

THE NEW AGE

INCORPORATING "CREDIT POWER."
A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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NOTICE.
"The New Age" is not nor has agreed to be under the control of any organisation.

NOTES OF THE WEEK.

"Institutions of Liberty."

Dr. Nicholas Murray Butler's "Address at the 180th Commencement of Columbia University," June 5, 1934, has been distributed to the world's Press, as is usual with most of his orations. It is entitled "Undermining Foundations," and is a warning against the danger of a Government's fiscal policy destroying the functions of "institutions in the field of Liberty." He defines some of these; firstly the churches, which were the outgrowth of "charity and philanthropy" on the one hand, and on the other hand ("the far truer, point of view") the outgrowth of the "spirit of public service." Then he instances museums, hospitals, homes for the aged, libraries, museums, schools, colleges, universities, and so on. Their characteristic is that they are non-profit making institutions; that they are "in no sense governmental" but "in every sense public." Speaking of America, he says that

"to confuse . . . the distinction between governmental and non-governmental with that between public and private is to turn one's back on the most fundamental principle of our characteristically American civilisation."

In England, he says later, the same distinction exists, but the amount of "public service" rendered to the English people in the "sphere of Liberty" is in many ways "less striking and less important" than in America.

* * *

The field of Liberty, then, consists of non-profit-making institutions. They are neither private enterprises nor State enterprises. In a word, they are public enterprises privately financed; and as such, they are, in his submission, the sign and substance of Liberty.

* * *

How, then, are these endangered? By the present tendency, says Dr. Butler, "of turning to the Government . . . for help or for

dole whenever any form of public service, built up in the field of Liberty, is in doubt or in need. Surely it must be clear that to follow this course is to enter on the path of destruction."

What is the potential magnitude of the danger? He gives the answer in an estimate that before the "present depression," nearly 2½ billion dollars were annually given by the American people for the "maintenance of institutions of public service in the field of Liberty." The danger must be averted, he says, by the Government's devising schemes of taxation which will generally leave these funds untapped.

"What Government does is almost certain to be done less well than what Liberty does, and the reason is quite simple. In the field of Liberty the choice of the doer is by a process of natural selection based on fitness. In the field of Government the choice of the doer is too often based on importunity tempered by political availability."

Taking a minor point first, Dr. Butler's logic fails him in respect of his above reference to the dole, for he unguardedly discloses the fact that the property used by the institutions of Liberty "has long, and quite generally, been exempt from taxation for the support of Government." Clearly a discriminative remission of taxes is a Government dole or subsidy. Dr. Butler seems half aware of this, for he remarks that the exemption has been granted "in just recognition of the public service" rendered by these institutions. But that won't do at all. It reminds us of the negro servant who found a small coin which his master had lost, and which his master told him to keep for his honesty when he brought it to him. Subsequently the negro found a more valuable coin, but did not restore it, afterwards explaining when found out: "I kept it for my honesty." Dr. Butler's institutions have been receiving doles in recognition of their not receiving them! The Government has been financing them to maintain their independence of Government finance!

* * *

On the fundamental principle invoked most of our readers will be ready with the answer to Dr. Butler. The most dangerous menace to Liberty inheres precisely in non-profit-making institutions, or, to speak accurately, in institutions run otherwise than from the profit motive.

The Money Monopoly itself is an institution of Liberty in this sense—a reflection which in itself is sufficient to explode Dr. Butler's magazine of sophistries.

We must mention, by the way, that last Wednesday Dr. Butler was in London addressing the Institute of Journalists at the Hotel Victoria on the "Freedom of the Press." The Press, he complained, was not free to educate the public; and he took as an example the Hitler-Mussolini meeting and the meagre information which was given to the newspapers of the two countries involved about what transpired. We might usefully work out the relation between a "Free Press" and "institutions of Liberty," but our object at present is simply to relate Dr. Butler's presence in London with a passage in *The Times* of June 27 in an article on the Betting Bill. (Dr. Butler's address to the journalists is reported elsewhere in the same issue.) This is what *The Times* said:

"The small lottery is an innocuous flutter. The large lottery invariably signals a breakdown of private generosity or, as now in France, some fiscal embarrassment. It is a substitute for the only economical ways of raising money—by gift and by taxation. . . . It weakens the giving and the taxpaying muscles, both very needful in the safety of the State. . . . Financially considered it would be an improvident proceeding, and it would bring low the best product of social cohesion . . . by detroning the will to give. It would be subtly disruptive. Lotteries may have been necessary a century ago, but it must be remembered that they broke down and had to be swept away. In other words, the nation outgrew them." (Our italics.)

This could have been written by Dr. Butler himself. The apparent contradictions between the two theses in question can be reconciled if the reader keep a clear distinction in his mind between motives and consequences, between morals and mechanics.

Take the hypothetical case in which a sweepstake were organised to raise money for such an "institution of Liberty" as the Columbia University. It would be a non-profit-making method of maintaining a non-profit-making institution. It is true that the administrators of the Sweepstake would distribute commissions to agents and wages to staffs, but the Columbia University itself distributes salaries to Professors. So this aspect of "profit-making" can be ruled out. What remains is the fact that, let us say, 100 people stake £100 in certain proportions, and five of them get £60 in prizes, leaving £40 as a surplus for the University. Is the £40 a profit or a gift? But does it matter which you call it? The mechanical result is the same, that £40 has been raised from private sources and handed to the institution. And if you introduce psychological and political factors, the transaction throughout has been independent of the Government and made possible by the voluntary acts of the subscribers. The spirit of Liberty breathes through the whole proceedings.

It will become clear that the influences behind the sentiments both of Dr. Butler and the writer in *The Times* are not concerned with the sources of finance so collected and the motives of the contributors, but with the destination and use of the money after it is collected. That is why the Royal Commission holds (for so *The Times* puts it) that "a large lottery must be a State lottery." There is no other reason why this should be so. Of course the interference of the State to regulate the frequency of lotteries would be desirable, but even so not necessary, because if overdone the system would fail for lack of support. But the main object, as we say, is to ensure that this attractive and easy way of raising money should only be permitted to operate under a control which selects what particular "institutions of Liberty" should benefit by it. You may be sure that

a Douglas Social Credit institution would not qualify for this honour in the "field of Liberty."

The Public Assistance Board.

In the *Evening Standard* of June 29 the personnel of the new Public Assistance Board—which we think would be appropriately baptised "The Reserve Production Corporation"—was announced. The Chairman is to be Sir Henry Betterton, and the other members will be Sir Ernest Strohenger, Professor H. M. Hallsworth, Dr. Thomas Jones, Miss Violet Markham, and Mr. Matthew Reynard. Sir Henry Betterton will have to give up his seat at Rushcliffe. The Board will take over the administration of payments to the unemployed outside the Insurance Scheme, leaving as the only uncentralised activity the assistance of unemployed invalids by the local authorities at the expense of local ratepayers. The Board will handle something like £50,000,000 to £60,000,000 per annum, and control the lives of about 17,000,000 souls—that is to say, about one-third of the population. In addition to this, they will exercise their responsibilities with only a ridiculous vestige of control by the House of Commons. A graphic picture of what this means would be presented if one imagined that the unfortunate 17,000,000 all lived in a particular area of England, and that on the appointment of the Board to administer it every Member of Parliament in that area resigned his seat and all electoral machinery in that area was irrevocably scrapped. The picture would be parallel to that of, say, a mandatory power like Britain administering a mandated territory like Palestine under the authority of an international body like the League of Nations. In this case it is as if the Bank of England had deported the unemployed to Devil's Island and appointed the Public Assistance Board to take charge of them there.

The Board will not solve any problem; it will only change the nature of the same problem. It is no doubt very satisfactory to the financial community in London to take away authority and discretion from local representatives of the people who have hitherto adjudicated on Means-Test cases on the basis of their full merits fully examined (albeit adjudicated in an oppressive manner but for reasons beyond the control of those administrators), but, after all, someone resident in the area has to undertake the odious responsibility of implementing the even more oppressive policy contemplated by the bankers. Of course, the official has the moral excuse that he is obliged to perform the duty for which he is paid; and the practical excuse that he accepts the paid duty because, after all, everyone must live. But at the same time nothing can prevent the resentment which will be created all round him in the place where he happens to come face to face with the victims of the oppression.

