

THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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NOTES OF THE WEEK.

Insolvency and Insanity.

Mr. David Seabury, a New York psychologist, has stated that insanity has increased 30 per cent. during the last ten years. (*Morning Post*, February 16.) Worry, he says, is one of the first steps towards insanity. Well, that is so obvious that people don't need a specialist to point it out. But Mr. Seabury has a moral to draw which is not so obvious. It is that people should beware of the "worry-monger." Worry, it seems, is a sort of commodity which a hawker calls round at your house with, leaving a free sample. "Half the worries of the world are started by people of this sort: they should never be heeded." In an enumeration of the sorts of people he means are included: "gossips," "critics," and "envious," "angry," or "painfully good" persons. This suggests that worry is a sort of germ, and that the people who spread it generate the germ or pick it up. Whether they are themselves immune to its ravages, and are simply carriers, is not made clear. But what Mr. Seabury is driving at is clear enough in principle—it is that we must attribute psychological phenomena to psychological causes, and therefore look to psychology for the remedy. We can, so he suggests, keep our minds in proper balance by a process of musing. We can do this if we ignore disquieting facts, and avoid contact with people who express disquietude about them.

Now we can assume that Mr. Seabury would interpret suicides as reflecting insanity—and, in a fundamental sense, he will be right, because a mind which ceases to be dominated by the natural instinct for survival, is, for that reason, unbalanced. If that is granted we may impute to Mr. Seabury the proposition that worry is the cause of suicides. So, if he were invited to look at Major Douglas's graph of the suicide-curve he would call it a worry-curve, and could plausibly say that the dead people concerned need not have died if they had kept a tight rein on their morbid imaginings. But the graph prepared by Major Douglas includes another curve—the bankruptcy-curve. This curve shows a remarkable predilection for holding hands with the

suicide-curve and strolling beside it on its journey up and up and up the hillside of contemporary phenomena. What are these twain doing in company? What things has Insanity to whisper to Insolvency? Does the one say: "I am here because I harkened to worry-mongers"?—and the other reply: "I am here because I listened to bankruptcy-mongers"? Well, we suppose that by supreme ingenuity one might make out that people can go bankrupt through thinking of bankruptcy. But even that presupposes the antecedent *fact* of bankruptcy, and news of the fact. So the remedy would seem to be that people who are not bankrupt should be prevented from hearing that others have gone bankrupt. But here arises a difficulty; for the *news* of bankruptcies is held to constitute a warning to those who are yet solvent to avoid doing those things which lead to insolvency. Hence, though we might agree that worry-mongers should "never be heeded," we feel we ought to insist that bankruptcy-mongers should always be heeded. Unfortunately, if you buy the bankruptcy-idea you can't help buying worry along with it. If we generalise this dilemma we shall have to admit that the only resolution of it lies in separating each human ego from its environment of other egos—and insulating them collectively from their environment of fact and circumstance.

That would be a tough proposition, but we must say that the Press is tackling it as efficiently as is humanly possible. True, it publishes plenty of disquieting facts, but draws the most cheerful moral from them. It arrives at the moral by watching the face of Finance. If Finance smiles there is nothing for us to worry about. But if Finance frowns, there is everything to worry about, however heartening may be the facts which elicit the frown. But even then we can be cheerful, for when Finance frowns, everybody has to worry together; and when we all worry together we benefit by the increment of association which comes to us as the spirit of hopeful resignation. We are hopeful because Finance is correcting the situation; and we are resigned because in doing so Finance hurts us all impartially. The moans of others assuage our own pains. Worry, after all, is due to apprehension as to what *will happen next*. It is a reaction to what hasn't happened. So it is irrational

allowing for the difference between the sizes of the populations. So we can check the anti-inflationists' warnings by looking at America. What is the measure of the inflation there?—what have been its economic consequences?—and what evidence is there that the President is unable to reverse or modify his original policy? When the most has been made of the failure of his plan to produce the benefits he expected of it, there is not the slightest sign of an immediate inescapable collapse into chaos such as was held by Australian bankers to be the certain consequence of monetary expansion in that country. The President and his supporters have had plenty of time, and still have adequate time, to retrace their steps or bend them round to rejoin the path of "sound finance" if and when they lose confidence in their judgment. And Social Credit students will be able to see without difficulty that the London Press recognises this fact. (*The Observer* of last Sunday is the latest case in point.) The City is complacently looking forward to seeing the Roosevelt reformers tactfully rounded up by Morgan's sheep-dogs and shepherded through the welcoming open gate of the Wall-Street pen. It is just a question of time.

So, whatever flaw may be suspected of residing in the Douglas Theorem, let us have no more of this nonsense about its being as much as one's life is worth to touch his Proposals. Even supposing America had gone the way of Germany it could not have been argued that because a plan admittedly containing no safeguards against inflation had failed to escape inflation, a plan expressly including such safeguards would similarly fail. The common-sense of the Australian people will appreciate that all right. And as for the technical aspect of the subject, competent inquirers can find in Social-Credit literature facts and reasons adequately explaining what is holding the Roosevelt plan up and, therefore, what will remove obstacles to its efficacy in promoting the welfare of American people.

