

THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

No. 2319] NEW SERIES Vol. LX. No. 16. THURSDAY, FEBRUARY 18, 1937. [Registered at the G.P.O. as a Newspaper.] SEVENPENCE

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NOTES OF THE WEEK.

Barter For Rent Debt.

Mr. Stickells and three brothers run a farm near Canterbury called Great Knell Farm. On February 9 he appeared at the Canterbury County Court to answer a summons in respect of quit rent due to Viscountess Hawarden as Lady of the Manor of Wingham. The amount due was £14 12s. 6d. Mr. Stickells offered in discharge of the debt 10,000 cabbages or 300 bushels of apples. He claimed that formerly his rent-charge was payable in kind or personal service. He said that he and his brothers objected to paying " a fine levied on agriculture." Judge Clements told him that a grievance of this sort was a matter for Parliament, not for the county court. Mr. G. M. Kingsford, appearing for Lady Hawarden, declined the offer of cabbages or apples, smilingly expressing the opinion that they were not legal tender. Judgment was given for the amount within two months. (*The Star*, February 9, 1937.)

Compulsory Profit Distribution.

In 1936 American corporations paid to their stockholders dividends amounting to 3,500 million dollars. This compares with 2,800 millions in 1935, and 2,200 millions in 1933. The latest increase, while partly due to business recovery, is chiefly due to a new tax imposed by the last Congress on surpluses or undistributed profits, the rate of tax (presumably graduated) reaching a maximum of 27 per cent.

The New York Correspondent of *The Cape Argus* (South Africa) wrote in January —

The purpose of the law, therefore, is to " smoke out " surplus earnings of the corporations and put them into the pockets of the stockholders where they can be taxed by the Federal Government. They are expected to yield a revenue of 400,000,000 dollars to the National Treasury.

So, for ultimate good or ill, the stockholders are pocketing their " flood " of golden dividends. What of the wage-earners? They have not been forgotten, but are

sharing largely in the profits from business recovery. Each day the newspapers have been printing long lists of companies that have raised wages or granted cash bonuses or other substantial benefits.

He reports that the legislation and its consequences have given rise to a lively controversy. Financial opinion is that this check on corporate savings for a rainy day will have an adverse effect on stocks later on: it points out that in the last depression many businesses were able to survive (and sometimes pay a small dividend) only because they had accumulated surpluses.

* * *

Regarding wage-earnings there has been a large rise since 1933. In that year, according to the Federal Bureau of the Census, 4½ million factory employees earned on the average 927 dollars; while in 1935 there were 5½ millions in the same factories earning on the average 1,091 dollars. But whereas in 1933 the average value of products per worker was 5,406 dollars, in 1935 it was 6,365 dollars, or a gain of 959 dollars in respect of each man's output. Labour leaders are adducing these figures to establish their contention that the 17 per cent. wage increase granted in 1935 was not in proportion to the increased output of the average worker.

* * *

Latterly some corporations have announced their intention to adjust wage-rates to the cost-of-living index in future. This has been opposed by others, notably Mr. Ernest Weir, chairman of the National Steel Corporation, who has declared:

" I cannot subscribe to the theory of chaining wages to living costs because, if carried to its natural conclusion, this arrangement would halt future advances in standards of living. As I see it, any attempt to establish the living cost index as the sole barometer for wage adjustments would tend to retard the continuous increase in real buying power which should be the goal of all industry."

However, the political situation at the opening of the

present year appears to be one of relaxed tension. Wage-earners and stockholders account for the best part of the population, and any grievances about unfair rations are mitigated by the fact that, at any rate, extra rations are being given out. For the moment there is a feeling of optimism. The only pessimists are the bankers and some of the corporation executives.

The Regency Bill.

The message to the House of Commons on January 26, purporting to have originated with George VI., and reputed to express his wishes, sets the seal on the Abdication Ramp. Anybody might suppose, judging by the terms of the message, that the contingency of illness overtaking Kings had only just occurred to the mind of George VI. Of course it is self-evident that if the reigning monarch becomes incapacitated from doing his job somebody must do it on his behalf. That has always been recognised; so there was no need for all the palaver in the message referred to. A clue to what is behind it is provided by a passage in one newspaper hinting that in future the monarch may spend much more time travelling about the Empire than has been the case hitherto. Well, for all practical purposes, the absence of a monarch from England is the same thing as the illness of the monarch. If he cannot sign State documents on the dotted line as and when they are ready for his signature, it makes no odds whether he is a tourist, an invalid or a corpse.

But from another angle of view there is a difference. The monarch's health is in the hands of God: but his movements are in his own (nominally) or in those of his advisers (actually). And this leads to the reflection that there can be occasions when an absent monarch can be as useful to the banking classes as an absent-minded Parliament. As Lord Hewart pointed out the bureaucrats slip through the legislation they want while the House is asleep. (Cf. the Newfoundland ramp.) The ministerial division lobby is packed with somnambulists whose votes, by some alchemistic process, transmute into statute law the will of the people. Then, of course, the signature of the monarch is required—and without delay. Very well, how very convenient for the bureaucratic conspirators if, while Parliament is away in the land of dreams, the monarch is away in some other land. And how easy it would be for them to arrange beforehand that the monarch's travels should coincide in time with their contemplated legislative ramps. They then become, through their nominated Regency the Royal Assentors to their own nefarious designs.

