

INCORPORATING "CREDIT POWER."

OF THE NEW AGE SOCIAL CREDIT SOCIETY ORGAN

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NOTES OF THE WEEK.

Lord Snowden.

De mortuis nihil nisi bonum is good counsel, but we doubt the wisdom of its indiscriminate applicability. It amounts to an injunction to the living to affirm that the dead have done no wrong. Tout savoir, c'est tout pardonner is an improvement; but someone has added the reflection: Tout pardonner c'est tout embêter.

This is not the prelude to an attack on Philip Snowden as a private individual. But it is the prelude to an analysis of his actions as a public figure. Even so, the actions to be analysed are not peculiar to Snowden; they are common to all public figures. What were peculiar to him were his temperamental mannerisms, with which we have no concern. That he had the courage to say what he wanted to say, and to say it without regard to the feelings of those who heard him, is a fact which lies outside our frame of reference. What we have to say about him concerns his declared programme and policy in relation to public affairs. In his early days his programme was to do those things comprehended in the term Socialism," and to do them in pursuance of the policy of making the poor richer by making the rich poorer. Socialism, to his supporters, meant such things as nationalising the means of production and imposing discriminatory taxation. As he once put it himself, he (as a Socialist) would tax the rich out of existence. He would convert profits into wages. Later, he would (or at any rate his supporters would) convert reserves into Wages (via the Capital Levy). However, it is not im-Portant to ascertain exactly what he would or would not do as an individual Socialist, but what he was believed to stand for by the Socialist movement. He was a representative leader: and as such his private convictions were deemed to coincide with the general body of Socialist convictions.

Now the Press, by common consent, pays tribute to the inflexibility of his convictions. Yet he lived to become the most reactionary Chancellor of the Exchequer in history. He received the Freedom of the City amidst the acclamations of those very interests which, to his early supporters, were exploiting and enslaving the poor. What shall we say then? That his convictions changed? No; it was not that; it a wedge between his private convictions and those which it does that it runs the risk that its leaders, when in a

had earlier been imputed to him. It caused his Snowdenism to crystallise out of his Socialism. It caused him to re-interpret "Socialism," and it assisted him to do so by giving him a peep behind the scenes where the agents of real government were dressing up for their parts in the political comedy. There he found, among Conservatives and Liberals alike, philosophic convictions identical with his own. He found no antipathy to the ideology behind his original programme of despoiling the rich. On the contrary he discovered that the process was going on, and had been ever since the time when landlords first had to pay taxes in money instead of service. He was thus prepared to see in a combination of all three parties (afterwards formed as our National Government) a means of pursuing his Socialist ideals, though not by the early and crude Socialist methods. Hence he could, and did, sponsor the formation of the National Government and join it, with a clear conscience.

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* * * Naturally the Socialists who had held the ladder when he started to climb it, condemned him as a traitor. It was a misjudgment; but he deserved to be misjudged. The reason is not because he diverged on the question of method, but that, like all politicians who arrive at the top, he did not condescend to explain anything. It seems almost as if the Official Secrets Act debars rulers from telling the ruled how ruling is really carried on. Think what a defence Snowden could have made. Firstly, he could have shown that certain Socialist methods were technically abortive. Secondly, he could have shown that Estate Duties and Super-Tax were highly effective implements of Socialist ideology. Thirdly (for this self-styled "Bankers' Minister" must have learned a few things about bankster wire-pulling), he could have shown that the Directors of the Bank of England, which rules the roost, were convinced and enthusiastic levellers of wealth, and therefore true Socialists. He could have got away with all that. It is true that the wealth of the rich gets lost on the way to the pockets of the poor; but a population bemused by the Budget can always be given the impression that they are gaining what the rich are losing. The figures balance, don't they: so what more proof do you want?

