

THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

No. 2248] NEW SERIES Vol. LVII. No. 24. THURSDAY, OCTOBER 10, 1935 [Registered at the G.P.O. as a Newspaper.] SEVENPENCE

CONTENTS.

	PAGE		PAGE
NOTES OF THE WEEK	189	THE MOVEMENT IN BRITAIN	194
Comments on the outbreak of the Italo-Abyssinian war—central-bank negotiations supersede diplomatic exchanges—will the war be won before the sanctions are effective? Reported Government scheme to subsidise consumption—price-vouchers for the unemployed.		Social Credit Secretariat incorporated as a Company. The Social Credit Party of Great Britain—Manifesto.	
THE NATURE OF CREDIT. By Arthur Brenton	191	PRIVATE LIMITED COMPANIES. By J. G.	194
"Who lends what to whom, and why?"		How these are privileged as against public companies.	
SUMMER TIME ENDS. By James Golder	192	SOCIAL CREDIT POLITICS IN ALBERTA	195
SOCIAL CREDIT POLICY. By John Grimm	193	Canadian writer's survey of the clash between Aberhart's candidates and those of the U.F.A. in the Federal Election.	
On the internal stresses of the Social Credit Movement.		CORRESPONDENCE	196
		E. Ernest Way. "An Observer."	

NOTES OF THE WEEK.

War Again.

So Mussolini has decided to challenge the solidarity of Europe symbolised by the Covenant of the League of Nations. He has put the Council of the League in the position of being obliged to name Italy as the aggressor. The *News Chronicle* is taking this for granted and is already attaching the adjective "criminal" to the act of aggression. When Italy has been "named," the European Powers are under the bond of the Covenant to use direct means of hindering Italy's prosecution of the war. If sanctions do not mean that they mean nothing at all, and neither does the Covenant nor the League. Hereinafter we shall refer to these Powers as the Allies, or Alliance (holy or unholy according to how readers may feel about the matter).

* * *

Now the Allies are faced with a fundamental dilemma. They are united in the desire to localise the war, but are under obligations to intervene to Italy's disadvantage. Now, having regard to the disproportionate preponderance of Italy's military and economic power (potential as well as actual) over that of Abyssinia, obviously the most effective method of localising the war is to hold off and let Italy win. In strict logic the Allies ought even to help Italy. Mr. Garvin has been consistently advocating the policy of non-intervention in the *Observer*, and has made no attempt to hide his view that Abyssinia should be left to her fate. But to do this would be to repudiate the doctrine on which the League and the Covenant are founded, namely that *no nation may use war as an instrument of policy*. The object of sanctions is precisely to make such a nation realise that her use of that instrument does not pay. But if Italy is allowed to win her policy will have paid. This is self-evident as an immediate consequence.

* * *

It may be replied that ultimately Italy might be deprived of the fruits of her victory. Well, if that could happen—if Italy found, after all the blood and treasure

expended on her adventure, that she had to share with the Allies the rewards of her sacrifices, and on a basis no more favourable to her (and perhaps less) than she could have secured by negotiation with them, then, of course, the authority of the League would have been re-established. But by what sort of pressure? When this question is investigated it will be seen that the policy of non-interference during the war would have created the necessity for interference after the war. It does not follow at all that because a "localised" war is fought and finished locally the danger of wider warfare is eliminated. Conventional phrases such as "stopping the war from spreading" are utterly misleading. War, as war, does not "spread." The Italo-Abyssinian war isn't "catching" like influenza. Its danger will be felt when the Peace Treaty comes to be signed. The Allies are not concerned about whether Italy wins or not, but they are concerned about what she will demand when she has won. The big war might arise out of the peace terms of the little war. So "localisation" in itself is no safeguard.

October 5.

Now let us turn to more fundamental issues. It may be taken for granted that when the international bankers inspired the formulation of the League Covenant with its "sanctions" clause they knew very well that it would be they who would have to take control as soon as an emergency requiring the application of these penalties arose. If and when the League Council names the aggressor and authorises the restraints, then it will have virtually abdicated in favour of the central banks. Basle will have replaced Geneva as the clearing-house for diplomatic exchanges, and all further negotiations will take place between the central banks—the Governor of the Italian central bank being one party and the Governors of the rest being the other. The fact that these Governors will be absent in the flesh is immaterial: they will be present by proxy, and that is the same thing in principle.

* * *

Now although visibly and politically Italy would be outlawed by the other Powers, there would be no such

thing as the invisible and financial outlawry of the Italian central bank by the others. Basle will still remain an all-in combine; and whatever action it advises will be concerted action arising from deliberations in which the Italian bank would take part on equal terms with others. The fundamental policy of the international Money Monopoly is to perpetuate its prerogatives and powers. And therefore the standing orders which would govern the deliberations at Basle would exclude consideration of any sanctions which endangered the integrity of the Monopoly. In every case the representative experts of the Italian central bank would be asked to say whether this or that line of action under the penal clause of the Covenant was likely to impair that bank's authority over the Italian Government by driving Mussolini into monetary heresies in order to overcome, or to take revenge for, economic difficulties. Notwithstanding the widespread ignorance of the essential flaw in the financial system, every statesman in the world is aware of the fact that sanctions have to be financed, and that the finance must come from the banks—ultimately the central banks. Hence there is a danger that the Governor of the Italian bank might incur odium in the eyes of Mussolini, and, on his word, in those of the whole people, as being privy to the penalties which were visited on that country. It is not such a far cry from "Down with the Jews" in Germany to "Down with the bankers" in Italy.