Nomination of Regency.

But can they nominate the Regency? Well, the message of George VI. is formally an acknowledgment of Parliament's right to say who shall act in his stead. It is a virtual admission that the reigning monarch, even when mentally and physically fit and well, has no right to exercise his own judgment in the selection of persons to whom his authority shall be delegated in the contingency of his incapacity. Why?

A Regent obviously ought to exercise the same prerogatives as belong to the monarch. These prerogatives are extra-Parliamentary, and in fact super-Parliamentary. They include that of declining to accept the advice of Ministers. So, if Parliament and the Cabinet claim the right to appoint the Regent, and by the same token deny that right to the Monarch, they are usurping the

prerogatives of the monarchy. You get a picture of bureaucratic conspirators nominating the very authority which under the Constitution is supposed to protect the people against them! That being the case it follows that the incapacitation of the monarch is the abdication of the monarch in every sense except irrevocability.

* * *

Of course if we postulate a monarch who does what he's told, and seeks to do no other, it does not matter who acts in his place. But if you postulate one who has an independent conception of his duty and a will of his own it matters very much whether he shall have the right to appoint as Regent a person (or persons) who share his outlook and resolution. And particularly so when the incapacity against which he makes this provision is going to be temporary; for it would be vital for him to ensure the continuity of his policy under the Regency.

The King's Health.

The foregoing paragraphs were written last Thursday morning. In the evening of that day news was published that *Cavalcade* had been denied distribution-facilities by the trade on account of its having published certain reports or rumours about the present King's health. Presumably they were of a disquieting nature. The official suggestion is that they are without foundation, and have been invented or guessed at to account for the Regency legislation. This may be so. It is true that rumours were current before the message to Parliament, but perhaps not before certain people on the inside got to know that the King was going to be advised to send the message. Be that as it may, the officially inspired reassurance is obscurely formulated, and seems to stop short at the point of saying that there has been no recent alteration for the worse in the King's health. This of course leaves it open for the authors of the rumours to put forward the theory that the state of health referred to in the rumours dates back to before the Regency legislation was set in motion, and, maybe, back to a time before the Abdication Crisis of December 3-10, 1936.

* * *

Now, if any evidence supporting this theory were to be forthcoming it would open up a new line of investigation into the cause of the Abdication Crisis. For if, on December 3, when the Premier and Primate started to dethrone Edward VIII., they knew that his successor was not in a fit state of health to undertake the responsibilities of Kingship, they have laid themselves open to the charge that their ultimate objective was to establish a Regency. To answer it with any degree of plausibility they would have to be able to say that the health of Edward VIII.'s successor seemed all right at the time of the Crisis, and got worse after the Abdication. This would be to contradict the officially inspired suggestion now before the public that the present King's health has not recently changed for the worse.

* * *

On general grounds we are inclined to adopt the theory that the Premier's policy all along was to establish a Regency, and that his attack on Edward VIII. was a device to enthrone a successor who could be counted on to tolerate a Regency nominated by Parliament in form and by the City and Treasury in fact. It will be seen that our theory does not depend on the question of the King's health, but on that of his inclinations. If a King is disinclined to discharge his responsibilities

personally and independently the effect is just the same whether the reason has to do with his health or not. Again, this theory implies nothing of a disparaging nature against the present King. For instance, he could adduce the same reasons for putting the Throne into commission as could his brother for vacating it, namely that the prerogatives left to the Monarch are not now worth exercising—that they have left him powerless, as Edward VIII. said on the wireless, "to discharge my duties as King as I would wish to do."

Ridiculing Monarchy.

The open attack on Edward VIII. as a person was only a phase in a concealed attack on the monarchical institution which he represented. This is confirmed in part by what preceded the Crisis and in part by what has succeeded it. In September, 1935, Mr. Golder pointed out the significance of certain cartoons in the *News Chronicle* in which the monarch was flippantly presented under the designation: "The Little King." They had nothing to do with the private behaviour of any particular king, but all to do with the political impotence or ignorance of kings in general. Thus, as Mr. Golder pointed out, they ridiculed the office of kingship itself and tended to undermine the dignity and prestige of the monarchical institution. From another angle, as Mr. Golder also pointed out, they could be construed as a subtle suggestion that the successor to George V. (who was alive at the time) might reasonably weigh the definite advantages of renouncing the Throne against the disadvantages of occupying it, and might elect to abdicate. Mr. Golder's reasoning was not prompted by any gossip about the private affairs of Edward VIII. (then Prince of Wales)—such gossip, even if it was then circulating, was unknown to him, as it was to the public generally. His warning has proved to be prophetic almost to the last detail. For one phrase in Edward VIII.'s valedictory broadcast needed only a slight modification to make it an exact fulfilment of the warning. That is where he said that he was unable to discharge his duties as he would wish. Without altering the essential meaning of that phrase he could have said: "I am not prepared to suffer the indignity of discharging my duties as construed by my official advisers and unofficial mentors." And he could have justified that attitude precisely by reference to the cartoons already mentioned, pointing out that if, as suggested, the monarchy was the fifth wheel of the Constitutional Coach—if the Crown, like the Law, was a "hass"—it was not consistent with his own self-respect to wear a crown.