Reviewing all the foregoing appeals to common-sense comprehensively we submit that they outweigh the assemblage of appeals to expert authorities which the Australian bankers are exhibiting in the newspapers. It is not for the people as a whole to judge the soundness of their technical reasoning but to consider the practical implications of their conclusions. These critics correspond to those among the Corinthians who denied the Resurrection, and they need to be dealt with as the Apostle Paul dealt with his adversaries and those who listened to them. "The Douglas Credit Scheme was examined by . . . and found FALLACIOUS." So runs the headline of a three-column advertisement covering nearly 100 square inches in the *Sun News Pictorial* of January 23. Very well: if Douglas is wrong, then all faith in economic recovery is vain, and the world is yet in the sealed dungeon of debt and poverty. This does not prove that Douglas is right, but it should stir a spirited people to insist that he shall be proved right or wrong by events. These critics offer no hint of an alternative way out; and the acceptance of their advice means acquiescence in a policy of inertia generated by a philosophy of despair.

Notice.

All communications concerning THE NEW AGE should be addressed directly to the Editor:

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Renewals of subscriptions and orders for literature should be sent, as usual, to 70, High Holborn.

Major Douglas at Perth.

SPEECH AT THE TOWN HALL.

[Report reprinted from *The West Australian* of January 17, 1934. The cross-heads are that paper's.]

Under the auspices of the Douglas Social Credit Movement of Western Australia, Major Douglas addressed a crowded meeting in the Perth Town Hall at noon yesterday. Among those on the platform were Mrs. B. M. Rischbeith (president of the Australian Federation of Women Voters), Mrs. M. B. Vallance (president of the Women's Service Guilds of Western Australia), Miss Tracey (president of the Theosophical Society of Western Australia), Professor F. R. Beasley, Mr. L. E. Green (chief president of the Australian Natives' Association of Western Australia), and Mr. R. S. Sampson, M.L.A. Apologies for absence were read from Mr. I. G. Boyle (president of the Wheat-growers' Union) and Mr. A. H. Griffiths, M.L.A.

When Major and Mrs. Douglas, accompanied by Mr. C. F. J. North, M.L.A. (State president of the Douglas Social Credit Movement of Western Australia), took their seats on the platform, cheering and hand-clapping broke out, and the audience sang "For He's a Jolly Good Fellow." Two sheaves of flowers were presented to Mrs. Douglas.

Food, Clothing and Shelter.

Major Douglas, after opening his address by making felicitous comparisons between Perth of Scotland and Perth of Western Australia, said that before anybody could construct a new life for himself he needed to be assured of bed, board and clothes. In other words, it was useless to talk to a man about his soul when the man's mind was on the need of getting ham and eggs for breakfast. (Laughter.) The need for bed, board, and clothes implied production, but this term was a misnomer; what was commonly called production was the process of conversion used to be brought about mainly by the application of muscular energy, but in modern times it was being done by solar energy through such things as coal, electricity, and water-power. This displacement of muscular energy by solar energy was not a financial fact, it was a physical fact, and it had changed the face of the whole situation.

The present-day world was a world of plenty. Reckoning one horse-power as being equal to ten man-power, and dividing the available horse-power by the population, it could be said that every man, woman, and child in the United States of America had fifty slaves at his or her disposal, and in Great Britain the ratio was thirty-two to one. There was on the one hand great actual and potential wealth; and on the other, poverty. Besides poverty there was increasing insecurity for every section of society.

The thing that stood between production and consumption was money. Until recently it has been assumed that wealth and money were synonymous, but economic developments had compelled a revision of that opinion. Orthodox bankers and socialists held the view still, however, that "the poor were poor because the rich were rich." The rich were supposed to have too much, and the poor too little. If that theory were sound, it would be possible to put the world into balance by increasing and steeply grading taxation, but this had been tried during the past decade. Taxation was heavier and more steeply graded than at any previous time in the history of taxation, yet at no time had the economic system been working so badly. Taxation had in fact been levied to such an extent that Governments had about come to the limit of it; taxation had now reached the stage of "diminishing returns," which meant that the more you taxed the community the less you got from them.

Lack of Purchasing Power.

The alternative to the theory which attributed the wealth of the rich to the poverty of the poor, was that

of a general lack of purchasing power. If the whole of the money of a community were pooled and equally divided, there would not be enough of it to buy the goods that were for sale. If there were a very rich man in a community of very poor people he would have enormous power, but if the poor were furnished with tickets so that they could buy what goods they needed, the rich man would not have any less wealth but his power to command the services of the poor would be gone. (Applause.)

The speaker said he was not there to represent any class or party, but in the interests of social justice he preferred to see the poor made rich, than to see the rich deprived of what they owned. A readjustment could be brought about without a bloody revolution. Such was the policy of members of the social credit movement. Anybody prepared to resist a policy of that kind could be written down as fundamentally a scoundrel. (Applause.)

The present economic crisis was being described as an unemployment crisis. He did not agree with that, he said. The world was merely achieving what it had been working for during the last 200 years—production without work. He regretted that the world had not sufficient sense to see the fruits of its policy. What was lacking were the tickets by which people could obtain the goods that were produced. Unless this were soon realised and steps taken to adjust it, a cataclysm might easily take place in the future that would destroy the physical basis of real wealth. The world was running this risk rather than making an attempt to understand a ticket system.

He did not know, but supposed that in Australia there was a section of the public that looked to nationalisation as a remedy. But nationalisation was simply an administrative reform. At no time would he ever commit himself to a flat statement of opinion as to whether one thing or another should be nationalised. Nationalisation did not get to the root of present-day troubles. The problem was to get enough money to buy the necessities of life, whether they came out of a Government shop or a private shop. Only by a reform of the technique of finance could such a problem be solved.

Money System a Monopoly.