Re-Housing and Transport Problems.

The secondary problems created by re-housing schemes are often overlooked even by the more intelligent of the public. It is easy to sit down and project a picture of a slum household translated to a suburban dwelling, but not so easy to visualise the practical implications of the emigration until some expert or official who is involved in these implications turns up and gives his testimony. Such a one is Mr. W. Vane Morland, General Manager of the Leeds Transport Department. He read a paper at the Annual Conference of the Municipal Tramways and Transport Association in Glasgow last week. He began with the remark that there had been little or no information or experience available in the secondary problems in the past because slum clearance schemes have been on a very small scale; but the dimensions of recent schemes have made it necessary for the authorities in Leeds to make an additional "occasional

survey." The ultimate idea of this survey was to prepare a fairly accurate estimate of the "yield of fare-paying passengers per house" after their removal to the new estates. It will be remembered that we referred to this matter some months ago when analysing the position of the transferred householder, and pointed out that his being anchored to a particular house at a distance from his work involved him in more commitments than those bound up in the purchase terms of his property. Mr. Morland confirms this from the other end.

As an interesting sidelight on the possibilities of these surveys for acquiring incidental information on matters not explicitly contemplated by the organisers, Mr. Morland remarks:—

"This survey brought to light many curious occupations, such as organ-grinders, ice-cream and roast chestnut vendors, rat-catchers, match-sellers, book-makers' touts, drain cleaners, rag-and-bone men, door-mat menders, domestic coal shifters and pedlars."

Again he proceeds:—
"contrasts in the standard of slum life were startlingly vivid. They vary from whole families entirely dependent on public funds, to a few households actually in receipt of from £7 to £9 a week."

These two passages respectively show that: (a) the transference of a man from a slum to a new estate not only makes it more expensive for him to get to his work, as above indicated, but only too often destroys his opportunity of earning a living at all; and (b) that the search for information relevant to transport problems also roots up information more relevant to Means-Test and Income-Tax inquisitions.

This, by the way, should be borne in mind in relation to the Sedition Bill. If the police get a warrant to search a house for seditious literature it is obvious that they must take possession of and examine every kind of document they find in the house; so that in practice the Bill could operate as an anti-secrecy measure, as if the State had the right to know everything about every citizen like the priest hearing confessions. Readers may remember a quotation we gave in *THE NEW AGE* some time ago from an official document issued, we believe, to the police in New Zealand and instructing them as to the powers they should exercise in discovering delinquencies in respect of evasions of customs or excise duty; one of the instructions was to the effect that the police could, on information communicated by any citizen, break into any warehouse or other building to examine the goods stored there.

To continue with Mr. Morland's address. He says that the universal adoption of the eight-hour day has affected people in staple industries and comparatively regular employment by synchronising the starting and finishing hours as between office and warehouse workers and those engaged in the ordinary trades and industries. The result is that morning and evening traffic peaks have become increasingly intensified in recent years.

Again, he remarks that:
"Each additional housing estate constructed has tended to weaken transport undertakings financially. They are really small towns in miniature, complete with schools, shopping centres, licensed houses, cinemas, libraries and all the facilities for communal life."

Hence behind the scenes is developing a clash between estate-planners and transport-administrators, the first tending to keep people on a short tether, and the second to allow them a long tether, in regard to the travelling habit.

Then Mr. Morland raises the problem of the spread-over of traffic. He points out that between the two main peak periods the traffic at ordinary fares during the day "peters out to a mere trickle." There is no particular necessity to seek amusement in the city centre so that the off-peak traffic, which was formerly so "welcome and lucrative," is on the point of disappearing. The effect of this on transport finance he illustrates in the following paragraph:—

"... housing-estate traffic necessitated a large number of car or bus crews working on the none-too-popular split-shift system, and extra cost for 'dead' mileage of the vehicles going on and off service. The addition of further industrial traffic of this description could only mean an increase to the morning and evening peaks, with a substantial addition to the 'dead' costs. Many undertakings already found it necessary to garage about 70 per cent. of their vehicles during the off-peak hours."

This passage is a choice tit-bit over which we can almost hear the Social Credit propagandist rubbing his hands. It is a graphic picture of the dilemma created by the present accounting system. You have here a picture of seven buses out of ten resting for, say, eight hours out of, say, sixteen hours during which traffic is running. If all ten buses rested, their "dead" hours would come to something like six per bus, as against a theoretical sixteen hours, which is less than half the time. From the accountant's point of view the travelling public are expected to pay full-time wages to the bus for a half-time job. The travelling public, though unable to answer the logic of this demand in words, can do so by disclosing the contents of their purses. The money is not there. The snag in the accountancy which produces this dilemma is, of course, that whereas physically an idle bus does not depreciate in efficiency while at rest, nevertheless, the standing charges of the transport company are assessed and exacted as if the depreciation were going on. In theory a bus on half time ought to last twice as long, and in practice it would last a good deal longer than if working full time. If the transport undertakings were to write down their assets by a correspondingly less amount they would disclose statistically larger profits on which tax would be levied. On the other hand, while they are continuing to write down assets to the full amount they disclose uncovered costs which they can only look to the travelling public to make good. The travelling public, as pointed out, have not got the money to do it. The remedy for this sort of thing is, of course, the Social Credit system of accounting in accordance with physical facts. Given any scheme devised on Social Credit principles the "dead" costs of which Mr. Morland talks would represent the conservation of reserve transport power (in the sense that wear and tear are suspended in the hours of idleness) so that the National Credit Authority, from the production-loan end, would recall advances at a correspondingly less rate, while the same authority, from the consumption end, would be able to authorise the discounting of fares in conformity with the statistics governing the general price-factor. The net effect of the dual arrangement would be that the travelling public would pay exactly for so much of the bus as they "used up," and no more; and that the amount of money paid on that basis would be sufficient to enable the transport company to fulfil its financial obligations to the lending authority, whether this was the National Credit Authority or the ordinary banks, acting as its official agents under the Social-Credit scheme.

As things are at present Mr. Morland has to make the gloomy statement that:—

"Whatever the local circumstances, it can be concluded that in that great majority of cases it is doubtful whether the revenue yield from the new slum clearance estate traffic will suffice to cover bare working expenses, let alone any margin to meet standing charges."

This needs no further comment from us. Every reader can point the moral to those who are interested in this problem, and it is to be hoped that he will make his voice heard whenever the opportunity arises.

Problems of the Closed Area.

The Times of June 29 discusses the implications of the German default, which, says the writer, point the moral that "investment at home must replace investment abroad." He cites Mr. Chamberlain's statement (in the Budget speech) that "the improvement in the condition of the country is due almost entirely to the expansion of the home market," and a little later points out that the half million more persons in employment now as against a year ago possess an "increased spending power of £50,000,000 per annum"—a substantial contribution to the "expansion of the home market." He then proceeds:—

"It is fashionable in this connection to talk about the relative merits of 'consumption goods' and of 'capital goods,' but this really means only that wise spending should be encouraged whether in the form of purchase of goods or in the form of remunerative investment.

"As regards the individual, he has already been given the stimulus of confidence and of cheap money; and there can be little doubt that both these advantages would be destroyed by endeavouring to increase demand by giving public money away. This policy, which is the Labour Party's policy stripped of all disguise, would be a wholly disastrous way of seeking an increase in the production of 'consumption goods,' and also quite unnecessary." (Our italics.)

Most readers of this journal will have no difficulty in forming an opinion on what the object of this sort of writing is. Even as it stands it tends to discredit the Social Credit analysis, and when the rest of the Press get to work preparing popular versions of it (for it is the function of *The Times* to set themes for variations) the public will be misled into confusing national credit with public money, dividends with doles, and Social-Credit policy with Labour policy.