Already M. Laval, whose views reflect French banking opinion, is being reported (October 5) as favouring only economic and financial sanctions, not military sanctions. And even as to economic sanctions he would like these to be limited to the prohibition of the export to Italy only of munitions of war and materials convertible into them. It is probable that all the central banks object to military sanctions because of the risk of another great European war. Yet if they are not applied the complexities of applying the others are multiplied enormously. It was comparatively simple during the last war for the combatants on both sides to waylay ships going to each other's ports, because anything of any use at all to them, whether meals or munitions, was treated without discrimination as something to be intercepted. A tight naval blockade of Italy on these lines would obviate the necessity for prohibitions either of loans of credit or supplies of goods. But, as stated, risks of war rule out this beautifully simple plan.

Turning to other plans, one complexity resides in the question of what goods and materials constitute munitions or products entering into their manufacture. Then, supposing this can be decided by some arbitrary ruling, there will remain the problem of getting business enterprises at present exporting to Italy to accept the loss entailed in the stoppage of their trade, let alone restraining them and others from expanding their supplies. Are they to be compensated by their respective Governments? The last war did not present this problem because practically everything produced in the belligerent countries found a ready market at home owing to the tremendous expansion of home-made credit. As things are at present the shutting of Italy as a buyer out from the world market would unbalance the budgets of many business concerns, and threaten their solvency if the process lasted any length of time. Why, the shareholders would ask, should they suffer a virtual tax on their properties while others were let off? Under a Social Credit system (if

you assume the possibility of sanctions becoming necessary) the prohibition of any exports from a given country would cause an appreciation, or a slackening of the depreciation, of its physical wealth, and this would be automatically reflected in a corresponding appreciation of its financial wealth, whereupon there would be, so to speak, a pool of credit which could be applied to compensate those enterprises whose exports were suspended. Under the banking system not only are such enterprises left uncompensated, but penalised for showing a decline in trading profits. Injury is added to interference.

So the Basle experts will have the job of finding some middle course, and when applied it will probably prove to have only the effect of imposing a delay in Italy's attainment of her military objectives in Abyssinia.

A writer in the *Financial Times* of October 5 explains the methods by which Italy has been raising money. The Government has taken over the holdings of Italian citizens in foreign securities (just as Mr. McKenna took over American securities from Sir George May, President of the Prudential Insurance Company, during the last war to pay for munitions). This writer estimates that the Government has enough to pay for necessary imports for some time ahead. Then turning to domestic affairs he makes some significant statements; firstly, that Mussolini can command any amount of credit he likes by virtue of his "authority"; and, secondly, that if he should require to export home-produced goods in order to command extra foreign credits he can "sell them at any price he likes." This suggests that the writer is up to date in his realisation of the possibilities of the credit system when operated by a Government for a generally approved object. He has possibly been interested in Japan's methods of getting markets. Of himself in Japan's methods of getting markets. Of course he proceeds to point out that such a policy on Mussolini's part would do damage to the trade of other countries, and to indulge in the reflection that even if you succeed in localising a war you cannot localise its economic concomitants and consequences.

October 7.

Mussolini is apparently engaged in negotiations even more deeply than before hostilities commenced. His strategy is doubtless to hang out discussions about sanctions while his armies get on with their job, in the hope that they will achieve the maximum results before the sanctions are applied. The fall of Adowa has heartened the people and strengthened his bargaining power. The ideal outcome from his point of view would be if he finished the job ahead of the sanctions. And it is possible that this should happen, provided that the Italian central bank can come to an agreement with the others on the fundamental principles of the Peace Treaty. If Basle is satisfied Basle will cease to encourage sanctions, and if it permits any they will be gentle enough to be ineffective.

An amusing sidelight on the affair is provided by the general and steep advance in marine war-risk premiums. The insurance branch of the banking system must be gathering in pots of money, and, if the big war which is insured against does not occur, there will have been a nice stroke of deflation and confiscation. By the way, a newspaper stated the other day that Italian shippers were bound by law to insure with Italian insurance companies, but went on to say that Italian insurance companies were permitted by law to re-insure with foreign insurance companies. So even the narrowest nationalism feeds the power of internationalism. Of course the re-insurance privilege is necessary for spread-

ing the risk safely and is a good thing in itself. But it only shows once again how a Government's political initiative is restrained by the financiers' principles and laws.

Consumption-Subsidies.

The *Sunday Express* of September 29 describes a plan which is being looked into by two Cabinet Ministers. It is a plan to increase the production of foodstuffs in Britain, and to raise the physical standard of the people, especially the unemployed. The article states that price vouchers are to be given to the unemployed, and subsidies to the grocer and butcher. All food shops may have to be licensed under regulations as to standards of cleanliness, efficiency, and so forth. Ten million people, it says, are either on a short or a wrong dietary. The contemplated subsidies are likely to run into millions of pounds. Lastly, the article points out that these subsidies do not go to producers, but to consumers.

If the facts are as stated it is pretty evident that the plan will be a colourable imitation of the National Dividend scheme—a plan to alleviate Poverty Amidst Plenty which could be popularised as a first practical step to abolishing it! But it may have another purpose than that of side-tracking Social Credit. As we have often pointed out in the past, agriculture is all-important in a military sense to an island Power, and the political tensions in Europe during the last few months are a sufficient reason in themselves for the British Government to renew their interest in the growing of foodstuffs. Further, since an under-nourished civil population means C4 types of recruits into the fighting services, the idea of giving the poor a feed is manifestly sound.