There is a moral to this. Any reformist movement that seeks to impose its policy through the electorate must widen its appeal. It must clothe its proposed methods with an ideology to attract outsiders. But when

position to carry on the battle for methods in the House, reserve to themselves the right to choose other methods (if any at all) which they may think, or be persuaded, are consistent with the ideology. The technicians, so to call them, of the movement may blaspheme, but they are vastly outnumbered by the ideologists-and the latter, being guided chiefly by emotions, attach their faith to the leaders as persons embodying the ideals, and in any case are too lazy to look into what the technicians complain about. In a word, they are hero-worshippers. And so long as they hold to their allegiance (for they are liable to be caught by competing ideologies at any time) their hero-leaders can snub the technicians without endangering their seats in the House.

Rightly or wrongly the early Socialists made methods the test. But if you read the writings of their prophets who afterwards attained eminence in the field of politics, you will see them shifting their emphasis off methods and on to sentiments. Condensed and paraphrased their teaching can be presented in this fashion:

" Socialism is not just an economic or fiscal scheme of reform."

'The capitalist system is the most complicated and perverted institution designed to serve society."

But-it is not the only institution, and concentration on it must not be allowed to overbalance the much wider philosophy which embraces making all institutions serve man without subordinating him.

"The technicalities of capitalism interest only a small minority, while the problem of human survival is too urgent to depend on the detailed mastery by the multitude of such a controversial subject."

"There has been a lot of argument about nationalisation and taxation. There is no need for any

" If anyone can think of some better proposals for altering the capitalist system so as to enable the workers to get what they are associating for-that will be Socialism.

"What the people need is a mechanism.

"That mechanism is the Socialist Party." " Vote as the Socialist Party directs you."

Well, as has been seen, Philip Snowden "thought of some better proposals for altering the capitalist system." They didn't alter it; but he thought of them. Yet they did alter, and are altering, the relative positions of the rich and poor-so they may be allowed to pass, particularly as the original Socialist proposals were technically futile as pointed out. Compromise was inevitable, Snowden or no Snowden.

There is a moral for the Social Credit Movement. The authentic Movement stands by the Social Credit Proposals. These depend on the Social Credit Analysis. The Analysis proves that the power controlled by the Money Monopolists is the source of the powers of all other institutions functioning in society. The latter lease their powers from the former on conditions imposed by the former. It is the nature of these conditions that makes the other institutions produce anti-social results.

To bring those results to the test of an ideology of "Freedom" or any other abstraction called "Social Credit Philosophy " may inspire sympathy and support, but both will be static and impotent unless people are given some assurance that there is a way to attain

Freedom. Where there's no way there's no will. It is true enough that if the people unite and resolutely demand Freedom they can get it. But you won't get them to unite simply by telling them they want it. They know that already. They are tired of trying to get it. The only way to get them to act is to revive their hope; and to do that you must tell them that they have failed by knocking at the wrong doors, and you must tell them with the maximum emphasis and confidence that a new door has been discovered, that you know where it is, and how it can be opened.

That door is the Money System, and the key is the Social Credit technique. "Every woman sees her home through her engagement ring," runs the advertisement. And every individual will see his Freedom in the symbol of the "Three Demands" to be presented to the Government: Open the National Credit Office—Distribute the Dividend-Regulate Prices.

The Manufacture of Cost.

In a previous article (" The manufacture of Money THE New Age of May 13, 1937) were described the checks which bankers impose on themselves to limit the amount of credit that they create, issue and recover. And the final conclusion arrived at was that the real check was the inevitability, under the present system, of price-inflation following on the heels of credit-expansion.

In that article, the arguments were illustrated by reference to a hypothetical community consisting of a banker and two customers, A and B. The same method of illustration will of illustration will serve to show how credit creates costs. Suppose the banker lends A £100 for a week, and that A employe B to the same and that A employs B to make goods which will be finished in that time, paying him the time, paying him the froo for his services. At the end of the week A will the week A will own goods costing £100, he will owe the banker £100, and D. banker £100, and B will have £100. If B now buys the goods A can represent the second of desgoods A can repay the banker, who will cancel or destroy the credit troy the credit, as shown in the previous article.