That the bankers should launch this oblique attack on Social Credit was to be expected. Events are conspiring to deprive them of one of their best means of evading discussion on the Price-Cost theorem. How often in the past has not the advocate of Social Credit been met by the remark: "Oh yes; what you are explaining may be true enough, and what you are proposing might be feasible enough, if we were all living in a closed credit-area such as you postulate in your argument: but we are not: we live in a world of unclosed, interdependent credit-areas." Very well; but now Germany has taken a step which has put this method of complicating the issue out of gear; and if, as the writer of the article in *The Times* thinks possible, there is any "spread of the German policy to other countries" the problem of every one of them will be that of reviewing its economic situation within the closed-area frame of reference. The writer admits of this country that all the Government can hope for is to preserve "a core of export trade," and is trying to do this by devices such as the Ottawa Agreements in order to "save something substantial from the wreck of international trade"—or as we can paraphrase it, to keep the flag of interdependence flying when interdependence will have become nothing but an idea negated by the fact of a world of nations each sealed up in its own area of financial credit and physical resources. What a short time ago it was when Sir Otto Niemeyer was delivering the oracular warning to Australia that no country could live unto itself alone, but only by making use of the machinery of international loans and submitting herself to the obligations attaching to such use. To-day, as the writer in *The Times* says, Germany's large-scale default "must cause a widening disinclination to work the machinery of lending money to customers on which an immense volume of

international trade has in the past been secured." To sum this up in the words used by Mr. Montagu Norman to the Governor of the Bank of France, the world stands face to face with the "collapse of the whole structure of Capitalism."

Thus, as we have suggested above, the turning kaleidoscope of events in presenting the Social-Credit advocate with the factual closed-area frame-of-reference which hitherto he could only postulate as a theory. Given that Britain is thrown back on her own resources, and that British credit must be used for domestic production to be sold in domestic markets, then clearly the manner in which the Social Credit advocate has hitherto found it most convenient to expound his case is now imposed by circumstance not only on him (which he welcomes), but upon those who listen to him, and, most important of all, upon the bankers who have to answer him.

These are doing their best, and no doubt they will succeed for a while in bemusing the public. The Press is an effective means of making people forget what they know, and overlook what they see; and in the hands of the bankers it can be depended on to keep alive among the public the unclosed-area habit of thinking for some time after the closed-area habit of thinking has become a matter of sheer necessity. But not for long, because the diversion of investment from outside to inside the area is going to intensify the existing stresses and strains on the costing-system to such a degree that symptoms of its breakdown will obtrude themselves on the inattention even of people hitherto indifferent to economic problems.

In this context the deduction drawn by Major Douglas from the A + B analysis assumes a special significance. He said, speaking of the rates of flow of prices on the one hand and incomes on the other, that the difference could only be made up by issues of credit not comprised in the categories designated "A" and "B," and he instanced export credits as one form of such issues. But when occasions for export credits have disappeared the Government must direct the substitution of domestic credits to an equal amount if they wish to prevent a widening of the gap between prices and incomes. Their slum-clearance and housing schemes were doubtless inspired with this object. The writer in *The Times*, alluding to these, suggests that a strong case arises "for directing and increasing the enterprise attracted to an industry by the use of national credit." He bases this on a statement made by Mr. Boothby in the House of Commons during the previous week that "a rise since 1932 of £125,000,000 in the output of the investment trades, notably the building trade, had caused a rise at the rate of £300,000,000 a year in the value of all home production." Without going into the reasons which Mr. Boothby may have advanced for this conclusion (for we have not read the report of his speech) it may be pointed out that the purchaser of a house built two years ago on the instalment plan at, say, twenty years' purchase, has, at this moment, got the house for a tenth of its price or (knocking off the profit on the house), say, one-eighth of its cost. What fraction of the cost was paid by the builder in wages, etc., we have no means of knowing, but it is safe to suggest that the above typical purchaser has paid little more for his house than other persons received for building it. So far he has paid the "A" costs, and got his house at the "just price." The fact that he is under an obligation to go on paying has nothing to do with the mechanics of the situation as it exists at present; the fundamental fact being that the banking combination (including the building societies) have in effect given "price-assistance" to the building trade in respect of seven-eighths of their costs. (In practice, of course, they pay all his costs and charge the purchaser; but the result is the same.) Very well, if other enterprises are as the writer mentions as being stimulated by building activities, can be, and are to be, "directed," and

sisted along the same lines, no doubt the dimensions of the existing prosperity could be widened.

Bearing upon the general question of loan finance (apart from the matter of selling at under cost) there are some interesting figures given by Mr. J. M. Keynes apropos of the United States. He estimates that the monthly averages of Government expenditure not covered by taxation and therefore "giving rise to new purchasing" from September, 1933, to May, 1934, both inclusive were as follows (in millions of dollars) 102, 123, 158, 231, 369, 422, 435, 348, and 311. The expenditure, it will be seen, progressively increased up to March (the peak month) and then fell away rapidly. Mr. Keynes remarks that factory output has gone down recently, but thinks that it should not continue to do so provided that the Government keeps up even its present rate of expenditure. If so, it should provide "more stimulus than has yet been experienced" for, he explains, "Americans have not unnaturally used much of their first increment of income to repay debts of all kinds rather than to keep rolling the ball of new purchasing." Well, America is America, and what is going on there is not likely to be reproduced in this country; but no doubt our bankers would not object to the Government's financing industrialists who used the "first increment of income" to repay debts to banks or other associated financial institutions. The question is whether, when that was done, the banks would allow the Government to continue. According to rule, no; but in view of the situation envisaged by *The Times* a good many financial rules will have to be stretched, if not broken, before very long.

"Labour and War."

This is the title of *The Times*'s leading article of June 30. Before examining it we want to refer to what we said just now about habits of thinking. We spoke of these as being engendered and fostered by the Press. But that is not to say that the writers who perform this function are free from such habits. Take the leader-writers of *The Times*. They are not, so to speak, delegates of the Bank of England, but representatives, in the same sense in which these terms are defined and their connotations distinguished in the purely political context. A delegate is narrowly instructed, but a representative is broadly prompted, as regards his decisions on given subjects. *The Times*'s leader-writers speak their own proper views on the topics allotted to them, and do so in all sincerity; but the snag lies in the fact that they are not entrusted with the responsibility of writing their views unless or until the bankers are satisfied that they form them within a "sound" framework of thinking. If you suppose such a framework to consist of the axiom that all costs must go into price and be recovered out of earnings, and to be reinforced with one or two immediate corollaries, then, if you were a central banker and knew that a certain writer accepted them and understood whatever he chose on the topic you knew he was at home with, and could be sure that he would edify and influence his readers in conformity with your policy. It goes without saying that the bankers command a wide choice of writers of this sort—in fact almost the first ideas we all learn to respect at school are those expressed by the words: "work" and "thrift." These writers are drawn from all walks of life. For example the writer of the leading article in *The Times* on the Resurrection Ganda was, as we afterwards found out, a bishop. There is not the slightest doubt that he was innocent of all intention to buttress up the Money Monopoly, but there is also little doubt that he was chosen to write because he had the "sacrifice" habit of mind and was prone to extol the heroic patience under adversity which Lord Snowden admires so much.

Well, the writer of the present article may quite easily be a Socialist. It makes no difference, for funda-

mentally he is a banker like the rest. His theme does not bring him into direct touch with economics or finance, so there is nothing to be looked for in the article that challenges comment under either head. He is discussing the official attitude of the Labour movement towards peace and the means of ensuring it. Labour has redefined its attitude, having been compelled to do so by recent events in other countries which, says this writer, have "destroyed for all practical purposes the international organisation of trade unionism." It has suffered the same fate as the machinery of international lending which we have just been discussing. Whether the machinery has broken down, or the inclination of people to use it, the result is the same in both cases: trade unionism, like capitalism, is sealed up in a closed area, and all that remains of the international interdependence of organised workers is the idea. What with defaults, quota battles, and rearmament races in prospect there is no room for negotiations or agreements on either the economic or moral plane between the workers in the various countries.