However, the question of which bird the stone is aimed at need not trouble the Social-Credit advocate. The licensing of retail shops and other methods of administering the distribution of the subsidy will constitute exactly the machinery by which the National Dividend can be distributed. The perfecting of schemes for military security is bound to be a perfecting of schemes for economic security. Insofar as the War Office accustoms the retail trades to the idea and experience of regulation for distributive purposes it is doing spadework for the Social Credit Movement; it is overcoming psychological resistance which might otherwise be offered to a "National Credit Office." So we can all be happy about it so far.

Nor is it any use being anything else; for if the bankers agree to such a plan the Government can put it into operation at once without consulting anybody. No election need take place first, and therefore no opportunity provided for the electors to be warned of its demerits or to be instructed in the merits of the Social Credit Proposals. The Government's plan would be bound to be popular in operation, since it would work on the principle of feeding the underfed on new borrowings unaccompanied by new taxation. The whole plan could be worked by widening the perennial deficit of the "Ways and Means" Budget instead of increasing the estimates in the official Budget. And if, while the plan was operating on this basis, the Government went to the country for renewal of confidence they would place Social Credit advocacy in a comparatively disadvantageous position. To the down-and-out even a crust on charity is better than no bread.

However, it is by no means certain what the bankers will do. It depends partly on the outcome of the European trouble. If peace can be assured again the plan would not be urgent as a measure of military security. It is only in war or in times when war looks imminent that Governments can compel the bankers to permit incan use their own discretion. So we must wait a little before we can profitably discuss the next development.

The Nature of Credit.

By Arthur Brenton.

A refreshingly brief question has been sent from a correspondent in Germany concerning the fundamental meaning of credit. It is as follows: "Who credits whom what?" The question might have been extended to read: "Who credits whom what, and why?"

This offers scope for several methods of elucidation, of which that now following is offered in the hope that it will come within the frame of reference in which the question has arisen in this correspondent's mind.

In the purely economic frame of reference, which includes only psychological and physical factors *directly related* to the conversion of useless wealth into useful wealth, we can start with the following definitions:—

1. The *who* is the *whole community* in a hypothetical closed area.
 2. The *whom* is the *producing group* considered as the directing and organising agents of co-operation.
 3. The *what* is, quite simply, the *obedient service* of the rest of the community who are, by assumption, now directed and organised.
 4. The act of *crediting* is thus one of *entrusting* the producing group with the control of service.
 5. The *why* is the *faith* (or expectation) of the people who place themselves under this control that benefits will accrue from it and be distributed among them.
- Further, it is equally the faith of those who undertake this control, or trust; for their object in desiring to be credited or entrusted with the services of others is ultimately to enjoy these benefits.

So there is a mutual lending of *directing* service and *directed* service constituting a loan which is to be repaid in the form of material benefits. Fundamentally this lending of service is inspired by faith in the demonstrated uniformity of natural laws, which unflinchingly operate to yield what we now call the increment of human association. We might say that the seeing, flexible forces of human knowledge will lend themselves to the blind, inflexible forces of nature. We often speak of man conquering nature; yet he conquers by obedience to her. She, like his wife, tells him what orders to give her!

But an important element has been omitted from the analysis. What about that section of a community which does not contribute either directing or directed service? What credit does the unemployed man lend? If he receives benefits, what are they the repayment of? We can best approach an answer by recalling the question which the disciples asked Christ about the blind man, Had he sinned, or his parents, they asked, that he should be born blind? "Neither," replied the Master. The man was born blind in order that "the works of God might be made manifest in him." Now, works of God might be made manifest in him?—and alas! how many of take a man born into idleness (and, alas! how many of him confront us to-day), and ask the same question. Is he idle because his father was idle?—and his grandfather?—and his ancestors? Not at all. The cause is exactly the opposite. He has inherited his idleness from their industry. If they had been idle he would be active. What did they do for him? They accumulated and bequeathed to him an inheritance which we now call The Machine; and this inheritance has dis-inherited him. His service, directing or directed, is superfluous to the requirements of the production system, and because of that he is at present disintegrated to any benefits. Yet his title is inexpugnably valid. For The Machine represents the lending of service by

his ancestry; service which has yet to be repaid in the form of benefits; and he inherits his ancestors' unexhausted claims for repayment. If he has no right to the benefits of The Machine nor has any man at all. Each of us has the same common right, because none of us can claim unique descent from our common ancestry. No man can say: "Behold I belong to a dynasty of workers, and you to a dynasty of idlers." No, past contributions of service cannot be differentiated in the intercrossing, lattice-work pattern of our genealogical history. The Machine, like the sun, is to shine alike on the busy and the idle, the just and the unjust, of this and succeeding generations.

Further, supposing that we *could* differentiate—supposing that we could divide the community into two dynasties, we should find that the descendants of the idlers would have inherited opportunities for work, while those of the busy would have inherited none. And then it would be the turn of the idle to ask concerning the busy: "Were these men's fathers idlers, or their grandfathers, that they are born to perform tasks for rewards?"

Again, idling, in the economic sense, is imperative for reasons of efficiency. The Machine has created "too many cooks," and those who are redundant and cease to make broth are entitled to a reward for not spoiling it.

