

# SOCIAL CREDIT

A JOURNAL OF ECONOMIC DEMOCRACY.

The Official Organ of the Social Credit Secretariat.

Vol. I. No. 15.

FRIDAY, NOVEMBER 23, 1934,

Weekly 2d.

Registered at G.P.O. as a Newspaper

## CONTENTS

	Page		Page
Notes of the Week	185	Social Credit Motifs. VI.—Social Co-operation, by Demos	193
Never Say Why—and How!—An Electoral Campaign Note, by W. L. Bardsley	188	Banking Uber Alles.—By W. T. Symons	194
The Church and the Money Power.—By J. S. Kirkbride	189	The “Moral Value” of Poverty.—By D. Beamish	195
“Made in Japan.”—An Explanation of Japan’s Success in the Competition for Markets.—By J. Desborough	190	Correspondence	196
Roosevelt?—The Enigma of America’s Future, by Maurice Colbourne	192	Notices of D. S. C. Meetings	198
		Supporting the Edifice.—By Yaffle	200

## NOTES OF THE WEEK

### THE DISTRESSED AREAS

THE Government has announced its scheme for the relief of the distressed areas. Because it involves spending £2,000,000, with a vague promise of more if necessary, the press calls it a “bold” and a “generous” plan.

Very bold and very generous. So might one try to stop a runaway horse with a pea-shooter or revive a starving elephant with a pear drop.

Such miserly proposals merely indicate that neither the Government nor public opinion has even begun to face up to this question. The unemployment of the North is not a temporary condition; it is the sign that the industrial life of the country has passed into an entirely new phase, and that we are now living in an age of power-driven machinery. These “distressed areas” are the outward and visible signs of the machines’ progress. And unless Governments recognise this simple historic fact, these conditions will overwhelm the whole country.

The inhabitants of these areas have lost their paid employment because—(1) labour-saving machinery has come to stay; (2) other countries are increasingly able to manufacture their own goods instead of buying them from us; (3) and international trade has consequently declined.

Now, if these three things are bad things, it is obvious what the nation must do. It must scrap its machinery and set men back to the methods of the Middle Ages. Or, as an alternative, it must force other nations—by war, if necessary—to stop manufacturing their own goods and let us do it for them.

### Why Need They Be Poor?

But if it is the *poverty* of these people that we are concerned with, then we need not worry. With our machinery, our system of transport, and our vast Imperial resources (to say nothing of what we could import from other countries) we have the means of supporting every one of these unemployed people in a state of comfort and security without compelling them to any “work schemes” and without costing the rest of the nation a penny.

By a few hours’ run, the machinery of Lancashire and the West Riding would supply them with all the clothes they want. The labour and materials now standing idle in the

country could provide them with enough houses within a few months. Our food-producing and importing system requires no change whatever in order to provide them all with three good meals a day indefinitely.

The shops and warehouses of the country are bulging with unsold goods, factories are running at a fraction of their capacity, food is being destroyed or left to rot; but this wealth will not be distributed amongst these destitute people.

And the reasons? There are two:—(1) there is not enough money to do it with; (2) you must not give men wealth, nor money to buy it, unless they work for it first.

The first reason is economic, the second is moral. Both came out of the ark. They were kicked out; for primitive man had more sense than to use either of them.

### They Could Be Given Enough Money

There is no real reason why these unemployed people should not be given money, whether they work or not, sufficient to buy what they need of the necessities and comforts of life out of the nation’s abundant store. There is no real reason why the Government should not pay the producers of these things enough money for them to increase their output with profit. Money costs nothing.

So long as there are goods for sale, and the means of making more, a Government can always issue enough money to buy them. And if it would use the national credit as the basis of this money, it need not cost the nation a penny in taxation.

But the Government never uses the national credit. It has made a present of that credit to private banks, so that whatever money the Government spends on things like the “relief” of unemployment, it borrows from the banks and charges it to the nation in taxation. And it is against the wickedness and idiocy of this practice that the Social Credit Movement exists to protest. Taxation is out of date.

Mr. Chamberlain, replying to adverse comments on the amount to be spent on the scheme, said we “must not expect a miracle.”

We need not. For the miracle has already been performed: the inventive mind of man has discovered how to abolish poverty and has created the mechanical means of doing so. That is the modern miracle. All we ask is that we should be allowed to take advantage of it.

### WHY JAPAN IS BEATING US

We particularly commend to our readers the article in this issue entitled "Made in Japan."

Nothing that is happening in the world to-day is fraught with more significance than the issues raised by Japan's export trade. Stated simply, the Japanese Government is subsidising exports to an extent which enables them to undercut all competitors with ease in spite of any tariff barriers. The extent and the success of this policy has filled the minds of Western traders with a kind of panic, as from the presence of something inexplicable or occult; and the utter inadequacy of the explanations offered by orthodox theorists, as well as the fatuity of the suggestions for combatting it, display the extent to which blind devotion to old dogmas prevents men from facing new problems.

While other industrial nations remain subject to their obsolete banking systems, and allow their wealth-producing mechanisms—no less efficient than Japan's—to be strangled by financial principles based on the deliberate restriction of purchasing power, Japan has taken the historic step: *she has reversed the Western process by making finance the servant of national policy, instead of, as elsewhere, the master.*

We do not advocate the Japanese policy. It is aggressive; it ignores the home market, and as yet has contributed nothing to the solution of the world's primary problem—the equation of national incomes to the prices of national production. And in spite of the revolutionary effect of the policy on exports, Japan remains *nominally* devoted to the orthodox financial principles which are crippling the economic life of the West—that is, she *ostensibly* finances her colossal subsidies with bank loans and commits the nation to an indefinite future of unrepayable debt—just like any Christian nation.

But whatever Japan is doing theoretically, in actual practice she is not only making finance her servant, but is also using the national credit to increase her trade. Defenders of the existing system may say that Japan is merely piling up national debt. That will have meaning only if and when the Japanese Government shows any sign of intending to repay that debt. And it is unlikely that the Japanese Government can avoid seeing—if it has not already seen—the obvious fact that a national debt can be wiped out without any effect upon the nation but an access of economic freedom.

Meantime Japan is giving the world a practical example of the fact that a Government can, by a stroke of the pen, issue whatever money is necessary for business up to the extent of its capacity to produce. And it remains only for commonsense to see that what can be done for exporting goods can be done, by the same simple process, for the consumption of goods at home.

### MAKING THEM SAFE—FOR WHOM?

When an activity such as the National Savings Movement spreads itself out in publicity, with earnest protestations of its benevolent intentions and its fatherly concern for the poor man's money, it is only natural to ask, "Now what's the game?"

The object of the scheme is, we read, to induce slate clubs—Christmas, holiday, etc.—to come within the movement, so as to "encourage thrift and reduce the chance of fraud." In short, as a headline says, "To make Slate Clubs Safe."

Great national movements are not started to defend the people from a few occasional swindles; greater economic dangers than that confront the people daily without the City lordships turning a hair. And saving, as a national duty, is no more commended by those in high places than the alternative virtue of "spending for prosperity." Some other purpose is obviously behind this effort to persuade working men and women to withhold their savings from local tradesmen and put them in a bank instead of following the usual and more popular custom of having one beano a year.

It is fairly obvious that we are here witnessing another big move in the process of increasing the power of the money monopoly over every section of national life and the banks' hold on national credit. Our readers may remember occasional intimations from the more candid of the big financiers to the effect that, since industry began to fail as a profitable source of investment, the savings of the people were beginning to attract their notice. It is clearly the intention to get these funds big enough to be invested on a large scale so that the people need have only the interest.

The banks will say what shall be done with the capital—and it won't be spent on turkeys.

It would be well for the Labour Party to take note of this attempt to make the mass of the people "interest-conscious." They have experienced the disastrous effects of an electioneering effort to frighten the people about their savings bank deposits. It will be far more serious when the concern of the people—and a far greater number of people—is extended not merely to savings banks but to the whole financial edifice of the country.

It will be easier then to say that any attempt of "these socialists" to "tamper with the financial system" will imperil not only the interest but the capital of the mass of the people, and raise a far worse panic than before.

The slate clubs are being made safe all right—safe for the financiers.

### CONCERNING THE AUSTRALIAN ELECTION

A welcome and significant piece of news news reaches us from Australia.

Invited by the editor of *The New Era* to explain why he obtained a greater number of votes than any other Social Credit candidate Mr. Leslie H. Hollins, who polled over 12,000 votes at Kooyong (Victoria), says, amongst other things:

"Although I stood as a Douglas Social Credit candidate, endorsed by the Douglas Credit Party, I went straight out on a pure Douglas policy, and endeavoured to show the electors why the control of credit must be in the hands of the people, and that the Just Price and the National Dividend were entirely scientific mechanisms for issuing the new credit."

That is to say, the candidate who supported a full Social Credit policy, instead of the modified form of it advocated by the other candidates, got the most votes.

Another significant fact is quoted by the same paper. The total votes against the Government (1,606,051) were greater than the votes for it (1,536,081). As all parties other than the Government advocated monetary reform, the majority of the people of Australia have therefore voted for reform of the money system.

### THE MASTERY OF MATERIAL THINGS

Mr. Herbert Morrison is a good citizen. He has spent his life protesting against the condemnation of the mass of men and women to "an undignified and unnecessary scramble for mere existence," to quote himself. But reading the report of his Sidney Ball Lecture on "Man: the Master or the Slave of Material Things," we regret his confusion between man and the community.

Here again we see the unfortunate refusal of the Labour leader to perceive the part played by finance, in producing the muddle and poverty which he, like ourselves, so sincerely hates. He regards the source of the evil as "production for private ends." Production for private profit is, in itself, morally innocent and economically sound; it could do no social harm whatever if purchasing power in the hands of the population were adequate to meet the prices of production. The public would then control the producer far more effectively than it could ever do by such schemes of State (or as he calls it "public") control as he advocates. It would control the producer by the power of free choice, and the producer who best pleased the public by his production would get, and deserve, the greater reward.

Further, this attack on the idea of "private ownership" is not, we imagine, wise politics. For the rank and file of Mr. Morrison's followers, so far from disliking private ownership, could all do with a spot of it themselves.

The first step to man's mastery over material things is to give him the means to buy them. After that, what would happen to the system of industrial control, does not matter at the moment. For we should then be in another period of history, the details of which neither he nor ourselves can possibly foresee.

If Mr. Morrison wants to contemplate a picture of real Socialism, let him forget the factories and railways, and spend a few silent moments considering the possible effects of the Government control of credit, the regulation of prices, and the issue of a National Dividend.