* * *

So much for the *a priori* confirmation of our theory. As for the corroboration afforded by the Crisis itself and its consequences, there is much to be added to what we have said earlier. Let us begin by citing the legal doctrine that a person is presumed to intend the natural consequences of what he does. This applies just as truly to statesmen in high politics as to citizens in the ordinary affairs of life. Now, it is an elementary axiom in statecraft that if the occupant of a high office is held up to ridicule and contempt the odium created besmirches the office itself. To go no further back than Montesquieu, it was he (we think) who said that a ruler must not be presented (in picture, speech or writing) in attitudes or circumstances reminding his subjects that he partakes of their common humanity. This renowned philosopher decorated his proposition with some choice Rabelaisian examples. We will indicate

their nature by offering the suggestion that if he were drawing examples from contemporary history he would probably say that though a great ruler might be pictured in the attitude of giving the Nazi salute, the raised arm and hand must on no account be invested with flippant significances. The call of Hitler must not be associated with the call of nature. Rulers, in a word, enjoy constitutional immunity from the personal frailties and disabilities of the ruled. The integrity and the authority of any institution rests on the maintenance of that immunity—and none more so than the Monarchy.

Canon of Constitutional Immunity.

Against this background the act of Mr. Baldwin and the Archbishop of Canterbury takes on a deeper and more sinister significance that has yet been read into it. In permitting the name of Edward VIII. to be dragged through the mire they deliberately disregarded the canon of constitutional immunity, foreknowing the natural consequences of their act. The Abdication of Edward VIII. was only one of those consequences. There are others of even greater moment. One is that the whole of the Royal Family suffers under the same condemnation, though one subtly transmuted into a vague sensation of distrust among the public in regard to the wisdom or efficiency of any single reigning monarch. Needless to say, this consequential psychological reaction greatly facilitates the Regency ramp. For although a Regency does not take charge while the King is able to do so, the fact that it exists constitutes an implicit reassurance to the sub-consciously distrustful public that it will function as a continuous check on the King's personal initiative and independence. It stands to reason that if A is bound by Act of Parliament to delegate his authority to B, C and D when he is temporarily incapacitated, he must necessarily take counsel with them all the time. That is undoubtedly the reason why, as *The Times* points out in its leading article of January 29, the present Bill contains the "novel feature" that it "makes the Regent a permanent, though normally latent, part of the Constitution." (Our italics.) The qualification: "normally latent" is a gratuitous piece of nonsense. If the writer cared to say: "formally" or "apparently" latent, he would be nearer the truth. You can't lock up a permanent Constitutional Regent in a drawer like a spare tool and just take him out and put him back on different special occasions. No; he has to understand the King continuously in order to play the part when wanted. And the necessity for him to do so is heightened by the fact that George VI. is expected to spend more time in travelling than have his predecessors.

* * *

Talking of travel, incidentally, the writer of the article makes the illuminating remark—

"and so recently as last summer King Edward VIII. continued to deal with State papers during his holiday in the Adriatic"

or, as we would prefer to put it, King Edward VIII. wasn't going to let his Ministerial advisers take the occasion of his holiday to borrow his prerogatives. The new Bill makes this delegation of authority compulsory on the present and future Kings.

* * *

Now, all this, as we say, is facilitated by the change in popular feeling caused by the scandal precipitated by the unconstitutional procedure of the Premier and

Primate. This change of feeling was exemplified recently by what followed a visit paid by the Duke of Kent to a phrenological institution in the company of a lady. Without a shred more evidence than the mere fact that the two went there together, a flood of vituperative letters descended from all quarters on the offending (?) parties, or on their friends, relatives or moral mentors, professional and otherwise. This readiness to impute evil conduct against Edward VIII.'s brother on no evidence at all serves to emphasise our statement that the attack on the late King has laid the whole of the Royal Family under suspicion. It shows that the canon of constitutional immunity cannot be disregarded on one issue without affecting all parallel issues. It shows that the Premier and Primate miscalculated in supposing that they could open and shut their Pandora's Box quickly enough to prevent the escape of all the troubles and sorrows that were imprisoned therein. The myth says that one thing was left in the box for poor Pandora's consolation—Hope. That's apt, isn't it? Hope—the sole stock-in-trade of our blundering bank-chairmen, prime ministers, church-dignitaries and the rest of the band. "Hope deferred maketh the heart sick," says the proverb. But that is not the way to put it. We ought to say: "Sick hearts are a sign that hope is deferred"; and to comfort the sick-hearts with the reminder that what is only deferred is realisable. To see that is to live on Hope; and if we live on Hope then we have life, and since where there's life there's Hope, we are saved by the atonement of Hope. (Before the Doxology is sung the offertory will be taken).

* * *

The proposed Regency is to be constituted as follows:

- The Queen.
- The Duke of Gloucester.
- The Duke of Kent.
- The Princess Royal.
- The Duke of Connaught.

The writer in *The Times* points out that since the Queen "will normally accompany her husband on his travels" [these "travels" punctuate the article with the same regularity as the word "Selah" in the Psalms!] "some verbal amendment of the Bill may be required." [We suggest not; let her be the sleeping partner in the concern representing the sleeping House of Commons.] The next on the list is the Duke of Gloucester; and it is he who is to be the "plenary Regent" or the "Governor-General of the United Kingdom."