So now the question of what service the unemployed contribute—what "credit" they lend to facilitate the increment of association—is answered. Each and all are variously contributors of services in the present and equally heirs of contributors thereof in the past. On that foundation rests the communal power to accredit enterprise and the right to share its rewards.

Summer-Time Ends.

By J. Golder, M.I.Mech.E.

Human history is, in reality, biography; but not necessarily of kings; unless we apply the original definition out of which sprung the idea of royalty, viz: "a king is a man who can." If any little scholar friend of mine should therefore ask me what the British people got out of the great world war as a matter of real value, I should reply, two men. Not Kitchener, French, Haig, or Beatty. Not even Lord Grey, Lloyd George, Asquith, Balfour, Bonar Law, or Baldwin. Not Churchill or Jellicoe, nor yet Jack Cornwall.

All these were great and good in their way, but the names that will live in deeds rather than years, because their gifts will not perish with their bodies, will be those of Willett and Douglas. The first because through him Parliament took control of time; the second, because through him Parliament will take control of money.

Now, no doubt, it will be questioned (everything can be questioned), but it cannot be denied that time and money are the two greatest forces operative to-day in the minds of western civilised men. They are the forces that wait for no man. The tide is kindly by comparison; for even King Canute could have swum in its gentle gravitations with only a slight loss of dignity; but let him fail to meet his financial obligations, whether imposed by volition or assessment, on the tick of the clock, the law of dispossession, which knows no such kindly buoyancy, would not stop at leaving him to sink, but would have his throat cut and take his life so that the traces should strike terror into his imitators.

The monopoly of *credit* is "married" to the monopoly of *time*, and out of this adulterous union has come a great financial freak which is sometimes described as an organism, at other times a mechanism, but all the time it operates as a despotism that knows no law. "Time is money" is the voice we hear and, hearing, we all obey; though we see no man who will accept the responsibility of proving the proposition. Plenty there are who will hide themselves in its "collective security," but only one man, and he till lately an obscure engineer, has openly demonstrated the contrary on his own personal responsibility.

Willett, though himself dead, plus the necessities of the great world war, brought about a Parliamentary adjustment of what the simple farmer's wife called "God's time," and a great many more besides the farmer's wife believed she was right. The planets did not, however, alter their courses because men re-set their clocks.

Douglas, till lately obscure and happily far from dead, to-day calls on the peoples to get their Parliaments to make a similar adjustment in the bulk supply of money, a commodity in its petty cash form they have come to connect with God in much the same way as they did the time, because it has been misrepresented to them as the only possible basis of work, of honesty, fair dealing, and even justice among men.

This adulterous union of time with money and both with legal law (the fruits of which this generation is not enjoying) may be identified with periods of history which could, to use an ancient simile, be "winked at," but *now* there is no excuse for its continuance. The light has revealed it, and revealed it so plainly that men can never un-see what has been revealed.

Time is the interval between events measured in terms of the earth's revolutions. The clock is the mechanism. A convenience for keeping appointments. Dogs and cats, and even little fishes, keep their appointments without clocks. You can't save time by accumulating clocks. Neither can you lose time by destroying clocks. Credit is man's measure of universal available energy. What Nature yields, man controls. The money is the elementary mechanism. A convenience for getting the goods. Dogs and cats and little fishes get the goods without the money. You can't save energy by accumulating money. Neither can you lose energy by destroying money. These statements are true, irrespective of the form or source of the energy; and credit, if administered according to natural automatic and inexorable law, will always be equal over every exchange.

The credit mechanism is as delicate as a chronometer, and more admirable, but, like a chronometer, it can be out of step with the rhythm of the earth and show the wrong time. But time being arbitrarily based on Greenwich as its zero, money can be equally arbitrarily based on the blood temperature and heart beats of the Astronomer Royal; but money will be out of step with Nature's aforesaid laws if it differentiates between him and the least of the human members of the Observatory staff, for above all things and desperately wicked, is the starting point of every calculation.

Thus summer-time ends and war begins for want of a little adjustment, which it is in the power, though not at present in the will, of a certain few men to accomplish. What a chance for a KING!

DEBATE AT KENSINGTON.

A debate between Mr. E. F. M. Durbin and Mr. Reginald Kenney, "Can Social Credit Abolish Poverty?" is arranged for October 10 at Kensington Town Hall. Particulars of Mme. Patricia, Church-street, W.8.

Social Credit Policy.

By John Grimm.

The latest developments in the Movement are likely to increase the perplexities of its members. Perplexity in regard to such momentous issues as lie ahead tends to engender suspicion. And this suspicion is likely to find expression in the phrase: "The bankers have got in among us." The futility of nursing such suspicions on no other ground than that there is disunity on policies of action can be best shown by reference to the Women's Suffrage Agitation before the war. Their movement split into two main divisions, which were designated by flippant onlookers the *Tame* and the *Wild* suffragists. In more polite terms they were described respectively as Suffragists and Suffragettes. Between the two divisions there was unconcealed antagonism. Each reproached the other with letting the Movement down. And both could back their reproaches with some plausibility. It was obvious that the turbulence of the "wild" was calculated to "put off" potential members of the general movement, besides hardening the opposition of Parliament and the public to the demand for the vote. It will be remembered that a large Anti-suffrage petition signed by women was presented to Parliament, and undoubtedly the actions of the "wild" suffragettes inflated it enormously. On the other hand the sweet reasonableness of the "tame" could be (as it was) construed by the "wild" as defeatism—as a policy which would encourage Parliament to say in effect: "As you are behaving yourselves correctly we will give your demands our sympathetic consideration; but of course these must take their turn in the queue of legislative deliberations according to their comparative degree of urgency." Thus either group could have plausibly said of the other that it was the agency of a "man-made" conspiracy to block the vote.