### THIS IS ACCOUNTANCY

Under the heading of "The Time Lag," our New York Social Credit contemporary, *New Democracy*, makes the following searching comment upon the workings of the modern accounting system:

"Henry Ford's new steel mill will cost \$13,000,000. The construction work and installation of equipment will give work to five hundred men for one year. Allowing an average of \$2,000 a year per worker, this would mean a pay-roll of \$1,000,000. The remainder represents wages and salaries paid by other organisations furnishing the raw materials and manufacturing the equipment, plus their overheads and profits. Long before the total costs are recovered in prices for new Ford cars, the money equivalent will have been spent on other things, or reinvested in further production."

To give emphasis to this our contemporary points out that "Automobile production in 1933 increased thirty-two per cent. over 1932, while employment in motor vehicle factories decreased seventeen per cent.

#### THE ACTUARIAL DOLE

An unemployed insurance scheme will be included in the programme to be laid before the new United States Congress in January. This is part of American progress and demonstrates pep. All the same, we beat them to it; but whether that is officially regarded as another jewel in the British crown, we are not in a position to state. It does at any rate console us for losing the yacht race.

It is gratifying to be able to sit back, conscious of our maturity, and watch these young nations going through the same stages of political and economic development. It is, as Uriah Heep might have said, like the blowing of old breezes and the ringing of old bellses to hear Mr. Roosevelt saying, as we said when we too were young, "It isn't charity."

He thinks he is going one better:—"Let us profit from the mistakes of foreign nations and keep out of unemployment insurance every element which is actuarially unsound." We wish him luck. The unemployed will start by being actuarial, instead of having to be brought down to it. Mr. Roosevelt will know to begin with, instead of having to learn by eight years' parliamentary debates, that for an unemployed man to add jam to his children's bread knocks him off his actuarial basis.

The American scheme will have the further distinction that "it will be financed by contributions, not taxes." True, a contribution depletes purchasing power just as much as a tax. But it has a nicer smell.

#### MR. CHURCHILL'S SECOND THOUGHTS

Mr. Churchill, broadcasting under the series entitled "The Causes of War," went for German militarism. He described the Nazi spirit in terms that would have gone down well at a Communist meeting. But he gave the impression that in order to safeguard ourselves against that danger to civilisation we should turn Great Britain into an arsenal. This conception of national security is only natural to those obsolete statesmen who can never see the world but in a perpetual state of war or armistice.

Nevertheless, he has learned a little more about Nazism since, about eighteen months ago, he said in a speech, "My mind turns across the sea. I see Germany with its splendid, clear-eyed youth, demanding to be conscripted into an army burning to suffer and die for their Fatherland."

But on that occasion he was attacking British pacifists and deploring the decadence of British youth. One must preserve a balance.

#### RIDING FOR A FALL

Everybody knows where goods come from; nobody knows where money comes from. One would think, however, that the Labour Movement, more immediately concerned with purchasing power than any other, into the sources of it. And yet—"Our immediate need is to increase production and buying power . . . To-day we are in a race between rising production and rising debt," says the October survey of the American Federation of Labour.

This is going to be some race, and we hope the Federation will have a fine day for it. Seeing that all production is financed by debt, and that neither can get along without the other, it does not seem to matter much which horse comes in first. The important question is—where will they finish? At the moment Fascism seems a likely winning post. In any case, the American Labour Movement will obviously do nothing to stop the insane race. They are riding production as hard as they can in a futile effort to leave Debt behind. And they are riding so blindly that they are under the im-

pression that Purchasing Power always runs alongside Production.

Jockeys who ride in such ignorance of the field are not likely to get much of a place.

#### FOREIGN PAPERS PLEASE COPY

Referring to the debates at the Church Assembly last week, *The Times* observes, "the Assembly is entitled to feel that its session this week threw much light on many subjects with a praiseworthy absence of heat."

We hasten to correct the impression any of our foreign readers may have that in the ordinary way a Church Assembly is a riot. This is not so. *The Times* may, we fear, have given rise to the idea that in other and more normal years the debates have been enlivened by brisk epithetic interpolations, developing, in the case of the more controversial subjects, into the throwing of prayer books and the knocking off of mitres. This would be quite a false impression. To imagine vicars grappling on the floor, or rural deans retiring into the yard to settle a theological point with their coats off, is to harbour a vision totally at variance with the actual procedure of Anglican Councils, and we very much regret that any misconception on this point should have been aroused.

But perhaps it hasn't.

#### CONSCRIPTION, MILITARY AND ECONOMIC

It may seem strange, at first sight, to find the old demand for military conscription bobbing up again. It affects us with the same sense of anachronism as the sudden appearance of a handsome cab or a lady with a bustle.

At a meeting at the Royal United Services Institute last week, an officer demanded that twenty or thirty generals and admirals should sign a manifesto demanding that the compulsory training of all men between eighteen and twenty-five was necessary for the defence of the Empire.

This proposal was not so out-of-date as it appears. Military conscription is in abeyance, but economic conscription in some form is the programme of nearly every Party in nearly every country. Even where the principle of economic security is recognised, its price is compulsory work schemes. There is an essential difference between the two ideas. Both regard the compulsory subjection of individual interests as necessary for the well-being of the State, and the impersonal whole as more important than the personal part. Both deny man the readiness for voluntary co-operation. The conscriptionist sees the safety of the Empire dependent upon the physical subjection of the individual. The Economist, even less justifiably, sees the nation wealthier by the sacrifice of individual incomes.

Democracy is having a rough passage. The paradox of our age is that the end of a century of democratic theory sees anti-democratic tendencies gathering strength. Fascism, State-planning, centralisation, bureaucracy—these policies, gain force, and servility colours our national life, even while the conception of independence and the demand for human dignity and happiness grows more articulate in individuals. The great truth that Englishmen discovered, and understand better than anyone else—that the wealth and strength of the State have nothing to do with the prosperity and security of the individual—has been in our midst for a century and has not been acknowledged yet. And the very opposite of it is implicit in modern political theories.

The reason for this paradox may be that though to-day we are more sensitive and sympathetic, we have less sense of common purpose; the economic collapse has obscured our sign-posts. Thus the high ethical sense of the modern Englishman appears as a bridge between men rather than a uniting element. We are more friendly but less brotherly.

Regimentation does give men a sort of substitute for a common purpose; it gives an impression of unity, supplies the missing family feeling. That is the basis of the emotional appeal of the reactionary creeds, and we cannot ignore it. It can be combatted with only one principle: that men cannot co-operate effectively until they are free to refuse.

#### MAJOR DOUGLAS WILL BROADCAST

Major C. H. Douglas will broadcast an address on "The Causes of War" on November 30, St. Andrew's Day, from 10 to 10.15 p.m. The address will be broadcast from the National (Droitwich 1,500 metres) and all other National transmitters.

## Never Say Why—And How!

### An Electoral Campaign Note

**W**E have to get such a large number of electors to agree that they want the same thing, that the Government will be bound to give it to them.

So long as people do not know what they want, or want a lot of different things, they make it easy for the vested interests through their agents in the Government, to set one faction against another, and to find excuses for oppression. At the same time they make it difficult for those who wish to govern rightly to determine what people want and to oppose the vested interests.

As soon as the people know what they want and demand it collectively with one accord they set up a series of cumulative forces which, in the end, must be irresistible. We propose, therefore, to put before the electors a policy on which they can all agree. That policy, briefly, is the distribution of the plenty which is known to exist so that each may expect to benefit so long as he does not grudge it to his neighbour.

### They Are For Us Or Against Us

For our purpose then, the electorate may be divided into two groups. Those who consciously or unconsciously wish to maintain poverty and the fear of poverty as the instrument of coercion—we shall not get *their* signature by any means which can be devised. They are our opponents and the opponents of all whom we may enlist as supporters. Our supporters will be all those who consciously or unconsciously wish the world to be a better place to live in, not only for themselves but for others also; and therefore wish goods to be distributed instead of being destroyed.

It is as well that this should be clear to start with, because it clarifies the most important point in the method of this electoral campaign; and that is that we need not, and to be consistent, must not, discuss methods, only results.

We want people to agree that plenty is available and can and must be distributed, and we put before them as a concrete proposition the payment of a National Dividend to every citizen.

If they want this or something like it they will sign readily. If they want it unconsciously they will ask some

questions; about inflation, about where the money is to come from perhaps.

The correct answers are, "There must be no inflation, that would be a failure by the Government to carry out your demand" and "Wherever it comes from now." If they ask how it is to be done, it is sufficient to say, "We are neither of us likely to have a say in how it is to be done, but we *can* say that we want it done, and our votes count."

### The Decisive Vote

It was suggested in this paper last week, by a woman, that such an answer might satisfy a man but would not do for a woman. Nevertheless the arguments adduced to prove her contention were in fact a proof that there is no need to go into technicalities. She cited the woman whose reaction might be one of apprehension at latitude which might be given to her husband and sons to get into mischief.

That woman does not want to hear technicalities; either she does not want our policy, and is therefore an opponent; or else she wants to hear more about *results*, not methods. The benefits of the policy need to be made more clear to her, but she does not want to hear about the price factor, the discount, nor the difference between real and financial credit. She does not even want to know whether it will be paid by cheque or in notes, direct or through the Post Office. She wants to know whether it will demoralise her men, and perhaps how it will affect the domestic servant problem, so that she can decide for herself whether it is worth it or not. And that is what she wants to know even if she asks about methods, means or technique.

In this business a woman's "How?" may mean "What and Who and Where and When," but more probably does mean "Tell me more about how it affects me." By all means tell her.

Of course whenever anyone is really interested in monetary reform, economic systems, and the like, there is an opportunity for Social Credit propaganda by means of literature, discussion, and public meetings.

But that is another story.

W. L. BARDSLEY,

"The natural result of the application of these Socialist principles would be, of course, a great increase in the expenditure of public money and in the amount of the nation's income which is taken from its citizens and is therefore not available for carrying on their business."—Mr. W. H. Webbe, leader of the Municipal Reform Party on the L.C.C.

The reason being, of course, that there is only a limited amount of money in existence (owing to the repeated failure of the money crop) and that you can only put money in one place by taking it from another. It is a question of who shall go short. Politics is awfully exciting.

"New credits and new loans can help to extricate old credits and old loans."—*Times City Notes*.

Just as the devil can extricate you from the deep sea, or the fire, from the frying pan. The key-word is "extricate."

Read

## G. K's WEEKLY

Edited by

G. K. CHESTERTON

Every Thursday

Price Sixpence.

SPECIAL CHRISTMAS NUMBER, DECEMBER 13th.

G. K's Weekly - 2, Little Essex Street, Strand, W.C.2.

OUR PAMPHLETS ON

## THE NEW ECONOMICS

are in great demand

Since September over 5000 copies have been sold.

They are unusually well printed and produced.

