

SOCIAL CREDIT

A JOURNAL OF ECONOMIC DEMOCRACY.

The Official Organ of the Social Credit Secretariat.

Vol. I. No. 18.

FRIDAY, DECEMBER 14, 1934.

Weekly 2d.

Registered at G.P.O. as a Newspaper

CONTENTS

	Page		Page
Notes of the Week	233	The Social Credit Movement	240
John Bull in Queer Street.—By N. Meshed	236	By The Way	241
The Featherless Biped.—Social Credit and the Importance of the Individual.—By the Rev. Tom Dixon	237	What To Read	241
Authoritative Democracy.—A Speech delivered in the Birmingham Town Hall, by Major Douglas	238	Ethics and Economics.—By Dr. Neil Montgomery	242
Euclid Was Lazy.—By D. Beamish	240	Correspondence	243
		Notices of D. S. C. Meetings	245
		Lots of Houses.—By Yaffle	248

NOTES OF THE WEEK

BREAD AND WINE

THE French Government, on the same day, passed two Bills—one to reduce the growth of wheat, and the other to restrict the production of wine.

In both cases this is undertaken "to prevent future over-production."

Familiar though the phrase is, there has, in fact, never been such a thing as over-production. There has only been under-consumption. It is typical of their economic ignorance that, if there are two phrases to choose from, politicians choose the incorrect one.

Well-fed people may possibly conceive such a thing as too much bread. Only teetotalers can imagine such a thing as too much wine—in this life. The wine production of France might be multiplied many times and still there would be no more than the people of Europe could justifiably desire or conveniently drink. What is wrong is merely the lack of money.

A Symbolic Act

There is a symbolism about bread and wine together which makes this virtual destruction of the two simultaneously look like a cynical gesture on the part of the French Government to demonstrate the economic insanity of the world. It is as though they were performing a ritualistic ceremony to mark the final surrender of human welfare to the money monopoly, and man's final refusal of the bounty of heaven.

Bread and wine together stand, symbolically, for that state of well-being expressed in the familiar phrase in the psalms, "Wine that maketh glad the heart of man . . . and bread which strengtheneth his heart." Other forms of destruction now going on all over the world may actually be just as stupid, but this one strikes the imagination in the form of an allegory.

And the allegory is correct. No government has yet shown any sign of intending to depart from the policy which is leading steadily to destruction—restricting goods to fit the shortage of money. Most people, it is true, at least recognise the fact of potential efficiency; they know that Britain with its Empire is physically capable of producing enough to maintain the entire population in comfort and security, and only lacks the monetary means of distributing it.

But the government continues, as determinedly as ever, to act on the suicidal principle that although our potential capacity to produce all the things we want is practically infinite, the supply of money is permanently limited.

While this symbolical act of economic insanity was being performed in France, another drama was being staged in Germany that served as a fitting accompaniment to it.

A public street collection is now going on for the German Government's Winter Help Fund for the poor. Prominent men took part, and a press photograph shows Dr. Schacht, President of the Reichsbank and economic dictator of Germany, standing in the street with a collecting box.

A Banker's Pantomime.

There, in the form of a tableau vivant, was a dramatic representation of one of the most dangerous of all delusions that keep the people in poverty, namely, the belief, carefully fostered by the banks and their servants, the governments, that the only money available for a nation's needs is what comes from the pockets of the people.

All such money is created by the banks by a stroke of the pen, at no cost to themselves, on the credit of the nation. Taxation is the bluff by which this fact of the origin of a nation's money is hidden. In order to keep up the pretence that the supply of money is limited the people are called upon to pay for the equivalent of that costless money out of their own pockets.

And so, we have Dr. Schacht, head of the German national bank, begging money from people in the streets, while all the time he can, and does, create all the money the German Government issues by writing figures in a book.

No banker, we believe, has ever before gone so far as to express bank propaganda in a one-act farce. As a Christmas pantomime it was an inspiration.

None of these things—the destruction of food, the restriction of wealth-production, nor the keeping of the unemployed in semi-destitution—will be tolerated as soon as the people realise this simple fact:— That wherever wealth exists, a government can issue, without cost to anyone, every penny of the money necessary to distribute the whole of it.

CHAMBERS OF COMMERCE ASSOCIATION SABOTAGES MONETARY INQUIRY

In January of last year the Southampton Chamber of Commerce appointed a special committee to study the causes of the trade depression. The committee's report was a document which may justifiably be called a most important step towards the reform of the monetary system of this country. Many tens of thousands of copies of it have been circulated all over the world, and those of our readers who have read it know it to be a damning exposure of the financial system, a valuable source of economic study and a strong corroboration of the truth of Social Credit theories.

As a result of it, and at the initiative of the Southampton Chamber, a resolution was passed at the annual meeting of the Association of British Chambers of Commerce last April requesting the Executive Council to set up a Special Committee to consider whether the monetary system required altering, and report back. The Council allowed the motion to be inserted in the programme though it aroused great opposition from the President of the Association, Sir Alan Anderson.

In May the Association announced that the Executive Council had decided to hold a conference of those specially interested and those who had special knowledge of the subject. Chambers were asked to appoint delegates, Southampton choosing Councillor Pugh (its President) and Mr. L. D. Byrne.

It was then decided that the special conference should be held shortly after the Norwich meeting of the Association. This meeting took place, and the Southampton delegates, with others, left in the firm belief that a Special Committee would be set up as a result of the proceedings. The Executive Council, however, passed a resolution to the effect that "in present circumstances the Association could not usefully set up a Special Committee," and that "should an enquiry into the monetary system be at any time necessary," a Government Commission could do it.

At the meeting of the Southampton Chamber last week members strongly attacked the Executive Council of the Association for "acting unconstitutionally" in not setting up the Special Committee as requested at the annual meeting. A resolution was carried *nem. con.* endorsing the action taken by the directors and expressing confidence in their ability to continue to deal with the matter.

As Mr. L. D. Byrne said during the discussion, there has been deliberate frustration of the proposed inquiry. In view, however, of the commendable and determined energy with which the directors of the Southampton Chamber have conducted the affair, and of the strong feeling as to the need for the inquiry evinced elsewhere in the country, the matter is not likely to rest there, and we hope to hear that they are going to force the issue.

Copies of the *Southern Daily Echo* of December 7, giving a fuller version of the proceedings can be obtained for 1½d. post free from Southern Newspapers, Above Bar, Southampton, and we commend interested readers to write for copies.

AUSTRALIA UNDER THE HAMMER

The carefully measured phrases of *The Times* in explaining where Dr. Earle Page, the Australian Acting Prime Minister, steps off, conceal but thinly the desperate economic struggle which steadily develops, even between the constituents of the British Empire, under the downward tendency of purchasing power operating in every country.

When Dr. Earle Page clamours for extended facilities in the British market, to relieve the control (alias reduction) of primary production which he is forced to impose in Australia, *The Times* tries to persuade Dr. Page that

"the Australian case is assured of the fullest and most sympathetic consideration in this country,"

and recommends the Australians to fill their bellies with the East wind of that sympathy.

The Australians *will* keep reminding us that

"Great Britain could absorb the whole of Australian production without defeating her purpose to restore British agriculture if only she had not entered into commitments with foreign countries,"

and naturally *The Times* cannot stomach such disregard of "Britain's income from foreign investments." It must keep up the pretence that it is the British people who are concerned in these investments, and not merely certain financial institutions. Did not Mr. Snowden claim these "invisible exports" as the insurance against revolution?

"It is a pity that Dr. Earle Page should have weakened his argument by such statements . . . etc., etc." Thus *The Times* leads its readers inevitably to the proposal that the "great body of producers" must be "organised" for the purpose of devising "a general trade policy for the country and the Empire."

In this time-honoured manner the inevitable conflicts between individuals and between their Governments, which arise from the financial imposition of a lowered standard of living, are handed on for discussion amongst the victims of the cruel absurdity—the people themselves, who, surrounded by mountains of real things produced and wanted, can neither consume nor exchange them under a financial system which fails to provide them with sufficient money. The rising temper of the endless discussion is apparent in the tone of *The Times*, as is the complete absence of any possibility of solution of the problem within the ambit of the present money system.

BARTER BETWEEN GERMANY AND SOUTH AFRICA

We turn with relief from the spectacle of rising exasperation between the nations of the British Empire, enmeshed in an insoluble conflict of interests for their very lives, to the latest example of direct exchange of goods arranged between the governments of two countries.

No real solution of the grievous conditions imposed by financial policy lies in the return to direct exchanges of goods. But some alleviation of distress amongst the peoples of each country can be thereby achieved; more money is distributed in payment for the labour involved at either end, with which a part at least of the exchanged goods can be bought. And such schemes of barter have at least this important result: They expose to the public view the complete breakdown of the money system and its lack of any function except as an instrument of world-wide veto on production and consumption.

The German Government has arranged with the Government of South Africa to accept wool as payment in kind for rolling stock, machinery and other German exports to the total equivalent of £2,250,000. *The Observer* correspondent in reporting the matter observes:

"The real interest of what is taking place is that it constitutes a reaction against the obvious absurdity whereby every Government attempts by the political method of exchange restrictions and tariffs to establish an export surplus over every other Government, in defiance of the elementary fact that a surplus on one side is the same thing as a deficit on the other."

"It is nothing more than a virtual agreement that there shall be no balance due to either side that, in short, exports shall be exactly balanced by imports."