The bearing of this on the present situation is (a) that it is not necessary to invoke "conspiracy" to explain disunity, or (b) if it appears necessary, then the conspirators can be as active on the one side as on the other.

It is imperative that members of the Movement at this time let their thoughts dwell on underlying points of agreement. We are all united on the diagnosis and the remedy. We all stand by the demand for the distribution of extra purchasing-power. Among the leaders of each actionist group within the Movement there are persons who are technically competent to detect the snag in any bogus plan which the bankers might put up (indirectly) as a fulfilment of the demand. Therefore, an unsupported suggestion that any such persons are tools of the bankers is a wanton attack on their good faith. If the suggestion can be supported let the evidence be given.

Last week there was published an article in this journal on the financial aspect of political action within the Movement. Is anyone prepared to say that the inter-group competition for mailing-lists and funds therein discussed is not a sufficient explanation of disunity? The bankers do not have to conspire to make people quarrel over money—even people who are not beneficiaries of the money they seek.

If any actionist policy can be shown to be less efficient than others for our agreed purpose, it can then be said to be playing into the hands of the bankers by wasting energy. But in that case only the judgment, not the good faith, of the promoters may be arraigned. Further, on the question of efficiency, the test is not

only the logical perfection of a given plan, it is also the attraction which that plan may have for the people who are expected to work it. Will there be a sufficient number of them to reach the objective of the plan within the time-limit set by the plan? The question has to be answered by experiment. And, what is just as important, care must be taken not to attribute exclusively to that experiment results which can be traced to the operation of other concurrent experiments.

Let this point be illustrated by reference to events.

Some months ago the London Social Credit Club organised a successful demonstration at the Central Hall, Westminster. Their action was afterwards disparagingly described by sponsors of the canvassing experiment as a "dispersion of effort." They explained that the great interest shown in the speaker's address should have been directed to the support of the electoral campaign, and declared that through the omission to do this, "a great opportunity was lost." Well, you can't lose what you haven't got; so these critics were admitting that the London Social Credit Club had created this "great opportunity"—and by the "dispersion of effort"! Which invites the flippant retort that perhaps you lose opportunities by the concentration of effort, or, better, evokes the heartening reflection that greater opportunities may be in prospect throughout the arrival of the Social Credit Party of Great Britain on the scene to disperse the effort some more!

Quite seriously, does not this go to show that we are all inter-dependent on each other's efforts, and that whatever policies are adopted by various groupings they all converge on one objective, and, even in an immediate sense, all contribute to make the task of the house-to-house canvasser easier?

A reference to the prospective candidature of Mr. Townend at Leeds is appropriate in this context. It will be received with mixed feelings, no doubt. It has one initial disadvantage—money again!—the Social Credit Party will have to find and risk the loss of the £150 deposit. The Secretariat's policy, on the other hand, is to influence candidates financed by the orthodox party organisations. A further disadvantage that many people will see in this candidature is that it will involve inviting electors to break their party allegiances *unconditionally*, and provoking hostility from these parties. The objection might take this form: It is easier to get electors to bring pressure to bear on their "own" candidates—i.e., to give their accustomed representatives a chance to pledge themselves to further Social Credit in Parliament—than it is to get them practically to join a new party. To this might be added the consideration—money, yet again!—that the winning of the seat confers a salary on the new Member; for that consideration, though not vocal, does influence the subconscious of the electorate, and probably the "conscious" of non-voting cynics.

Taking the question of the general attitude of the electorate, it has to be remembered that a large proportion—a proportion large enough to turn any constituency if it went solid for any candidate—do not vote. In some elections there has been nearly 50 per cent. absenteeism. Years ago THE NEW AGE used to cite their numbers as the total of the "Social Credit poll." Well, people who have dropped the habit of voting have no party allegiances to break, and therefore no antecedent prejudice against the purely Social Credit candidate on that score. The prejudice that has to be overcome in their case is the prejudice against voting at

all. And here arises the question of whether it will be easier to revive their interest in the ballot box in respect of party-candidates with whom familiarity has bred apathy or to do so in respect of a new candidate embodying the new policy in his own person, representing it under a new party-affiliation, and prosecuting his candidature by new methods of electioneering—drums, banners, uniforms and so on as well as exposition and persuasion. A clue to the answer may be found in the success of the Salvation Army in breaking down refractory lethargy.

As regards habitual voters, only a small proportion of these have strong party ties, as is proved by the mere fact that representation is changed by them as between one election and the next. These and the absentees form what may be called the floating electorate, and no-one is to know how they may react to entirely new ideas presented by entirely new methods in a perceptibly changing atmosphere of outlook.

Next has to be considered the problem of reconciling the candidature with the electoral campaign. It goes without saying that canvassers would feel in duty bound to recommend an authentic and exclusive Social Credit candidate pledged to the Douglas principles. On the other hand supposing that at that time they had accumulated pledges sufficient to get other candidates to undertake to support Social Credit they would be in a difficulty.