Special Terms for Quantities

- No. 1. THE USE OF MONEY  
by C. H. Douglas  
(*The Christchurch Oration*)
- No. 2. THE NATURE OF DEMOCRACY  
by C. H. Douglas  
(*The Buxton Speech*)
- No. 3. SHORT PAPERS ON MONEY  
by Lord Tavistock
- No. 4. POVERTY AMIDST PLENTY  
by the Earl of Tankerville
- No. 5. By the Dean of Canterbury  
(Title to be announced)

A further series is in preparation.

## STANLEY NOTT LTD.

Publishers of Social Credit Literature  
69 Grafton St. Fitzroy Square W.1

# THE CHURCH AND THE MONEY POWER

BY J. S. KIRKBRIDE

“IF there is one reflection more than another which recurs to me at the end of these studies, it is the fallibility of those who specially prided themselves on their realism, that is, on their capacity to measure facts and forces, regardless of sentiment, emotion, prejudice and even of what in other relations of life would be called justice and right and wrong. In the end it was found that the excluded sentiments and moralities had a realism of their own which was ruinous to the schemes of those who disregarded them.”

(“Fifty Years of Europe.” J. A. Spender.)

It seems almost inevitable that unless some sudden stirring of the national conscience compels our leaders in Church and State to face facts nothing less than the approach of overwhelming disaster will shake their confidence in the accepted exponents of orthodox economics and break the spell which binds them to the “black magic” of high finance.

So strongly entrenched is the position of the money monopolists, so malefic the effect of their policy on the lives of the people that a writer of acknowledged economic erudition, Miss Ruth Kenyon, has come to the conclusion that:—

“Somehow money, which is supposed merely to reflect in its own terms, and by reflecting to facilitate, the real economic process of the production, distribution, and consumption of goods, has acquired laws of its own which cut across and impede that process. It has come to represent, not goods, but debts; and society in general is in the position of the primitive peasant in the stranglehold of the moneylender.”

The loosening of that stranglehold is the task society must accomplish or perish. We may well ask, in despair, if there is any institution or society in existence which could hope successfully to grapple with the mighty power of international finance; and the answer comes quick and confident: Yes; The Church.

Of course it is common knowledge that there are many priests of the Church of England,—and at their head, conspicuous for length of service and tireless advocacy the outstanding figure of Hewlett Johnson, Dean of Canterbury—who are working enthusiastically in the cause of economic emancipation and all it implies, but if there is to be any hope of definite and enduring success, action must be corporate and episcopally led.

## The Church Must Make a Pronouncement

Now, what we of the rank and file of the Church Militant ask of the united wisdom of the Episcopate is, a solemn pronouncement, amounting to an oecumenical decretal, of the purpose of industry and the administrative mechanism of production and distribution we call money, of the same comprehensive nature as the Encyclical, “Quadragesimo Anno,” of His Holiness Pope Pius XI.

When the history of our time is written in the years to come, when men and events are seen in their true perspective, this noble pastoral will count amongst the decisive documents of the age. The full import of the following words has not yet been grasped:—

“The appeal made by some to the words of the Apostle: ‘If any man will not work, neither let him eat,’ is as inept as it is unfounded. The Apostle is here passing judgment on those who refuse the work though they could and ought to do so; he admonishes us to use diligently our time and our powers of body and mind, and not to become burdensome to others as long as we are able to provide for ourselves. In no sense does he teach that labour is the sole title which gives a right to a living or to profits.”

That last sentence is nothing less than a denunciation of orthodox economics and an implied, if unintentional, benediction of the Social Credit objective.

But that is not all. The Holy Father emphasises the right to a living by adding:

“Then only will the economic and social organism be soundly established and attain its end, when it secures

for all and each those goods which the wealth and resources of nature, technical achievements, and the social organisation of economic affairs can give. These goods should be sufficient to supply all needs and an honest livelihood, and to uplift men to that higher level of prosperity and culture which, provided it be used with prudence, is not only no hindrance but is of singular help to virtue.”

Mark well those words and compare them with the considered opinion of C. H. Douglas:

“What is called Civil Law is concerned almost wholly with matters which can be referred ultimately to the Money System. That is obvious. But it is not less true to say that an overwhelming majority of so-called criminal cases can be traced, either directly or indirectly, to a financial incentive.”

When His Holiness and a plain Scottish engineer arrive at a similar conclusion on a question of ethics—there must be something in it!

## The Sinister Power of Finance

Now what does all this lead up to? Merely to call attention, yet once more, to the most sinister feature of our social disorder—the perversion of the power of money—and to underline Major Douglas’s stern indictment:

“The position into which money and the methods by which it is controlled and manipulated have brought the world, arise not from any defect or vice inherent in money (which is probably one of the most marvellous and perfect agencies for enabling co-operation, that the world has ever conceived), but because of the subordination of this powerful tool to the objective of what it is not unfair to call a hidden government.”

And when we reflect on the fruits of that “hidden government,” on the devastating poverty, the long tale of bankruptcies and suicides, the misery of the unemployed, the looming threat of war and the possible dissolution of society, is there not sufficient prima facie evidence to substantiate the charge that this hidden power is essentially evil? At best it is but a moral, and knows nothing of those finer sentiments and moralities which Mr. Spender so wisely says have “a realism of their own.”

## The Church’s Great Opportunity

And, moreover, this indictment is supported by revered names. “Control of financial policy,” says His Holiness, Pope Pius XI, “is control of the very life-blood of the entire economic body.” President Roosevelt goes one better: “The practice of unscrupulous money-changers stands indicted in the court of public opinion and rejected by the hearts and minds of men.” The list could be extended indefinitely but what has been said will serve.

It is this sinister monopoly that the Social Credit movement is determined to break, and it is to the Church that her sons appeal for help and inspiration. Never has institutional religion been presented with a greater opportunity of making the teaching of Our Lord the decisive factor in practical politics than is offered it by the disciples of C. H. Douglas. But will it be seized? Alas, we know only too well that the history of the Church of England is marred by a long trail of lost opportunities. Is she about to register the last and greatest of them?

Brave leadership on the part of the Episcopate of the Anglican Communion might, nay would, win the enthusiastic co-operation of all who profess and call themselves Christians the world over and pave the way for that renaissance of Christendom which is the only “League of Nations” that can hope to meet and defeat the forces of High Finance in open warfare.

And there is more at stake than the welfare of the people of Great Britain and their brethren in the Dominions beyond the sea; the whole future of Western Civilisation is in the balance.

It is a startling fact that the only recorded instance of our Lord’s using violence was when He made a scourge of small cords and with it drove the money-changers out of the Temple. Has the wheel come full circle?

## "MADE IN JAPAN"

### An Explanation of Japan's Success in the Competition for Markets

TO one industry after another these words have come to mean losses of overseas markets, and, in addition, severe competition at home by goods priced so low that no ordinary tariff will keep them out.

Commencing with cotton and silk yarns and textiles, Japanese competition has rapidly extended to trade after trade, until to-day there are probably few industries producing for export that remain unaffected either directly or indirectly.

Great Britain, as a leading exporting country, has been one of the chief sufferers, but none of the industrialized countries has escaped, however efficient its productive methods.

The explanations given for the increasing Japanese ascendancy, usually take the form of charges of unfair advantages gained in one or all of the four following ways:—

1. Labour conditions practically amounting to slavery and a debased standard of living generally.
2. The depreciation of the Japanese currency unit—the yen—in terms of foreign currencies.
3. A very high degree of mechanisation in Japanese industry in conjunction with (1) above.
4. The payment of subsidies to exporters and to ship-builders and operators.

#### The Charge of "Slave Labour"

The most popular of these four charges is the first—slave labour. It is the explanation generally given by labour leaders in Great Britain; and the employers, doubtless with a view to increased tariff protection in the home and colonial markets, have also given it their support.

The Federation of British Industries for example, in its report, "The Menace of Japanese Competition," issued in 1933, refers to all four charges but underlines the importance of the first as follows:—

"Basically, however, Japan's ability to maintain a competitive advantage in export trade depends, not so much on her Government's power of regimentation in financial and commercial affairs, as on the extremely low standard of living of her working population."

In support of this conclusion comparisons are made between the wages paid to certain classes of British and Japanese workers. It all looks very convincing, and it has been swallowed without question by the Labour Party; *nevertheless it is nonsense.* The purchasing power of the yen in Japan, which is what matters to the Japanese worker, is ignored, and no allowance is made for the value of the housing, recreational, and other facilities provided free by large Japanese firms. Further, it is a fallacious comparison, for the standards of East and West differ, and if a fair comparison is made, that is, with another Asiatic country, for example India, it is found that Japanese workers are generally better treated in every way.

#### The I.L.O. Denies Bad Labour Conditions

Unfortunately for the Federation of British Industries and its Labour allies, this charge of cheap labour can be completely dispelled by reference to the facts.

First, as to actual labour conditions: An expert labour investigator, in the person of the Assistant Director of the International Labour Office of the League of Nations—M. Fernand Maurette—recently visited Japan to obtain information on living and working conditions, and concludes his report as follows:—

"Social dumping, defined as the operation of promoting the export of national products by decreasing their cost of production as the result of depressing conditions of labour in the undertakings which produced them, or keeping those conditions at a low level, if they are already at such a level . . . does not exist in Japan."

#### Wage Rates Could Not Affect Prices

But there is another, and even more conclusive answer to the "cheap labour" argument. Referring to the extensive mechanisation and consequent labour displacement in some of the industries, M. Maurette says, "some workshops appear to be almost empty of workers."

This proves that even if it were true that Japanese labour is sweated, *it completely fails to explain Japanese prices,*

for in the highly mechanised industries direct labour charges form an insignificant fraction of cost, and wages, whether high or low, could make no appreciable difference to the cost of production.

In fact, in such industries, variations in wage rates of several hundreds per cent. may not mean a variation of one per cent. in the price of the product. In other words, *wages could be increased until they were several times higher than in any other country, and still there would be no appreciable difference in prices.*

In the case of artificial silk yarns for example, the process of manufacture is so highly mechanised that direct labour costs are less than one per cent.

#### Currency Depreciation—No explanation

The second factor,—the depreciation of the Japanese currency, has undoubtedly assisted the export trade of Japan, but its importance has frequently been overstressed, for it results in higher prices having to be paid for raw materials, nearly all of which must be imported. To some extent Japan may have overcome this disadvantage by manipulation of the exchange rate, but depreciation must fail as an explanation of the extent of that expansion, for as M. Maurette states, "it bears very heavily on imports."

M. Maurette regards depreciation as an accidental and temporary factor, whereas the report of the F.B.I. suggests that it forms a part of the Japanese policy. This is more probable, as in Japan *the financial system has been made the servant of national policy, instead of the master as elsewhere.*

#### Mechanisation Also a Minor Factor

The third suggestion,—that the explanation of Japanese success is to be found in a high degree of mechanisation—is presumably accepted by M. Maurette, for according to *The Times* review of his report, he considers the "ultimate cause is to be found in commercial and technical organisation."