"The world had allowed its money system to become a monopoly," he continued, "and the monopolists were administering the system chiefly in their own interests. It was not true to say that all bankers were knaves or that they were fools, but he would say, and say definitely, that the bankers had, either by accident or design evolved a money system that was not in the public interest. That was the core of the case which the social credit movement was placing before the public." He did not wish, however, to displace bankers from the banks. He thought they were pretty good people to run banks, but they were not the right people to say what the policy of the banks should be. (Laughter and applause.)

Toward bankers, he said, his attitude was like that of the neutral American during the war who "did not care who licked Germany so long as she was licked." He (Major Douglas) did not care who licked the financial system, so long as it was licked. (Laughter.) The abolition of the system could be brought about in Anglo-Saxon countries by constitutional means. If he thought it would be really necessary to raise a fighting army to destroy the present banking system, he would try to raise an army, but he was satisfied it could not be done that way. Also, it was unnecessary to form a political party to do it. All they had to do, in his opinion, was to make the lives of existing politicians such a misery to them that they would be obliged to bring the question of social credit into the forefront of politics. (Applause.)

How Jericho's Walls Fell.

There were formidable difficulties in the way, and they would have to be faced. The control of credit and the ability to make money gave the bankers power over

communications, publicity, and the things that were called capital. This was serious from the point of view of those who wished to overthrow the system, but not as serious as might appear. He had talked with many bankers and others who held high and important positions in the financial world, and they had confessed to him that they agreed with him, but did not know what to do about it. He felt that, as the walls of Jericho had fallen down when someone had blown a trumpet, perhaps the walls of the present banking system would also fall if a trumpet were blown, because its walls were decayed through and through, and officials did not believe in the system they administered.

Concluding, Major Douglas urged those present to use their utmost endeavours to bring about the social credit system. Unless a remedy were applied soon the world might plunge into irremediable catastrophe. Millions of people throughout the world, he said, including those in China and Japan, were thinking along the same lines as they of the social credit movement, and were convinced that success would come. (Applause.)

The speech was broadcast through station 6ML.

Dual Credit-Distribution.

There was a time not so long ago when, for purposes of propaganda, Social Creditors were content to concentrate on the analysis of the existing economic system.

Apart from the tactical advantage of keeping opponents on the defensive it was felt that if people were taught to realise the soundness of the analysis their own awakened interest would lead them to study general principles of a solution.

Moreover, it was considered that when the time of application arrived details would need to be left to experts.

Possibly as a consequence of the publication of the *Draft Scheme* for Scotland, followers of Major Douglas became more interested in concrete plans for the future.

A healthy sign.

But the same cannot be said of an attempt to commit Douglasites to any principle, however superficially attractive, on the grounds that departure therefrom might produce "unhealthy opposition."

Quite recently the Green Shirts were jockeyed into attaching themselves to the principle that in a Social Credit State producer credit would continue to be granted by the banks leaving the National Credit office to issue consumer credits.

Let us see what this implies.

In any Social Credit order money will be issued under two distinct headings:—

- (i.) To pay for Production;
- (ii.) To distribute Production.

It might be argued that these issues should be distinctive in appearance, if only to insure identification later, but only a little reflection will show that all money must be capable of buying goods for consumption. In other words Production credits must be acceptable as Wages, Salaries, and Dividends.

Now if the Banks are to continue with the issue of loans for production there will be in existence, at any given moment, Producer credits equal to Producer borrowings.

But as prices, in the aggregate, cannot be less than Consumer plus Producer Credits all money must eventually find its way to the credit of producers (or distributors).

The method by which banks retire Producer Credit is, or should be, familiar to every Social Creditor. But how in the circumstances, is it proposed to retire Consumer Credits—unless by taxation?

Would the taxation method be more acceptable than that of superseding the private banks?

It is submitted that the problem is one of retiring consumption credits and that has been discussed elsewhere.

"ACCOUNTANT."

Hunger Marchers in Hyde Park.

By John Hargrave.

Not long ago *The Spectator* thought it well to warn the Hunger March organisers that "it is within the power of the Press to give them, not the publicity they want, but the publicity they deserve—which is none at all." That is perhaps more of a threat than a warning—and, to a great extent, that threat was carried out.

The Press (including *The Spectator*) forgets that the printed sheet is not the only effective form of publicity. There is such a thing as Flesh-and-Blood Publicity, which, efficiently organised on a large enough scale, can "tell England" (and can "tell the World") far more dramatically, and therefore far more effectively, than any printed sheet.

The hunger marchers, and all those who make common cause with them, are a Living Newspaper: one ought to say a Living Picture Paper, for every hunger marcher is a living picture of "news" that *The Spectator* threatens to suppress. It is not News from Nowhere—it is News from Everywhere, carried not by a Press made of wood-pulp, but by a press of people: living flesh-and-blood. And the display headline of this human news-sheet cannot be overlooked, cannot be misread:—

"POVERTY AMIDST PLENTY."

Here is a publicity organ—the Hunger March—that is not in the control of the Bankers' Combine, and cannot be bought up by a Rothermere or a Beaverbrook. Unlike their sheets of printed wood-pulp, this organ of publicity carries one advertisement and one only, printed (at present) in invisible ink, but ready to appear in gigantic letters when held near the fire:—

"SOCIAL CREDIT IS THE ONLY SOLUTION."

It has been said that these hunger marches are organised and very largely directed by Communists. That makes no difference to the fact that a Hunger March is a public demonstration against needless poverty in the midst of plenty. As such, every Hunger March is a potential demand for Social Credit.

You may say that these hunger marches and demonstrations are "no use," that they "do no good," and that when they are all over "nothing is gained." Hidden behind any such remark there is something that would need careful analysis (and possibly psychoanalysis?) to bring to light. That something is—what? (fear?).