But that might be resolved in the following way. It must be remembered that an essential part of the pledge was not only the promise of support in Parliament, but also the promise to insist that Social Credit should take priority over all other legislation. It might happen that none of the orthodox party candidates would make this promise absolutely. They might interpose the qualification that if they constituted a clear majority in the House they would insist on priority; but otherwise not. And it is difficult to see how they could promise more because, when they reflected on the matter, they would realise that the votes which got them in included votes of electors whose loyalties were divided between Social Credit on the one hand and Conservatism, Liberalism, and Socialism on the other. They would have no means of interpreting the meaning of their mandate, or of assessing the proportion of the resolute and irresolute voters in respect of the primacy of the Social Credit issue. Any elector who mixes his support of Social Credit with support of party programmes is not likely to prove a resolute upholder of the priority of Social-Credit legislation, particularly if this priority (or the controversy about it in the House) should delay (or appear to do so) other legislation in which he was interested. And his irresolution would be reflected in the irresolution of his Member of Parliament. No Member of Parliament is going to disobey the Whips and affront his party caucus on any issue unless he can at least rely on a strong and resolute body of support in his constituency. Even then he would have to be a courageous man.

What we want in Parliament for a beginning is a man who is prepared to do all that is humanly possible in the House to secure priority for Social Credit, and is also prepared to resign his seat at any moment when it is thought necessary and precipitate a bye-election.

Unless the next general election is postponed for a considerable time beyond its due date the prospects of returning a clear majority of party Members pledged to Social Credit can be ruled out in the absence of some unexpected and menacing emergency. In that case a Social Credit candidature—or perhaps two or three of them—need cause no trouble among members of the Movement, but should rather bind them together.

The Movement in Britain.

"The Social Credit Secretariat, Ltd."

In the Press last week it was announced that the Social Credit Secretariat had registered as a Limited Company. Elsewhere will be found an outline of the advantages of incorporation under the Companies Acts, with indications of the differentiation of privileges as between private and public Limited Companies. The information given is taken from a book published by Messrs. Jordan and Sons, company registration agents, Chancery Lane, W.C.

Social Credit Party's Manifesto.

The Social Credit Party of Great Britain send us a copy of their inaugural "Manifesto" which they are about to issue. The front page is devoted to the announcement of the Party's objective, which reads:

"£300 a Year for Every Family over and above Wages and Salaries and in place of Doles."

This is followed by the injunction:

"Vote for a National Dividend."

Following this come the three proposals:

1. To open a National Credit Office.
2. To issue a National Dividend.
3. To apply a Price Adjustment amplified with

very brief statements of the reasons and conditions now familiar to students.

Next a page is devoted (a) to enumerating the different types of persons who would receive the Dividend, and the peculiar difficulties in each case which reflect their present need of the Dividend; and (b) to tabulating the effects on trade arising from the spending of the Dividend.

On the last page emphasis is laid on the impact of Social Credit on the employment problem. The unemployed will be able to "find work" and become independent of any "charity schemes."

Party's First Candidate for Parliament.

An official announcement appears elsewhere of the Party's choice of Mr. Townend to stand for South Leeds.

Private Limited Companies.

The conversion of a private enterprise into a limited company carries the following principal advantages and privileges:—

Advantages.

1. The liability of the Members is limited to the amount (if any) unpaid on the shares held by them.
2. The respective interests of the persons engaged in the enterprise can be easily provided for.
3. The appointment, retirement, or removal of Directors is effected in a simple manner.
4. Facilities are afforded for obtaining additional Capital and borrowing money, and for amalgamating or establishing reciprocal interests with other bodies.
4. Employees may, with adequate safeguards, be afforded an opportunity of acquiring interests in the business in proportion to their respective positions and responsibilities.
5. Although the incorporated enterprise is not required to have more than two Members, as many as fifty persons may be associated in it, in addition to the employees.
6. On the death of a Member, or the disposal of his interest, the remaining Members are not financially affected, nor is the enterprise prejudiced, no Capital being withdrawn.

7. The liability of executors acting for deceased Shareholders is clearly defined.

8. The disposal of the whole or part of the enterprise is facilitated.

Privileges.

(a) It need not consist of more than two Members. (A public company must have a minimum of seven.)

(b) The appointment of Directors by the Articles is not subject to any condition

(c) A Statement in lieu of Prospectus is not required to be filed before Shares are allotted, as is the case with Public Companies.

(d) The allotment of Shares is not subject to statutory restriction. (In the case of the first allotment of Shares of a Public Company the amount must not be less than that of the Minimum Subscription fixed by the Memorandum or Articles and named in the Prospectus, or Statement in lieu thereof.)

(e) Business may be commenced, and borrowing powers exercised, as soon as incorporation is effected. (A Public Company has first to obtain a Trading Certificate from the Registrar after filing its Prospectus or Statement. The Certificate is not granted until the Company has filed a Statutory Declaration that Shares have been allotted for cash to the amount of the Minimum Subscription and the Directors have paid up pro rata with other allottees.)

(f) The Directors are not required to forward to Members or to file with the Registrar, a Report as to the position of the Company prior to the Statutory Meeting. (The Directors of a Public Company are obliged to do this, recording Shares allotted, receipts and payments on Capital account, preliminary expenses, names of officers, etc.)

(g) A Statement in the form of a Balance Sheet is not required to be filed. (A Public Company must include such a Statement in every Annual Return of Capital and Members.)