The same report mentions a proposal being negotiated between the Government of the U.S.A. and the German Government for an exchange of German nitrates and cotton on a scale represented in money values amounting to about £6,000,000. Other exchanges in kind between European countries and between large industrial concerns are referred to. These facts, with the numerous barter systems through which the citizens of many impoverished neighbourhoods in the United States and Canada, have solved the problem of their most pressing needs during recent years, all serve to undermine confidence in the financial system, and ripen thought for the radical change from life under the private money monopoly to life under Social Credit.

WISDOM OF THE GREAT

It is natural that those who seek to impose the economic situation by attending to production (which works quite well), instead of, to consumption (which functions steadily worse), should get deeper into the mire of nonsense as the weeks go by.

Speaking at the National Liberal Club last week, Sir Harry McGowan, head of Imperial Chemical Industries, speaking on the need for the organisation of manufacture, asked "what means were to be taken to eliminate a permanent world excess of supply." Were it not for the fact that we know these "experts" to be obsessed by economic theories of the pre-machine age and therefore blind to the facts of economic life, there would be one of only two things to say of a man who, with the facts of universal poverty staring him in the face, could dare to talk about "a permanent world excess of supply." He would be either heartless or stupid.

What this prominent industrialist is really asking is—how can we put a stop to abundance? These owls (we use the term in its kindest sense) can adopt this standpoint only because they have accepted, as a law of nature, a permanent and inevitable shortage of money. From such a mental blind alley there is, of course, no escape. So not having the least idea of any possible economic remedy, it is not surprising to find him taking refuge in a feeble demand for "co-operation" in the organisation of industry rather than competition. The emptiness of this platitude is seen if we ask—Who is to co-operate? The nations who are trying to starve each other out of declining world markets, or the home manufacturers who are competing for the custom of a public that cannot afford more than a fraction of what they produce?

His peroration is characteristic: "Industry would ultimately find its fullest liberty in the voluntary restraint from which all true co-operation sprang."

So we can "co-operate" solely in doing without our own wealth? This gem of wisdom reminds one of the man who trained his horse to restrain its appetite until it was eating only one straw daily. Most economical, and so good for the horse's morals. But unfortunately the beast died.

COMMONSENSE IN SALESMANSHIP

"The amazing increase in productive fertility, made possible by scientific research and intensive mechanisation, may just as easily lead to economic breakdown and starvation as to universal plenty, unless the power to buy and the leisure to buy and consume are correspondingly extended."

We welcome this piece of commonsense from Mr. Stanley Townsend, hon. secretary British Sales Promotion Association, at a meeting last week. The assertion that only the increase of purchasing power can "promote sales" is a relief after the obsolete publicity clichés to which we have been accustomed from salesmanship "experts."

TENNESSEE, 'WAY DOWN IN

Northern Tennessee and Western North Carolina are mountainous regions off the main tracks of commerce. The mountaineers who inhabit them are known chiefly to romance, none the less since they became "moonshiners," or makers of illicit whisky. Their Government will put an end to both romance and whisky. It will, as *The Times* says, "bring them into the modern world and enable them to escape a grinding poverty whose results in . . . tuberculosis and semi-starvation, are too big a price to pay for the survival of the habits and mentality of . . . 150 years ago." A government organisation named the Tennessee Valley Authority will do the rescuing, and *The Times* refers particularly to "an exceedingly wasteful form of agriculture," as one of the things from which the mountaineers are to be rescued. Further, as the region is "overpopulated" "other means of livelihood must be found." So there is to be a scheme of power production, and "it is hoped not only to sell power to industries, but to sell it to the mountaineers themselves."

So the mountaineers are to be "relieved of grinding poverty" by having inflicted on them the benefits of the bank-ridden industrial system in which poverty is, of course, unknown. And instead of poverty, they will spend their lives paying off the bank-debts with which their country was "developed."

No doubt they deserve this. They should not have dodged taxation by making illicit whisky; but on the other hand, as their poverty would not allow them to buy the lawful article, the Government would go without its tax anyhow, so why worry?

There is just one factor which makes it difficult to understand why the U.S.A. Government regard Tennessee as needing economic improvement. In one direction they have triumphantly achieved, all on their own, an objective to which the economic experts of the world have striven in vain. They have reached that high stage of economic development to which the rest of the civilised world, under the guidance of sound finance, is still painfully climbing.

They produce only poor and insufficient crops of wheat.

SOCIAL CREDIT AND THE LABOUR PARTY

As our correspondence columns occasionally show, we are often met with the suggestion of an official approach to the Labour Party in the hope of their inclusion of Social Credit proposals in their Party Programme. We would point out that, officially, the Labour Party "refuted" Social Credit years ago and that dictum still stands. But there is every

reason why individual Social Crediters should carry their propaganda into Labour circles, amongst which there is a growing tendency to regard Social Credit with favour.

WHITEWASHING

Sir George Newman, Chief Medical Officer to the Board of Education, has just produced another characteristic report on "The Health of the School Child." As usual, the Press gives prominence only to the meaningless generalisation with which Sir George glosses over the ugly facts of poverty and physical deficiency.

"The general health and nutrition of the population of England and Wales, taken as a whole, was well maintained in 1933 in spite of economic and social difficulties." That is an example of the official platitudes, designed apparently to induce a "well-things-are-all-right-we-needn't-worry" mood in people whose social consciences might otherwise be disturbed.

Even a closer analysis of his own report makes it difficult to see by what sleight of mind Sir George can present 1933 as a comparatively satisfactory year. For it discloses a pitiful insufficiency of even the most common varieties of food, and a terrible amount of preventable disease, while actual figures of free meals and free milk are, when compared with the infantile population in poorer districts, merely trivial.

Fortunately, for those who care to take the trouble, it is possible to get at the facts behind the official gloss. In the monthly Bulletins of the Committee Against Malnutrition, whose excellent work in compiling statistics and analysing local reports should be indispensable to all students of public affairs, we find a very different story. It is clear from these that the complacency expressed—with Sir George Newman's encouragement—by the Press, is not shared by many experienced officers and others in touch with conditions.

SIR JOSIAH STAMP ON "CAUSES OF WAR"

Last Monday Sir J. Stamp, broadcasting in the "Causes of War" series, delivered what was obviously an oblique attack on Social Credit arguments. We are at least pleased to note that he can no longer pretend to ignore them.

He stated three conditions which may provoke war. In a short analysis of his speech issued by the Social Credit Secretariat, these are summarised as follows: (1) Economic penetration, by which he meant the incursion of capital and immigration. He rightly observes that this is becoming obsolete. (2) Economic inequalities, meaning the existence of special kinds of raw material unequally distributed geographically—e.g., oil nickel, etc. Apparently he thinks that nations want to hoard these, not to sell them. But he didn't mention why they can't sell them. (3) Differential population, that is, "the pressure of population on the means of subsistence." He trotted this out, but said that it was obsolete, as the power of producing the means of subsistence is now "almost embarrassingly great." Thanks to the power of financiers like himself, however, the population are no nearer to gaining that subsistence, "embarrassingly great" though it is, for he and his fellow-bankers keep the supply of money embarrassingly small.

Compare with this the more accurate Social Credit diagnosis: (1) Struggle for export markets. (2) Inability to people of each nation to purchase their own production, and consequent necessity to force it on the foreigner. (3) Technological unemployment with financial poverty.

His reference to Major Douglas consisted of a haughty statement that the Bank of England does not discuss its policy with anyone (fortunately for itself), and "if Major Douglas imagines that wars might cease if bankers would only think as he does, I most emphatically disagree."

Sir Josiah Stamp is a director of the Bank of England.

THE ELECTORAL CANVASS

Under the heading of "The Electoral Canvass" there appears on page 243 a letter from Mr. K. W. Willans. Mr. Bardsley's reply will appear next week, when we intend to comment editorially on the whole matter.

ERRATUM

In Major Douglas's letter on page 227 of our last issue, a printing error gave the word "stable" as "suitable." The relevant sentence in the penultimate paragraph should have read: "For this reason I do not think that any economist who at one and the same time believes in a stable price level and a balanced budget in connection with the modern production system can have anything of value to offer towards a constructive solution of our difficulties."

JOHN BULL IN QUEER STREET

"Rule Britannia! Britannia rules the waves"

OUR fathers, grandfathers and great-grandfathers gave this song an honoured place in the national repertory. For a couple of generations or so the boast in the first line was justified, until Uncle Sam and Mr. Matsudaira determined to have at least one prong apiece of our royal trident. So much for naval supremacy!

And now Montagu Norman and his bumbailiffs are shepherding us along Queer Street to a worse limbo than the old Fleet Prison. So much for liberty!

It is no wonder that only the most besotted patriots can still quaver the old song. Its saltiness has lost its savour.

Poor John Bull is hard put to it to sing with a millstone about his neck that weighs £8,000,000,000 sterling. The financiers who fashioned this weighty gorget have graven thereon the words "NATIONAL DEBT," and sent poor John about his business as handicapped as a Chinaman wearing the cangue.

Philanthropists shake their heads over the hapless Indian peasant who, generation after generation, from the cradle to the grave is in the hands of the money-lender. The charitably-minded should, however, look a little nearer home.

Britons Are Born In Debt

At every christening in England stands the Wicked Fairy (some say her witch's cavern is in Threadneedle Street). She presents the future tax-payer with his certificate of citizenship, a bond recording his liability for the nation's indebtedness.

The infant of 1914 was lucky. He only owed £15. But there has been another war since then and the new-comer of 1934, makes his debut with a debt of nearer £200. What the handicap will be for the 1944 starters, it is impossible to conjecture. Either there must be a smelting-out of witches and a great burning of their preposterous bonds, or a strike of parents which would eventually abolish the tax-payer and with him that bugbear of the economists—the consumer.