The fact that thousands of British men and women are no longer willing to sit still in poverty-stricken homes, or to stand about patiently waiting day after day outside the Labour Exchanges, but have roused themselves to protest and to fight against those who keep them in economic misery, is the one spark of political reality to be found in this country to-day.

To wish or suggest that the Unemployed and the destitute should sit still and "tighten their belts," simply means that you want to subdue and finally extinguish whatever fighting spirit still remains in the majority of the British people.

If you say the hunger marchers and the Unemployed generally are not demonstrating for Social Credit, the answer is: see that they do. But you cannot do so by holding aloof from their economic struggle—because their economic struggle is yours also. They have carried their struggle on to the streets. It may be thought that they have no chance of winning that struggle. We shall see. We shall see—and with it the fight for Social Credit—will be won on the streets or in the polling-booth. Perhaps both will be necessary, but before it will be possible to bring in Social Credit via the voting-paper, nation-wide public demonstration outside the parliamentary system altogether must develop—and must be developed. In this the hunger marchers are politically correct, in spite of the fact that their positive demands are still Work Demands based upon the idea of Communal Work-Sharing.

They have not yet got hold of Social Credit, but when they do (and they will, for we must see that they do)—then the ballot-box might become a usable politico-obstetric instrument. On the other hand, it might not. It might be found to be obsolete and useless even to assist at the birth of the Social Credit State.

The Social Credit State could emerge by the pressure of public opinion expressing itself as a Direct Mandate given to that body which had effectively generated and directed mass pressure throughout the country.

The first mass demonstration of unemployed hunger marchers in Hyde Park took place on Thursday, October 27, 1932. This was a protest, organised by the N.U.W.M., against the Means Test and the National Government. A report of it was published in *THE NEW AGE* for November 3, 1932.

The second mass demonstration of hunger marchers took place in Hyde Park on Sunday, February 25, 1934. This was a protest, organised by the N.U.W.M., against the new Unemployment Bill and for a scheme of Public Works, financed from money at present used to pay for the National Debt.

The following observations may be of interest:—
1. *The number of demonstrators assembled in the Park, together with the crowds of onlookers, fell far short of the number on October 27, 1932.*

This may have been due partly to the fact that in London a weekday demonstration has a greater crowd-pulling effect than one held on a Sunday.

Another consideration may be that the novelty of watching hunger marchers streaming into and coming from the Park has worn off for the general mass of non-political sightseers of all classes.

The most important point of all is probably to be found in the actual objective. In 1932 the feeling of the unemployed against the Means Test reached boiling point. Thousands upon thousands of men and women had suffered under the application of the Means Test. They knew all about it and how it worked in their own districts, in their own streets, in their own homes. They were not then protesting against some measure that was going to be applied. It had been applied, and the masses knew what it felt like—

It felt like the knout of Economic Serfdom, which is what it was, and still is. In 1934 mass-emotion had shifted from revolt against the Means Test to revolt against the new Unemployment Bill that threatens to make Planned Poverty more effective—i.e., that the national organisation of Poverty shall be shared-out on a basis of equality of poverty for the unemployed. But this scheme, although in embryo throughout the country, has yet to be co-ordinated and applied under the provisions of the new Unemployment Bill. For this reason the slogan "Down with the 'Slave' Bill!" is not (yet) as effective as was the 1932 slogan of "Abolish the Means Test!"

There is at least one other important reason why the number of demonstrators was less than in 1932: many of the men who took part in the original Hunger March did not turn out for this one. "I was on the last Hunger March, but I'll never go again," is often heard from older men who took part before. The reason for this is not merely the hardships they had to put up with on the way, and in getting home again, but a psychological sag, due to having made a gigantic physical and nervous effort without being able to see sufficient (or any) tangible results from it. This may account for the fact that:—

2. *The average age of the hunger marchers on February 25 was very much younger than on the previous occasion.*

It is difficult to judge, but several other observers put it between 17 and 18 years of age, whereas in 1932 it was round about 24 or 25. If there were but few ex-soldiers of the First World War before, there were still fewer this time. This lack of older men showed itself in many ways. It showed itself in particular in the fact that:—

3. *The marching technique was poor—nothing like as good as in 1932.*

There was an insufficient "stiffening" of older men with experience of campaigning to set a steady marching pace and to keep the ranks. Practically every unit and contingent was a straggle. As before, those near a band were kept in step (or at any rate in marching-rhythm) by the music. In 1932 the Scottish Marchers made a great impression by their attempt to swing into the Park in good marching order. It was not so good this time, when the Hunger March at its culminating point, when it streamed into Hyde Park, had less military technique than before, and did not show anything like the mass-elan of 1932. There is evidently a very great danger of staggering and stumbling from one demonstration to another, without a proper regard for the mass-tempo as manifested before, during, and immediately after each occasion. Thus, it would not be at all difficult to exhaust the demonstrational impulse of the masses, until at last it had dwindled away through being "called out" either too frequently or without a sufficiently strong emotional stimulus.

Together with the general slackening in marching technique and marching formation, we may note that:—

4. *The self-discipline of the marchers and demonstrators was extraordinarily good.*

This "goodness" coincides, we are bound to notice, with all the foregoing points—a weaker numerical strength, fewer sightseeing crowds, a very much younger personnel, a slackening in marching technique, and a lack of mass-elan. We must also take into account the fact that:—

5. *The authorities charged with the maintenance of law and order had not only reorganised the police, but had*

Austrian News.

FROM A CORRESPONDENT.

Vienna, February 22.