(h) Holders of Preference Shares or Debentures need not be given the same right to receive and inspect balance sheets and reports as is possessed by Holders of Ordinary Shares. (Since 1908 this right has been possessed by all three classes of Holders equally in the case of Public Companies.)

These particulars are taken from Messrs. Jordan and Sons' book *How To Form a Company* (published at 116, Chancery-lane, price 2s. 6d.).

Non-Profit-Making Companies.

Incorporation confers its advantages irrespective of the object to the enterprise. For example, one of the reasons why the National Secular Society became incorporated was that before incorporation they encountered considerable difficulty in securing payment of legacies bequeathed to them. Prejudice against Freethought was very strong at that time, and executors (usually anti-secularists) employed all kinds of legal artifices to avoid giving effect to testators' wishes. Such queries would be raised as: "Who is entitled to receive the money on behalf of the Society?"—"What is the Society?"—"Is it the same Society as it was when the testator made the bequest?"—"Are the uses to which it will put the money the same as those which the testator intended when he made his will (or added the codicil)?"—and so forth. Accordingly the Society sought registration, declared its constitution and objects in statutory form, and thereby constituted itself a legal entity with an identity equivalent to that of the individual citizen.

The parallel between the Secular movement and the Social Credit movement is very close. Members of both are *infidels*—the first as concerns the axioms of Religion, and the second as concerns the axioms of Finance. And just as Church influences used to exploit the law against

Freethought so are Financial influences doing this against Social Credit. Fundamentally the Freethought fight is over. Finance is secularising religion into a philosophy of temporal sacrifice, and has no use for it other than as an instrument for imposing sacrifice. To the bankers the Atheist is as good a citizen as the Theist, and they are quite ready to back the infidel against the believer directly the believer invokes divine authority or claims divine inspiration for the advocacy of "unsound" financial theories and economic objectives. The B.B.C. and the Press can be made adequate agencies for the spiritual edification and purification of the people without the help of the pulpit. They can make a corner in the sanctions of superstition for bankers' purposes. If God exists, the bankers are his prophets. If God does not exist, the bankers stand in the place of God. So the bankers do not care who wins the argument. To-day they are devoting all their attention to the problem of financial heresies.

The Company Acts were designed by the bankers in order to widen the area of Investment and so consolidate their control of savings. The relief that the National Secular Society found under them was an accidental by-product of their general operation. It did not matter to the bankers because, as shown, it did not threaten their authority or their policy.

J. G.

Social Credit Politics in Alberta.

The following article appeared in *The Citizen*, Ottawa, on September 20, and was written by a Special Correspondent of that journal in Edmonton.

U.F.A. Social Crediters to be Opposed

Edmonton, Alberta, September 18.—Canada's first Social Credit martyrs will go to the guillotine October 14, and the executioner will not be the "money power" but William Aberhart, "social credit" premier of Alberta.

The martyrs are the little band of U.F.A. federal members, who, from their seats in the "South-East" corner of the House of Commons, have carried on the fight for financial reform and the use of Canada's social credit since 1921. Their sentence was pronounced early this week by Fred Anderson, M.L.A. for Calgary and Aberhart's federal organiser, when he declared that "death-bed repentances" would not be tolerated so far as federal members for the province are concerned. And he means it. Aberhartists are dividing the province up among themselves, and already federal nominations have been made in the ridings of Messrs. Speakman, Spencer, Irvine, and Gardiner, U.F.A. and Social Credit stalwarts in the federal parliament.

These men have committed the crime of disagreeing with the Alberta Social Credit League. First of all, they understand Social Credit, or claim to, and they take issue with the technical means proposed by Mr. Aberhart. Secondly, they are nationally minded, and oppose a separate provincial plan. Thirdly, they see grave dangers to financial reform in one province, with the economic and legal difficulties that would entail.

Fourthly, they said all these things in defending the administration of their provincial colleagues. So, off with their heads! In vain did the U.F.A. government hire Major Douglas as "reconstruction adviser" for two years, with the purpose of analysing the possibilities of a provincial plan. In vain did the government broadcast the report stating it could be done, and how. The Aberhart forces scented political victory and they pushed on to the legislature. Now they scent federal victory in their own province, and the axe is being wielded, let the chips fall, etc.

From current indications the Alberta Social Credit League will carry the federal constituencies as they did the provincial, and Messrs. Irvine, Spencer and Company will not

be in the South-East corner when the roll is called down yonder in the near future. Orthodox Social Crediters here are somewhat alarmed at this prospect. They say the U.F.A. seats at Ottawa occupied by men who understand finance will be filled by men who don't. They consider the impending defeat of the U.F.A. bloc as a victory for the "money monopoly," not for money reform, that at best a man has to be an experienced parliamentarian and a close student of money to meet the ridicule of the sharpshooters across the House. They see Mr. Aberhart's followers and his "Social Credit Manual" torn to shreds at the first volley, and no one to bring forward heavier artillery in defence of the Douglas proposals.

It was in 1922 that William Irvine, M.P. for Wetaskiwin, asked Major Douglas, then unknown, whether he would come to Canada to testify in the event the U.F.A. group succeeded in securing the monetary inquiry they then sought. He consented and the inquiry was held, to introduce the subject of Social Credit to Canada and also to give Douglas his first important recognition. From then on the U.F.A. continuously and single-handed waged the battle for monetary reform. In 1934, when Douglas was returning from Australia, they again succeeded in bringing him before the committee on currency and banking. When the Bank of Canada Act was brought down last year, they expressed their regret, by resolution, at the "inadequacy" of the monetary legislation it embraced. Their last effort for the use of the "social credit" was made on June 26 this year when they called for a reorganisation of the financial system to allow the distribution of the nation's production. Last of all, they tried to secure an amendment to the Bank Act that would make the issue of local script legal. This may have been a gesture to Aberhart, but if it was, he does not see it now.