Some burdens, it may be argued, are worth bearing. Then let us give this one a closer examination.

A highly-placed Treasury official writing on this subject in the Encyclopaedia Britannica says: "National Debt is so universal that it has been described as the first step of a nation towards civilisation." Wisely, he makes no attempt to elaborate this interesting statement. We are left to infer that the National Debt is the hall-mark of a highly industrialised community and a national monument of which he is proud.

Debt: Private Vice, Public Virtue

Debt, a vice in the private citizen, becomes a virtue in the State. By way of explanation he says that the State, being imperishable, can contract permanent debts, provided the interest on them is regularly met. From this he deduces the all-important principle which has governed national finance for over 200 years, *viz.*, that a nation's credit is its ability to levy in taxation sufficient to meet current expenses plus interest charges on loans for abnormal expenditure—in short, the principle of the balanced budget.

Without attempting to give in detail the history of the National Debt, or the financial jiggery-pokery of new issues, funding, conversion, etc., etc., we must probe a little deeper than the trusting Treasury official into its why's and wherefore's.

How It Started

Up to the time of the Stuarts royal finances worked roughly on a cash basis. Charles II. so generously pledged the royal credit that it ceased to be "good security" and by 1693 what had hitherto been the personal liability of the reigning monarch was taken over by the State and the National Debt came into being. In that year a group of Whig capitalists advanced a considerable sum on the security of the State—a small cloud on the horizon of state finance that in 200 years was to darken the whole sky. A year later the Bank of England was established as the Government bank in return for a further loan of £1,200,000 and thus was cemented the unholy alliance between the State and an independent financial system that has culminated to-day in the complete subservience of the one to the other.

In 200 years Britain changed from a poor agricultural country with vile communications, negligible industries and a small, illiterate population, to one capable of immense industrial output, incredibly improved communications, with a teeming population, passably literate and skilled in technical production. With such transformation one would have supposed that the paltry millions of the 1690's had long since been repaid out of the generous stream of wealth from field and factory. What are the facts? Where the population has increased tenfold, the dead-weight of debt has increased a thousandfold. The service of the debt that cost originally a bare £500,000 is to-day £224,000,000.

How does it come about? It is no secret that the National Debt represents mainly expenditure on past wars, but it is less obvious *why* those past follies have to be paid for by generations of taxpayers.

Banks Saved At Our Expense

The methods employed to finance the last war may provide a clue. In July 1914 the mere threat of war brought chaos on the Money Market and the Stock Exchange. There was a frantic attempt at liquidation, *i.e.*, conversion of outstanding debts into money assets, futile because of the completely inadequate supply of money. An immediate moratorium on all debts safeguarded the banking system by preventing a run on the banks, which would have revealed that their chief asset was the faith of their depositors.

The Moratorium disclosed the hollowness of a financial system based on bank credit, the more correct name of which is *DEBT*. The Government's immediate needs for war equipment were met by the issue of national money, the treasury notes. These were issued on the credit of the country as a producing unit, but were unscientifically issued, and this, together with the huge sums advanced on the Ways and Means account by the Bank of England and other temporary measures, led to inflation.

Our National Basis—Loans

To try and check this evil the Government fell back on the traditional method of loans. The War Loans were largely taken up by the banks and great financial houses who acquired the bonds by draft on themselves. The private investor was encouraged, and even given overdrafts, to purchase his share. The resulting funds placed at the Government's disposal were, of course, paid out to industries engaged on war production and the profits reflected in swollen banking accounts. Such balances were available to take up the next series of loans and so on. By the end of the war, the total of bank balances had roughly doubled itself, prices had trebled and the National Debt had risen tenfold. Something like 70% of the entire Debt, it is estimated, is owned by the Banks, Insurance and other financial houses.

Inflation was not even avoided by the methods chosen, and at the present time, therefore, the country has to pay vast sums to the financial system as interest for money which it could have raised itself, *without cost*, on the National Credit, which, correctly defined, is the *capacity of the nation to produce*, and *not* its taxable capacity.

It is just this little error in defining National Credit that has landed John Bull in Queer Street. His creditors, like less respectable money-lenders, have assured him that there is no need to bother about the principle, that little matter of £8,000,000,000; he has merely to find the interest money. No easy matter for one so chronically short of cash as friend John. There is no objection, of course, to him getting just a little more in debt and then—

"Britons, ever, ever, ever shall be slaves!"

(but quite civilised, as the Treasury gentleman would say.)

N. MESHED.

Rates which have not been recovered by the authorities in London during the past year are the highest for 22 years, according to the L.C.C. Finance Committee.

"To-day the most prosperous country in all the world."—Sir Robert Horne.

We wonder how many people there are in the *least* prosperous country who can't afford to pay rates.

THE FEATHERLESS BIPED

Social Credit and the Importance of the Individual

A MAN can be looked at from two points of view. He can be looked at as a unit of humanity; or he can be looked at as a separate individual. The one view sees him as very much the same as his fellows. The other sees him as very much different from his fellows. The one looks for similarities. The other looks for differences.

Major Douglas once said something to the following effect:—"That culture is the highest culture which produces the greatest number of highly-differentiated individuals." Here Major Douglas was looking at man from our second point of view. He was seeing each man as essentially different from his fellows. He was arguing that it is this essential difference which gives each man his value.

This involves one of the most important social implications of Social Credit philosophy. I suppose every one of us holds certain people in admiration. We may admire a statesman for his administrative ability; or a scientist for his profound learning and intelligence; or a great preacher for his eloquence. There is something of envy in these admirations. We wish that we possessed, for ourselves, the qualities which make these people great.

But we must take note of one very important circumstance. I want to direct attention to the important phrase "possess for ourselves." Mary Smith may wish for the beauty of Elizabeth Bergner, but she does not wish to be Elizabeth Bergner. She wishes to remain Mary Smith, enriched by Elizabeth Bergner's beauty. To her, Mary Smith is the most important person in the world. She is unique. However much she can be improved, she cannot be replaced.

And so with each one of us. We may appreciate the value of the things we do not possess, but, to each one of us, his own personality is of far the greater value than all the gifts of intellect, power and riches in the world. To put it in another, and familiar, way, we ask, "What shall it profit a man, if he gain the whole world, and lose his own soul?" The individual soul, in this sense, is the most valuable creation of God.

Distinguished From All Other Theories

It is this insistence on the unique value of each individual which marks off Christianity from most other religions. It is this same insistence which marks off Social Credit from all other political and economic theories.

The most alarming tendency in the world to-day is the tendency to treat men as an undifferentiated mass. In Russia under Communism, and in Germany and Italy under the Corporate State, the subordination of the individual to the mass is openly imposed. As opposed to the State, the individual has no rights.

Less openly, perhaps, the same mass conformity is imposed on the rest of the world. It follows as a logical necessity from the system of world-finance.

The man who is engaged in industry feels himself to be a mere cog in the industrial machine. Very often, he is

engaged in a monotonous task which requires no personal qualities at all. And even those in executive posts are (owing to administrative centralization) allowed very little scope for personal initiative. In industry, the development of a man's individual soul is discouraged.

Worse still is the position of the unemployed. The man who is working, on however mean and monotonous a task, can at least feel that he is of use to somebody. The unemployed man does not even possess this consolation. The conviction is forced upon him that he is of no value whatever.

Even this does not complete the full picture of his degradation. He is not only worthless in the eyes of his fellows: he is a burden on them. He is told, from the pages of every newspaper he picks up, that the burden of unemployment is threatening the economic life of the nation.

Is it any wonder that our literature and art reflect the universal degradation of men? The great hero in literature departed almost with the advent of the industrial revolution. We have no more Hamlets, no more Fausts. We have Jude, the Obscure; and, if we are given a Superman, he is, as Mr. Wyndham Lewis remarks, "a Superman who eats nuts and wears Jaeger underwear." Man no longer believes in his own individual heroism.

We Can Afford Individual Freedom

Such is our world, and Douglas alone offers salvation. Social Credit declares that a man's value can no longer be measured merely by what he contributes to the operations of industry. Our "cultural inheritance," the discoveries and intellectual toil of men long since dead, have freed us from the necessity to reap only what we have sown. We reap where another has sown, and we can do so with a clear conscience because our predecessors gave freely of their intellectual seed. If there no work in industry for us to do, then we are free to launch out into activities which will give fullest scope to our own peculiar individual qualities.

It is not necessary to impose an iron discipline on the individual. The nations are not in a state of siege, and we can afford to allow individual freedom, even at the cost of some sacrifice of efficiency.

Shorter hours will abolish most of the evils of standardised methods of production. When the overpowering necessity for "cheapness" no longer exists, executives will be given wider scope for individual initiative. They will find a new joy in their work.

The unemployed will be the heirs of all the ages. They will be valuable just because they *are themselves*; their value will be greater or less in whatever measure they use or waste their powers.

Man will no longer be regarded as a "featherless biped," very much the same as all other men. He will be regarded as a unique individual, full of rich potentialities, the possessor of powers which he alone can use, able to make a contribution which none other can make.

He will become, once more, a living soul.

TOM DIXON.

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.

A DRAWING COURSE FOR HALF-A-CROWN

By Post 2s. 7d.

THE ANALYSIS OF FORM

by

T. H. PEDDIE

(Contributor to all the leading magazines).

PUBLISHED BY THE AUTHOR AT 10, MAIN ST.,
PERTH, SCOTLAND.

The analysis of form is science and can be taught. Selection and arrangement of form is art. Art cannot be taught by any process, but this little book can and does teach scientific analysis of form. If you have talent it will help you to make money in the present scramble.