It is said officially that the total casualties are 250 dead and 600 wounded. People who are not in sympathy with the Government generally believe that the deaths on the other side and among the ordinary public are more numerous than is admitted. So far, I have not met any Social Democratic friends to hear their version of the clash. The leaders are in prison and their newspapers are publishing only official news.

Naturally the causes of the row are the shortage of money, the struggle of the leaders for positions and of the men for jobs. As you will know from the newspapers, the Government has long been black—I think ever since Austria was adopted by the League of Nations in about 1925—and the City of Vienna has been red ever since the revolution in 1918. The tendency was for these two big employers to take on their own party members, and the black party was always envious of the reds, because the latter got better pay. During the past year, while Dr. Dollfuss has been in power as a consequence of the questionable point of procedure brought up by the retirement of all the speakers in Parliament without appointing successors, the City of Vienna has steadily been deprived of its revenue by means of emergency laws restricting its powers. Dr. Dollfuss was supported by a militant group, which finally consolidated under Major Fey, who constantly pressed Dr. Dollfuss to use all the forces the State could muster and to disarm the heavily armed reds in Vienna and in the other industrial centres. While Dr. Dollfuss was away in Budapest the affair culminated, and the reds made a last desperate stand, chiefly in the tenement houses which they had built especially for their fighting men with a view to eventual use in street fighting and counter-revolution.

The fight took place between about 40,000 soldiers, police and auxiliaries on one side, and from, say, 10,000 to 20,000 reds, hastily and not well organised, in spite of the many years of preparation for such an event. Some of their munitions and all of their cannon had been confiscated previously, so that they were at a further serious disadvantage. The real reason of their utter defeat was, however, that labour has lost in market and social value since the revolution, the workmen no longer have confidence in themselves or in the theories propounded by their leaders, who, again, to make up for their loss of prestige, incline to arrogance and indiscretion.

It is rather early to venture a forecast, but I cannot believe that Dr. Dollfuss will be able to prevent a general supplanting of the Social Democrats from top to bottom. As already mentioned, the Socialist leaders are in prison and their old jobs are now being done by their assistants under Government nominees. This phase is not likely to last long, for the leaders and following of the blacks are bound to press for positions and jobs to requite them for their services in the victory over the reds. It looks as though there would not be a single ardent red in a good billet at the end of the present year.

The country is divided politically into three equal groups, the blacks, the reds and the browns, both of the latter now being illegal. After the victory of the blacks, many of the luke-warm reds, freed from the pressure exercised by the party, have flocked into the black camp. The more truculent ones, in so far as they are not killed, disabled, hanged or imprisoned for long periods, will probably make their way with time into the brown camp with a view to having another go at the blacks in case the browns ever give up their mere agitation and strike for dictatorial powers.

For the time being the blacks have everything their own way, and they will be able to maintain their monopoly as long as they can keep the wolf away from the door. Dr. Dollfuss has an excellent private coach in Cardinal Initzer, and the Church is the most experienced of all the political parties, but even for the Church, times are not what they were, because, for some reason or other, high finance seems to favour red rather than black, which means that recent events will turn Austria further away from the west in the direction of Italy and Hungary. It remains to be seen how the blacks will manage their money matters next year. If war does not break out it is highly probable that there will be a steady decline in the standard of living and an increase of unemployment and discontent. In the meanwhile, however, affairs will be managed more sagely in a small way than they were by the reds with their innumerable and unwieldy assemblies, councils and committees, and their application of public revenues to party purposes.

I have just heard that whole industries, which were lately organised under Social Democracy, have gone over to a man

adopted a more correct technique for handling a peaceful mass demonstration.

In consequence there were very few of those irritating tactics on the part of the police that I had to report in 1932. The mounted police were kept well in hand, and the "specials" were put to do traffic duty.

The weather, gloomy, cold, damp, and foreboding most of the time (at about 2.30 p.m., when the contingents were making their way to the Park, it was a thick, brown-black mist almost like night), played its part in still further subduing a demonstration that had never developed, and could not develop, any upsurging mass-energy.

6. *The speakers on the various platforms in the Park put forward exactly the same mixture of Labour, Co-op., I.L.P., Fabian, and Communist exhortations, protests, and ideals as were heard ten, twenty, thirty, forty years ago.*

The crowds around the platforms listened in almost dead silence. There was no sort of mass-enthusiasm for anything. There was very little cheering. The crowds drifted and wandered about from one platform to another. The mass-spirit was never at any moment galvanised and welded into one whole. It knew it was demonstrating against an Unemployment Bill that was certain to become law whatever happened. . . . In 1932 there was a spontaneous and contagious mass-energy. In 1934, the demonstration was listless. A kind of exhaustion of the mass-psyche seemed to make itself felt.

The orderly behaviour of the marchers and other demonstrators was due, one felt, not only to their political sense, but also to psychic-exhaustion. The speakers on the platform referred to "this great revolutionary demonstration," but, in fact, it was not revolutionary. Hidden somewhere deeply within it, there was a true revolutionary urge; but this was never able to find its "flash-point." In 1932 the Anti-Means Test agitation provided a real point of focus. Opposition to the new Unemployment Bill lacked the same intense bitterness and hatred born of individual personal experience.

The Hunger Marchers' demonstration on February 25, 1934, showed two things:—

(a) The Police have been thoroughly reorganised and strengthened in many ways, and are very much more efficient in dealing with mass demonstrations.

(b) The most active sections of the working masses and the unemployed have not improved their demonstrational technique, and lack any clear focus-point upon which to whelm

It is necessary to comment upon the publicity given to this Hunger March in the Press. One of the chief objections to the hunger marchers and their organisers was that these activities always lead to "disorder." It was an effective scare-cry to put forward, and the Press worked it up for months.