That is a surprising conclusion. Mere industrial organisation cannot possibly explain Japan's ability to underquote competitors by as much as seventy, eighty and ninety per cent., as frequently happens. One can only assume that M. Maurette was prohibited by the terms of his instructions from investigating other factors which might be expected to have a bearing on Japanese prices, and, having had to dismiss sweated labour as a result of his investigations, and regarding depreciation as temporary and unimportant, was forced to this conclusion for lack of other explanation. Alternatively, possibly the term "commercial" covers these other factors, such for example, as the use of the financial system to further national policy.

Be this as it may, it is clear that no amount of *industrial* organisation is adequate to explain the increasing ascendancy of Japan. In fact, even if it be assumed that all three factors, sweated labour, a depreciated exchange and a highly efficient technical and commercial organisation are operative, they are insufficient either individually or in combination, to account for such incidents in the economic war as the capture of the Indian market for cotton textiles.

#### Underselling In Spite of 75 per cent. Tariff

The facts of this are significant. The manufacture of cotton textiles is what may be called a "natural" industry in India, which produces a large cotton crop, whereas Japan has to import raw cotton thousands of miles by sea, much of it coming from India. Despite this initial disadvantage, Japan succeeded in underselling all competitors in the Indian market, including the Indian mills, using Indian labour and raw materials, despite the fact that import duties were constantly raised until in 1933 they stood at seventy-five per cent. ad valorem for certain classes of goods, against a rate of twenty-five per cent. ad valorem on similar British goods. The position of the Indian mill owners finally became so serious, that the Government was forced to intervene, and Japanese imports are now restricted by a system of quotas.

Competition from Japan on similar lines is now being experienced in the world markets for an ever-extending

range of goods. One more example may be quoted as of particular interest, for it disposes of an argument sometimes advanced, that Japan's success is due to the late development of industrialism, which has permitted the use of the most up-to-date machinery and processes.

The industry in question is the manufacture of artificial silk which was not developed extensively in any country until after the war. Yet Japanese exporters have recently underquoted British, American and Italian manufacturers of both artificial silk and cotton goods by seventy-five per cent. in the Australian market, with goods made to the patterns of their competitors. This despite a preference for British goods of one half to one third of the duty, which for some lines amounts to ninety per cent. ad valorem.

### The True Explanation—Subsidies

Instances such as these can be multiplied, and it is quite obvious that, of the four reasons generally given, there is only one that can possibly account for Japanese prices, and that is—Government subsidies.

The circumstantial evidence in support of this is overwhelming, and factual evidence though not so plentiful is also available. The report of the Federation of British Industries contains certain information. Figures are given of the subsidies paid to shipping companies totalling 185.5 million yen for the period 1920 to 1932. Without such payments it is claimed that the companies would have suffered severe losses in each of the years mentioned. Further statements in the same Report, showing the manner in which new industries have been founded with Governmental assistance, are as follows:

"It was the Japanese Government who first started Japan on the industrial road by providing factories, importing the machinery, engaging experts abroad, and finally handing over the works to private enterprises when the industry appeared to be properly established. Throughout the period of its development, Japanese industry has been assisted by the Japanese Government to develop new outlets by such means as special tariffs, *subsidies*, and even in some cases by *State guaranteed profits*." (My italics).

and

"Since 1925 the principle of Government aid to export trade has been recognised by law in the form of a subsidy, *i.e.*, a "foundation" grant, to help in the formation of guilds or associations either of manufacturers producing goods principally for export, or of actual exporters.

### The Financial Policy of Japan

These statements have never been denied by Japanese sources, and support can be found for them in official Japanese publications. "The Thirty-Third Financial and Economic Annual of Japan, 1933, issued by the Department of Finance, throws light on the manner in which the Japanese financial system has been adapted to promote a national policy.

The Japanese banks are forced to hold a proportion of their deposits in national bonds or other negotiable paper approved by the Minister of Finance, or to deposit them in the Deposit Bureau of the Department of Finance. The Bank of Japan, the central bank of the country, was authorized in 1932, to increase the issue of notes, backed by Government bonds and Treasury bills to 1,000 million yen, and where necessary to exceed this limit. The Deposit Bureau in addition to bank deposits, also deals with all savings bank deposits and certain other funds, which are invested in national loans, or loaned to the General or Special Accounts of the Government, or used for other purposes "for the benefit of the State." The funds invested by the bureau amounted, in 1933 to 3,595 million yen.

By these, and other methods, the Japanese Government has steadily increased the internal loans which rose from 2,600 million yen in 1924 to 5,700 million yen in 1933, the Budget having been balanced by loans for some years. In the same period external debt decreased from 1,600 million yen to 1,400 million yen.

### The Use of the Nation's Credit

It is well known that Major Douglas's books have large sales in Japan, and sufficient has been said to show that the Japanese Government, alone amongst the Governments of the world, has grasped the possibilities of utilizing the national credit.

Japan has not adopted the proposals of Major Douglas, but has adapted them to the national policy, which appears to be that of maintaining employment at home by building up an industrial system which shall be second to none, by means of the subsidisation of exports. **Internal debt thus continues to pile up, but why worry? It need never be repaid!**

Attempts to meet the resultant competition by means of tariffs are utterly futile, for goods thus paid for from two sources can jump any tariffs, and attempts to restrict them by quotas, as in the British Colonies and India, must tend only to exacerbate relations with Japan.

### Social Credit Alone Can Meet the Situation

The fear of this competition, which, at any time may turn to hatred, can only be overcome by the reorganisation of the financial system in such a manner as to permit the distribution of the abundance potentially available to our own citizens. In this way only can Great Britain be made independent of export markets in which to dump the surplus of goods at present unsaleable in the home market.

To our shame, it has been left to Japan to demonstrate that financial policy can be made to serve national ends. But Great Britain may yet balance the account by adopting a national policy of production for consumption, and thus transform export trade from a form of warfare, into a friendly exchange of surpluses.

J. DESBOROUGH.

### FOUR POINTS TO REMEMBER

It is the public duty of all experts on Real Credit (such as, for example, all business executives, farmers, housewives, engineers, and poets) to continually complement the absurdities of finance with the realities of living.

To be specific, the following points which are incontrovertible, must be insisted upon:—

1. Money is no mystery but simply a ticket-system, subject to the common will as to arrangements for production and consumption, and to nothing else.
2. The wealth of a country is its productive capacity, which can be drawn on to any extent by the proper money arrangements; and the extent to which it is drawn on must be decided by the nation, not by arbitrary fiat, either of Government or any self-appointed authority.
3. The object of production and of national union is to deliver usable goods and services with the minimum amount of labour and trouble, and is not to make employment.
4. The existence side by side of unsatisfied wants and of unused productive capacity, either of men or machines, because of ticket difficulties must be corrected by changing the ticket system and not the productive system.

With these four (not of course exclusive) points of elementary sense in mind, the least informed among us is equipped with the rubber gloves with which alone finance must be handled.

"New Democracy."

### "YELLOW GOLD DUST"

#### A Financial Septain

Yellow  
Gold Dust,  
In our eyes,  
Flung by High Finance,  
Blinds us for a space,  
(While we grope for daily bread)  
To their bid for power and place;  
Their greed for diamonds is fed  
with usury from every race.  
When Social Creditists arise,  
Each one must  
His fellow  
Trust.

HELENA ADDIS.

## ROOSEVELT ?

### THE ENIGMA OF AMERICA'S FUTURE

**P**RESIDENT ROOSEVELT has swept the American board. Before the elections of November he was entrenched in the White House; after them, he is enthroned there.

While President of the United States, he is more powerful for good or evil in the world than Mussolini, Hitler, and Stalin rolled into one. Why? Answer: by virtue of the sheer amount and volume of matter, human, physical, and financial, at his command. From the point of view of Social Credit, therefore, the question whether it is a good thing, or an indifferent thing, or a bad thing, that Roosevelt has achieved this increase of stature, is an interesting one. And the fact that no one except the President himself can answer this question does not make it any the less worth asking.

#### An Honest American Statesman

It all depends, of course, on what is going on inside Mr. Roosevelt's head. What kind of a head is it? Well, everyone is agreed on two of its contents: it contains honesty and political shrewdness. The honesty is something to write home about, because honesty in an American statesman is an exception rather than the rule. I hasten to add, lest British readers should give themselves a pat on their insular backs, that this is not because Britishers are better men than Americans, but simply because in the realm of politics, as in the realm of sport, the standard of the two countries, as well as the objective, is totally different.

In American politics and sport a man does not play in order to "play the game," but in order to win: and the stakes are high. It was quite easy, for instance, to manipulate into the Presidency within recent years a man who was nothing more than the accomplice of an Ohio oil gang. A parallel in England is unthinkable and would be impossible, for the simple reason that a piece of dishonesty, in order to pass muster in England, has to graduate from the jovially glaring to the infinitely subtle; and long before any such gang could reach the plums of office its dishonesty would be sandpapered and polished until it could be described no longer as dishonesty at all, but a piece of expedient high policy. In England politics wears a top hat; in America, shirt-sleeves. It is important to realise, therefore, how fortunate America is to have in Roosevelt an honest man. In that far Social Crediters can applaud with the rest of the world one who, not being a conscious tool of anyone else, is a free agent with almost unlimited power.

The other point of general agreement, Roosevelt's political shrewdness, needs no comment: the recent elections prove to what an unprecedented extent he has his finger on the pulse of the people.

#### What Are His Real Opinions?

But here the general agreement stops. To the nation at large the President has become, as the *New York Times* puts it, "the symbol of the nation's hope," and the nation, busy trying to earn its living is content to leave it at that.

Social Crediters on the other hand may be divided into two classes when they think of Roosevelt's policy. There are those who think he is blindly, though not wantonly, letting slip the golden chance of the century; vainly trying to equate Consumption to Production (his avowed object) by increasing Production; raising wages intentionally, and so raising prices unintentionally; salving the Present by drawing huge drafts upon the Future; trying to borrow himself out of debt; regarding unemployment as a curable disease; etcetera. And there are those, a small minority, I think, who believe that Roosevelt is biding his time and meanwhile fighting the enemy with its own weapons.

These latter people say, rightly of course, that the President is at the front, faced by the massed artillery of the most powerful force ever brought to bear upon the world. He cannot fight this force either openly or quickly or politely because he is not strong enough, even yet. He must therefore skirmish for position and use time for gaining tactical advantages so that he may be in the stronger position when he does see fit to strike.

#### Does He Mean Social Credit?

These two sets of opinions might be labelled Facts and Hopes respectively. There is no denying that, to date,

the facts are bad facts, and there is not one which can be cited as a definite piece of evidence that Mr. Roosevelt has his eyes fixed on Social Credit as a goal, or indeed that he has ever heard of it. This piling monument of bad facts notwithstanding, one need not necessarily believe that the hopes are all bad debts, because, *IF* he has Social Credit in his mind, he *MUST*, in face of such an enemy, bide his time, marshal his forces, and do the thing in his own way beyond the peradventure of failure.

