and Credit. 3s.
- CLARKE, J. J.
Outline of Central Government. 5s.

Address: 70, High Holborn, London, W.C.1.
Published by the Proprietor (ARTHUR BRENTON), 70 High Holborn, London, W.C.1. (Telephone: Chancery 8470), and printed for him by THE ARCADE PRESS LIMITED, Temple-avenue and Tudor-street, London, E.C.4. (Telephone: Central 1571.)