AUTHORITATIVE DEMOCRACY

A Speech delivered in the Birmingham Town Hall

BY MAJOR C. H. DOUGLAS

WHATEVER may have been the case a few years ago, it would be difficult to find any responsible body of opinion to-day which would seriously dispute the existence of grave defects in our financial system. While this is so, I am not quite sure that there is any wide spread realisation that the problem of its rectification goes to the root of every human interest, and, further, that although much in the world of statesmanship can await attention, this matter cannot wait.

It is not my intention to-night to deal to any considerable extent with the technical details either of the existing financial system, or of any system which might replace it satisfactorily, since to those who require such information there is not only a wide field of literature available, but there are in Birmingham and elsewhere thoroughly well-informed groups of students—the Birmingham Social Credit Group, for example—which are wholly competent to deal with matters of this kind.

What seems to me to be of more immediate importance is to lay before you certain aspects of the situation as it now exists and to make to you certain suggestions, firstly, as to the way in which this situation should be correctly interpreted, secondly, as to the nature of the changes which seem desirable, and, finally, as to the methods by which these changes might be brought about.

Now speaking of the ills of the economic system at the present time it is common to lay stress, sometimes to the exclusion of other factors, upon what is known as “the paradox of poverty amidst plenty.” I should, of course, agree that this paradox is of first-class importance, but I should not agree that its resolution necessarily solves the problem with which civilisation is faced.

All shades of opinion now recognise the existence of this paradox, and it is put forward as the prime justification for dictatorship of the nature of Fascism or Russian Communism, solutions which, in my opinion, merely substitute a worse disease for that which they pretend to cure. But before proceeding to consider other aspects of the matter it may be well to analyse this paradox somewhat more exactly.

The Symptoms of the Disease

Briefly, then, the symptoms which accompany this paradox of poverty amidst plenty are (1) Surplus unpurchasable production, *i.e.*, goods in excess of purchasing power. (2) Consequent unemployment, *i.e.*, surplus productive capacity. (3) Consequent poverty, *i.e.*, lack of purchasing power, accompanied by economic need. The above three factors are those which may be said to chiefly affect the wage earning classes, and they are the factors upon which stress is popularly laid. But it is quite superficial to suppose that they are comprehensive. In addition to them we have (4) Redundant industrial machinery and plant, *i.e.*, surplus productive capacity in relation to purchasing power available. (5) Consequent cut-throat competition to sell, *i.e.*, to exchange goods for purchasing power. (6) Disappearance of industrial profits, *i.e.*, failure of dividends as a means of distributing purchasing power. (7) Consequent business and industrial depression and failure, bankruptcies, etc., with their mental, moral, or material consequences. (8) Competition for foreign export markets, that is to say, pressure to export real values in exchange for monetary purchasing power to be used at home. (9) Consequent international friction threatening, and ultimately leading to war.

If you will examine these factors, you will see that they have one common ingredient, and one only, which can be expressed as lack of purchasing power. Or to put the matter another way and in a form which is most important to bear in mind, the richness of the physical economic system is not reflected in a corresponding abundance of purchasing power in those places where it would be effective. Before returning to this aspect of the situation, however, I should like, very briefly, to draw your attention to certain aspects which are frequently overlooked or are attributed to defects in human nature, or, as it is commonly called, the existence of original sin.

Outstanding amongst these is the friction between the consumer and producer, and between producer and pro-

ducer, or producer, retailer, and distributor, which is a marked and growing feature of the business world. One of the most significant symptoms of this is the insistence on the possession of what is called “tact” in business. No sensible person would deny the desirability of something which may be called “tact” in every relation of life, but to suppose that a business system can only work if every relationship in it is carried on by a trained diplomat, when we consider that the fundamental objective of business is to supply need, is patently absurd. It is not a recommendation for a machine that it requires increasing quantities of the highest grade oil, it is rather an indication that the machine is inherently inefficient. There is hardly a section of the community to-day which pays its bills with a feeling of complete satisfaction, and there is hardly a section of the community which receives payments for its bills without a feeling that it ought to have been paid more.

Everything Measured by Financial Standards

A third and most important aspect of the matter is the growing tendency to measure all values by a financial standard. At a time when the problem of economic production is, through the aid of science, being reduced to one of minor importance, individuals are increasingly estimated for popular esteem by the figures in their bank-book, figures which, if they have any real meaning, are merely claims upon articles which are increasingly abundant, and, therefore, less a matter for individual remark.

All of these things, and some others to which I could draw your attention if time permitted, point, at any rate in my opinion, indisputably to the fact that it is in the lack of money and the consequent elevation of money to that importance which seems to be produced by scarcity, that we have to look for the explanation of almost all of those troubles from which the world at the moment gives no promise of relief.

Now unfortunately, this problem is greatly complicated by the perversion of popular education in economic measures. To go into this aspect at great length would require not one but many addresses, and I will only touch upon one of the more obvious aspects of it—the relation of employment to remuneration.

Unemployment As An Asset

During the past ten years when, in this country at least, we have never been free from what is called “an unemployment problem,” not a responsible public man in this country, outside the ranks of the Social Credit Movement, has come forward to point out *the desirability of regarding unemployment as an asset in itself, when that unemployment was not accompanied by a shortage of goods.*

No woman in this audience, I feel confident, would be so foolish as to complain that as modern inventions had enabled her to get through her housework in less time than she had previously been obliged to devote to it, she was, therefore, unemployed, and a subject for pity. She would regard herself as being better off and a freer woman, since she was now able to devote her time to those things which she wishes to do rather than those things she is obliged to do.

It is, of course, obvious to anyone who will devote five minutes consideration to the matter, that the only characteristic which differentiates the two million unemployed in this country from the 200,000 or so members of the rapidly diminishing so-called “leisured class” is that one of them has purchasing power and the other has not. If the provision of purchasing power for the two millions would enable them to buy surplus goods which already are, or could be, produced, it is quite obvious that by doing this they would be meeting the desires of the employed of all ranks, who, themselves, say that all they wish is more business.

There is, in fact, no section of society which would not have its desires met by an increase of purchasing power in every grade of society, and the great barrier to such an increase, outside the special interests whose monopoly of the creation of purchasing power would be affected, is the widespread idea that purchasing power should only be

obtainable by means of work, whether that work is required or not.

What Is the Objective of Industry?

Any comprehensive examination of the present crisis to be intelligent must, therefore, go much further than an investigation into the defects of the existing system. It requires to examine also, and to render the general public conscious of the true objective of industry, and to define the general policy in regard to economic matters which the community desires to realise through the economic system. Only thus, in my opinion, can we proceed to consider the mechanism which would enable the public to achieve the results which are decided upon after an examination of these more fundamental aspects of the matter.

It is particularly timely to consider this matter. In fact, it is vital. The mere existence of economic problems is being used as an excuse for a massed attack upon the liberty of the individual such as probably the world has never seen at one time and over such a wide area. It has become the fashion, more especially since the close of the first European War, to decry liberty, and to suggest that the age-long struggle of humanity for something that it calls "freedom" is a struggle for a mirage—for something which neither does exist nor can exist.

Now it is very far from my intentions to engage you in considerations of metaphysics. I would merely like to draw your attention to the obvious fact in regard to something which, at any rate superficially, appears to be wholly materialistic, and that is the production system. Nature has imposed upon us certain conditions of material existence. Every human being requires constant supplies of food. In all but the most favoured climates, amongst which I am afraid, we cannot count Birmingham with all its advantages, mankind requires protection against the climate and the weather. And he imagines, at any rate, that he requires material forms of protection against the attacks of enemies, both tangible and intangible.

The Natural Desire To Save Labour

Now these necessities are of daily occurrence, and they take a certain amount of time to satisfy. It is also in the nature of thing that there are only twenty-four hours in each day, and it is a legitimate way to look upon the necessities imposed upon man by nature that they are a limitation upon his freedom to just the extent that they prevent him from having an absolutely free choice as to the utilization of his time. Without, perhaps, having put the matter into a conscious form of this kind, man has always recognised subconsciously the truth of such a statement, and has endeavoured to decrease the amount of time he was obliged to spend in satisfying these natural necessities.

In other words, freedom from limitation, imposed either by nature or otherwise, is the great fundamental primal urge which can be credited with nearly the whole of our modern progress in the industrial arts. Nearly every tool which has ever been invented was invented for the purpose of doing a given piece of work in less time, and however this idea may have been perverted, it is still true that, given a specific programme of production, powerful psychological forces are always at work to devise methods by which such a programme can be accomplished in a decreasing amount of time. Or to put the matter another way, **left to his own natural instincts, man is always endeavouring to put himself out of work.**

Exactly the same urge is behind the marvellous developments in transport and communication. Our railways, motor-cars, steamboats, and aeroplanes, have one common fundamental idea behind them. They are an attempt, and, fundamentally, a highly successful attempt, to rid ourselves of limitations, to be free in terms of space and time.

Now there are three main channels by which progress in the industrial arts, in the sense in which I have been describing it, has been achieved. The first of these is improvement of process, which includes the use of tools and methods. The second is the introduction of mechanical power. And the third is specialisation of labour. Notice that fundamentally all three of these are for the simple purpose of saving time, of enabling a given programme to be produced in less time.

Unemployment Is Not a Disease

Now it is quite obvious that widely differing answers might quite reasonably be given to this enquiry at different stages in the development of the modern productive system. During the early stages of the transition from hand labour

to machine production, it appears to me to be quite a sound argument to say that we did well to keep the whole employable population employed in making and developing plant and machinery, because in that way we arrive more quickly than would otherwise be the case at the stage in which we could reasonably expect to reap the benefit of industrial progress.