The end of the U.F.A. was partially its own fault. There was a variety of beliefs within it, ranging all the way from straight Socialism to the opposite philosophy, Social Credit. It is still affiliated with the Marxist C.C.F. of British Columbia, Winnipeg and way points. Even its Social Crediters were not so sure what they wanted. H. E. Spencer of Battle River was an out-and-out Douglasite. William Irvine was a Socialist who would start with money reform. Robert Gardiner, of Acadia, had doubts about the Douglas analysis of a chronic money deficiency. Had they shown the united front of the Aberhartists, and had they interpreted their scheme into round figures as a cash dividend for the populace, they would probably be in Edmonton to-day, and on the way back, with enhanced numbers, to Ottawa. The dreary years ahead may help them to make up their minds which side they are on.

Social Credit Party of Great Britain to Contest South Leeds.

It is announced by the Social Credit Party of Great Britain that Mr. W. Townend, the Green Shirt District Officer for Leeds, has been chosen to stand as Social Credit candidate for the South Leeds Division at the next parliamentary election.

Mr. Townend is a Leeds schoolmaster and a Bachelor of Arts.

Forthcoming Meetings.

The Social Credit Party of Great Britain
(The Green Shirts).

Wednesday, October 9, 8 p.m.—Public Meeting. Speaker: John Hargrave, Founder and Leader. Presbyterian Hall, Lower High Street, Stourbridge.

Same date, 8 p.m.—Speakers' Class. National Headquarters, 44, Little Britain, E.C.1.

Sunday, October 13, 3 p.m.—Salem (Leeds) Congregational Church. John Hargrave: "Is Poverty amidst Plenty the Will of God?"

Same date, 8 p.m. Mass Meeting, Rialto Cinema, Leeds. John Hargrave: "Your Part in the Fight against Poverty and War."

NOTICE.

Social Credit at the Albert Hall.

The London Social Credit Club is organising a Douglas Social Credit meeting at the Albert Hall on Friday, November 29, 1935. The Marquis of Tavistock and Mr. Norman Smith will be the principal speakers. Offers of assistance will be gratefully received and should be sent to Dr. Joyce Mitchell, 2, Bromley Common, Kent, Hon. Sec., London Social Credit Club.

Public Meetings.

These meetings are organised by the London Social Credit Club.

At the Blewcoat Room, Caxton-street, Westminster.
Friday, Oct. 11, at 7.45 p.m.—"The Labour Conference and Afterwards," by Mr. H. Norman Smith.

Friday, Oct. 18, at 7.45 p.m.—"The Social Credit Point of View," by Mr. Brame Hillyard.

Friday, Oct. 25, at 7.45 p.m.—Questions and Answers Night.

Green Shirt Movement—1st Glasgow Section.

Mr. R. Little will deliver an address, "No Quack Remedy!" in the Central Halls, Bath-street, Glasgow, on Wednesday, October 9, 1935, at 7.45 p.m. Subscription tickets from the Glasgow Green Shirts, 42, Byron-street.

Manchester Douglas Social Credit Association.

October 14, at 7.30, at the Milton Hall, Deansgate, Manchester. Miss D. E. Faulkner Jones, B.A., on "The Historical Development of Money in England as a Basis for an Understanding of Social Credit."

LETTER TO THE EDITOR.

PROPOSED SOCIAL CREDIT PARTY OF G.B.

Sir,—I am puzzled to read in THE NEW AGE that the Green Shirt Movement for Social Credit is now to change its name and become a political "party," as I have always understood that its leader believed in direct leadership and had no use for party politics as such.

Does the change mean that "the party" part of the business is still to be run under direct leadership and officered by Green Shirts? If so, it would appear that the new party will be suspect of political Fascism, and as such in this democratic-worshipping community of ours is likely to lose the Social Credit Movement both votes and support on behalf of Major Douglas's great and inspiring war cry of Economic Democracy.

R. ERNEST WAY.

ANSWER TO CORRESPONDENT.

Green Shirts and the Communist United Front Campaign. "An Observer."—If you will send your name and address (not for publication) you will receive a reply to your criticism.

Finance and Canvassing.

The chief merit of house to house canvassing for signatures, sales and donations is that the organisation promoting the scheme becomes the sole beneficiary both as regards the mailing list built up and the money contributed. Contrast this with the normal procedure of making contacts through public meetings, which affords opportunities for rival organisations to picket the meeting-place and distribute their own literature. Thus the promoting organisation, which bears all the trouble and risk of collecting an audience, is liable to share the reward with competitors who have borne none. There is no gate-crashing on the householder's doorstep.

ACADEMY CINEMA, 165, Oxford St.
GER. 2981.

Something new from Russia!
A Riot of Fun that has set all Europe laughing!
Alexandrov's "JAZZ COMEDY" (U)

Published by the Proprietor (ARTHUR BRENTON), 70, High Holborn, London, W.C., England (Telephone: Chancery 8470), and printed for him by THE AMERICAN PRESS, LIMITED, Temple-avenue and Tudor-street, London, E.C.4, England (Telephone: Central 3701).