At this point A and B will be in the same position inancially as the financially as they were before the loan was made.

hypothesis they were before the loan was made. hypothesis they had no money at the beginning and they now have rethey now have none at the end. But though the money has appeared has appeared and disappeared, goods to the cost-value of £100 remain to the cost-value of £100 remain to be used. They belong to B.

Now two options are open to B. He can consume all the goods or consumer to be used. all the goods, or only a portion of them. If all, their cost-value become cost-value becomes of no consequence to him. It disappears down him. appears down his throat, so to speak. If part say one half, the control of the co one half—the cost-value thereof, namely £50, will remain in his calculations. He will sav either: "I have £50 worth of worth of goods still to consume," or, alternatively:

Suppose he decides to sell. He must find a buyer ut at this point it. But at this point there is no buyer. There is A who needs goods but are the sound of the sound o have £50 worth of goods to sell." needs goods but cannot demand any: he has no money. Ruling out charity in the head of the head of the result way to Ruling out charity in kind on B's part, the only way to solve the problem in solve the problem is to get the banker to lend some more money. So let P money. So let B borrow froo for a week, and pay it to A for making to A for making a duplicate set of goods. During week let A hour D week let A buy B's surplus of the previous week, paying bis wages.

B £50, or, if you like B £50, or, if you like, letting B stop it out of his wages.

Let A consume the Let A consume the goods, and let him spend his remaining £50 on the

maining £50 on the purchase of new goods from B.

At the end of this second week B will own £50 worth of goods, he will of goods, he will possess froo, he will own the banker froo. As for A, he will froo. As for A, he will own £50 worth of goods, and he

will have no money. Let B now repay the banker, and consume his goods. The final result will be that A owns £50 worth of goods and both will be without any

Now the significance of this illustration is as follows: that A and B can go on indefinitely taking turns in borrowing from the banker and hiring each other's services, without ever being able to acquire by purchase the £50 worth of goods the one from the other. Whichever owns them at the end of any week cannot sell them. What he can do is to eat them or give them to the other; or go shares-let us hope "fifty-fifty."

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This is a simple illustration of the truth that when a cost-value created in a given credit-cycle is carried forward to be charged in another, either it remains irrecoverable, or, if recovered, makes irrecoverable a new cost-value to the same amount. It will be seen that the cost-value of £50 in this illustration became irrecoverable at the moment when A, having bought all the goods produced in the first credit-cycle, decided to save half of them to sell again in the next. That is what created the dilemma. And thereafter neither A nor B could solve it unless by consuming the surplus without employing money (i.e., bank-loan-money) for the purpose. If they chose to do so (and within the frame of this elemental illustration they would be free to do it) then they would be virtually presenting themselves with what Social Creditors call the "National Dividend." For essentially this Dividend is receivable by consumers as goods

Notice that the dilemma created by A's decision to Notice that the dilemma created by As and B. Both irrespective of the moral behaviour of A and B. Both sell at cost—neither of them seeking to make a profit out of the other's necessity.

This mechanical perpetuation arises from the fact that the banker recalled the whole £100 at the end of the first week whereas A was refraining from consuming half the goods, intending to convert them back into money. This constituted an infringement of a basic Social Credit principle, namely that the money in the hands of a community at any given moment must be equal to the price-value of the goods ready for sale at that moment. In the illustration this principle was obeyed up to a point in the first week, as is shown by the fact that B possessed money (£100) equal to the total total cost-value (and price) of all the goods for sale (these goods then being in A's possession). But after that point, particularly at the end of the second week, B's surplus of £50 worth was on offer in addition to £100 of poor to £50 worth was on offer in addition to £100 of poor to £100 worth was on offer in addition to £100 of poor to £100 worth was on offer in addition to £100 of poor to £100 worth was on offer in addition to £100 of poor to £100 worth was on offer in addition to £100 of poor to £100 worth was on offer in addition to £100 of poor to £100 worth was on offer in addition to £100 of poor to £100 of £100 worth was on offer in addition to £100 of £100 worth was on offer in addition to £100 of £100 worth was on offer in addition to £100 of £100 worth was on offer in addition to £100 worth was on offer in addition to £100 of £100 worth was on offer in addition to £100 worth was on the £100 worth was on offer in addition to £100 worth of new goods also ready for sale, whereas the total money in the in the hands of the community was only £100.