Where Ish Dat Monarchy Now?

Well, we are getting into a nice jumble over our Monarchy. We have (a) a King, (b) a Regency of five "Counsellors of State" (the description given by the writer of the article), and (c) a plenary Regent or Governor-General. Presumably the Regent will under-stand the King; the Regency will sit at the feet of the Cabinet; the King (or, in his absence the Regent) will act by the advice of the Cabinet, who, in their turn will act under orders passed down from the Bank of England through the Treasury and the Chancellor of the Exchequer. Then, within this circuit of high statecraft there will be innumerable short-circuits taking the form of permutations and combinations of individual contacts. Board-room chats with Mr. Montagu Norman—drawing-room chats with Mrs. Montagu Norman. And under the influence of this inter-polarity—where the cathode of financial stability calls to the anode of social prestige (and, let us hope, moral impec-

cability)—the woes of His Majesty's subjects will be electroplated to reflect the triumphs of their unseen rulers. . . . Well, well. There it is. Doesn't it make you sigh a little over the departure of a King who did show a sense of "constitutional proportion" and a repugnance to humbug?

Finance and the Regency.

The writer of the article concludes by emphasising that the Regency—the five Counsellors of State—"are not to act in case of the total incapacity of the King, which would call the Regent into existence." And when they do act—that is during the King's temporary incapacity or absence—"their powers are to be such as the King may be pleased to appoint by letters patent on each occasion." It is not clear why it is proposed to let the King choose what powers he will appoint on each occasion, unless of course the reason is to preserve the fiction that the King's prerogatives have not been impaired by the Abdication-conspiracy. One would suppose that the Regency would automatically inherit all the powers of the King while he was off duty, or, if not all, at any rate those necessary for the performance of his duties. In either case the delegated powers would be automatic—they would choose themselves, so to speak—and there seems no reason why the matter should be left to the "pleasure" of the King. Perhaps the provision is intended to safeguard financial interests, and the "letters patent" on each occasion will be so drawn up as to eliminate the possibility of checks to the development of financial policy during the King's absence. There is, of course, no visible indication that the five Counsellors of State are likely to prove an obstacle to such policy—particularly in its international aspect—but there is nothing like making certain. Central bankers command a perfect intelligence-service, but even so they cannot read the secrets of the human heart, and they cannot tell whether some seeds of heterodoxy have not been scattered in high places by the King whom they have despised, rejected and deported. They have doubtless recognised, from events accompanying the Crisis, that the small body of informed opinion which saw behind the immediate issue will be stimulated to more strenuous effort to make that opinion felt—efforts that will tell by reason of the quality of the thought behind them, and irrespective of the numerical strength of those who hold that opinion. The central bankers do not know what the Princess Royal and Edward VIII. had to say to each other when she visited him last week. And whatever they may have said, the successful attempt by these bankers to make Edward VIII. pay the penalty for resisting them will not insulate the Monarchy (such as they have left it) against the importunities of those who are awakening the people to the cause of their poverty and insecurity. King, Regent or Regency, the Monarchy, while it exists in name, will have to listen to the voices of the people and watch the actions of the people. Just as the events during the Crisis concealed its true cause so will the consequences thereof reveal the cause.

* * *

The authorities, noting the absence of popular enthusiasm over the Coronation, are making intensive efforts to manufacture rejoicings. But, as in commerce, the boom contains the seeds of the slump. Things may be expected to go along merrily until the new King is safely crowned and the insurance companies have pouched their premiums; but afterwards the inevitable reaction will set in, and the forces of make-believe and

repression will be brought face to face with a renewed challenge. In this connection a straw in the wind is to be seen in an address given by the Earl of Oxford and Asquith to the Petition Club in December last. It was given only four days after the Abdication, and was naturally not examined by us at the time. Note first that the policy of the Petition Club is to petition the King. Note secondly that it prays the King to exercise his Royal Prerogative to summon Judges to inquire into the existing paradoxical economic situation. Note thirdly that it would have these Judges return answers to three questions: (a) Is the destruction of goods and restriction of production contrary to Public Policy? (b) Is the purpose of production the satisfying of the people's needs? and (c) Whether, and if so what, amendments to the present system ought to be introduced to abolish poverty and establish peace.

The Petition Club.

Now, as most readers are aware, the Petition Club does not advocate Social Credit, and the questions it has formulated allow scope for evasive answers (especially the answer to the third which centres on technique). Lastly, the Club is asking for an inquiry into causes and remedies which have already been identified, announced, and proven to the satisfaction of a representative group of instructed citizens. But these considerations are irrelevant in the present frame of constitutional reference. The point is that the Petition Club is making the gesture of inviting the Monarch to intervene over the heads of Members of Parliament. Whether the Monarch can do it or not is beside the point. He is to be asked to do it, which is the significant thing.