To the onlooker Roosevelt seems sometimes to take two steps truly forward, and then one step back. For instance, last January, when he successfully laid claim in the nation's name to the gold reserve of the Federal Reserve Board banking system, one would have expected him to reason thus: "The sacrosanct law of banking is that the modern money of financial credit must rest upon a base, however small, of gold; without its pinpoint of gold the sacred structure of the inverted pyramid cannot be reared. Splendid! The nation, and not the banking system, now has the gold—thanks to my gigantic and revolutionary action; and in America's case the gold is more than a pin-point. Very well, the next time I need financial Credit I shall, by all the laws of sound finance go to the fellow who has the gold. That is, I shall go to the nation. And I shall tell the nation that it need not be so foolish as to charge itself interest for lending to itself what is its own. I shall save the nation millions of dollars."

#### Ignorant, or Playing a Game?

Now, perhaps the President *did* reason like that—to himself; but not to the enemy, for reasons mentioned above. Be that as it may, what happened was that, a week or so later, when he needed a paltry six billion or so for Public Works, he went not to the fellow who had the gold but to the banks who hadn't, and asked them to be kind enough to create six billion and lend that amount to the nation which would repay it together with interest within such and such a time, etc. What was this? The subtlest tactics, or merely force of habit?

Turning from Mr. Roosevelt to America, his material, I think it is true to say that the state of Social Credit there is the same as its state in England; it is neither more forward nor more behind. A sea voyage of 3,000 miles does not give men and women more brains or remove prejudices or appreciably change the mental make-up of professors, politicians, bankers, or men-in-the-street. There, as here, there are many brave souls who disobey, and damn the consequences. There are differences, of course; small ones. For instance, Americans love lectures, and dote on forming themselves into clubs, especially women's clubs; but since they listen to, or at any rate attend, lectures upon every conceivable subject, it would be misleading to estimate the depth of the spread of Social Credit by the number of lectures delivered on the subject. Again, the body of Communists are drawn from a better educated class than in England. Thus in England at the meeting to establish the League to Abolish Poverty it was collarless smart-Alec young hoodlums who, on being offered the chance to support a National Dividend which would "ensure them security" used what grey matter God had given them to shout out, "We don't want no Dividend, we want security!" But in America it is the well-dressed Russian Jewess reporter on one of the big New York papers who interviews you on Social Credit, declares proudly she is a Communist, and ends the interview by looking at you with withering contempt and saying, "I see! So you are one of those people who want to *STOP* the Revolution!!"

Also, I think there is more fear in America. I think this is because there is more corruption there and less justice, and what justice there is is rougher and readier; and America is big enough to get lost in, and be effectively forgotten—too big for you to be able to "write a letter to the papers about it," for which papers would you write to?

#### The Situation Doubtless Much Like Ours

Alongside these and other minor differences go the same wide human traits which make America's difficulties the same as ours, and their progress the same as ours. A true article about the American scene, therefore, can have for  
(Continued on page 193).



## SOCIAL CREDIT MOTIFS—VI.

### Social Co-operation

*The stage is set for a change of mechanism; in place of a Society based on restraint, a society based on the conception of assistance, of co-operation, is overdue. Let us be clear that the only assistance which is tolerable or acceptable is that which can be declined.*

C. H. DOUGLAS.

In the few words quoted here, Major Douglas expresses a general social policy never yet embodied in the organisation of a modern community.

In contra-distinction to the disciplined co-operation hitherto regarded as inseparable from the achievement of any act of production, the co-operation of organised society *with the free desires of men* is here claimed as the basis for a new civilization.

The vital conception of economic democracy lies in this distinction. For whereas in carrying out any undertaking previously agreed upon, the co-operation of those engaged in the task must be directed by authority, in creating a co-operative condition of life, authority becomes the servant of the individual, a purely functional executive, whose operations are designed precisely *not* to over-ride the personal will but to assist its expression.

The analysis upon which the proposals for Social Credit are based, proves that security has now been achieved in the provision of material welfare; it also proves that the habit and the power may safely be depended upon to continue—if only because the power is so largely derived from natural forces through mechanisation, and its direction, in ever new ways and ever greater volume, is intensely interesting to a sufficient number of the population. Moreover, a steadily decreasing proportion of labour is needed to supplement the natural forces employed.

#### Security with the Minimum of Compulsion

Plenty is assured, though it is not distributed. The long devotion of the world's energies to this achievement has ended in triumph; and with it is ended all excuse for conducting the common life as if the provision of mere livelihood required the slavish compulsion of the whole population. In truth a rich security of livelihood is ours by natural right, with a minimum of compulsion.

At this point the social order that is based upon rewards for participation in the material effort and punishments for failure to participate "ceases to serve the interests of the individual." At that point, says Douglas, "the individual will break up society" unless an altogether new conception, that of assistance and co-operation with the individual will, is made the basis of the social order.

"The stage is set" as Douglas expresses it "for a change of (social) mechanism." And the direction is clearly indicated by the facts of the situation:—

"There is no virtue," he writes, "in taking ten hours to produce by hand a necessary which a machine will produce in ten seconds, thereby releasing a human being to that extent for other aims, but it is essential that the individual *should be released.*"

The accomplishment of that release challenges the social order. For release from participation in production is a mere frustration and a void if it sets men in the isolation of poverty. It must be changed so that their release sets them free and materially secure to work out the richness of their own desire and ability.

Men could bear the "punishment" of poverty for failure to participate, so long as shortage really resulted. But now that the "punishment" of deprivation takes place amidst heaped-up goods, rotting or destroyed before their eyes, the

soul revolts. The human spirit and the facts of the world are in essential harmony. With the triumph of productivity which toil and invention have brought about, the passive endurance of an alien will to scarcity becomes unbearable.

#### The Weapon of Financial Intimidation

So true is the world to itself that with the coming of plenty, nothing but a sheer ghost—the bogey of financial disaster—could intimidate the people. Unreasoning fear was engendered; for it is commonly acknowledged that the days of justifiable fear concerning material welfare are past. And lest that spurious fear should fail, flagrant tyrannies have been encouraged in government, to keep down the rising spirit. But these tyrannies would be helpless were they the final court of appeal.

They are not. The final court of appeal is the bogey, and what is fatal to a bogey is light. Social Credit is light, and wherever it penetrates, the new order of co-operation is seen to be not only desirable, not only possible, but essential, as much for the individual as for civilization.

And here we have the thorough good sense of Douglas. He recognises that every man normally expends part of his energy for the social advantage and part for his own self-development. The easy transition from one to the other should be characteristic of any durable civilization in which material needs were safely met.

"There seems nothing inherently absurd," he writes, "in a man being a bricklayer in the morning and a company director in the afternoon . . . In this aspect (as a bricklayer) the individual is not serving his individuality but ought to be serving his environment in the best way possible."

In the latter case (as a company director) he is freely exercising a chosen function.

It is the "aspect" of freely chosen activity which society needs now to encourage in every possible way:—

"The separation of large classes into mere agents of a function, engaged in never-ending toil of which the prime inducement is money . . . (is a process) without a single redeeming feature."

But the act of faith which society finds it so hard to make, is to place such security under a man's feet that he cannot be compelled. The money-bogey holds us; it still exercises so much power that men tremble at the suggestion of removing its terrible dictation.

#### Mankind is Ready for Free Co-operation

The fear is indeed paralysing; but it is not of their free will that men support so destructive a constraint upon one another, and bear the injurious repercussions upon themselves. The will may be released from the deception which paralyses it.

The light is spreading very rapidly now, and who can tell at what point the illumination may be sufficient for men in their organised institutions, to see the timely wisdom of yielding to their own heart's knowledge that society should now be based upon the conception of assistance, and that:—

"The only assistance which is tolerable or acceptable is that which can be declined."

We are concerned with increasing the light by which a social order shall be established on that basis of faith. The whole range of man's being supports us. His aspiring spirit; his never-ending invention; his sheer observation of facts; and the need for food and warmth and a place to enjoy them in, find unity in this revolution.

DEMOS.

ROOSEVELT *continued from page 192.*

the Englishman little about it that is exotic, for it is a picture of himself in large.

And yet—I feel ten years younger when I set foot in America! Is that just the climate? It is partly the climate, I am sure. But there is a mental climate, too. There is an eagerness, and a sense of youth. The air is literally pregnant with possibilities, or seems so. There is a willingness to listen to a new thing because it is new, even though the ability to understand is no greater than ours here at

home. There is a divine hustle, the kind that produced the National Credit Issue Bill, a Social Credit measure couched all ready in the correct Parliamentary or Congressional language and set on Congress's doorstep all ready to be introduced. The draft of that Bill is nearly a year old. To-day, in England, have we drafted its equivalent? Not on your life! We shall "wait and see" Gee! its a great country, is America! May Roosevelt make it greater! But, as I said at the start, nobody but Roosevelt can say whether Roosevelt will.

MAURICE COLBOURNE.

## BANKING UBER ALLES

The Fairy Tales of the President of the Institute of Bankers

THE half-truth is always the most dangerous lie. And when the half-truth is a banker's dictum, solemnly pronounced before an august assembly self-interested in the pronouncement, it is necessary to supply the necessary comment.

Mr. F. L. Bland, the President, addressing the Institute of Bankers on November 13, committed all the half-truths required of him, commencing with the common confusion between "organisation" and "system," by stating that "the monetary system of a country was peculiar to that country," while "the economic system was common to the whole of a civilisation."

Having thus stood the facts on their heads, the conclusion followed quite naturally that:

"Some whose wish would seem to be father to an erroneous transference of thought were ascribing to the banks blame for troubles which were due chiefly to external economic disturbance, and had nothing whatever to do primarily with the monetary system of this country."

It must be unpleasant to find oneself the father of an "erroneous transference;" but the statements of which Mr. Bland proceeds to deliver himself could certainly not have claimed the Cunliffe Committee Report as their father. Nor would such authorities on banking as the Encyclopaedia Britannica\* or Mr. Hawtrey† have admitted paternal responsibility for the birth of such statements as:—

"Bankers could not create money in the sense of wealth. Money as stored wealth must originate in individual effort; it represented accumulated savings of surplus beyond expenditure. . . . All the banks could do was to provide financial help or credit . . . after satisfying themselves as to the nature and legitimacy of the demand; for it was someone else's money which would be involved."

Now the Cunliffe Committee clearly set out, and added a footnote giving precise particulars as to the method, that the banks had created additional money to the tune of about £4,000,000,000 between 1914 and 1918 which was *not* "someone else's," *not* "money saved in smaller or larger sums," and "lent on trust for its owners," as Mr. Bland describes the banking process.