On Sunday, February 25, 1934, we witnessed a mass demonstration that was so orderly that the *Daily Express* described it in the following headlines:—

"A PLEASANT SUNDAY AFTERNOON IN HYDE PARK.

"A Policeman Was Bitten On The Hand.
"There Were Three Arrests.
"—And That Was That!"

I draw attention to this—especially to the last line, "And That Was That!"—because it reveals a state of mind and emotion that can have but one reaction on the part of the demonstrators. The Press in general reflected the same half-bantering sneer. The reaction on the part of the demonstrators must be:—

(i) They give plenty of publicity if there is any sort of disorder or "rough house." That gives them a chance to put the middle-classes against us, by attempting to show that we are a disorderly rabble out to create trouble.

(ii) When we show, as we did on Sunday, February 25, that we are perfectly orderly and decently behaved, they say, "P.S.A. in Hyde Park—No Dust-Up—Damp Squib—So That's That!" In other words: They're a poor lot, with no fight left in them—and it's all rather dull.

(iii) Therefore, it looks as though keeping good order and discipline gets you nowhere. If you don't try to "kick up hell," they think they've got you down, and they almost start to jeer at you for behaving like nice meek little lambs.

The arrest of two of their leaders immediately before the demonstration was in itself likely to make the rank-and-file reactive and disorderly. It was politically idiotic.

The refusal to see a deputation was equally foolish. Why so afraid of a few men from a P.S.A. outing in Hyde Park? It is quite clear that the time will come when no deputation will even bother to ask for an interview. It will not be necessary.

to the Patriotic Front (the blacks). I mentioned the matter to a Socialist; he explained that they must do so in order to keep their jobs; then he added, "But wait, you cannot see what's going on inside them." I asked him if he was sure they had any insides, but he only repeated old Asquith's oracular phrase, "Wait and see." I do not remember that we saw anything by waiting for old Asquith.

The Theatre.

"Windfall." By R. C. Sherriff. Produced by André van Gysegem. Embassy.

Mr. Sherriff has now three plays to his name. If he should write thirty, it seems unlikely that any of them will repeat the box-office success of "Journey's End," that medley of sentimentality, hysteria, snobbishness, and patriotism which was fortunate enough to get itself produced at precisely the psychological moment.

"Windfall" starts with a promising enough idea—that of the sober bourgeois who comes into a sudden fortune but, in the manner of sweepstake winners interviewed by the Press, declares that it will make no difference to his mode of living. But the author lacks the courage of his conception. Spooner, the windfall—admirably played by the always-finished Hugh E. Wright—after resisting the badgering and entreating of his family throughout two acts, makes a rightabout turn in the third, when he buys a larger house, which he obviously does not want, and gives up the job to which he is attached. This is anti-climax; the author supplies the clue to the cause of his reaction, but fails to elaborate it enough, with the result that the end is unconvincing; in other words, the last act is bad, which seems to be among the characteristic defects of two out of every three news plays I see.

In addition to Mr. Wright, the large cast includes Margaret Watson (as Mrs. Spooner), Thomas Weguelin, Anne Cotton (one of the Embassy School's promising students), Margaret Larcombe, and Vernon Sylvaine. It is unfortunate that the last has been unable to restrain his characteristic tendency to overact, and he might also remember with advantage that while audibility is an excellent thing on the stage, one need not shout in order to be heard.

"Private Room." By Naomi Royde-Smith. Produced by Stephen Thomas. Westminster.

Miss Royde-Smith is so admirably served by Thea Holme that it is not very easy to judge the play in vacuo. Its central situation is the adventure of an inexperienced young girl as a professional co-respondent. Her partner is a perfect gentleman, in every sense of the word, and Lilla leaves the shady hotel with her chastity unimpaired, and eventually marries her young man. But not, one imagines, without post-nuptial dreams of the perfect gentleman.

The hotel scene is in the second act, which makes the third act somewhat of an anti-climax regarded theatrically, but true to life. The dialogue is excellent, and the acting on a high level. Geoffrey Wincott, Basil Radford, Ann Trevor, and Alan Napier—the last as the gentleman-to-be-divorced—are among the cast.

VERNON SOMMERFIELD.

Meeting Report.

SOCIAL CREDIT DEBATE.

Four members of the Birmingham Douglas Social Credit Group: Messrs. H. C. Bell, S. P. Abrams, H. R. Purchase, and J. Harrison, took part in a small private debate on Social Credit at the house of Professor P. Sargent Florence, professor of Commerce at the Birmingham University, on February 21, 1934. The meeting was held under the auspices of the Economics Review Club of the Faculty of Commerce of Birmingham University, and Professor Florence was in the chair. The motion before the meeting was "That the adoption of Douglas Social Credit would remedy impoverishment and would correct the present economic system." The affirmative was taken by Mr. H. C. Bell, and the negative by Mr. E. F. Nash, staff lecturer in Economics to the Workers' Educational Association, West Midlands area. A lively discussion followed the opening speeches.

The Green Shirts.

NOTES FROM THE GENERAL SECRETARY.

"The police have received instructions to prevent any of the young men belonging to the various coloured shirt organisations taking any part in the proceedings."—*Sunday Express*, February 25, 1934.

One hundred and three Green Shirts in full uniform, carrying five green-and-white Social Credit banners, and headed by four drummers, joined the Hunger March Demonstration in Hyde Park on Sunday, February 25, marching in with the East London contingents.