* * *

Now the Earl of Oxford and Asquith is identified with this policy. If readers, with this in mind, will examine the passages from his address which we print elsewhere in this issue, they will be able to form a judgment as to how far the Petition Club can play a useful part in the post-Coronation crisis. We do not mean its success regarding the gathering of signatures, but rather the effect of its propaganda. That the effect will be mixed—only good in parts, as the curate said—we appreciate along with all other students of Social Credit. For example, as will be seen, the Earl of Asquith is unequivocally holding out President Roosevelt as having put the right policy into action. There he is on unsafe ground for he either overlooks, or dismisses as unnecessary, the regulation of retail prices as laid down in Social Credit text books. However, since he does not speak in the name of Social Credit, his premature claim (as we think) on behalf of Roosevelt need not do harm—and if it does, well we cannot help it; the Club is a fact, and we must put up with it.

* * *

But if we leave the Roosevelt "Deal," as such, outside our consideration, and confine ourselves to those features in it which the Earl of Oxford and Asquith selects for chief commendation, we see prospects that the Petition Club's propaganda may incidentally reinforce that of Social Credit actionist groups. When, as will be seen, a person of his influence and traditions, calls for cheers because Roosevelt (a) is not attempting to balance the Budget and (b) is—as he sees it—trying to get control of the banks by becoming their one and only customer, he is virtually exhorting his hearers to back the Representative Government against the Banks (thus identifying the Banks as the obstacle to progress)

and also to endorse heterodox innovations in the creation and distribution of credit by such a Government. Let us make it clear that we do not share his optimism as to the successful outcome of the American plan; but we appreciate the attitude of mind that he reveals in his address. Insofar as he (or the Petition Club) succeeds in creating the same attitude of mind among the classes of the community to which the Club primarily appeals, he will do good, and Social Creditors can treat him on terms of benevolent, if watchful, neutrality.

* * *

Turning to the procedure contemplated by the Club we invite its attention to a snag respecting the calling in of Judges. It stands revealed in the article in *The Times*. The Regency Bill seems almost to have been designed to drive a constitutional wedge between the Crown and the Judges. The writer gives an historical sketch in which he shows that in past times the authority of the Crown was exercised by the Justiciar—and in later times (theoretically) by the Lord Chief Justice or Lords Justices in the absence of any other provision for the equivalent of a Regency.

* * *

The snag however does not reside so much in the new legislation itself as in the possibilities of abuse which it creates. For example, supposing for the sake of argument that a Petition of impressive size were presented to the King. There would be nothing to stop the bankers and the Cabinet from arranging a tour abroad for the King and calling in the Regency to act in his place. And they could easily arrange that the powers delegated to the Regency would not include that of giving the Judges the job that the petitioners wanted done.

Kingship a One-Man Job.

A Monarchy symbolises the principle of Personal Responsibility, in contradistinction to the principle of Limited Liability symbolised by a Ministry. Kingship is a one-man job. Directly the King's personal responsibility becomes the divided responsibility of a Regency, the Monarchy ceases to exist. And it virtually ceases to exist when, as contemplated, the King's reign is to be discontinuous—marked by alternatives of personal and divided responsibility. Continuity of policy is held to be vital in other branches of high politics; and it is most vital in regard to the unique place assigned to the Crown. The functions of the King demand his continuous personal attention. And just as the price of liberty is eternal vigilance, so the inviolability of the King's prerogatives is dependent on his being constantly on the spot. A King who takes leave of absence takes leave of abdication. That is a pragmatic truth in these days of financial usurpation.

The Abdication Crisis.

"THE KING AND THE LADY."

The proprietors of "Cavalcade" published recently a 34 pp. illustrated booklet describing the chief events of the crisis. It covers most of those alluded to in "The New Age," and some which were not, notably particulars of Edward VIII.'s political activities during his holiday in the Mediterranean.

Social-Credit speakers and writers ought to buy this booklet for purposes of reference.

Copies may be obtained from the Office of "The New Age." The price is 6d. Single copies sent post free 7d. Six copies and over at 6d. each post free.

The Albertan Situation.

We publish below a letter received from Mr. Peter-son, the editor of *The Farm and Ranch Review* (Calgary, Alberta) on the subject of the relations between Mr. Aberhart and the Social Credit Secretariat. Last week, it will be remembered, we published an official statement on the same subject issued by The Social Credit Party of Great Britain and Northern Ireland.

In view of the nature of both communications we wish to say that our publication of them does not reflect a change in our policy of neutrality on domestic disputes about actionist plans declared in *THE NEW AGE* of December 3 last. As we stated in the course of announcing this policy, the proceedings at the York Conference had ended the necessity for us to continue in the rôle either as litigant or judge on such matters; and we advanced as our reason the consideration that the York Liaison Committee (or some body appointed by it) might assume the functions of a Judicial Tribunal by which disputes could be investigated instead of being canvassed in public journals. That was our hope; and is still. Perhaps it is not feasible to get a Tribunal whose members are free from preferences for one sort of plan over another; but that would not matter so long as the conflicting view-points were all represented. In short, the "Tribunal" might be more in the nature of a Round Table Conference of leaders assembled to explore possibilities of reconciling their policies.

On July 2 last we had begun to entertain this idea, and offered the suggestion that the Social Credit Secretariat and the Social Credit Party should "take counsel together"—a suggestion with which Mr. John Hargrave declared himself in sympathy in a statement published in *THE NEW AGE* of July 9. In view of what has since occurred it is a pity that our suggestion was not acted upon.

Coming to the two communications just referred to we have published both with reluctance, but we are in no doubt that it is our duty to do so.

The latter is here subjoined.