It was created out of nothing; it will be cancelled out of existence if and when it is repaid. It draws approximately £120,000,000 a year in interest. These facts, which give a flat contradiction to Mr. Bland's statements, are not the writer's inventions. They can be corroborated by reference to those standard authorities on banking which financial speech-makers, accustomed no doubt to public ignorance, are either too absent-minded to remember, or find it convenient to forget.

As for Mr. Bland's statement that the economic system is universal while monetary systems are national and peculiar—this is sheer perversion of the facts. The monetary system is universal; the economic system in its monetary aspect is bound hopelessly to the monetary system. Indeed, the economic system, *per se*, would show considerable national differences were it not completely in the web of the one world-wide monetary system.

The speaker's assertion that "the power to create credit . . . would ever be conditioned by existent accumulations of money saved in the past" is another characteristic half-truth. The power to create credit rests upon the cultural inheritance of skill, invention, plant, machinery—and a market for the product of those powers. These values can be expressed in terms of money, but to describe that mere process of calculation as "money saved," is simply to perpetuate and emphasise the false identification of money with wealth.

The speaker having thus transferred the blame for the world's dilemma (due to shortage of purchasing power) to the "general economic sphere," the purpose of the lecture was thus declared:—

**"Disruption in the world to-day is due to political interference with inexorable economic laws."** This inversion of fact is a little startling even from one as blandly indifferent to realities as bankers customarily are. The exact contrary is the truth; every nation is in debt to

the credit monopoly for fabulous sums, and the political activities of every Government are ultimately subject to the "interference" and the bankers' own "inexorable laws."

More serious, however, than its direct control over government finance, is the bankers' indirect control, through the steady reduction of spending power relative to production of goods, from which all the evil of the financial system flows, and in which all its power is demonstrated. These are not the evils of administration, but of system.

Until the President of the Institute of Bankers sees fit to use language correctly, one cannot expect its members to recognise that the preservation of the banking institutions themselves, in all their irreplaceable usefulness, as the nation's book-keepers depends—as the well-being of the world depends—upon the monetary system being changed, so that it may facilitate, instead of frustrating, purchase of the goods which flow in such abundance from the modern productive organisation.

The political consequences of that world-wide failure of the banking system are incalculable. That failure is not haphazard: it follows from the principles expressed in the system. Is it too much to hope that care for the lives of the whole banking fraternity, which are jeopardised with those of the rest of the community, may induce the members of the Institute to look again, *and critically*, at their President's address?

W. T. SYMONS.

### WHAT THE NATIONAL DIVIDEND WILL DO FOR EVERYBODY

The National Dividend means a money income for all, apart from earnings, issued without inflation and with reduced taxation.

The National Dividend will secure:

- To Every Person—Freedom from fear of poverty.
- To Producers and Traders—An immediate and increasing demand for goods and services, so that they can confidently prepare for more trade.
- To Householders—An income for every member of the household, resulting in a higher standard of living.
- To Parents—The certainty of being able to feed and clothe their children and bring them up properly.
- To Wage Earners—A regular income which will not cease should they lose their jobs.
- To the Unemployed—A regular income which will not cease when they get work.
- To Professional Workers—A more numerous and prosperous clientele.

The National Dividend will result in an unprecedented improvement in the standard of living of the population by the absorption at home of the present unsaleable output, and will therefore eliminate the dangerous struggle for foreign markets.

The National Dividend will not entail financial sacrifice on the part of any section of the community, while, on the other hand, it will widen the scope for individual enterprise.

*National Dividend Series.—Leaflet No. 3.*

BIRMINGHAM DOUGLAS SOCIAL CREDIT GROUP

A PUBLIC MEETING

will be addressed by

MAJOR C. H. DOUGLAS,

M.I.Mech.E., M.I.E.E.

IN THE TOWN HALL, BIRMINGHAM

On Friday, December 7th, at 8 p.m. <sup>Open</sup> 7.30

Chairman: THE DEAN OF CANTERBURY  
(The Very Rev. Hewlett Johnson, B.Sc., D.D.)

Tickets from Lewis's and E. Grey, Bull St.; Dale Forty & Co., New St.; Scotchers, Corporation St.; Priestley & Sons Colmore Row; J. H. Riley, Paradise St., or the Hon. Sec., Mr. G. Kay, Old Croft Lane, Castle Bromwich, and all Birmingham Groups.

Upper Gallery Free. Guaranteed Seats, 6d. and 1/-

\*"Banks create credit. It is a mistake to suppose that bank credit is created to any important extent by the payment of money into the banks."—Encyclopaedia Britannica on Banking.

†"The banker creates the means of payment out of nothing."

—R. G. Hawtrey, Asst. Sec. to H.M. Treasury.

## The "Moral Value" of Poverty

A FEATURE of our present civilisation is the substitution of means for ends. Ends are disregarded or sacrificed for the means of attaining them. It is considered meritorious, for instance, to work for the alleviation of poverty, but when it comes to abolishing poverty altogether, many social workers doubt whether it would be desirable and fear wholesale demoralisation if it were achieved.

This attitude is often quite unconscious. The abolition of poverty is resisted on the grounds that "it is not practicable, . . . people are happiest when they possess little, . . . the real cause of our troubles is selfishness and materialism . . . character is developed by struggle, etc."

There is nothing more demoralising than living on false foundations. The picture of life as a bitter struggle, held up before humanity, is an utterly false one. The consequent deterioration of character is everywhere appallingly obvious. That character is developed by hardship and struggle has become a cliché. If the struggle is artificial it is likely to have less beneficial effects than a struggle with natural environment, where the conflict is with Nature and not with one's fellows.

### Character Not Improved by Poverty

What sort of "character" does privation bring forth? A stray animal rescued from the street, is at first full of suspicion and inclined to bite the hand that feeds it. With good food, care and kindness, it is usually soon changed, and is full of fun and affection. Are human beings so different in this respect?

Many people who will take endless trouble over an animal, think that human beings ought to suffer or at least be rather uncomfortable, and that any ease must be paid for by an equivalent measure of stress.

No doubt there will always be difficulties to exercise our minds and discipline our bodies, but it is not for anyone to make life hard for another, or to refrain from making it easier on the plea that moral fibre might be weakened in consequence.

All the evidence shows that our present economic system which compels men to fight each other for an artificial fraction of potential plenty, merely fosters such qualities as servility, avarice, deceit, callousness, vulgarity and veniality, and that fine qualities exist *in spite of* hard conditions rather than because of them.

Everywhere are false values and a perverted viewpoint. The illness or misfortune of some is regarded as a blessing because it provides jobs for others. Thus a person with means drinks or takes drugs, and a nurse who has perhaps been out of work finds employment. Houses are destroyed by fire, and there is work for bricklayers, masons and carpenters. Rioters break windows in a town, and the glaziers are happy.

### Forced to Welcome Others' Misfortunes

People do not naturally rejoice at the misfortunes of others, but as long as their livelihood depends upon a job, they cannot do otherwise. The impecunious doctor who can only live if enough people are ill hails an epidemic of influenza with relief.

The moral is that people should never be placed in such a position that they must welcome calamity for its economic benefits, but should receive means of subsistence apart from any work they do.

Under the present system the qualification for relief is avoid worry and fatigue.

Two women consult the same doctor, one wealthy the other poor, both suffering from anaemia and neurasthenia. The wealthy one is advised to take a month's holiday by the sea, plenty of nourishing food and

The same doctor, although well aware that his poor patient needs all these things too, does not go through the farce of recommending them, but simply gives her a tonic.

Are such conditions conducive to developing the right sort of character?

Again, the temptation to be untruthful is overwhelming in the case of delicate or elderly people forced to compete with the younger, stronger and more efficient.

We pray "lead us not into temptation," and leave millions of our fellows to live under the strain of terrible temptations.

Those who suffer privation if they are without paid work must be sorely tempted to make a job last as long as possible instead of doing it expeditiously. Prolonged workless periods would not matter to those drawing a national dividend, but under present circumstances it is demoralising in the extreme.

That poverty is demoralising is not always recognised. To accept it, not because it is the will of God—which it manifestly is not—but because it is the will of the Money Monopolists is degrading. To live simply because one prefers simplicity, is a totally different thing from living squidily because one has not the money to live decently.

Dependence upon work places men at the mercy of their fellows who can give or withhold it. Many unfortunates must have nearly starved because some other fallible human creature has labelled them "incompetent."

### When Work Might be Honourable

Only when men are free can we really know what they are, and the removal of poverty would tend to make each stand forth on his merits. It would not be so easy for people to conceal their real qualities as it is now.

The whole attitude towards work would change under Social Credit. Not only would work be considered an honour, as proving skill and integrity,—but it would be done with enthusiasm; it would be done by the fresh and vigorous under good conditions, and not by the jaded working under stress and strain.

Character is bound to deteriorate from suppression of the truth; and the truth is that poverty is wholly unnecessary and artificial in a world of almost riotous abundance and highly developed technical skill. Plenty and leisure have come to stay, and it is for us to learn how to make the best use of them.

D. BEAMISH.

### THE SOCIAL CREDIT MOVEMENT

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

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

## Correspondence

### Propaganda Suggestions

TO THE EDITOR OF SOCIAL CREDIT.

Dear Sir,—I offer the following suggestion to Social Crediters, and strongly recommend its adoption by all who have an amount of correspondence over the country.

Purchase two or three copies of SOCIAL CREDIT each week. Cut each through the centre and you will get eight valuable sheets—each generally with a complete article on one or both sides. Never post a letter without enclosing one of these sheets. (No remarks need be added.)

I play a good deal of correspondence chess, and since SOCIAL CREDIT started I have adopted this system of propaganda, and can claim—up-to-date—twelve converts, (each now readers of our paper), and a number asking for further information.

Sir, I beg to suggest that if our whole movement made more use of our postal service in this manner, the word and knowledge of Douglas would penetrate where never heard of and where all other methods have failed.

There must be many simple and novel means of enlarging our ranks, let us hear of some.

Yours faithfully,

17, Southway, Gateshead.  
November 14, 1934.

W. S. MUNDLE.

TO THE EDITOR OF SOCIAL CREDIT.

Sir,—At this time many people renew their subscriptions to weekly editions of newspapers or periodicals, which they arrange to have sent direct to friends or relations abroad as a sort of annual Christmas and New Year greeting.

May I suggest that the best and only useful gift of this kind is a copy for the next fifty-two weeks of SOCIAL CREDIT. Nothing can equal it at 10s. To suit the deed to the word I enclose an order for a year's supply to a relation in America, who has hitherto been receiving the weekly edition of one of our "daily rags."

Yours faithfully,

Manor Lodge, Stoughton, Nr. Guildford  
November 13, 1934.

S. R. NORMAND.

### Social Credit Experiment

TO THE EDITOR OF SOCIAL CREDIT.