The point of this is that only so recently as last October the Labour Party Conference carried a resolution to take no part in war, and to resist war with the whole force of the Labour movement. The resolution condemned all war without discrimination and proposed to make the trade unions the instrument of this policy, "clearly indicating," says *The Times*, "that a threat of war should be met by the declaration of a general strike." This was seen to be a futile resolution by those who understand anything about real politics. Who were the prime movers in the policy is a matter of doubt, but readers will remember that Professor Einstein let himself be dragged into lending his name to it, and even going on militant missions (along with Ponsby) to Geneva and elsewhere. The spectacle of this renowned discoverer in the realm of science mixing himself up with fourth-rate political scheming and advertising is sad enough, and the only thing to be said for him is that he had the wit to change his mind before the Conference had officially adopted his idea. The International Federation of Trade Unions had outlined a plan of general strikes in countries contemplating aggression. The fallacy in all this sort of thing was, so the writer says, in the assumption that trade unionism was "a stronger tie than citizenship and industrial solidarity"; and in the belief that trade union action could be "more rapid and more effective than the political action of Governments."—But the strongest exposure of the illusory nature of this direct-action policy lies in the fact that the "strike-funds" of the Trade Union movement are in the custody of the bankers. We can imagine that there could be circumstances in which the banks might agree to finance an anti-war strike against the wish of capitalism, but we cannot imagine what those circumstances might be, nor how they would be brought about. The Money Monopoly needs peace for the sake of its own security, and never so much as now, when its powers and the secret of them are becoming apparent to thousands of citizens and are seen to be unassailable in a disarmed world. But we can only imagine the banks to finance anti-war strikes in circumstances where the capitalists were also averse from war—in which eventuality they would have to finance the capitalists as well as the workers in order that the former could support the strike—master and man taking concerted action: but against whom?—a military clique? The theory might be tenable if we lived under an eastern military dictatorship, but in the west the motive of war would be economic and would originate with the capitalists. No, the direct-action gesture was pure advertising: it was, to borrow the phrase of the writer in *The Times*, a "reiteration of a Labour aspiration" in a highly dramatic form.

The allusion of the Conference to the Labour "movement" is merely the recital of another aspiration. There is no such thing as the Labour movement. There

is the Parliamentary Labour Party, there is the Trades Union Congress, there are the Trade Unions with their leaders, there are the lodges with theirs, there are non-unionists in employment, and there are able-bodied adults representing 17,000,000 souls who are out of employment, unionists or not. What an army to handle! Every man jack either holding his job against the rest, or seeking one at the expense of someone else. And the whole lot of them dependent for their means of life on behaving themselves according to a code of conduct established over the heads of those who posture as the "general staff."

The General Council of the Trades Union Congress, being more in touch with realities than the idealistic spell-binders who sway political conferences, asked for time to consider this resolution, under which they were to do the unpleasant work while the intelligentsia talked about it over the walnuts and wine. It did not take them long to put a stop to this fancy policy. As the result the new statement of policy rejects the out and out pacifism of the party conference. It recognises that "within the framework of a collective peace system" (to quote from *The Times's* commentary) there may be invasions of rights against which there is no remedy short of war. And that puts the stopper on the whole affair. Even granting that the "movement" were willing to strike or even only take some less violent form of concerted action, the adoption of the discriminatory reservation concerning acts of aggression makes it impossible for the leaders to agree upon an order in any reasonable time after the commission of such an act. The event would no longer itself decide the need and the time for counter-action, as it would have in the absence of the above reservation; and that being so, the rest would be great argument about it and about.

London Clearing Banks.

A monthly folder is issued by the Midland Bank in which it gives the "average weekly position" of ten London Clearing Banks during the given month. This is obtainable free of charge at branches of the Bank. The table comprises the following headings: Paid-up Capital, Reserve Fund, Deposits, Acceptances, Coin and Balances at the Bank of England, Money at Call and Short Notice, Investments, Discounts, Advances, Liability for Acceptances, Premises, and Investments in Affiliations. The folder is useful because the totals for any given month are compared with those for the same month of the previous year. For example, the headings under which there has been a substantial change between May, 1933, and May, 1934, are as follows:—

	1933.	1934.	Rise or Fall.
	£ millions.	£ millions.	£ millions.
Deposits	1,944	1,858	- 86
Acceptances	96	110	+ 14
Money at Call	99	132	+ 33
Discounts	346	222	- 124
Advances	777	757	- 20
Investments	530	541	+ 11

As an example of a slight variation, Bank Premises are given as being worth £44,742,163 in 1934 as against £44,657,308 in 1933—a rise of £66,855 (shillings and pence omitted!). The cash ratio, which was 10.6 in May, 1933, is 11.7 in May, 1934.

The Chartered Insurance Institute.

The parallel between Aldermanbury and Ascot is not readily discernible to the ordinary eye. Yet on the occasion of the opening of the headquarters of the Chartered Insurance Institute on June 28 the King and Queen had arranged to drive there in an open carriage just as they had driven down the course at Ascot. The rain, however, put a stop to that programme; and the royal progress to Aldermanbury had to be made in a closed car. However, the moving fingers of the financial Mandarins had written out the King's speech, and not all the rain could wash out a word of it.

Insurance, said the King, was "indispensable to the welfare of civilised countries." It also "made an appreciable contribution to our invisible exports." Insurance education was "in the forefront of your activities." Lastly, the King made reference to the "charitable organisations" which the Institute were running for the benefit of "those engaged in the work of insurance."

There is something grimly humorous about this allusion. It could be said of the persons qualifying for this charity: "They insured others: themselves they could not insure"—are collectors of savings destitute of savings.

Water Retrenchment.

The Metropolitan Water Board are proposing to compensate certain large users of water who are now prohibited from using it. Presumably they will get a rebate from their water-rates later on. That is only fair; and there is no comment needed from this point of view. The decision raises a technical point of some interest. It would be enlightening to know in what measure a man who reduces his consumption of water by, say, fifty per cent. would be accorded a reduction in charges. Or, to take the matter to extremes, suppose every water-user were called on to stop consumption completely, how much of the charge could the Board afford to remit without losing money? Tennyson's brook flowed on for ever, whether men came or went; and it is just as true to say of overheads that they flow on for ever whether the rain falls or not.

The Church and the Drought.

"Church assembly . . . items on the agenda reached a total of 106. . . . Among those held over was the resolution concerning the drought, but it may be reasonably hoped that by November, when the Assembly meets again, this particular subject may seem less urgent." (*The Times*, June 23.) Quite so. The resolution may then have been flooded out, although it must be remembered that the latest authorised prayer asks for rain in "moderate" quantities.

"Legal Aid for the Poor."

Extended, this might read "free legal aid for the authentic and well-behaved Poor who have sound cases." *The Times* of June 25 says of costs of litigation:—

"They press heavily upon those who are fortunate enough to have reasonable incomes, but to those without means they constitute a barrier that may prevent them from taking their share in the benefits of the laws, which are made for rich and poor alike." Or, as one could put it, the Price of Justice is the Just Price.

The Nazi "Mutiny."

Herr Hitler provided the Sunday Press this week with a first-rate sensation. The accounts of the "mutiny" and the manner of its suppression are *ex parte*, and must be distrusted without independent corroboration. But what can be said straight away is that if there had not been a mutiny he might have had to invent one in order to distract attention from the results, past and pending, of his economic policy. *The Times*, it will be remembered, spoke encouragingly of Hitler's advent to power, even when the rest of the British Press was condemning his suppression of Jews and Socialists, saying that the Nazi discipline was well calculated to enable the Germans to face economic sacrifices. Hitler has been smart enough to nip in and get a slightly extended lease of power which will enable him to deal with the discontents. If the account is true that the Army is no more, the reasons will be that that Army contained potential elements of fraternisation with the civilians which are absent from the regular Army. It is probably to eliminate such a risk that Lord Trenchard is enlisting recruits for the police from the higher social classes in this country.) The higher the hope

deeper the disillusionment; and Hitler has to count on more trouble than the authorities anywhere else.

This event recalls another "mutiny" of another sort, namely the Invergordon mutiny. This was precipitated, it will be remembered in the Government's confiscation of what was called the "baby's shilling." But it did not originate with the Government's act of deducting it. It originated in the men's finding out that the Admiralty officials had deceived them as to the Government's intentions. When the notice was posted up they were able to calculate the date when it must have been drafted; and that date was seen to be earlier than another date when the Admiralty got them to accept certain other cuts on the understanding that no more were contemplated. It was not the hardness of the deal but its crookedness which provoked the breach of discipline. And no doubt it was the realisation upstairs that the "mutiny" was thus provoked which restrained the Government from publicly inflicting exemplary punishment. At the same time, being what it is, it resorted to private reprisals on ringleaders behind the backs of the public. Needless to say, it kept the shilling.

"The New Age."

TWO TESTIMONIALS.

[Below are two of the letters received in response to the contingent S.O.S. embodied in the "Notes" in our issue of March 22 last.—Ed.]

I.