But that is quite a different thing from the assumption that no amount of progress in the industrial arts will bring us to a stage in which we can profitably divert our time and attention from further development to the enjoyment of the logical results of the development we have already accomplished. The psychological urge behind industrial development is a desire for what is commonly called unemployment or leisure. But to regard unemployment as a disease to be cured, is to pervert this psychological urge, and in all probability, to precipitate all those dangerous diseases which always arise from psychological perversion.

If I have made myself sufficiently clear, you will see that to attempt to substitute a system of society which imposes restrictions upon personal freedom greater than those under which we already suffer, is to set ourselves in direct opposition to the most powerful and persistent of social forces. While the more obvious of the ills from which the world is suffering are connected with the misuse of the economic system, I am confident, therefore, that the primary problems of the world, and not less of this country than of any other, are in the widest sense political, and that it is only by the proper use of suitable political machinery that we can set ourselves firmly upon the path of further progress. In other words, whether we like it or not, we are forced to consider afresh the problem of sovereignty.

The Government: Master or Servant?

It is alleged that the Stuart dynasty in this country lost the Throne of England by insistence upon the divine right of kings. I have, myself, some doubt as to whether this is the true explanation of what happened. But there is no doubt whatever that the divine right of kings has been replaced in Great Britain by something which is infinitely harder to tackle, and that is the divine right of governments.

While we are arguing as to whether this form of government or that form of government is better, we seem to have overlooked the much more important question as to whether people exist for the benefit of governments or whether the governments exist for the benefit of people. As a consequence of this, it is nowadays too easy for millions of people to be forced to endure hardship, which is essentially artificial in its origin and is only supported because the forces of government make resistance to it impossible. This is pre-eminently the case in matters of finance. There is, in fact, existing, a monopoly of financial credit, which monopoly is separate and stands outside, and in many cases stands above the general community. Note, for instance, the idea that Bank and the Inland Revenue tax collectors for the Bank, must always be "secured" creditors.

"An Insane and Unintelligible Thing"

Now the aim of the Social Credit Movement is to make financial credit subordinate to real social credit. Perhaps you will allow me to quote the words I used before the Parliamentary Committee on Banking and Commerce at Ottawa in 1923 in regard to this. They are as follows: "We say it would be regrettable and an undesirable thing if an individual having sufficient money could not get delivery of goods, but we have no record of any such situation existing for any length of time. But we consider it to be an insane and unintelligible thing if the goods exist, and people are willing to make more, that the majority of people have not the money to buy them."

But mere enlightenment on the general problem will not, in fact, take us very far. It is no use trying to evade the outstanding fact of this situation, and that is that discontent with the present financial system does not arise from those who are in control of it. They may have their troubles, but they are chiefly in connection with their very able efforts to see that it is not displaced by one over which they have less control. If you will bear this point consistently in mind, you will realise that there is a sense in which technical details are much less important than political strategy. In the last event a change in the present financial system of such a nature as will destroy the monopoly of financial credit, which is the root of the trouble, can only be brought about by acquiring control of the military forces of the State.

Restore Parliamentary Authority

Now in order to do this, two things are necessary. Parliamentary power must be kept, or, if you prefer it, restored to authority in this country. We have had quite enough of Cabinet rule. And, secondly, we have to devise a mechanism which will force Parliament to take action on any matter of first-class importance.

Please notice particularly that it is not the business of the people of this country, as such, and therefore it is not the business of their Parliamentary representatives, as such, to tell either bankers or steel manufacturers, or anyone else, how to run their business.

But I have no hesitation whatever in saying that it is the business of the whole of the people of this country and every other country to tell their Parliamentary representatives that in matters of common social import, and money is easily the first of such matters, they will have results.

For this reason, we propose to organise, and are, in fact, organising the people of this country, so that pressure may be brought to bear on existing Members of Parliament, in every possible way, to force action in regard to this money question. We are not organising specially to impose upon this country either my monetary system, so-called, or anybody else's monetary system. We say that we are profoundly dissatisfied with the present monetary system, and that we know quite enough about the subject to know that

a much better system can be devised. And we mean to have it.

Unless we are profoundly mistaken, we believe that such a system would involve three main characteristics. First, a scientific regulation of prices, secondly, the public control, though not necessarily the public administration, of the creation of credit for production, and, thirdly, the distribution of an increasing and universal National Dividend, so that every British born subject would become a shareholder in Great Britain, and, perhaps, ultimately in the British Empire.

Finance—Implacable Enemy of the People

For those of you who require or desire to have the necessity or desirability of each of these measures elaborated, I would commend the Birmingham Social Credit Group, which will provide you with the means of obtaining all the necessary information. But I would repeat, with all the emphasis that I can place on the matter, that the people of this country, and, in fact, of every country, are faced with an implacable enemy, and that enemy is the financial system and those who support it.

And I have no hesitation whatever in saying that unless you defeat that enemy and defeat him within a comparatively short time, the future of this country and of the world is dark indeed. If you *do* defeat him, and there is no reason why you should not, then I have no hesitation whatever in predicting with confidence, the early onset of an Age of Plenty and Security for all.

World copyright reserved.

Euclid Was Lazy

WHEN sympathy is expressed with the unemployed, it is usually on the grounds that they have no "work," not that they lack all that makes life interesting and worth living.

Few people, however, waste much pity on those possessing adequate incomes, who are equally "unemployed," if "employment" means work done during fixed hours for payment.

There are three kinds of work. One is what man does of natural necessity. The second is work imposed on him by certain of his fellows who happen to be in authority. The third is work he chooses to do so as to satisfy his creative impulse.

While doing a little propaganda in Somerset last winter, I was talking to a young farmer's wife. She objected to the National Dividend on the grounds that nobody would do any work, and that work was good for people, adding that she herself liked work. She appealed to a friend: "It is good for people to work, isn't it, Miss Smith? *And we shouldn't do it if we didn't have to!*"

Many people seem unable to distinguish between not being obliged to work and being obliged not to work. The other day I heard the fear expressed lest the Machine, which it was agreed, had beneficently lessened toil, should drive man from the field of labour altogether. Because machinery *can* do almost anything men can do, is no reason why men should not work as much as they like at anything they like. A housewife may invest in a vacuum-cleaner, but if at any time she feels she would like to sweep her floors with a broom there is nothing to prevent her.

The upholders of the doctrine of toil for toil's sake, usually end an argument by triumphantly quoting St. Paul: "If a man will not work, neither shall he eat." It is a pity they do not remember also the words of Christ: "The letter killeth, but spirit giveth life."

The idea behind St. Paul's words was that nobody should live by depriving somebody else. In an age when everything was made by hand, anybody who did not work would, of course, be living on the labour of others. To-day when a machine does the work of many men, this is not the case. The difficulty is to dispose of the machine's product.

Finally, it is not possible to define work. To quote Major Douglas: "It is impossible to estimate the value of an individual's contribution to the common stock often until hundreds of years after his death." He compares "any one of a thousand forgotten Arab camel drivers with a 'lazy' Euclid, lying on the hot sand, tracing with his fingers the geometrical patterns which were to be the basis of all modern engineering."

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.

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

Unlike other suggested remedies, these proposals do not call for financial sacrifice on the part of any section of the community, while, on the other hand, they widen the scope for individual enterprise.

By The Way

“IF a larger proportion of our people must look for a livelihood in future to employment in domestic trade and services, then the depressed areas must be reconstructed to meet the demands of domestic and not foreign markets.”—*The Times*.

And the financial system reconstructed so as that our people can have enough money to buy the goods.

* * * *

We have received, through the daily Press, the following communication from Lord Nuffield: “It is astonishing to me that British people should buy foreign products when, as I make bold to assert, British manufacturers are good enough for most of us.”

In reply, we beg to assure Lord Nuffield that we share his preference though not his astonishment, and that we will commence buying British goods at the earliest opportunity. A remittance will oblige. Your faithfully, The British People, p.p. Editor, SOCIAL CREDIT.

* * * *

“People can’t eat the Constitution.”—Senator Borah.

No, because if we did, the Public Assistance Committee would withdraw the equivalent from our unemployment relief.

* * * *

The convictions for drunkenness in England and Wales during 1933 totalled 36,285, an increase of 6,139 on 1932, or over 20%.

We are turning the corner.

* * * *

“Until quite recently it had often been assumed that finance and commerce are separate departments.”—*The Times*.

Quite wrong, of course. They haven’t yet been separated. The fight is still on.

* * * *

“We have to face the fact that unless we can increase consumption there is no alternative to restriction.”—Lord de la Warr.

Yes, there is; there’s “the rational adjustment of output to effective demand.”

* * * *

“The Government,” says *The Times* correspondent in Nairobi, East Africa, “maintain that the country is faced with a legacy of expenditure and inherited obligations from times of prosperity.”

In other words, the only proper use for “prosperity” is to pay off the bank loans which started the boom.

For “inherited obligations,” read “B costs.”

* * * *

The statement of the Durham Coal Owners’ Association points out that the miners’ demands for higher wages would only add to the difficulties by increasing the cost of production and thereby add to the number of miners unemployed in the country.

So the miners must live on semi-starvation wages so as not to add to their difficulties. Nothing can be done about it. There’s millions of tons of coal, but not enough paper money. It’s Nature’s fault, as usual.

* * * *

“A Socialist Government,” says Sir Robert Horne, “will produce a financial and monetary crisis and something like civil war . . . There is nothing so important as for us to see that the National Government is returned at the next Election.”