Dear Sir,—Mr. J. E. Tuke, in your issue of October 26, suggests that your columns should be opened for a discussion of schemes for the distribution of goods and services without cash payment by means of a goods ticket or some other system.

A group in Mid-Hertfordshire is already discussing the possibility of founding a Market House for the distribution of local surplus goods and services, which might eventually or from the beginning act as a distributing centre for the surplus goods and services of the people in the Home Counties, both social crediters and others.

Below is a draft of the proposals which are subject to alteration and addition:

1. A Market to be established at which any kind of goods or service could be offered for exchange or sale.
2. Each person using the market to price his own goods or services.
3. Each person wishing to make use of the market to deposit an initial sum of not less than 5s. for which cash deposit he would receive from the Market Authorities an equivalent sum in Barter Notes.
4. All persons approving of the objects of the Market would be invited to contribute donations for which they would receive an equivalent sum in Barter Notes.
5. For reserved stalls in the Market, there would be charges payable in advance.
6. Trade to be conducted on either a cash or barter note basis. If desired, goods can be marked both in cash and barter note prices.
7. Barter notes to be issued in denominations of sixpence, one shilling and one pound.
8. To put the market on a proper basis, it would be necessary to register a Society under the Friendly Society's Act.

If any interested persons in the Home Counties will write to the undersigned, I will endeavour to keep them in touch with the progress of the scheme.

Also, if any of your readers care to indicate that they would be prepared to contribute donations and to receive Barter Notes in exchange (as per clause 4.) I will under-

take to write to them giving them the opportunity to implement such a promise if the present committee now considering the proposals decides to register a Society under the Friendly Society Act.

Yours faithfully,

JOSEPH W. SAULT.

(Acting Hon. Sec. to Committee)

46, Brockswood Lane, Welwyn Garden City.  
November 10, 1934.

### "Money," or "Purchasing Power?"

TO THE EDITOR OF SOCIAL CREDIT,

Sir,—Is not the phrase "purchasing power and prices" incorrect?

There are two factors which determine purchasing power—money and price. The banking system controls the first factor; the cost accountancy of industry controls the second factor. And because the policy and practice of the banking system have falsified industry's system of allocating costs, relative to the distribution of incomes, or money, the community suffers a shortage of purchasing power.

It is incorrect to refer to purchasing power as though it were synonymous with money. An increase of money does not necessarily mean an increase of purchasing power. The purchasing power of money fluctuates with the rise or fall of price.

I suggest that the terms "purchasing power" and "money" be kept distinct, and that "money (or incomes) and prices" be used instead of "purchasing power and prices."

Yours faithfully,

173, Wolverhampton St., Dudley.  
November 10, 1934.

JAMES JEWKES.

### "The Cistern and the Fountain"

TO THE EDITOR OF SOCIAL CREDIT.

Sir,—Perhaps I ought to follow Mr. Cousens' example, but I should like to add a word or two of apology and explanation.

I am sorry if anything I have written has been construed as an attack on the Free Churches. Such an attack in your columns would have been unfair, impertinent, and in very bad taste.

But Non-Conformity had, at one period, the misfortune to be closely associated with industrialisation and its attendant evils. It is just as true to say, of course, that the Church of England had the misfortune to become, to a very great extent, "the Conservative Party at prayer."

But I do not apologise for my remarks about the Puritans? It is true that they brought man face to face with his God; but it was a Puritan God, and therefore a transcendent, almost inaccessible God, who left man, I believe, very much at the mercy of the devil.

The Puritan claimed the right to think for himself, but he was foremost in denying, that right to others. Even Milton, because he was a poet as well as a Puritan, realised this. A private correspondent has reminded me of Milton's question to the Puritans—"How many persecutions, then, imprisonments, banishments, penalties and stripes; how much bloodshed have the forces of conscience to answer for, and Protestants rather than Papists?"

No, freedom of thought persisted very emphatically in spite of the Puritans and other "forces of conscience."

Yours faithfully,

97, Club Garden Road, Sheffield, 11.  
November 16, 1934.

TOM DIXON.

### "Open Letter to Teachers"

A REPLY TO HISTORIAN.

Dear Historian,—I am afraid that your letter is typical of the outlook of a good many members of our profession. I am glad there are exceptions.

Our present educational curriculums, stressing as it does the importance of numbers, the virtue(?) of saving, the blood and thunder type of history and the commercial geography which labels all countries as first and foremost exporters and importers, is sufficient to warp the outlook of any child.

Partisan opinion is shown in all these things, and leads, not to broad culture, but to a false conception of life, with man represented always as a worker at arduous, thankless tasks, and not as a being capable of development on planes other than that of the work-for-a-living state.

(Continued on page 197)

Our buildings are better, thank God. I no longer find the ink frozen in the inkwells on winter mornings, nor the temperature round about eighty degrees in summer. But in view of the progress in the theory of school architecture, ninety per cent. of our schools ought to be pulled down and rebuilt. Most of them need moving to more congenial surroundings, in view of the quickness of modern transport.

As for economy, if Historian studies the analysis and the proposals of Major Douglas he will find that money economy is unnecessary.

My appeal to teachers is to take a part in putting the world right. Too long, alas, has the gibe, "a man amongst boys, and a boy amongst men," been true of too many of our profession. Teachers ought to lead opinion, not follow. Modern education instils too much of the habit of accepting opinions without question, if they are backed by "authority." Teachers ought to be inquisitive.

True education has always been the revolt against the forces which would limit mankind. Let it continue to be so, especially on the part of the educators.

Yours faithfully, FRED TAIT.

*Other correspondence has been unavoidably held over until next week.*

**"SOCIAL CREDIT IN HOLLAND"**

In a report of the Dean of Canterbury's lecture tour in Holland published under the above heading in issue No. 11, of SOCIAL CREDIT we mentioned Mr. Ernst Loeb as the founder of the Nieuw-Economische Groep, but as Mr. Loeb has kindly pointed out, the Nieuw-Economische Groep was founded by Mr. Emil van Loo. Mr. Loeb writes: "The coincidence was that the foundation of the Nieuw-Economische Groep was not known to me before October or November 1933. In 1932 and the early part of 1933 I had some lengthy correspondence with Mr. T. V. Holmes, resulting in the decision to start a Dutch Douglas Group, and early in 1933 I called on Major Douglas and informed him of my wish to start a Dutch group. Then, my attention being called to the already existing Nieuw-Economische Groep, I naturally gave up the idea of starting my own group and joined forces with Mr. van Loo."

Mr. Loeb is now the Secretary and Mr. van Loo a member of the Nieuw-Economische Groep, which is affiliated to the Social Credit Secretariat.




**LAKE & BELL, Ltd.**  
**Printers and Publishers**

Sole Licencees in  
 Great Britain for

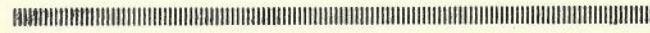
**Dual-Use Patent**  
**:: Letter Form ::**

Pat. No. 218,083

Combines a letter and  
 circular in one form



**5, BALDWIN'S GARDENS,**  
**LONDON, E.C.1**



**Auld Kings Arms Hotel,**  
**Stranraer.**

ON SHORT SEA ROUTE  
 TO IRELAND.

HOT-BED OF D.S.C.

TEL. 20. W. MacROBERT, Prop.

**SHIRTS**  
**MADE TO MEASURE**

IN  
 DE LUXE SUPERFINE SHRUNK POPLIN  
 13/9 each, including two collars.

Also at  
 11/9; 10/-; and 8/-

GUARANTEED HIGH GRADE  
 SEND P.C. TO THE MAKERS  
 FOR PATTERNS AND MEASUREMENT FORM  
**THE BINGLEY TEXTILE CO., Ltd.**  
 BINGLEY, YORKS.

Duplicating Telephone: Midland 4548.  
 Typewriting  
 Translations

**The Premier Duplicating Co.,**  
 Queen's College,  
 Paradise Street,  
 Birmingham, 1.

Stencils and  
 Inks for all  
 makes of  
 machines

Ribbons  
 Carbons  
 Paper

Mr. Thos. F. Evans  
 (Representative).

**COX'S ORANGE PIPPINS**  
 DIRECT FROM ORCHARD.

20-lb. box 12/6 and 10/-, carr. paid  
 10-lb. box 6/6 and 5/6, carr. paid

Cash with order. Prices according to grade. All boxes  
 packed and graded to National Mark Standards.

Ten per cent. of gross receipts on Sales through this paper  
 will be devoted to Campaign Funds. Please mention paper.

Lt.-Col. Normand, Guildoran Orchards,  
 Manor Road, Guildford.

# The Electoral Campaign

## NATIONAL DIVIDEND LEAFLETS

### THE ELECTOR'S PLEDGE

**I believe that, in this age of abundance, poverty can be abolished**

**It is my will that I, together with all others, shall enjoy the plenty, freedom and security that modern progress can provide.**

**I therefore pledge myself at the next election to vote only for the candidate who undertakes to demand payment of a NATIONAL DIVIDEND to every citizen, and to defer all other legislation till this is done.**

#### Leaflet No. 1.

"Demand a National Dividend" with elector's pledge. This is the essential leaflet, all others are subsidiary.

4s. 6d. per 1,000, postage 1s. 3d.  
2s. 3d. per 500, postage 1s. 0d.  
Stereos for local printing, 12s. 6d.

#### Leaflet No. 2.

Pledge only, with space for twenty-nine signatures.

12s. 6d. per 1,000, postage 1s. 3d.  
5s. 0d. per 400, postage 9d.  
2s. 6d. per 200, postage 8d.  
1s. 3d. per 100, postage 4d.  
Stereos for local printing, 6s. 9d.

#### Leaflet No. 3.

"What the National Dividend will do for Everybody." Can be used in conjunction with No. 1.

4s. 6d. per 1,000, postage 9d.  
2s. 3d. per 500, postage 9d.  
1s. 2d. per 250, postage 4d.  
6d. per 100, postage 2d.  
Stereos for local printing, 5s. 9d.

One sample of each of the above, together with a reprint of Major Douglas' Buxton speech, in which the campaign was proposed, will be supplied for 3d., post free.

Orders for leaflets, etc., should be sent to "Social Credit," 9, Regent Square, W.C.1.

### Special Note

Groups are recommended to obtain quotations from local printers to print the leaflets from stereos as advertised. Leaflets No. 1 and 2 should be on white paper suitable to be written on in ink. This will enable the address of local headquarters to be printed on the leaflets, and should result in some saving on the above prices, which represent no profit to the Secretariat.

### Manual for Electoral Campaign Workers

A comprehensive Manual for the guidance of Electoral Campaign Workers has been specially prepared for and approved by the Social Credit Secretariat.

It will save time and cut waste of effort for Campaign organizers and workers. Paper-bound, duplicated copies 1s. 3d. post free from SOCIAL CREDIT office, 9, Regent Square London, W.C.1.