Mental Assassination By Arthur Brenton.

Beware of mental assassination." So ran a communication which Major Douglas received from an anonymous source several years ago.

Do you think there is anything in it?" he asked me when he described the incident to me a few days after-

I did not know what to think. He must tell me, I said in effect. And he gave me to understand that he thought there could be such a thing. As he had a taste for occult theories theories I registered the incident and his opinion in my mind with the intention of raising the subject if and when fell into the company of mystics. Subsequently I met two such persons (on different occasions), and both assured the that that there was something in the warning, giving me

items of occultist lore in confirmation. I have forgotten what

All this happened perhaps nine, or ten years ago. It was revived in my mind at the end of 1933, when I heard from one of the persons alluded to that he had felt inspired to repeat the warning in a communication to Major Douglas. attaching to it a talismanic device intended to immunise him from the evil spell. This was on the occasion of Major Douglas's departure on his tour through Australia and New Zealand. Whether my mystic friend's premonition was well founded or his prophylactic potentially efficacious I cannot even guess. These matters lie outside my experience.

Projecting Insanity?

My trouble is that one cannot identify the obscure laws concerned (if they exist) and test their operation experimentally. If anyone says that it is possible to project a principle, or germ, so to speak, of insanity through space, I cannot say that this may not be true. But I ask myself the practical question: Why should anyone try to do it that way? Granted that he has a motive, has he not a choice of quicker processes and easier opportunities. For example, Iago "mentally assassinated" Othello, but there was nothing occult about his methods. By cunning insinuations he overstimulated certain faculties in the Moor's brain until he had shifted its centre of gravity. Whereupon this unbalanced brain conjured up the apparition of Desdemona as an adultress. The rest followed.

To Achieve What Results ?

This leads to another question. What practical object is to be gained by assassinating a mind as such? Why try to make anybody mad in the extreme sense of the word? There is no answer unless you postulate a motive in the assassin which is as mysterious as the means he is supposed to employ. In ordinary human relationships, however, the motive for affecting the mind of anybody must be to make him do something or other. The assassin will want to infuse method in the madness. But if method is what he is after he need not necessarily cause it to appear by inflicting madness on his victim. He can do the same sort of thing that Iago did, and play upon such responsive centres of his victim's mind as will cause the latter to do what he is wanted to do.

Sanity a Condition of Balanced Insanities,

After all, everybody is mad. Sanity is a compound of potential insanities. There is hardly one of the forty-odd faculties and propensities which, if it be sufficiently overstimulated, will not give rise to a general mental condition conventionally described as insanity. Hence, what is called mental assassination can be brought about by the wellrecognised means of suggestion, persuasion, or intimidation. Bribery or blackmail, if you like. As I suggested before, there is no intelligible motive for driving anybody mad as an end in itself that would not be satisfied by the nonmystical process of poisoning the victim or cutting his throat. No; the only intelligible motive for affecting the victim's mind is to affect his consequential conduct: and that can be done without recourse to the Nasmyth-hammer process of literal mental assassination. If you wanted to make a person a physical wreck you would not have to inflict disease on his stomach, heart, lungs, kidneys, and so on simultaneously: you would need only to deal with so on simultaneously: you would need only to deal with one organ. And so it is with the organs of a man's mind, A single localised aberration is enough to unbalance it. Allure his vanity; or affright his caution; or arouse his combativeness; or inflame his amativeness; and so on—any of these alternative methods will serve according to who the victim alternative methods will serve according to who the victim is and what he is required to do under the given stimulus. alternative methods will serve according to who the victime is and what he is required to do under the given stimulus. So much for this "mental assassination" considered in relation to individual persons. It is rather a rhetorical expression than a rational formula.

Assassination of Mass-Thought.