Statement by the Editor of "The Farm and Ranch Review," Calgary.

Referring to your quotations from a recent *Farm and Ranch Review* editorial, in which I criticise the attitude of Major Douglas immediately following the Alberta election, and your endeavour to justify it, may I submit that the Major, fully cognisant of the constitutional limitations, stated to the Press then that his plans could undoubtedly be successfully applied within the provincial unit. The great majority of Alberta voters took it for granted, absolutely, that Major Douglas would at once take up the challenge and would heartily welcome this unique opportunity of demonstrating the soundness of his theories.

Instead of that, we were treated to a spectacle of delay, evasion, and long-distance quibbling. If the Major had had faith in his own brain child, and had been imbued with a genuinely consuming desire to serve mankind, he would, at any sacrifice, have taken the first boat across, with or without specific invitation, and might safely have relied on his great prestige at that period to guide government policies into appropriate channels. He would have been accorded the united and wholehearted support of the electorate and given all the time he needed to bring his economic theories to fruition. The Government would have hesitated long and prayerfully before placing obstacles in his way.

I cannot see that his *amour propre* or reputation could have been in any way jeopardised or compromised. If the Government unexpectedly proved fractious—which at that time they would scarcely have dared to—he could then have withdrawn with grace and dignity and given his reasons, not necessarily in detail, to the Press. That would have ended the incident as far as the Major was concerned, and the responsibility would have rested squarely on the Aberhart Government, which would have had highly uncomfortable explanations to make to their disappointed supporters.

The people of Great Britain should realise that the Alberta election was, to all intents and purposes, a Douglas election. And he let us all down.

I fully anticipate that recent events may now easily convey the impression that Mr. Aberhart is a somewhat difficult person to collaborate with, and that Major Douglas, therefore, stands justified in his cautious attitude. First, that contingency had not arisen when Major Douglas made his decision. Secondly, if he had come it probably never would have arisen.

Calgary, January 30, 1937. C. W. PETERSON.

120 Years After.

"Last year the misery was ascribed to the 'surplus produce'; this year to a 'surplus population.' Last year, food was *too plentiful*; this year food is *too scarce*."

Last year the profound as well as humane Castlereagh congratulated that body, of which he is a most worthy member, that wheat was *rising* in price, and he asked, in a triumphant tone, where would be the distress if wheat rose to 80s. a quarter? This year this profound statesman expresses the hope that the price of food will soon *fall*, and ascribes the distress to the high price, and not to the low price, as in the case of the last year.

Last year the distress and sufferings of the poor, the desertion of their parishes by the farmers, the bands of poor prowling about the country, the want of employment for them, and the monstrous augmentation of the Poor-rates, were ascribed by the honourable House, with a dissenting voice, to the *low price* of farm produce; and this year, when all these symptoms of wretchedness have increased in a three-fold degree, that same House, with a similar unanimity, and with equal profundity, ascribe the increase of these evils to the *high price* of farm produce.

The year before last, in the face of the petitions of the people, and with troops actually drawn up around the House, a Bill was passed to *keep up* the price of corn. Last year the distresses of the country were ascribed to not having passed that Bill *sooner*; this year those same distresses, together with their prodigious increase, are ascribed to the *high price* of corn.

After this, would it be presumptuous in the most illiterate and most feeble-minded person alive to express his dissent from the opinions of any of those persons, or from the unanimous opinion of the whole put together?"

WILLIAM COBBETT, 14th June, 1817.
[Cobbett might almost have been commenting on the speeches of our Joint Stock Bank Chairmen.—Ed.]

Coffee-destruction Machines.

"Rio de Janeiro, December 31.—The National Coffee Department states that, in order to intensify the destruction of surplus coffee stocks, it now uses special machines which enable it to destroy 100,000 bags of coffee daily."—(From the *Petite Gironde*, 1.1.37, and quoted in *La Grande Revue*, Paris.)

The Social Credit Forum.

61, PARADISE-STREET, LIVERPOOL, 1.

A public meeting will be held in the Picton Hall, Liverpool, on Sunday, February 21, at 8.15. Speaker, Dr. J. Ewart Purves. Subject, "Social Credit Explained." Reserved tickets, 6d., 1s., and 2s. 6d. Limited accommodation free. Apply to address above.

The Social Credit Forum is *not* an organisational movement; its objective is to offer a platform for the free expression of views and policy to every section of the Social Credit movement, and to support and co-operate with groups and individuals concerned directly or indirectly with securing the establishment of Social Credit.

The following, whose services in the Social Credit movement in Liverpool are well known, are associated with the project:

F. H. Auger,
H. Drummond,
T. C. J. Blackburn.

If sufficient support is forthcoming it hopes to run a series of public meetings at the Picton Hall, to be addressed by prominent exponents of Social Credit.

Roosevelt's "New Deal."

[Extract from Address by the Earl of Oxford and Asquith to the Petition Club on December 14, 1936.]

But here is the point of vital importance in Roosevelt's policy; if he had done nothing else the period of stable prices must have brought itself to an end. As everybody repaid their debts to the banks the money that they repaid would have been automatically cancelled, and if there were no borrowers the total quantity of money in circulation would have been decreased; prices would have fallen, bankruptcy and unemployment—all the horrors of deflation—would have followed. But what Roosevelt does is this, he keeps a rigid control of the money in circulation by himself stepping in to borrow the money as it is repaid, and to secure the monetary expansion which he realises to be necessary. He does a good deal more than this, he unbalances the Budget and borrows more than is repaid.