### "English Lake District"

N. R. TEMPERLEY, Gowbarrow View, Dockray, near Penrith, wants to get into touch with any individuals or any groups of Social Crediters in that district with a view to helping study and propaganda.

### NOTICES OF DOUGLAS SOCIAL CREDIT MEETINGS

Notices of Social Credit Meetings will be accepted for this column. Six lines 1s., seven to twelve lines 2s.

#### Birmingham Douglas Social Credit Group

Nov. 28th, 6.30 p.m.—Queen's College, Paradise St., Birmingham—"The Meaning of Democracy." Speaker, George Hickling, Esq.

#### Bradford Douglas Social Credit Group

Nov. 28th, 7.30 p.m.—County Restaurant, Bridge St., Bradford.—Rev. V. A. Demant, B.Sc. D.Litt., will speak on "This Unemployment Disaster or Opportunity." Chairman—the Bishop of Bradford.

#### Cardiff Social Credit Association

Until further notice, discussions and debates will be held every Tuesday at 7.30 p.m. at the Angel Hotel, Cardiff, from Nov. 27. All are invited. Collection. Hon. Sec. H. Shead, Haslemere, Lavernock Road, Glamorgan.

#### Liverpool Social Credit Association

Nov. 30th, 7.45 p.m.—Bank Café, 14 Castle St., Liverpool. A Symposium led by Mr. C. E. Dean, and broadcast address by Major Douglas.

#### The London Social Credit Club

Blewcoat Room, Caxton Street, S.W.

Nov. 23rd, 7.45 p.m.—Foreign Trade and Social Credit. Speaker Ewart Purves, Esq.

Nov. 30th, 7.45 p.m.—What is Social Credit. Speaker A. L. Gibson, Esq., F.C.A., of Sheffield.

Visitors are welcome. A short explanation of Social Credit is given at the beginning of every meeting. Hon. Sec. Dr. Mitchell, 2, Bromley Common, Kent.

### Subscription Rates.

SOCIAL CREDIT may be obtained through newsagents, or direct from the Publisher, 9, Regent Square, London, W.C.1. The subscription rates, post free, both home and abroad, are:—

One Year	...	...	...	...	10s.
Six Months	...	...	...	...	5s.
Three Months	...	...	...	...	2s. 6d.

### Display Advertisement Rates.

Per Page	...	...	...	...	£2	0s.	0d.
„ Half page	...	...	...	...	£1	0s.	0d.
„ Quarter page	...	...	...	...	10s.	0d.	
„ Eighth page	...	...	...	...	5s.	0d.	

Series discount five per cent. for three and ten per cent. for six insertions. If it is desired to see proofs, advertisements should reach the Advertisement Manager, 9 Regent Square, W.C.1., not later than Friday morning for insertion in the issue of the following week, and final proofs should be returned by Tuesday of the week of issue. Size of advertisement page eleven inches by seven inches.

Only suitable advertisements will be accepted. SOCIAL CREDIT has an unusual reader value: subscribers read and retain their copies and rely upon the information contained.

### IPSWICH SOCIAL CREDIT ASSOCIATION

A PUBLIC MEETING  
will be addressed by

**THE MARQUIS OF TAVISTOCK**  
IN THE PUBLIC HALL, IPSWICH

On Tuesday, December 4th, at 8 p.m.

Chairman: Alderman F. E. RANDS, J.P.

Tickets from The Ancient House, Buttermarket; Mr. John A. White, 12b, Arcade Street, or any Member of the Ipswich Social Credit Association.

# IN THE LEISURE STATE

Every woman would indulge her natural love of linen. At present we can indulge nothing but our powers of endurance.

Yet sometimes even now we do buy linens—for our table, our beds, for needlework, dresses, curtains.

Ask for

## OLD BLEACH PURE IRISH LINENS

Because they have always opposed to the financial urge for cheapness and quantity the ideal of

### QUALITY

THE OLD BLEACH LINEN CO., LTD.  
Randalstown - - Northern Ireland.

### "Funds for the Cause."

I will give One per cent. of all Sales to Social Creditors to the funds of the Social Credit Secretariat.

Signed ERNEST SUTTON, M.I.M.T.  
Director, Ernest Sutton, Ltd.

Unrivalled for small mileage

## Immaculate

### USED CARS

Examples :

1934 (April) Austin 18-h.p. Carlton Sunshine Saloon. Black. Brown trimming. Mileage 6,500. Taxed. Quite faultless. Price £225.

1933 (January) Talbot "65" model 14-h.p. six light five seater Sunshine Saloon. Two-tone green. Mileage 10,000. Price £175.

1933 Lanchester 18-h.p. Mulliner six light Sunshine Saloon. Blue. Mileage 4,000 odd and quite definitely in new condition. Price £285.

Please get on my Mailing List.

INSTALMENTS. EXCHANGES.  
REPURCHASE.

### ERNEST SUTTON, LTD.,

Automobiles,  
79, DAVIES ST., LONDON, W.1  
MAYFAIR 4748/9



EVEN in these days of futuristic Edisplays, when cubes and squares are so prevalent, there is still a demand for old-type ornamental ironwork.

Is there anything more attractive, for example, than a pair of wrought iron gates; and what greater satisfaction can there be than the knowledge that their appearance will become mellowed with age and that time will not diminish their beauty?

To-day, at Samson Works, Sheffield, there are craftsmen who have inherited the old-time desire to produce the "thing of beauty"—their work remains unspoiled by modern progress.

Designs, or Quotations to specification, are willingly submitted for work in any part of the country.

Co-operation with Architects, Surveyors and Contractors is gladly offered where Wrought Iron Work of any type is required.

Will you write us?

# WILKS BROTHERS

Directors :  
K. Gray, F.R.San.I., M.I.M. (Chairman)  
R. B. Kirkbride (Managing Director)  
Kate Wilks  
A. L. Gibson, F.C.A.

& CO., LIMITED.

Samson Works,  
Park  
Sheffield 2  
Telephone 21457

Founded 1744

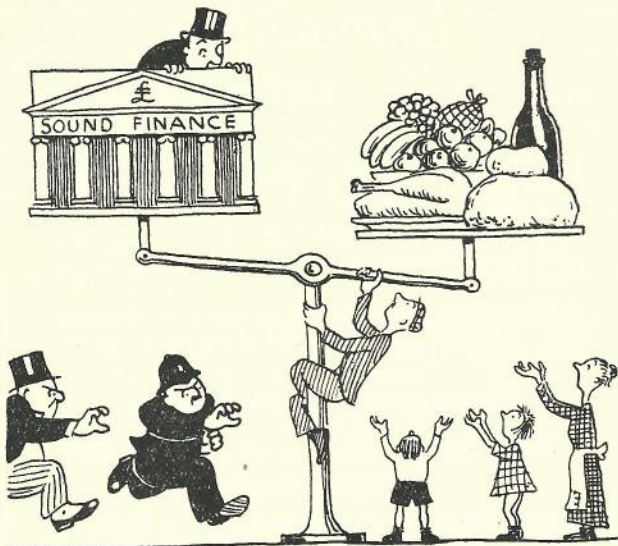
## SUPPORTING THE EDIFICE

WE have now reached the last page. But before we sing the closing hymn I want to make a short appeal.

I want to ask you not to do anything which would destroy the edifice which has been erected on the basis of sound finance and stable government.

A Voice: Wot Government?

Stable Government. That, together with sound national finance, is the basis of the edifice which I am asking you to be careful not to destroy.



"Only one thing would destroy the edifice which has been erected on the basis of sound finance."

This is not, I admit, entirely my own idea. I should have let the week go by without thinking of the edifice. I was reminded of it by the City editor of *The Times*, who says:—

"Only one thing could destroy the edifice which has been erected on the basis of sound national finance and stable government. That is, the introduction of unsound finance with unbalanced budgets and extravagant national expenditure."

I am sure not one of you would willingly destroy an edifice. The advantage of edifices is that in general they can be easily seen and avoided. On seldom knocks one over accidentally, even in the dark. Then the most careless motorist usually prefers to drive round an edifice rather than push it out of the way—which, having regard to modern housing schemes, demonstrates, I think, a quite unnecessary care.

But in this case it is not made quite clear what edifice is being referred to. There is a danger that unless some clearer definition is given as to its nature, and situation, we might destroy the edifice without noticing what we trod on.

Let us therefore collect such data as we have, so that by a process of deduction we may give some impression of the nature of the fabric.

We know, for example, that it is something which will fall down if the Budget is unbalanced or the national expenditure is extravagant.

First, then, let us see what it is that unbalances Budgets. Examining the nature of a Budget, we find that it is an account of what is done with taxation. Now, most of the money from taxation goes to repay loans and is re-invested or cancelled out of existence. It is a custom apparently maintained for the purpose of withdrawing money from people's pockets so that they shall buy less. Its effect, therefore, is that a certain amount of goods remains safely unsold, which might otherwise have encouraged the nation to

waste its substance in riotous living, besides unbalancing the Budget.

It is worth recording here in passing that as the unsold goods include those of a perishable nature, such as eggs and fruit, sound finance means a certain amount of unsound goods. But that is by the way.

Next, we will examine the nature of extravagant expenditure.

National extravagance means any move in the direction of enabling the nation to buy more than a fraction of the goods it produces. The purpose of sound (non-extravagant) finance, therefore, is moral. As you know, the Devil is always tempting industrial nations. He takes a man up into an industrial area, and shows him the means of producing enough to give the whole nation a fat life, and saith unto him, "all these things will I give thee, if you'd only have the sense to use them, you fathead." And at that dangerous moment Sound Finance butts in and says, "get thee behind him, Satan, and confine your attention to foreign markets."

From this we see that the edifice, wherever it is, is something which depends for its *status quo* upon the people of this country remaining permanently parted from a large part of their own production.

The next question before us is: what is stable government? Well, we know what a stable is. It is a place where amiable and obedient creatures hang about waiting for their masters to come and tell them what to do. Presumably a stable government is one which is similarly occupied.

Looking closer, we find that the chief function of a government—its financial policy—is carried out by waiting at the end of a telephone for the Bank to tell the Treasury what to tell the Bank to do.



I think we know the meaning of "stable government."

Major Elliott confirmed this comparison between a government and the occupants of a stable when he said once, "The peculiar feature of our country is the close connection between the City at one end and Whitehall at the other."

He did not say at the end of what; but we presume he meant a pair of reins or the end of a whip.

We now have, I think, sufficient data to give us some idea of the nature of that edifice which we have to preserve. It is something which depends for its existence on keeping the nation parted from its national wealth, and having a Government that does what it's told.

We still cannot feast our eyes on this invisible treasure of national architecture. But we can see the reflections of it. Just now I saw a man looking for fag-ends.

YAFFLE.