The Green Shirt discipline and marching technique was perfect, was remarked upon by onlookers all along the route, and called forth cheers from demonstrators and sight-seers in the park as the Green Shirt Hundred marched in.

Arrived in the Park, the Green Shirts wheeled, and made straight for platform No. 7, where Mr. John Strachey was the chief speaker. Here the Green Shirts halted, formed into a solid square, stood easy, and supported the platform in making a public protest against poverty in the midst of plenty.

After the final proceedings in the Park had ended and the crowds were beginning to drift out, the Green Shirts formed up smartly and marched in good order back to their London headquarters.

Several Green Shirts from Coventry, Southampton, and one or two other centres, took part in the parade.

The Press, however, had evidently decided to make no mention of what was without question one of the most striking Green Shirt parades so far organised. Press photographers along the route took a number of "shots" as the Green Shirts marched by—but none were published. The *News-Chronicle* report (February 26) said:—

"The Green Shirts were there supporting the hunger-marchers with banners: 'Would a maggot starve because the apple was too big?'"

—and that was the sum-total of any reference to Green Shirts in the whole of the London Press the following day! After giving out categorically that we should be prevented from "taking any part in the proceedings," perhaps the Press thought it best to say nothing? It must have been a little awkward, more especially as the Green Shirts were the only "coloured shirt organisation" on parade.

Apart from this particular boycott, the Green Shirts have had quite a good Press during the past few weeks. All sorts of paragraphs have appeared, of which the following is one:—

"By far the most numerous wearers of political uniforms in this country are the 'Greenshirts,' partisans of the Social Credit proposals of Major C. H. Douglas. The Cabinet's eye, however, is not on them, but on the black, khaki, and red shirts of the respective followings of Sir Oswald Mosley, the Communist Party, and the I.L.P."—*Reynolds's News*, February 25, 1934.

We make no comment, except to say that no Press report could possibly surprise us

F. G.

LETTERS TO THE EDITOR.

PROSPERITY CAMPAIGN.

Dear Sir,—May I reply to J. G.'s question concerning letters received by the B.B.C.

The only proof we have concerning the reception of 2,000 letters by the B.B.C., is the reports of the D.S.C. groups sent into the "Prosperity" Office on that occasion. Some groups sent as many as one hundred letters. If every promise to send letters was carried out, the total must have exceeded the above number. An official notification from the B.B.C. as to the number of letters received could be the only proof of promises carried out.

We agree that the "Hawtreys debate was a signal that the Money Power had decided to grant a certain amount of publicity to Social Credit"—perhaps for the purpose of preparing for a hybrid Social Credit move—therefore advantage was taken of the opportunity to give further publicity and right direction to Social Credit by encouraging supporters to ask for a Douglas broadcast.

Yours sincerely,
WALTER FINNIE.

Hon. D.S.C. Intelligence Editor, "Prosperity."

"THE MODERN SCOT."

Sir,—Had Mr. Montgomery started his review as he finished it, namely, "I am no judge," his review could

be accepted in its true perspective. Obviously Mr. Montgomery, like the majority of Anglicised Scots, has no idea of the developments taking place in Scotland to-day. To state that "the Scottish Lowlander is simply a special kind of Englishman" is so wrong as to require no comment or proof from a Scottish Scot. The Lowlander is the inheritor of a totally different language and culture, and he does "strike out on a line of his own." That Mr. Montgomery cannot grasp this fact, that he and his fellows have to translate C. M. Grieve into English via French, that he is of the school who see nothing in Burns of deeper significance than sentiment, all go to prove the often repeated statement that one of the chief obstacles to Scotland's recovery of her true nationality is the Anglicised Scot. In passing, is it not rather significant that C. M. Grieve's poetry is translated into French?

The mere fact that Major Douglas is a Scot, that his most telling application of the Douglas Social Credit Theorem is based on the assumption that Scotland will be, nay, must be, a freely self-governing State, should give Mr. Montgomery furiously to think.

Let me assure Mr. Montgomery that "what used to be called the Scottish Renaissance" is the Scottish Renaissance, and, to one who can understand it, it has potentialities not only of national, but of world-wide, significance.

Before Mr. Montgomery attempts to review and to criticise the policy of such a journal as the "Modern Scot," let him obtain at least an inkling of what is really happening in Scotland to-day. Does he, for example, study the *Free Man* and other publications of the Scots Free Press? Has he a grasp of the movement aiming at Scottish Self-Government, does he know the extent of the Douglas movement in Scotland? In short, what does he pretend to know of the country of his forebears?

A FREE SCOT.

TO CIVIL SERVICE EMPLOYEES.

Sir,—There are doubtless many readers of your journal among Civil Service employees, who are also supporters of Social Credit. May I seek the hospitality of your columns to request those who belong to Staff Associations, and are anxious to forward Social Credit principles among their colleagues, to communicate with me without delay.

E. J. PANKHURST.

22, Beckenham Avenue, Liverpool, 15.

AND HOW?

Sir,—In the *Daily Telegraph*, February 24, there are two financial statements which, if compared, would give your readers food for reflection (if necessary).

Page 11. "Bright Budget Prospect," "Two to Three Million on the Right Side."
Page 12. "Fewer Rich People in Britain," "Surtax Down," "Income-Tax falls by £37,825,320," "Nation Earning £19,302,421 Less."

On analysing the figures given we find that this last statement is just one-tenth of the truth. The figures should read, "Nation Earning £191 Million Less."

Please can you tell me how it is done; I am completely baffled as to how a nation earning £191 million less is going to provide two to three million on the right side.