But it is a useful expression when applied to the influencing of mentalities in the mass. "Mental assassinaof group-thought comes much nearer to being literally true in this connection. Not that the processes are occult (though some of them may be), but that they proceed from a remote source. They cannot always be traced back to an

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"assassin." Rather they illustrate and implement a Whether conscious design is principle of assassination. behind the principle is a question which mystics may as plausibly claim to know the answer as anyone else. All we can say is that things happen to mass-thinking as if someone, or some group, were deliberately causing them to

Darts and Wireless.

Readers do not need to be told what phenomena I allude to: they can enumerate for themselves the many agencies and methods by which the mind of the public is given wrong twists and set working at cross-purposes. But there are two comparatively recent developments which have not been discussed before so far as I am aware. They are the increase (a) in facilities for dart-playing in the bars of licensed premises, and (b) in the provision of wireless recitals on the same premises. To-day there are few public-houses where you do not find one or other of these performances in full swing—and frequently both. Readers will here scratch their heads and say: "We can see the relation of wireless to the subject, but why darts?" Well, there is a relation between the two. It can be expressed in the statement that both contribute to the effective jamming of serious thinking and conversation among the company present. They are agencies of mental paralysis—which comes to much the same thing as mental assassination.

The Pub. as a Debating Club.

I can illustrate my meaning by drawing a contrast between the conditions existing to-day and those at the time between the conditions existing to-day and those at the time of the General Strike of 1926. I remember doing a purposive pub-crawl on my way home from town on one or two occasions during the strike. (Most of us had to walk home, it will be recalled.) Well, in every place that I entered I found the company given over to discussions or disputes about the causes and issues involved in this event. And, despite much crossing of planes-of-reference, and much mishandling of facts, there was, nevertheless, manifest evidence of an underlying spirit of inquiry—evidence which in some cases I was able to verify by taking part in the discussions. Speaking comprehensively, the people assembled there had resolved themselves partly into debating societies and partly into study into second partly in and partly into study circles. The public houses had become clearing houses for information and opinion. And there were

When I think of the interesting, and often really profitable, discussions that took place then, I ask myself what would happen if another event of the same magnitude were to take place to-day. I am inclined to bet that the wireless-cum-dart innovation would make discussion virtually

Readers may remember that the last time when the duties on beer were raised there were some comments in duties on beer were raised there were some comments in The New Age, in which the function of the public house as a centre of discussion on public affairs was emphasised. These comments were inspired by the fact that many users of public houses were being driven by the high prices to go on strike and drink at home or not at all. A good thing, so temperance people would say; but that is irrelevant. The point was, and is, that for a large proportion of the people the only chance of getting to know facts and viewpoints other than those pumped into them by centralised agencies comes than those pumped into them by centralised agencies comes through encounters with their fellows in these places of rest and refreshment. The poor man's pub. is equivalent to the rich man's club.

The Dart Fan.

Darts can be a quiet game. But it rarely is. It attracts a type of person who is wont to create disturbance either by continuous comment on the game or quarrelling about it. This is partly due, no doubt, to the fact that games are played for drinks. Hence there are undesirable types who privately practise throwing in order to earn free liquor at the expense of decent people who like a game occasionally for the sport of it. Apart from this, dart-fans are ego-centrics and exhibitionists. It is nothing to see two (or four) of them occupying, perhaps, a quarter or a third of the available floor-space without regard to the resulting con-gestion elsewhere round the bar. And it is the rule rather than the exception for the thrower to attract attention to himself, and for him and his mates to show off their prowess in the matter of exchanging cheap witticisms. Again, their friends, wherever they may be in the room, consider themselves entitled to shout across their advice and comments, regardless of the comfort of the company in general. To sum up these complaints, nobody present is allowed to forget that there is a game of darts being played, and everybody is expected by these fans to be an absorbed spectator of the spectacle. Then there is the continuous shuffling and stumping of feet to and from the board.

Mental Paralysis.