So we will save ourselves from a monetary crisis by having a continued shortage of money.

* * * *

“A limitation of overtime to the lowest limits and a reduction of weekly hours are policies which the Government want employers and work people to re-examine with the object of extending employment to as great a number of persons as possible.”—*The Times*.

And with the further object of spreading the same amount of wages over as great a number of persons as possible.

What to Read

In the following short list of books and pamphlets necessarily incomplete, we have included only publications believed to be available in this country.

The following are the works of Major C. H. Douglas:—

BOOKS:

Economic Democracy	6s. od.
<i>This book, the original statement of the philosophy of Major Douglas, is temporarily out of print. It will be re-issued about December at 3s. 6d.</i>	
Social Credit (new edition)	3s. 6d.
<i>This book continues the philosophical background of the subject and includes the Draft Scheme for Scotland as an Appendix.</i>	
The Control and Distribution of Production	7s. 6d.
<i>Temporarily out of print. It will be re-issued about December at 3s. 6d.</i>	
Credit Power and Democracy	7s. 6d.
<i>Will be re-issued shortly at 3s. 6d.</i>	
Warning Democracy	7s. 6d.
<i>Will be re-issued shortly at 3s. 6d.</i>	
The Monopoly of Credit	3s. 6d.

PAMPHLETS:

These Present Discontents: The Labour Party and Social Credit	1s. od.
The Use of Money	6d.
The Nature of Democracy	6d.

The following are books and pamphlets expounding and supporting the Proposals of Major C. H. Douglas from various points of view:—

The Douglas Manual, by Phillippe Mairat	5s. od.
<i>This is in the nature of a concordance of the works of Major Douglas, and is a most valuable book of reference.</i>	
Economic Nationalism, by Maurice Colbourne	3s. 6d.
<i>This book introduces the subject in easily assimilated form for readers of no previous knowledge of the subject.</i>	
The A.B.C. of Social Credit, by E. Sage Holter	3s. 6d.
Ordeal by Banking, by Allen Young	2s. od.
Introduction to Social Credit, by M. Gordon Cumming	6d.
Poverty Amidst Plenty, by C. F. J. Galloway	6d.
An Outline of Social Credit, by H. M. M.	6d.
Poverty Amidst Plenty, by the Earl of Tankerville	6d.
Short Papers on Money, by the Marquis of Tavistock	6d.
The Nation’s Credit, by C. G. M.	4d.
The Abolition of Poverty: A Brief Explanation of the Proposals of Major C. H. Douglas, by R. S. J. Rands	4d.
The Douglas Theory and its Communal Implications, by Fred Tait (revised edition).	3d.
Outside Eldorado, by J. E. Tuke	3d.

The following books and pamphlets support the general analysis and proposals of Major Douglas but are not devoted solely to the exposition of Douglas Social Credit:—

The Coming of Community, by W. T. Symons	7s. 6d.
This Age of Plenty, by C. Marshall Hattersley	3s. 6d. and 6s.
<i>Perhaps the most popular exposition of the paradox of shortage amidst plenty. This book has done much to spread the conception of potential plenty held up by financial restriction.</i>	
Life and Money, by Eimar O’Duffy	5s. od.
Community Credit, by C. Marshall Hattersley	1s. od.
Men, Money and Machines, by C. Marshall Hattersley	3d.

Report of the Economic Crisis Committee of the Southampton Chamber of Commerce 6d.
 Though not falling into any of the above categories this document will repay the study of our readers. It is a masterly analysis of the present economic situation.

Orders for literature should be addressed to the Manager, SOCIAL CREDIT, 9, Regent Square, London, W.C.1.

ETHICS AND ECONOMICS

"SOCIAL CREDIT IS ECONOMICALLY SOUND BECAUSE IT IS ETHICALLY SOUND"—A. R. ORAGE

THAT very great and irreplaceable writer the late A. R. Orage used to say that no scheme which was not ethically sound could be economically sound either,—a saying which those who object to Social Credit on moral grounds might ponder with advantage.

There is no antagonism between Social Credit and Morality as such; what *is* resented is the attempt on the part of any individual, or set of individuals, to impose a code of behaviour on the rest in the name of Morality, and the resentment arises from the clear realisation of the simple fact that you cannot make people moral by Act of Parliament or by any means of coercion whatsoever.

Coercion of the individual by the community is necessary to prevent certain glaring examples of misbehaviour, but the coercion does not render the offending individual a moral being; it merely makes him a harmless one. And when this sort of coercion is magnified into a definite and systematic philosophy, which aims at the enslavement of the individual *for fear that he should become harmful*, and is then dignified by the name of Morality, it must arouse the suspicion of all right thinking men.

Discipline for the Sake of—Discipline

The truth is that what is usually called Morality is really only a system of discipline. Now discipline is generally tolerable just so long as there is a definite object in view, and no longer. Most of us, for example, who were of military age in 1914, and who realised the desirability of keeping German troops out of England, managed to put up with military discipline, distasteful as it was, so long as there seemed to be a reasonable hope of attaining our object; but had you suggested to us that the discipline was good for our souls, and it therefore ought to be continued indefinitely, whether there were any Germans or not, I rejoice to think of the reception you would have got.

Yet the same doctrine is being preached to us to-day, in a modified form, and in the name of Morality. We are told that work is good for our souls, that thrift is a virtue, and that it would be utterly immoral to accept money without working for it. This is not a new doctrine. It is a very old one, but up till recently in the history of the human race, it has a least been based upon physical necessity. Where there is scarcity, work for all is a necessity, and therefore the discipline entailed is on the whole acceptable, since it is undertaken for a definite and desirable objective.

Work For All Is An Impossibility

But this state of affairs no longer exists. There is no scarcity, but a super-abundance. Not only is work for all no longer a necessity, it is an impossibility. The discipline of work has no longer any external justification, and there is no justification whatever for discipline as an end in itself. In one word it is slavery, and it can only be desired by those whose will to power is gratified by seeing us enslaved. Nevertheless even they know that there is no defence for their power-lust except the existence of some external need for enslavement, and therefore they do all in their power to maintain scarcity, or where that is impossible, at least to pretend that it exists.

Discipline As Means, Not As End

Morality, however, is a different matter. It entails discipline, but discipline as means, not as end in itself, and it is therefore not inextricably bound up with any particular form of discipline. Morality is simply a means of living one's life to the best advantage. From this point of view, the matter has been put with the most provocative clarity by Denis Saurat, who claims that:—

"The search after pleasure is legitimate. The error in vice lies in the fact that the immediate pleasure kills pleasure too quickly. Morality is the art of making pleasure last."

To many, this will appear a coldly selfish doctrine. That depends, of course, upon your idea of "pleasure." If you enjoy merely the "immediate pleasures," the comfort of the body, and the satisfaction of its appetites, then you are guilty of that vice which, in the Sauratian sense is an error. It is an error from your own point of view, because you miss so many finer and more delightful pleasures.

"But surely," the professional moralist will say, "Morality is the same thing as unselfishness?" I answer this this doctrine of unselfishness, torn from its context and

carried to extremes has been the very ruination of Morality. It has caused the love of one's fellows to dwindle from a high passion to that miserably tasteless and colourless thing, philanthropy, while common decency is inflated into pretentious and bombastic "altruism," which apparently means meddling unwarrantably with other people's affairs.

Our First Duty To Our Neighbour

Let us realise clearly that our first duty to our neighbour is to leave him alone, and get on with our own development. Else we run the risk of becoming like the padre whom the men in France found "too bloody 'elpful." It is, indeed, that air of sanguinary helpfulness which make us yawn over the homilies of the professional moralist.

On the other hand it is perfectly true that when our life becomes sufficiently rich and vivid it simply cannot be contained within the bounds of our own personality. Perforce it must turn outwards, to our fellows or to great "impersonal" causes. Then we may say with some justice that we love our neighbour as ourself, without making the absurd claim to love him better. We become vessels filled with Nietzsche's "Bestowing Virtue," still selfish if you will, but with a selfishness how different from the "craving of that sickly and larcenous selfishness, which sayeth, All for myself." That is true Morality.

Orage was right as usual. Social Credit is economically sound because it is ethically sound.

NEIL MONTGOMERY, (M.D., D.P.M.)

IT WAS THE SAME THEN

Who hold the balance of the world? Who reign
O'er Congress, whether royalist or liberal?
Who rouse the shirtless patriots of Spain
That make old Europe's journals squeak and gibber all?
Who keep the world, both old and new, in pain
Or pleasure? Who make politics run glibber all?

The shade of Bonaparte's noble daring?—
Jew Rothschild, and his fellow, Christian Baring.
Those, and the truly liberal Lafitte
Are the true lords of Europe. Every loan
Is not a merely speculative hit,
But seats a nation or upsets a throne.
Republics also get involved a bit;
Colombia's stock hath holders not unknown
On 'Change; and even thy silver soil, Peru,
Must get itself discounted by a Jew.

LORD BYRON, *Don Juan*, XII., 5 and 6.

WHAT A NATIONAL DIVIDEND WILL DO FOR EVERYBODY

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

A 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.

A 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.

A 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.

Correspondence

Our correspondence is steadily increasing. This is a very welcome sign, as indicating growing interest in this journal and its subject. As, however, our space is obviously limited, we appeal to readers to make their communications as brief as possible.

"The Only True Function of the State"

TO THE EDITOR OF SOCIAL CREDIT.