There are two ways at present by which the supply of money may be increased; by the banks lending more to private individuals or firms, and by the banks buying Government securities. The first of these, an instrument of the debt system, is just exactly what Roosevelt wants to avoid, so he has used the second, and for the first time in history since the banking system was established you have got a large increase in the quantity of money with no appreciable increase in the quantity of bank loans.

Now it may occur to you to say, when the banks buy new Government securities, it is only another way of saying that the Government is borrowing money from the banks; why, then, is Roosevelt such an ass as to go to the banks to borrow money from them, when he could equally well create it for himself. Well, the idea of borrowing from the banks has a sort of air of respectability. You may say that he ought to rise above that; but so he would if it really made any difference, and I think it is perfectly arguable that what difference it does make is in his favour; that this very item of his policy has put him in an impregnable position against the banks. The old relationship between debtor and creditor is reversed. In the old days you used to have the banking system at the centre, lending to a lot of scattered and unco-ordinated borrowers, but now the position is this: most of those scattered borrowers have got out of debt, and, instead, you have one tremendously centralised borrower, the Government; far more centralised than the banks from which it borrows.

Now do you see the importance of that? The banks are caught; they can't stop lending to the Government; for

one thing, there is no one else who wants to borrow; and, for another, even if they were to refuse to buy new Government securities, or got rid of some they have already, the value of all the rest would drop like a stone, and they would be done for. At the same time, if they go on lending, as they are bound to do (or even if they were to stop now, it wouldn't matter), the Government has complete control over them for this reason; by demanding quite a small proportion of its loans in cash the Government can at any moment break the banks. No wonder their resistance was broken once they realised the threat that was hanging over them. Such a position has never been known before, and its importance can hardly be exaggerated.

There is one charge which people very often make against Roosevelt in this connection; the charge of having increased what they call "the burden of debt." It is a very unfortunate phrase for them to have chosen. If they had said simply "he has increased debt" there would have been a sense in which that was true. Roosevelt has by his policy increased the quantity of Government indebtedness; but "the burden of debt" is just the thing he has *NOT* increased. His position of what is, in effect, sole borrower from the banks, has naturally made him able to dictate the terms on which he will borrow; in other words, he borrows at negligible interest. What he is paying now I am not sure, but a short time ago the rate for Treasury Bills was .2 per cent. Clearly, if he borrows now, even at 1 per cent. or 1½ per cent., and is able to repay some of the debts at 4 per cent. and 5 per cent., run up by Coolidge and Hoover, he will be *lightening* and not increasing the burden of debt; and, in fact, this is what he is doing. I think I am right in saying that the money the taxpayer has to find for interest payments to the banks is *less now* than when Roosevelt came into office.

[We allude to this address in the "Notes."—Ed.]

LETTERS TO THE EDITOR.

FASCISM AND WAGES.

Sir,—On behalf of Mr. J. A. Macnab, now on leave, I would point out to the correspondent "P. M." that the rise in Italy was in *real* wages. Real wages rose 12 per cent. in the period 1928-35, and another 10 per cent. last year. Unemployment before the Abyssinian mobilisation, in a population the size of our own, was 750,000.

Further, this correspondent has evidently never studied our policy if he thinks our condemnation of International Finance as such is a new feature. I suggest that he reads Mosley's "Greater Britain," on which our policy was based. The book contains our attitude to international finance, and incidentally, does not mention the word "Jew" once.

"P. M." should also read Hitler's speech of January 30 with regard to the break with the international system, which Germany has been able to make completely, after only four years of National Socialism. In that speech Hitler stated: "Production is the real cover of a currency, and not a bank or a safe full of gold. And if I increase this production, I consequently increase the real income of my fellow citizens." Which means that Germany has now reached the point where she can establish a fully managed currency, based on the real wealth of the nation. As production rises, under the 4-Year Plan, the standard of living will rise as well. By this system the people's standard of life is rendered completely independent of international factors and foreign finance, and the gap between consumption and production is bridged.

M. COLLINS.

For the British Union of Fascists and National Socialists.

THE WITS OF BANKERS.

Sir,—Ancient and white-haired reader of *THE NEW AGE*, as I am, I am in most musical agreement with your general conceptions. On the question of the souls and wits of bankers, however, I take, not a contradictory view, but of bankers, however, I take, not a contradictory view, but rather a converse view. In my many social travels I have met all sorts of proletarians and middle-class blackcoats, and what used to be called "patricians," that is, administrators; and I include the bankers in the group of patricians. I am unable to discern in these patricians the genius for

high-rank subtlety and social manoeuvre and organisation which you seem to attribute to them. To put the case short, I quite believe these gentlemen take alert and deft advantage of social, national, and international conditions and complications in order to make profits, and that they enjoy their bureau and armchair imperialism. They simply take the obvious opportunities, just as armament manufacturers make gain, with a schoolboy-like naivety, out of the widespread human inclination to fight. Profiteering is a Stone Age trick, and in 1937 it still displays no more than a Stone Age ingenuity. I rather think the realisation of the Douglas Social Credit Scheme will require a great many more years than the brethren of the National Dividend Church usually calculate; but I have no doubt that the combined wits of the world's educators, Social Credit prophets (and I salute you as one of the liveliest!), and the Religion of Humanity will slowly and surely overcome the inertia of civilisation, and can have no spiritual difficulty, now or later, in countering the very crude and commonplace wits of financiers of the present-day type. We shall always need financiers acceptable to the Religion of the Universal Conscience, but they will be philosophers as well as economists, and will possess first-class wits.