PASCO LANGMAID.

[Probably the velocity of the losses creates the profits.—Ed.]

"INCOME TAX AS SHE WORKS."

Sir,—The case quoted on page 215 of last week's issue is probably explained by the defendant's having neglected to challenge his notice of assessment. Income Tax collectors cannot know that assessments are wrong unless the recipients point this out. In such cases, if they would communicate the facts to the Surveyor, they would not be troubled.

C. E.

[We appreciate this. But no reflection was intended on Tax officials. That they do their work as considerably as they are allowed to, we have no doubt. All our remarks were concerned with was the relation of a charge of £2 to a gross income of £104 per annum.—Ed.]

GREEN SHIRTS AND COMMUNISM.

Sir,—I had been thinking—up to now—as an unprofessed believer in and supporter of the Social Credit movement, that it was, at the very outset, constitutional and lawful in its designs, but it has been a rude shock to find myself associated with Communism, via a "Green Shirt" parade in support of the Hunger Marchers.

CONSTITUTIONALIST.

[Read Major Douglas's speech (p. 220) carefully.—Ed.]

Communist Capitalism

OR—WHITHER RUSSIA?!

"The rate of increase in the capital investment in the light industries, engaged in the manufacture of consumption goods, will be considerably greater than in heavy industry. As a result, the output of consumption goods is to be proportionately increased in the next few years while the full results of the larger investments are to become manifest in 1937, which is the last year of the second Plan.

The principal branches of the light industries and of the food industry are to be developed by a more extensive utilisation of machinery. The proportion of automatic weaving looms in the cotton industry is to be increased by the end of 1937 to 40 per cent. There is also to take place a radical reconstruction of the primary preparation of flax, and high-speed machines are to be introduced in the flax industry.

The new Plan has also set the country the task of achieving an all-round mechanisation of the clothing, footwear and knitted goods industries. The meat industry is to be largely mechanised and the proportion of mechanised fishing by the State fishing trust is to be increased to 70 per cent. by a reconstruction of the fishing fleet. The vegetable oil industry is to be widely reconstructed by the introduction of effective extraction methods.

The solution of the tasks of the technical reconstruction of industry will require a successful mastery of the new technique and of the new production methods. The achievement of this should manifest itself in a considerable rise in labour output and decrease in production costs.

The increase in labour productivity during the operation of the second Five-Year Plan is estimated at 63 per cent. as against 41 per cent. during the operation of the first Five-Year Plan. The fall in the production costs in all industry is estimated at 26 per cent., involving a saving by 1937 of 14,000 million roubles as a result of the lower costs as compared with 1932.—From the Monthly Review of the Moscow Narodny Bank, Ltd., London, February, 1934.

"Japan's Abundant Money."

"In his address from the chair at the last half-yearly meeting of shareholders in the Yokohama Specie Bank, Ltd., held at the head office of the institution, the president, Mr. Kenji Kodama, said that with the progress of the various currency measures undertaken by the Government, surplus amounts had been available in the money market, and surplus funds had become abundant.

The above gives weight to the view that Japan is making available interest-free money to subsidise exports—what Major Douglas calls 'a perverted form of Social Credit.'—*The New Era*, January 11.

"Not Living."

Mrs. Helen Perring, of 45, Lind Road, Sutton, was arrested for helping herself to a two-penny loaf off somebody's window-sill.

"What are you living on at present?" asked the Chairman of the Bench.

"We are not living, sir," spoke Mrs. Perring through her tears.

Accused was discharged, the probation officer being directed to help her. Someone in court gave him 10s. for her. (Two young children: husband out of work two years.)—*News of the World*, February 18.

Forthcoming Meetings.

Castle Bromwich.

Lecture on Social Credit, at the Victory Hall, Castle Bromwich, on Thursday, March 8, at 8 p.m. prompt. Speaker: S. P. Abrams, B.A. Questions and discussions.

Birmingham.

On Wednesday, March 14, at Queen's College, Paradise Street, Birmingham, at 7.30 p.m. Mr. John Hargrave on "The Politics of Social Credit."

Formation of Group.

Social Creditors and others interested in the formation of a group in Wolverhampton are invited to send their names and addresses to the Secretary (pro tem.), B. G. La Barre, 14, Leighton Road, Penn, Wolverhampton.

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The Social Credit Movement.

Supporters of the Social Credit Movement contend that under present conditions the purchasing power in the hands of the community is chronically insufficient to buy the whole product of industry. This is because the money required to finance capital production, and created by the banks for that purpose, is regarded as borrowed from them, and, therefore, in order that it may be repaid, is charged into the price of consumers' goods. It is a vital fallacy to treat new money thus created by the banks as a repayable loan, without crediting the community, on the strength of whose resources the money was created, with the value of the resulting new capital resources. This has given rise to a defective system of national loan accountancy, resulting in the reduction of the community to a condition of perpetual scarcity, and bringing them face to face with the alternatives of widespread unemployment of men and machines, as at present, or of international complications arising from the struggle for foreign markets.

The Douglas Social Credit Proposals would remedy this defect by increasing the purchasing power in the hands of the community to an amount sufficient to provide effective demand for the whole product of industry. This, of course, cannot be done by the orthodox method of creating new money, prevalent during the war, which necessarily gives rise to the "vicious spiral" of increased currency, higher prices, higher wages, higher costs, still higher prices, and so on. The essentials of the scheme are the simultaneous creation of new money and the regulation of the price of consumers' goods at their real cost of production (as distinct from their apparent financial cost under the present system). The technique for effecting this is fully described in Major Douglas's books.

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