Sir,—In an attempt to rectify terminology, I should like to take issue with a paragraph on page 52 (September 14) "The Only True Function of the State."*

It seems to me that the gross hoax of banking started in a failure to dissociate usury from the increment of association.

As one of the first few dozen acceptors of Douglas, my impression has been that we were slowed down by lack of clarity on the part of expositors. We did not, at the start, realize the full importance of terminology. Lord, yes, we knew it mattered. But we did not know at the start how hard it was to get ideas into the heads of others.

There is no more important distinction than that between usury and the increment of association. There are others as important, but none more so. At the other pole there is no cliché that has been more worked for the befuzzlement of the "pore b'dy populace" than "national duty," "4th of July spirit," the "spirit of h'Empire" and all the rest of it.

Nevertheless the constructive element in Italian Fascism (as distinct from pseudo-fascism in other countries) has not received adequate attention in England. This may be a purely academic question among Social Crediters, and English Social Crediters have, quite probably, something more important to do than study foreign countries. On the other hand the failure of Social Crediters to understand the views of those whom they seek to convert has been and, I believe, is still one of the causes of delay in public instruction.

Every inaccuracy, even minor inaccuracy, leads to debate, waste of time, tangential talking. As there is an "increment of association" in production, so there is an *increment* in the well-being of the state *over and above* the well-being of its individual members. Liars and public ministers, bank touts, exploiters, maintainers of the present economic system, men who believe in taxes, Franklin Roosevelt's New York friends, etc., will promptly try to distort, not my nouns but, my propositions, and my propositions are the crux of this statement.

The increment of statal well-being is not *against* the well-being of the individuals in the state, it certainly does not mean the pomposity and fur-coating of a blistering bureaucracy used as shop front for Caiphaz and Co., and the French bankers. The statal increment in the nation's well-being is *over and above* the individual well-being, and until the individual well-being is there, this statal well-being simply does not exist.

Any more than you can have an increment of association without associates.

Rapallo.

November 20, 1934.

(* The paragraph referred to is: ". . . the Social Credit Movement insists that the well-being of the State is of importance only as it ministers to the well-being of the individual members of the population."—Ed. SOCIAL CREDIT.)

Banks Under Social Credit

TO THE EDITOR OF SOCIAL CREDIT.

Sir,—The several references in your columns recently to the position of banks under Social Credit, touching on both the issue of producer credit by the banks and their profit therein, lead me to make the following statement, which should clarify the matter for those of your readers who are new to the subject:—

Social Credit finance would allow of banks issuing producer credits, in respect of which they would have wide discriminatory powers, but all issues of credit would be on account of the National Credit Office, by which the issues would be "backed." Any general conditions attaching to the issue of credits, *i.e.*, whether armament manufacturers were to have accommodation, etc., would be decided by the government of the day. There would be no profit for the

banks in this service other than an equitable commission payable by the National Credit Office out of taxation, or, alternatively, by producers. The banks' *own* business would be the *care* of deposits, which, of course, would be transferable by cheque in the usual way. Thus, though under Social Credit there would be a radical change of *policy* as regards banking, their business would still remain: there would be no change of administrative *function*.

I am open to correction but as I understand Major Douglas he is quite against the banking system profiting in a *power* to grant credit. If the principles Major Douglas has set down are to be observed, the banks can only be agents for financial credit.

Yours faithfully,

T. C. WRYCROFT.

88, Heathbank Road, Cheadle Hulme, Cheshire.

November 30, 1934.

The Electoral Canvass

TO THE EDITOR OF SOCIAL CREDIT.

Dear Sir,—Mr Bardsley's reply is rather on the lines of the reply of Mr. D. H. Robertson to Major Douglas referred to by Major Douglas in your current issue, in the paragraph of his letter beginning "I have no hesitation."

My point is simply this: the inhabitants of these islands are not divided into the two classes maintained by Mr. Bardsley, and in view of their characteristics they will not respond, in sufficient quantities, if we are to seek their suffrage on Mr. Bardsley's lines and are never to say "why and how?"

I fear that his proposed competition, which is somewhat of a red herring, would serve little useful purpose. To use an Engineering expression "there are too many variables," such as Mr. Bardley's personality, my personality, the personalities of the helpers, the district chosen, etc.

If, however, Mr. Bardsley will carry out a canvass on his lines and will keep a record of the people who fail to respond to his high pressure, high speed methods, and are therefore classed as "consciously or unconsciously desirous of maintaining poverty and the fear of poverty as the instrument of coercion," then I don't mind seeing if I cannot bring some into the fold. The people in whose hands the future of Social Credit lies, are those of whom Abraham Lincoln said, "God must love most as he made so many of them," and you won't get these by high hatting them.

No, Mr. Bardsley, I am not an armchair critic, and had I not felt that my experience entitled me to speak with authority on a point which I consider vital, I would have kept quiet rather than risk hampering the campaign.

Yours faithfully,

K. W. WILLANS.

Bush House, Aldwych.

December 7, 1934.

"The Church and the Money Power"

TO THE EDITOR OF SOCIAL CREDIT.

Dear Sir,—No one, I am sure, wants the Christian religion "to be mixed up with S.C.," in the sense of a Social Crediter being expected, as such, to hold any particular religious views. But one would have thought it might be of interest to Social Crediters to know what driving power in the direction of their views might be derived from any widely-held creed.

And, in spite of Mr. Taiger's not very well-informed attack on Christianity, it remains true that to no position is that Faith more unreservedly pledged than to the dogma that one cannot serve God and Mammon. If a mental idol called "sound money," or if reverence for, and fear of the money-lords, is put before the crying human needs of the masses, we are obviously as a nation serving Mammon and not God. This is probably the chief form of Mammon-worship into which we are *collectively* (apart from individual temptations to personal avarice) in danger of falling to-day.

Further, in the Middle Ages, when the Christian Faith was at the height of its prestige, it did (in spite of the glaring and terrible faults of the Church of that time) exercise a salutary influence in this particular respect. Whereas to-day our great economic canon and the dominant object of our social reverence is the "gold standard," in those days it was the "Just Price."

Finally, it is not enough to have a "crystal clear" intellectual theory. That by itself will never carry such a

revolutionary economic reconstruction in the face of the determined resistance of vested interests and of the immeasurable inertia and acquiescence of the average man. It can only be effected by the kind of enthusiasm and, we may fairly say, *religious* passion, that abolished slavery and achieved the Factory Acts.

Yours faithfully,
N. E. EGERTON SWANN.

TO THE EDITOR OF SOCIAL CREDIT.

Sir,—Mr. Martin Taigel's views on the purpose, history and outlook of the Christian religion bear a striking resemblance to those of the average young orthodox economist when dealing with the proposals of Major Douglas. He is hopelessly out-of-date in his ideas and he has omitted to read up and understand his subject, which preparation is a *sine qua non* to the effective criticism of any matter.

It would be particularly interesting to know what Mr. Taigel considers to be the "Bible definition" of religion, seeing that the Bible is a library of books by authors in all stages of culture and consecration, whose ideas range from the grossest error to the purest truth.

Yours very truly,
TAVISTOCK.

238, St. James' Court, S.W.1.
December 7, 1934.

TO THE EDITOR OF SOCIAL CREDIT.

Sir,—I was sorry to see Mr. Taigel's letter in to-day's issue of SOCIAL CREDIT. It may be true that the Social Credit Movement is not a religious one. It certainly is a secular one, but his statements about the Christian religion, which exhibit misunderstanding of it, will not attract adherents to the Social Credit Movement. Both Christians and anti-Christians may well join in advocating the Movement and in trying to translate it from theory into practice without attacking each others' beliefs.

If one has been led to support the Social Credit theory by his Christianity others may be. In fact, many are. Mr. Taigel is not likely to attract many to it by such contemptuous allusions as that in the last sentence of his letter, and he would do better to confine himself to supporting the Social Credit theory.

Yours faithfully,
J. KELLY.

December 7, 1934.

TO THE EDITOR OF SOCIAL CREDIT.

Sir,—As one who has enjoyed many an article from the "old and crusted" pen of Mr. Kirkbride, I should like to congratulate Mr. Martin Taigel on his letter published in your issue of December 7.

The Social Credit Movement has been, and will continue to be, ably served by a few individual Christians, but it must not expect anything but the cold shoulder from the Churches in their official capacity. These bodies have always been reactionary and have thwarted almost all movements for the progress of knowledge and the emancipation of mankind, in spite of able championship of them in the case of a few individual members of these Churches.

The leopard does not change his spots.

Yours faithfully,
A. W. COLEMAN.

"Oakdene," Mundesley, Norfolk.
December 8, 1934.

TO THE EDITOR OF SOCIAL CREDIT.

Sir,—Mr. Taigel has evidently grasped the meaning of Social Credit so far as adding to our material wealth is concerned, and as he continues to study it the still greater non-material benefits to be gained through it will become clear to him. Meanwhile an unprovoked attack upon other Social Crediters whose mentality is not in line with his own in every way can hardly advance the cause which Mr. Taigel professes to believe in.

Does the opposition to Social Credit not provide enough scope for any pugnacity without bickering with others who are as sincerely working for the same end?

Yours truly,
W. H. WIGLEY.

81, Rose Hill Road, Ipswich.
December 12, 1934.

TO THE EDITOR OF SOCIAL CREDIT.

Sir,—Mr. Taigel's letter stressing the truth that Social Credit is an economic, not a religious movement, needs, I feel, some clarification, not because his words are doubtful, but because his thoughts are cloudy and his sources of information untrustworthy.

He would appear not to be a Christian; possibly he is something positive—an Atheist? If so, why bother about Christianity? When poverty goes Christianity, according to him, will lose its foundation. So he will be happy—perhaps.