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Now, when, supervening upon this babel, you have some wireless jazz band blaring negroid noisomeness all over the place, imagine what hopes for any persons in the room to keep their minds on even a light social conversation, let alone to discuss any matter of public interest, demanding continuity of thought. No; my phrase just now was literally true: the effect of this mixture of noises is mental paralysis.

Decentralised Thinking.

It has been said that revolutions on the Continent have been prepared in the cafés. That may be a point in favour or disfavour of cafés, depending on the nature and consequences of the upheavals. But the point is that in this country the pub. is the equivalent of the café, and that if it were freed from these modern amonities (1) and reverted to were freed from these modern amenities (!) and reverted to its old clearing beauty were freed from these modern amenities (!) and reverted to its old clearing-house function regarding news and views, it could play a part in the preparation of the final revolution for which all Social Creditors are looking. As matters stand, for which all Social Creditors are looking. As matters stand, what can thoughtful people do? Stay at home to be come think wrongly by broadcasters and newspapers, or else come out to be stopped thinking at all. There is a hypothetical via media in that institution known as the milk bar. They via media in that institution known as the milk bar. Yet. But, even so—milk!—and on your feet!—and in a yet. But, even so—milk!—and on your feet!—and in a three-walled annexe to the pavement! No; that wouldn't fit the bill by any means. fit the bill by any means.

Now I can come back to the main question. Are these disruptionist influences contrived; or do they just happen? Whatever the correct answer, nobody will gainsay the facily that their happening cuts along the grain of high-financial that their happening cuts along the grain of high-financial that their happening cuts along the grain of high-financial spontaneously. But on deep reflection they appear for unusting the theory of remote conscious causation. One might reasonably propound the theory of mental assassination by deafening the ear, corresponding to the more Readers accepted theory of assassination by blinding the eye. Selves have probably tested the blinding process for themselved inspecting the front pages of popular newspapers, wind no fast developing towards consisting of headlines only deadered text. Both through ear and eye the mass mind is dthinks into delegating its function. For the one part it all imposed thoughts, and for the other, ceases to think at all. Now I can come back to the main question. Are these sruptionist influences and the main question instructions the state of the state of

Noise Abatement.

Taking the users of licensed premises darts of less, and a large proportion of them irritated by bothless, and a large proportion of them irritated by bothless, and a large proportion of them irritated by bothless, and a large proportion of them irritated by bothless, and a large proportion of them irritated by bothless, and a large proportion of them irritated by bothless, and a large proportion of them irritated by bothless, and a large proportion of them irritated by bothless, and a large proportion of them irritated by bothless, and a large proportion of them irritated by bothless, and a large proportion is that each take. Another granted that the majority present like these noises, auser as the same and them; and nobody wants to be a spoil-sport at his explosion. But the licencee is probably wrong, under present comented. In the early days those who provided these asswers attracted persons who definitely liked them from elsewhere attracted persons with a universal this advantage in their tables and their and dart-players from the premises; I am advocating the prevention of the game on the premises; I am advocating the reversion to the premise of providing a separate room or partitioned annexe them drip, and the premises and their audiences enjoy themselves to the game of providing a separate room or partitioned annexe them drip, and the premises and their audiences enjoy themselves.

In conclusion let me record a significant thing is the premises and their audiences and annexe to the premise and their audiences and their audiences and annexe to the premise and their audiences and their audiences and their audiences and annexe to the premise and the premise and the premise and their audiences and the

selves.

In conclusion let me record a significant thing: is practically no discussion of the Abdication And the December except in what I call the silent pubs. same is true of the busmen's strike and the Coronation month. In the other houses—mental paralysis.

"London calling—","

- "London calling—"
 "Twenty to crack, Joe."
 "We are now going to have a selection
 "Played, George! Wot'll you 'ave?"
 (Pom-pomty, pom-pomty, pom—)
 "No: it ain't your turn: Bill throwed larst."
 "We are now taking you over to
 "Ere! Us two'll take on you two for a pint,
 (Organ recital—heard in chunks.)
 "Hi! which is my beer? Pass it over 'ere."
 "Time, gentlemen, PLEASE!"

And so to bed.

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