FREDERICK J. GOULD.

THE CHURCH AND THE CRISIS.

Sir,—It is perhaps a waste of effort to reply at all to a letter compounded of so much bitterness and ignorance as that of your correspondent, B. C. Best, and I shall certainly not discuss with one who writes in such a spirit what is the social function of the Church. I will content myself with suggesting to Mrs. Best, and any of your readers (if such there be), who may have been impressed by her strictures, that an annual Harvest Thanksgiving is an acknowledgment more explicit than that made by any other recognised social institution that the bounty of God does not fail, however the machinations of man may impair the distribution. And I will go on to inform her that nowhere, outside such monetary reform groups as exist solely and explicitly for the purpose, have I known the moral to be so often and so plainly drawn that such artificial deprivation is not the will of God (or in the nature of things, as secularist writers may prefer to put it), but is due to the failure of man, whether moral, intellectual, or technical (or all three in some proportion) to implement that will. Mrs. Best's animus against the Church, whether derived from her humanitarian impulses or from some other source, should not betray her into such wild and irresponsible accusations as her letter contains.

MAURICE B. RECKITT.

Another letter on this subject by "Presbyteros" will be published next week.

ANSWERS TO CORRESPONDENTS.

Mrs. Addis's Address.

Mrs. Helena Addis, c/o The Standard Bank, Salisbury, Southern Rhodesia, South Africa.—As requested we have pleasure in recording your address for the information of the inquirer in San Francisco to whom you refer.

Miscellanea.

"A converted American negro had been entrusted by an old lady with a cart and horse for the purpose of collecting goods that had been given to a church bazaar. He collected the goods, then sold both them and the cart and horse, and cleared out. Some time after he came back to play the part of the repentant sinner. He was given a Church trial, and after all had been said against him, the culprit rose and said:

"I'se a po' misable sinner. But, bredren, so is we all mis'ble sinners. An' de good book says we must fergib. How many times, bredren? Till seven times? No; till seventy times seven. An' I ain't sinned no seventy times seven, and I'm jas go to sugges' dat we turn dis inter a fergibness meetin', and eberybody in dis great comp'ny dat is willing to fergib me, come up now, while we sing one of our deah ole hymns, and shake me hand."

"Then he started an old revival tune, and the congregation came up one by one and shook hands with him—all

but one. This was the old lady who had lost the cart and horse. So the negro tackled her. He said, 'Dar's one po' mis'ble sinner left and she won't fergib. Now I suggest dat we hab a season ob prayer, and gib dat po' ole sinner one mo' chauce.' And finally the poor old lady gave in and came up to the platform—and received forgiveness."—(Essays in Freethinking, Chapman Cohen).

News Notes.

A paragraph in a recent number of the *Ottawa Citizen* states that Mr. John Hargrave contemplates staying in Canada for a few months longer.

A go-slow strike of drivers was in operation last week on one of the London railway services. A protest against nagging by inspectors about high speeds round curves.

There was a "stay-in" strike of passengers on the same service one night last week. They had got in a "through" train, but had to make two successive changes at intermediate stations. Upon being requested to make yet a third change they refused to get out, and persisted until the officials gave in and sent the train on to its destination.

This caused a hullabaloo at another station where there was a crowd of people going home from a dog-racing meeting—no train arriving to pick them up.

Some anonymous legislator has found a way to impose a speed-limit on motors. He has been stretching wires across the road in the dark. One of his victims was a police patrol. (The moral is a bit mixed—what?!)

Income Tax Committee.

The Treasury minute of October 31, 1927, contains the following passage defining the task assigned to the Committee:—

"With the special aim of making the law as intelligible to the taxpayer as the nature of the legislation admits, and with power for that purpose to suggest any alterations which, while leaving substantially unaffected the liability of the taxpayer, the general system of administration and the powers and duties of the various authorities concerned therein would promote uniformity and simplicity."

Forthcoming Meetings.

LONDON SOCIAL CREDIT CLUB.

Blewcoat Room, Caxton Street, S.W.1.

Arrangements for February, 1937.

19th, 8 p.m.—"Social Credit: Its Political Philosophy and Economic Doctrine," by Mr. T. F. Evans, of Birmingham.

26th, 8 p.m.—"Leisure in the Social Credit State," by Mrs. G. M. Dillon Clark.

Notice.

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

Mr. Arthur Brenton,
20, Rectory Road,
Barnes, S.W.13.

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

SUBSCRIPTION RATES.

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

Published by the Proprietor (ARTHUR BRENTON), 70, High Holborn, London, W.C.1, England (Telephone: Chancery 8470), and printed for him by THE ARCADE PRESS, LIMITED, Temple-avenue and Tudor-street, London, E.C.4, England. Telephone: Central 3701.