[Received on April 14 from a reader in the Near East.]
Sir,—As an appreciative subscriber to your paper for the last two and a half years, may I be permitted to congratulate you on the admirable statement of THE NEW AGE's policy and prospects contained in your issue of March 22. The frankness and courage which distinguish those Notes deserve the grateful response of your readers, and as one of the humblest of these I hasten to send you the enclosed small contribution as a declaration of moral support. Your decision to continue to pursue an intrepid policy is one which your readers should do their utmost to encourage, and even if this should result in a diminution of subscribers the Movement as a whole will sustain a smaller injury than it would if its official organ abandoned the field for the drawing-room.

In this connection the remark may be allowed that in all probability the time has passed when any considerable number of your subscribers regard THE NEW AGE as literary or artistic pabulum. Fortune has blessed us with another weekly paper which combines a well-written commentary on current events from the Social Credit point of view with articles and reviews having a strong literary and aesthetic appeal. It is no disparagement to THE NEW AGE to suggest that her sister weekly can more than adequately supply such mental refreshment to the small band of Social Credit supporters, and should be allowed to retain her clear field.

It is, on the other hand, imperatively necessary, as you have constantly pointed out, that the energies of your supporters should not be dissipated in mere philosophising. In this regard your pithy "Notes of the Week" and the closely-reasoned articles by your contributors, both of which demand a certain degree of healthy mental concentration on the part of the reader, fulfil an essential function, and this fact must be obvious to all those, and they must form the overwhelming majority of Social Credit supporters, who are capable of independent thought.

I would like, in conclusion, to suggest a line of propaganda which has not, as far as I remember, been specifically mentioned in your columns or in those of the *New English Weekly*. Many of your readers must be members of public or quasi-public bodies or committees, deliberative or executive. As one myself I have frequently found that measures or reports under discussion hinge directly on the issue of public real credit. Force of habit and conventional frames of reference serve to obscure the true issue, and one is apt to miss the opportunity which a few moments' thought

would have revealed. Of course, it is true that any motion, measure, or memorandum which recognises the true issue and is framed accordingly does not obtain for its object the official (financial) *Exequatur*, but the mere fact that discussion has proceeded along what to most of the members of the said body are entirely new lines, or that, in the case of a memorandum, a document is filed (and presumably liable to be read) containing the same novel premises and lines of reasoning is in itself useful. Even if the listeners or readers do not agree (to use a euphemism for "understand") thought has been stimulated, and this is surely the first step in the process of initiation.

The Salter Report on Road and Rail Transport, which was widely discussed by local bodies at the time of its publication, furnishes a good example of material for action on the lines just mentioned. E.E.41.

II.

[Dated March 23 in London.]

Sir,—It is sad to find the gallant editor of THE NEW AGE expressing something near despair in the current "Notes of the Week" just at the moment when the Social Credit Proposals are catching the ear of the world, and the reward of his own intensive labour is beginning to be reaped.

Can it indeed be true that the resources of "the Movement" have any definable limit, and that every extension of Social Credit activity dips into the same limited pool of persons and means?

This is not true to the experience of the active propagandists of Social Credit, and I am sure I must be speaking for a host of others in asking the editor of THE NEW AGE to take courage and pursue his task without fear.

The Movement will not let THE NEW AGE die, and if proof of this determination needs more than the support of general observation, the recognition of the journal by the newly-founded "extension of the person of Douglas," the Social Credit Secretariat, as the official organ of the Social Credit Movement, is sufficient assurance.

Praise and blame, approval and disapproval of its contents, are the lot of any vital organ of opinion. Criticism and suggestions will undoubtedly be showered upon the editor of the official medium of Major Douglas; but these are the signs of life. THE NEW AGE has a "goodwill" in the world, so important that it cannot be abandoned. The flag of THE NEW AGE must not be lowered; it has only to be kept flying for all the "units" of the great Social Credit fleet to recognise it as the flagship, with the Admiral aboard. He of all others must not carry his flag at half-mast.

I hope you will permit me, Sir, this purely personal expression of view. W. T. SYMONS.

Reviews.

Monarchy or Money Power. By R. McNair Wilson. (Second Edition. Eyre and Spottiswoode. 6s.)
This is a book that all advocates of Monetary Reform along any line of action should have on their reference shelf.

It shows an immense amount of solid research work by its author, and is provided with a series of notes constituting in themselves a valuable bibliography. In addition to this there is a very useful index.

The author traces the history of the steps that have been taken by "The Money Power" on the path to its present dominating position. Unfortunately the same erroneous view of the operation of the money mechanism is shown here as in the author's "Promise to Pay," which is otherwise a valuable book. The author appears to think that if money is issued or withdrawn by the Government, so as to keep a stabilised price level, all will be well. He also indiscriminately eulogises the steps President Roosevelt is taking to restore prosperity. The developments that have been and are now taking place in the U.S.A. may make the author himself a trifle dubious of the deductions he has made. C. C.

NOTICE.

All communications requiring the Editor's attention should be addressed directly to him as follows:
Mr. Arthur Branton, 20, Rectory Road, Barnes, S.W.13.

Social-Credit "Split" in Australia.

We have just received a copy of *The Labour Daily* of May 23. Right across the top of one of the pages runs a heavy headline: T. B.'s APPROACH SPLITS DOUGLAS CREDIT ASSOCIATION. "T. B." stands for a gentleman called Theodore Bailey, whose policy is to get Social-Credit advocates to ally themselves with his followers who support what is known as The Premiers' Plan Party. The facts and comments in *The Labour Daily* are of course *ex parte*, and must therefore be received with caution; but on the other hand we are informed by a representative leader of the Australian Social Credit Movement who sends the cutting from *The Labour Daily*, that they "indicate the trend of events here." The essentials of the story are in the following statement:

On the eve of Mr. Scullin's Town Hall meeting it was disclosed yesterday that the T.B. Premiers' Plan Party, in its efforts to get a crowd for the meeting, has split the Douglas Credit Association into fragments.

Already the council of the association is divided on the question of whether it should enter active politics or remain an "educational body," and as a result of the determination of two councillors to prosecute the claim of the T.B. organisation, a move is on foot for the simultaneous resignation of the big majority of members for the purpose of re-forming as a non-political "Economic League" to continue the Douglas propaganda.

Meanwhile, the political remnant of the association is canvassing its branches, trying to induce them to declare themselves branches of the T.B. organisation.

Later in the report there comes the following passage with reference to *The New Era*:

With the organisation torn in twain, the official organ, *The New Era*, is adopting a "wait-and-see" policy, and in the current issue has addressed an open letter to Mr. Scullin, in which it states:—

"It is probably too much to hope that Labor's (T.B.) financial proposals will be acceptable to the Social Credit Movement, but we understand that the policy to be outlined by Mr. Scullin will at least show marked progress towards the Social Credit viewpoint."

The journal does not indicate the basis of its "understanding" or its authority for being able to anticipate Mr. Scullin's speech.

Elsewhere it is asserted that the Douglas Credit Association called a conference on April 28 "ostensibly to discuss" Major Douglas's "speeches" in Australia and New Zealand; and the report continues:

However, this matter was not referred to at the conference, but a number of motions aiming at political action were put forward, and a majority decision obtained for them.

One member of the State council declared that the proposals would have to be watered down to suit "those people with money who are now subscribing to existing political parties."

This completes the picture in its broad outlines. The outstanding features of it are:

1. That the Council of the Douglas Credit Association contain two members who want to enter politics from the T.B. Premiers' Plan Party's angle of attack.
2. That (this by inference) the Council contains other members who do not reject the principle of entering politics, though objecting to the above method.
3. That in any case the majority of members do object, and want to have a purely educational body only.

This seems to suggest that when the Association was first formed its functions were ambiguously defined, or perhaps lost altogether in a general statement to the effect that it stood for "Social Credit." If so, the responsibility for the cause of the present split lies with those who drafted the original prospectus. If it had been drawn up on *ad hoc* lines, quite a number of questions liable to cause a split, but at present legitimately debatable,

would have been settled by the quick process of being ruled out of order by the chairman.

More important still, a clear definition of function would have led to a clear standard of qualification applicable to those who were to direct the Association. If you inflate the function you cannot resist the inflation of the Council, and instead of having, say, ten Councillors who are 100-per-cent. fit for one job you will get a hundred Councillors 10-per-cent. fit for any job. That is to say your Council will be perfectly fit for a split.

In this connection Major Douglas's letter to *THE NEW AGE* of March 9, 1933, may be cited.

Sir,—No doubt numbers of your readers will have noticed the attempt made to discredit a pioneer in monetary reform, in a recent law case having nothing to do with finance, by suggesting the misappropriation of funds subscribed by the public. For this and other reasons I should suggest that the following principles be adhered to in any application for financial support which it may be necessary to make for Social Credit:

- (1) The appeal should be made for an *ad hoc* purpose (not e.g., "Social Credit").
- (2) It should be signed by an individual, who will be responsible for the disbursement of all sums subscribed.
- (3) If any portion of the funds so collected are to be used to pay wages or salaries as distinct from trade bills, the amount and destination of such sums should be clearly stated in the appeal.
- (4) A formal account should be at the disposal of any inquirer.
- (5) The principle of personal responsibility should be rigidly observed in all financial transactions.

Happily there are splits and splits. In the present case it is not a splitting apart into impotent fragments, but a splitting off of a section of the Council commanding (if the report is correct) a small minority support, from the main body of the Council commanding the majority support. It need not create an evil, and may easily end one.

The Labour Daily in a leading article on the same day complains of Mr. Scullin, who had stated that unity with the Labour Party in New South Wales would be a handicap in other States. It comments:

It is enlightening now to discover that while the discussions have been protracted in this manner negotiations have been proceeding in New South Wales between the followers of Mr. Scullin and the Douglas Social Credit Association, and that so much is the latter organisation apparently in the confidence of the Premiers' Plan Party, and have rendered the Douglas Credit Association as a body liable to the charge of being responsible for negotiations which, as it now appears the majority object to on grounds partly of tactics and generally of principle. *The New Era*, as the "official organ" of the Association (for such *The Labour Daily* calls it) involved in the affair, but the open letter to Mr. Scullin cited by *The Labour Daily* does not clearly support the insinuation that this letter was inspired by the two members of the Douglas Credit Association, or published under their influence. No doubt *The New Era* will say what it has to say in its next issue. In any case the episode induces reflections on what should be the relationship of the Social Credit Press to centralised Social Credit organisations.

Public Places.

At West London Quarter Sessions it was decided that a motorist, found drunk in the yard of an inn, could not be convicted because he was not in a "public place." It had been a bookmaker's tout receiving bets, the yard where he had been a "public place."

In Germany Now.

(The letter, from which the following extracts are taken, was written by an unemployed German worker. It had been opened by the German censor. For obvious reasons *THE NEW AGE* recipient prefers to remain anonymous.)

... 12 6 34.

"I have received your last letter undamaged. The envelope of the one before the last was damaged and your enclosure had been stolen, apparently. What was it? Was it part of a newspaper?"

"... Your suggestion to offer a copy of *Attack* to the kiosk-holder mentioned meets with my approval. But probably he will reply that without the special approval of the competent state authority he dare not display it. Never mind, let's see. So send me the latest number."

"... For a week now I have been unemployed again; after earning money for over six months. At the Labour Exchange it is explained to me that I must live a few weeks more on what I have earned in the last six months. Anyone working more than six weeks has to wait three weeks before he can claim state assistance. The principle is that he must have earned enough in six weeks to let him carry on a few weeks longer on his 'excess profits'! On the other hand, the Government has been appealing: 'Buy, buy, he who can so that workers may earn money!' As an obedient citizen I respected the appeal and consequently I have not enough to buy food for the first three weeks of my present unemployment. . . . There will come a gnawing period of misery . . . it is an ugly thing to be compelled to approach relations and others for help."

"... In my trade in this town a sudden ebb-tide has begun. Large numbers of my colleagues have been struck off the register. The main cause is the partial withdrawal of the state subsidies for public works, etc. . . . Throughout the Kingdom there is going on at this moment a propaganda campaign 'against the critics and the discontented.' Unfortunately the real facts are not enough to silence those bothersome people!!"

"... You say that on the whole your population hates the Blackshirts. Well, here in Germany, please note, it was the people of the great cities that held out longest against Fascism. I sometimes read in our local paper about the progress of the English Fascists; but, of course, never do I read of their being attacked physically (as in your Finsbury Park!)."

"... You may write to me on any and every subject. The differentiation between permitted and forbidden topics is not at all precise. I must only consider the manner in which I tackle them. You must read in and between the lines. But please do not again send me cuttings from English papers that deal unfavourably with German affairs. That is to say, do not send the originals. Translations will be joyfully accepted."

"... No doubt you have read that Germany has now completely stopped War-debt payments because of the lack of foreign money. Apparently the world no longer wants to buy German goods, and, as a result, we are not receiving foreign exchange. Since export has stopped down it is now no longer possible to import. Already many of us are looking anxiously into the future. When imports stop altogether then there will be a period similar to that experienced during the War: absence of many urgently-necessary things!"

"... To me it is quite logical that the Jews are responsible. They are internationally powerful. In every country they are working up the refusal of German imports. In this way they will boycott the Germans successfully. The influential power of the Jews throughout the world has become too great already and it is therefore risky for Hitler to show his teeth at them so insistently. . . . It would also be a good thing if all the clerics were driven out."

A Split! A Split!

"A split, Abe, a split! Hurry up, quick!"
 "Vot shall I hurry up for?"
 "Vot for?! You must do something about it—"
 "And vot shall I do about it?"
 "Anything! Think of something—anything so you shall do something—"
 "Vot . . . ?"
 "Oh—er— Oh, go and wash your face."
 (With apologies to the author of *Potash and Perlmutter*.)

[Scene at Teashop.]

Box.—Now, about the "B" expenditure you were explaining when we broke off yesterday. You were going to tell me why the "B" payments wouldn't buy—

Cox (with handkerchief to eyes).—Sorry, old man; it's all finished.

Box.—Finished? What's finished?

Cox.—The Association's split—the Movement is no more (*sobs*), no more.

Box.—Association? Movement? No more? Well then; let's hear no more about them. What I was asking you—

Cox.—You don't understand, old man. They've fallen out. All my work is wasted—all my hopes are shattered.

Box.—Here; pull yourself together. Who have fallen out?—and about what? The A + B Theorem?

Cox.—Don't speak about A + B to me now, old chap: I really can't bear it.

Box.—Why? Have they found out it's wrong after all?

Cox.—No, it's not that: the Council is divided—Mr. Snodgrass and Mr. Tupman have had differences, and it has all come out in the newspapers.

Box.—But what the devil have I got to do with your snodgraziers and tupmen? You said only last night that the hope of the world was something or other to do with whether "A" and "B" payments came together as incomes or not.

Cox.—I know, old man; I know. Oh—but this is torture.

Box.—Torture! I call it damned nonsense. Anybody would think that the truth of the Theorem depended on handshaking.

Cox.—But it does—I mean, to put it over.

Box.—Put it over! I should say, *throw* it over and be done with it.

Cox.—No, you mustn't say—

Box.—But I do say it. The way to put anything over begins with explaining it. If you say that you can't go on with your explanation just because some people have fallen out about something else you're as good as telling me that you've been trying to sell me a dummy.

Cox.—No, no. Don't you see that now Mr. Snodgrass has parted company with Mr. Tupman, people will disbelieve—

Box.—People! What people? I am the people just here and now.

Cox.—I mean—

Box.—Never mind that. Stick to me. You say that I shall disbelieve. Well, you're right in one way. But if I disbelieve, the reason is not because there's a storm in your precious Brains Trust, but because you're not man enough to weather it—you with all your pretentious claims to be a steward of the world's salvation; you, the repository of fundamental truth; you—but there, I apologise: I don't mean it—

Cox.—No, I know you don't. I'm sorry. But you'll understand—the split only happened yesterday, so—

Box.—I see that all right. But now I'll tell you something. One good split deserves another: so I propose we adjourn across the way and divide a large soda with something in it to heal the split.

[Later.]

Box | Say when. When
 Cox | Say when.

(Toast) Here's to the Science, and down with the politicians. (And song:—)

For "A" is "A," and "B" is "B,"
And never the twain shall meet
Till the split is joined by the Dividend,
And we drink our liquor neat.

The Green Shirts.

NOTES FROM THE GENERAL SECRETARY.

The diary of events, up to the time of writing, reads as follows:—

May 14.—Green Shirts at Bank of England.
May 14.—Green Shirts at No. 10.
May 28.—Green Shirts at Bank of England.
June 6.—Green Shirt Women at No. 10.
June 13.—Green Shirts at Lambeth Palace.
June 15.—Green Shirt Women at No. 10.

Mr. Ernest Brown, Secretary for Mines, speaking at Falkirk on June 9, is reported to have said (see *The Times*, June 11):—

"We do not wish to have black, red, brown, or green shirts. We only wish to see shirts in two places—the football and the cricket fields of our country."

So far as the Green Shirts are concerned, Mr. Brown's "wishes" will not be realised until we get the National Dividend.

The efforts of the Glasgow Green Shirts in selling *Attack!* has evidently stimulated sales in other parts of the country. No 25 was published on Wednesday, June 6, and sales had reached 1,530 a week later (Wednesday, June 13).

On June 9-10, a flying squad visited Oxford from London by car, arriving at 8 p.m. on the 9th. Nearly 100 copies of *Attack!* were sold that evening before pitching camp for the night. On Sunday six Green Shirts went into the town. Four were detailed for street chalking to advertise the meeting. Sixty different turnings were chalked. When the platform was set up at 6.30 p.m. in preparation for the meeting at 7 p.m. about fifty people had already arrived. Some Fascists began a meeting nearby at 6.45 p.m. The crowd drifted over to them, having nothing else to do.

The moment the first Green Shirt got up on our platform the whole crowd came surging around, and the Fascist speaker was left addressing a blank wall.

The G.S. officer in charge reports: "We then held a crowd, that steadily increased to 500 people, by a stream of logic plus the finest emotional appeal I have ever heard. It is clear that our open-air speakers have responded with remarkable speed to the Head Man's call for a strong emotional driving-force (in accordance with Resolution 26, Nat. Assembly, 1934.) The crowd consisted mainly of middle-class and student types. During the meeting a Fascist came amongst the crowd to distribute leaflets. I feel sure he did it out of pique more than anything else, for several Fascist speakers were going hammer and tongs for over an hour haranguing the empty air! The Green Shirt speaking at the time stopped at once, and, turning to the Fascist, said very quietly, but firmly, 'I say—stop that or clear out!' The Fascist hesitated, and the Green Shirt added, 'Now listen here—if you have any sportsmanship or real guts, you will stop that kind of behaviour immediately.' This brought forth a burst of clapping and cheering from the crowd. The Fascist then stood stock still, red to the roots of his hair. The Green Shirt said, 'You can stay and listen as long as you like. You might hear something.' There was further clapping. However, the policeman on duty thought it wise to usher the Fascist out of the crowd, and perhaps it was just as well.

"The collection amounted to 18s. 4½d., one student giving 5s. The meeting ended at 9 p.m. on a very high note of enthusiasm, in which the crowd freely expressed its desire to know more of the Green Shirt policy and methods. 'Come again!' they shouted—'When's the next Green Shirt meeting?' and so on.

"During the meeting 400 copies of *Attack!* were sold." We hear that two Social Credit advocates from Reading, who were passing through Oxford on their way home from the Buxton Conference, were greatly delighted to come upon this Green Shirt street meeting in full swing.

On Saturday, June 9, a flying squad of nine men and four women left the Shoreditch G. S. Headquarters at 4 p.m. for High Wycombe, travelling by lorry. They

were met on arrival by Field Officer G. T. Gregory, commanding the Southern Region, and the Green Shirts travelling to Oxford. Three Green Shirts camping near King's Langley also took part.

A route march through the busiest section of the town began at 7.30 p.m., and continued for twenty minutes, the squad being flanked by three women selling *Attack!*

At 7.55 the squad wheeled into the large public square, and the meeting began at 8.5 p.m. A crowd of about 300 people quickly assembled, and after outlining the aim of the movement, Green Shirt Knight introduced the speaker for the evening, Staff Section Leader Lewis, of London.

Our report says: "The audience was a very good one, politically awake, and consisting mainly of workers and 'lower-middles.' There was a tremendous amount of sympathy and support. Five minutes before question time about 9.10, the crowd was larger than at the beginning. People were obviously sticking to the meeting, and frequent 'buses going along the main thoroughfare, within twenty yards of our platform, did little to distract the crowd. During question time a group of about ten or twelve Communists, who had been troublesome previously at other meetings here, were forced to agree that 'it is the Financial Bosses we have to get rid of.' All they could say was: 'How are you going to overcome them?' etc. At 10.15, after one Communist, who kept putting the same question as a statement, had been told to 'shut up!' by the crowd, the meeting reached an unusually high pitch of mass-enthusiasm.

"The peak of the meeting was reached when a Labour League of Youth man (apparently a local organiser), having asked a number of questions and expressed satisfaction with the answers, said in a loud, clear voice: 'Before I go, I want to say how pleased I am to see the energy and enthusiasm of the Green Shirts for their cause. I wish that every young man in Wycombe would do the same, and I want the people here to show their appreciation, if they feel the same as I do—good luck to you, lads!' This was met by a *veritable roar of applause* and a loud sally of handclapping.

"After this public demonstration of sympathy, the speaker was informed that as it was now 10.30 p.m. the meeting would have to close. This was done.

"Altogether 185 copies of *Attack!* were sold on this occasion. After the squad had been supplied with coffee made by the women Green shirts in the lorry, the return journey to London began at 11 p.m., leaving behind groups of people still standing about discussing the meeting."

On Wednesday, June 27, *The Star*, *Evening Standard*, and *Evening News* reported that a brick wrapped in brown paper was thrown through a window of No. 11 Downing Street, the official residence of the Chancellor of the Exchequer, while Mr. Ramsay MacDonald was presiding over a Cabinet meeting at No. 10, that day. According to the Press reports the brick was "painted all over in green" and had the words "Issue the National Dividend on one side, and 'All power to the Green Shirts' on the other, in white letters. An unemployed labourer, aged twenty-six, of Shoreditch, was remanded at Bow Street, and pleaded guilty to a charge of "wilfully breaking plate windows, value 10s., at No. 11, Downing Street."

This incident is now being investigated by Green Shirt National Headquarters.

A squad of women Green Shirts marched to No. 10 Downing Street on Friday, June 29, to deliver a letter on behalf of the women of Great Britain to the Council of Stanley Baldwin, M.P., Lord President of the Council, asking him, in the absence of the Prime Minister, to receive a deputation.

On Wednesday, June 27, John Hargrave, the Green Shirt leader, addressed an enthusiastic audience at a meeting held in the Albert Hall, Colchester, the subject of the address being "Britain Arise! The Green Shirt Call to Action."

The meeting was a remarkable one for burst of applause. The address was punctuated by burst after burst of applause from an audience that was truly representative of the county.

Many questions were asked during question time, answers being greeted by further applause.

After the meeting a number of interested people met at Commander Cooper's house at Nayland, where they had the opportunity of an informal discussion with Mr. Hargrave.

The first edition (5,000 copies) of the current issue of *Attack!* having sold out soon after publication, a reprint of 2,000 copies was found necessary, and only a few copies of this second edition remain unsold.

LETTERS TO THE EDITOR.

LEISURE AND BOREDOM.

Sir,—In "answering" my brief article, "Revolt and Leisure," Mr. R. Halliday Thompson has raised so many, and such wide questions, that no mere letter can deal with them all. I must try and show where we agree, and disagree.

Of course, we are all born artists—how otherwise explain the universal appeal of art?—but the point is, why do some remain artists and art-lovers whilst others become definitely anti-cultural? My answer is that Business is anti-cultural; that life is naturally an Art, unnaturally Business. When Business reigns authentic human values disappear, and false values rule. The only safeguard against dehumanised commercialism during their cultural periods; and many communities of "savages" remain free and happy because they elevate life to an art, and subordinate Business.

Mr. Thompson shifts his ground and muddles the issues. He admits that the youthful, potential artists have their "skill hunger" killed, and their individuality; that they are "thwarted," and probably become "wage-slaves"; then he says they want leisure.

It won't do. The fallacy lies covered in the word "want." In dealing with leisure, which is freedom—life itself—want is intense, passionate desire, or nothing. The cultured man loves liberty like a sweetheart; the uncultured like his grandchild; if the majority loved leisure and freedom, they'd pretend that the majority want leisure—dangerous because it makes the task of S.C. seem easy, when it is going to be extremely difficult. S.C. can only be put over by means of the most intense and passionate emotion; the intellectual appeal, alone, must fail; not to comprehend this is to fail in an understanding of S.C. and human nature.

How is it that the common lands were enclosed, and people driven to work for poor wages? How were wheat-fields turned into wool-producing lands, for foreign export? How were men, women, and children driven into the factories? Because they were tricked, intellectually?—that is not good enough for me.

Consider one well-known fact. The City of London supplied the factories with (wageless) orphans, stipulating that in every consignment of twenty children one idiot might be included. That's just one of a thousand obscene and humiliating matters that failed to rouse our island race. There was no revolt. When opium became cheaper than beer the "workers" bought opium (see De Quincey), and they carried on in "the workshop of the world."

There are certain things one does not argue about. The patrician said to Epictetus: "Nero wants me to perform as a buffoon in the arena, what would you do in my place?" Said Epictetus: "Play the clown." "What! You would do a thing like that?" Said Epictetus: "No. I wouldn't. But you will, because you argue about it." How many times does a S.C. advocate force some mean soul to admit the existence of monopoly, injustice, and social hell, and the coward says: "Yes, but who would do the dirty work if...?"

People in civilised communities lost their liberties through spiritual cowardice and apathy; they are losing them now, for the same reasons. They yawn in your face when you try and rouse them. Rich and poor, they accepted Business, with all its filth, because they thought that, though the other fellows suffered, they might win out. In other words, no social sense.

Mr. Thompson asks whether S.C. advocates suggest that the average man is to have leisure suddenly thrust on him. I hope so, otherwise S.C. will fail. As a fact, leisure is thrust on them, but sometimes it is called "unemployment," and sometimes "work." Mr. Thompson has either failed to think things out, or has himself an unconscious fear of leisure—probably the latter, since he offers another three or four hours a day. (I already have twenty-four, Mr. Thompson; dear-born independence!)

If S.C. appeared to-morrow it would translate unemployment into leisure; and drudgery. Leisure is not a mere negation; it is not dependent upon whether one works or not, it is liberty. A free people will define work, as artists do now.

Nor is there "a vast amount of work needed to clear up"; when S.C. people talk like that, they're all wet. Civilised communities resemble the lunatic who hit himself on the head with a hammer, "because it was so nice when one stopped"; with the difference that civilisations lack the idiot's sense, and can't stop. S.C. is the greatest, if not the only (potential) revolution ever imagined. For the first time it would make possible nations, and a world of artists.

We should be creators, within our limitations, instead of insane termites. Artistic and human values would rule. When we had set free the drudges in Stock Exchange, insurance, and a million other offices; when we had sent the office-boys to school, and the typists to their homes; when we had given the Army, Navy, and Air Force something real to do; when we had released from insane activities all the middle-men, agents, journalists, advertisers, politicians, police-women, hack artists, machine-hands, etc., etc., etc.—there would *not* be a vast amount for forty-five million people to do in England. Does Mr. Thompson want to start the racket again, under some new slogan of "cleaning up"?

S.C. is a revolution. Revolutions are changes of mind, resulting in changes of behaviour due to a great wave of intense, emotional life. Revolutions are always conceived and carried out by tiny minorities (usually aristocratic), working upon sheep-like majorities. On the side of S.C. is machine-production making the lie of scarcity absurd; and the fact that modern despotism is more mean and *furtive* than it has ever been before. Against S.C. is the terrible debasing of human nature due to general acceptance of false values over a dreadfully long period. It will be a mistake to think that "poverty in the midst of plenty" is new; it will be an error to rely on intellectual exposition; and the machine can't pitch us into freedom. We must recreate authentic, living values, and play Peter the Hermit to the greatest of crusades.

R. LAUGIER.

Paris, June 23, 1934.

[We do not necessarily endorse everything in "R. Laugier's" letter. This pseudonym covers the identity of someone who was writing and working for Social Credit in this country fourteen years ago, and whose name would be familiar to many veteran readers of Social-Credit journals at that time. We may remark in general that the force of his present argument rests on the implicit assumption that the interests resistant to a radical change in the present financial policy and system are able to resist it with impunity. But that is not so. Whatever we do or say, the logic of the creeping error in the price-system will go on working mischief to their designs and plans until they manifestly break down. While in one sense we persuade them to save us, we are at the same time prophets of disaster to themselves if they do not repent. We have diagnosed a disease in them, and have told them the only cure. It is true that they, in trying to remedy what they think is wrong with them, involve the people in all sorts of miseries; and for that reason we are constrained to do what we can to rouse their victims to help cut short this period of suffering. Yet, all the time, the disease is undermining their will. It is beginning to look as if the issue is balanced between their grasping at war to avoid Social Credit, or at Social Credit to avoid war.—Ed.]

PROJECTED ANTHOLOGY ON MONEY.

Sir,—In view of the increasing general interest in the subject, I am compiling an anthology of quotations by English, American and translated foreign writers on the nature, function, and history of money. The book, which is intended to be an epitome of English and American thought on the subject since about 1650, will represent the contributions to the literature of monetary science not only of professional economists but also of those whose chief interests lay in other fields.

I should acknowledge gratefully any suggestions your readers may wish to make. MONTGOMERY BUTCHART.
19, Cheniston Gardens, W.8. June 28, 1934.

AGRICULTURE AND FINANCE.

Sir,—The enclosed appeared in *The Daily Telegraph* of June 27, and speaks for itself:—

FARMER'S MILK PRICE.

Sir,—The public are under the impression that the farmer gets 1s. per gallon for his milk. I notice you publish the Regional prices in your paper each month, and I think the public should know what the farmer really does get.

You will see the deductions from my May account (enclosed) amounted to £26 7s. 9d. That leaves me 7d. and a fraction per gallon instead of 1s.

The farmer is not the cause of the public paying 6d. per quart. The previous two summers I received 10d. per gallon.—Yours, etc., CHAS. E. BOWN.

Bristol, Somerset, June 25.
[The accounts enclosed by the writer are for 1,200 gallons at the Regional price of 1s. 0½d. per gallon, making £65 12s. 6d. From this sum the deductions shown are:

Collecting charge at 1d. per gallon, £4 1s. 2d.; Milk Board deductions, £22 6s. 7d. Balance remaining, £39 4s. 9d.] Recent conferences on the price of beef are attended by people who know nothing of their subject. If price raising is a desirable objective they must start with English wheat and adopt the quota system as detailed in the Midland Bank Review. The alternative is Social Credit. While on the subject of wheat I read on the first page of the first number of *Farmers' Weekly* that the price of English wheat has gone up because most farmers, being short of money, have threshed out, and the English poultry feeders must have English because the foreign stuff gives their hens indigestion! We can feed our own population on the muck, including our expectant mothers. V. I. 90.

ONE WOMAN'S WORK.

Sir,—The other night, having been invited to attend a meeting at Haslemere, I sat among a small mixed audience of unemployed men, of retired Civil Servants, District Councillors, Co-operative officials, and J.P.'s.

The lecturer (and convener of the meeting) is a working woman living in a small neighbouring country village, a most competent speaker, who, in spite of her isolated life, has thoroughly mastered her subject and is making Social Credit her life's aim.

After a fire of questions had been ably met, a resolution to the following effect was passed with only one dissident "not yet quite convinced": A National Audit board to be set up. This board to deduct value of goods consumed from the value of goods produced and to issue the difference as purchasing power to consumers.

A few more women like this and we shall be getting on.
SURREY S.C.

BANKERS AND THE COURTS.

Sir,—For many years I have been struck by the absence of the names of the large banks from the lists of claims for money through the Courts. In view of the large amount of turnover it is obvious that a very large amount of money will be lost in bad debts and in doubtful accounts. As the normal way to recover money is to sue for it, and as almost all commercial concerns at some time or other do this, it is interesting to observe that these concerns do so so rarely as to be very remarkable. Can you, Sir, or any of your readers give us any information on this matter? Are they really afraid of publicity, and can all owners of overdrafts without security rest assured that no proceedings are likely and that only bluff is used? Or is there some secret way of claiming money, without the Courts being used?

LUCIEN.

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Hon. Secretary's address changed from Burrfields, Chapel-en-le-Frith, to 88, Heathbank-road, Cheadle Hulme, Cheshire.

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