I would suggest, however, that Mr. Taigel should discover the differing senses of the words "poverty" and "penury." And when he hovers on the outskirts of Theology—an exact science—he should begin to use words in their exact sense.

Secondly, he might read the encyclical *Quadragesimo Anno* so as to fit himself to attack Catholics.

Thirdly, he should mention what sort of Christians he is referring to when talking of the "Biblical definition" of Christianity.

Yours, etc.
R. C. RICHARDS.

Victoria House, Ampleforth, York.
December 7, 1934.

(We have received further correspondence on this subject which was unavoidably held over for lack of space. Points from these letters will be published next week.—Ed. SOCIAL CREDIT.)

Asses in Clover

TO THE EDITOR OF SOCIAL CREDIT.

Dear Sir,—On the 5th inst. a luncheon was held in London to inaugurate an "Eat More Bread" campaign. Mr. J. H. Thomas and Mr. Walter Elliot were naturally the principal guests. The people are most fortunate in having these two statesmen to lead them in being "bread minded." What worries me is the fact that I can no longer use this slogan as an illustration of the absurdity of advertising stunts for getting the people to spend more of the money which they have not got in their pockets. What we use in satire to-day, the "experts" use in earnest to-morrow! Mr. O'Duffy's *Asses in Clover* can hardly now be regarded as a satire. Can you, or your readers, suggest a sample slogan, which will take the place of "Eat More Bread," and which may be expected to strike ordinary people as silly?

Yours faithfully,
T. H. STORY.

36, Hall Lane, Upminster, Essex.
December 8, 1934.

A Labour View of Social Credit

TO THE EDITOR OF SOCIAL CREDIT.

Dear Sir,—Mr. Burke still suffers, if he will pardon me saying so, from the class consciousness of his political party, which is a pity, since under Social Credit there would be a levelling *upwards*, whereas the whole idea of limiting incomes is a question of levelling *downwards*, for it would be in practice either taking from the "Haves" and giving to the "Have nots" (which seems to be Labour's present panacea for all our economic ills), or else there would be a slackening of incentive on the part of the most able if they could look for no higher reward than a few thousands a year.

Is not this idea of limiting incomes rather beating the air since we are assuming a Social Credit state, in which all will have enough, up to almost any level of comfort, determined by the degree of production the community as a whole wished for?

In the case of water, if Mr. Burke was assured enough for all *his* requirements, would it worry him very much if someone else owned the Atlantic Ocean?

Everyone will agree with him that the idea would be for each to work not for self but for the benefit of his fellow-man, but under present social development this is an ideal not immediately to be expected. It is much more practical to press on with Social Credit, for under a Social Credit state, when the "fears for to-morrow's dinner" as Mr. Maurice Colbourne puts it, no longer exist, this altruism will have some chance of developing.

Yours truly,
C. L. PAUL.

Westerfield, Suffolk.
December 10, 1934.

(See editorial note on page 235.)

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.

Glasgow Douglas Social Credit Association

Wednesday, Dec. 19th, at 8 o'clock.—In the Religious Rooms, 200, Buchanan Street, Glasgow.—Public Meeting. Speaker: A. F. Stewart (Falkirk). Subject: "How I would issue the National Dividend."

Nottingham Douglas Social Credit Group

Wednesday, Dec. 19th, at 8 p.m.—The Albert Hall, Nottingham. Public Meeting. Speakers: The Dean of Canterbury, and Reginald Kenney. Chairman: Bishop Neville S. Talbot.

Stockton-on-Tees Social Credit Association

Dec. 28th, 8 p.m.—Public Meeting at St. John's Hall, Alma Street. Speaker: The Right Hon. The Marquis of Tavistock on "Poverty and Over-Taxation: the Obvious Cure." Admission free by ticket from J. J. Stout, 5, Springholme, Stockton-on-Tees. Limited number. Guaranteed Seats, 1s.

HEALTH AND BEAUTY—AND SOCIAL CREDIT

In the current issue of *Mother And Daughter*, the official organ of the Women's League of Health and Beauty, 43, Great Portland St., W.1, there is an article advocating the study of Social Credit. Written by Miss Thea Hughes, it is a simple and straightforward exposition of general principles. The League, as many of our readers know who have seen its public demonstrations, was founded for the purpose of encouraging business girls and busy women to conserve and improve their physique, and its numbers run into tens of thousands.

It is fitting that Social Credit should attract the notice of this organisation, in view of the obvious connection between the pursuit of health and the economic means of facilitating that pursuit, which Social Credit would provide, for all members of the community. We look forward to seeing many members of the League interesting themselves in a subject so closely allied to their own aims.

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.

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.

The special offer of SOCIAL CREDIT at a reduced rate to purchasers of the *Douglas Manual* has now been withdraw.

PAMPHLETS ON THE NEW ECONOMICS

Each SIXPENCE Net.

- No. 1. THE USE OF MONEY by C. H. Douglas
- No. 2. THE NATURE OF DEMOCRACY by C.H. Douglas
- No. 3. SHORT PAPERS ON MONEY
by the Marquis of Tavistock
- No. 4. POVERTY AMIDST PLENTY
by the Earl of Tankerville

The following writers will contribute Pamphlets to the series:
 Very Rev. HEWLETT JOHNSON, D.D. EDWIN MUIR
 Dean of Canterbury A. R. ORAGE
 MAURICE COLBOURNE i. The B.B.C. Speech
 RO. AMY DOBBIE (ii. The Stalin or Wells Notes)
 WILL DYSON
 HOLBROOK JACKSON EZRA POUND
 STORM JAMESON HERBERT READ
 WILLIAM WARD (of the League to Abolish Poverty)

STANLEY NOTT LTD.

69, GRAFTON ST., FITZROY SQ., LONDON, W.1.

**Auld Kings Arms Hotel,
Stranraer.**

ON SHORT SEA ROUTE
TO IRELAND.

HOT-BED OF D.S.C.

TEL. 20.

W. MacROBERT, Prop.

**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**

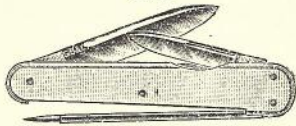
Because they have always opposed to the financial urge for cheapness and quantity the ideal of

QUALITY.

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

Buy your Friend a SOCIAL CREDIT Pen Knife for CHRISTMAS, made from SHEFFIELD'S FAMOUS STAINLESS STEEL

No. 1. (as illustrated) **9/6**



No. 2. Two Blades (Larger Size) **4/6**

No. 3. Two Blades (Smaller Size) **3/9**

WILKS BROTHERS & CO., LIMITED,
UTILITY HOUSE, EXCHANGE STREET,
Founded 1744. **SHEFFIELD, 2.** Telephone: 23894

ENGLISH APPLES FOR XMAS.

Perfectly packed and graded.

BLENHEIMS
ROSEMARY. R. } 40-lb. box 12/6 and 10/-
20-lb. box 6/6 and 5/6
COX'S O.P. ... 20-lb. box 12/6 and 10/-
10-lb. box 6/6 and 5/6

Carriage paid to Station.

Cash with order. Ten per cent. of gross receipts on Sales through this paper will be devoted to Campaign Funds.
Lt.-Col. Normand, Guildoran Orchards,
Manor Road, Guildford.

A Merry Xmas and a Happy New Year from.....

Is what we enclose with our Boxes of Tea dispatched to your order

3 lb. "CHEST" of delicious Tea ... 7/-
6 lb. do. do. ... 13/-
9 lb. do. do. ... 19/-

All packed in handsome Plywood "CHESTS". High-Grade Indian and Ceylon Blend Tea. Post Paid (in Great Britain)
JUST DROP US A LINE GIVING FULL POSTAL ADDRESSES OF THOSE TO WHOM YOU WISH A BOX TO BE SENT.
CASH WITH ORDER TO

WILSON BROS. & Co.,
(Wholesale Tea Merchants)
5, South Castle Street,
Liverpool, 1.

Note: Where requested a current copy of "Social Credit" will be enclosed with Parcel.

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.

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

We manufacture and sell at reasonable prices, direct to users, really

HIGH-GRADE
KNITTING WOOLS

Send P.C. for free samples and card of beautiful, up-to-date shades.

(Will readers of "Social Credit" please mention the fact to obtain special discount.)

Our manufactures are of a uniformly high standard of quality and workmanship, and are to be thoroughly relied on as being honestly described.

Write for full details of prices etc.,

THE FERNCLIFFE SPINNING CO.
VICTORIA MILLS, BINGLEY, Yorks.

Partners: *J. Earnshaw*
J. Newhill.

Retail trade also supplied at substantial discounts.

Enquiries Invited.

Xmas and New Year Fare

DAINTY AFTERNOON TEA
FINGER SHORTBREAD in tins
Post Free **2/3 & 4/3**

SCOTCH BLACK BUN - -
RICH IN FRUIT { CURRANTS, SULTANAS,
RAISINS, ALMONDS AND
PEEL
Post Free **4/1 & 10/2**

EDINBURGH LOAF - - -
Post Free **4/9 & 7/-**

SULTANA, CHERRY, LUNCH,
GENOA and MADEIRA CAKES
Post Free **4/9 6/9 9/- & 13/-**

ALL OUR GOODS MADE FROM
THE FINEST MATERIALS

ALEX. B. THOMPSON
6 Vicar Street,
FALKIRK.

"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:

£15 deposit. Balance plus interest in 12, 18 or 24. equal
Monthly Payments. Cash price £85. 1933 (August) Ford
14-9h.p. Tudor Saloon.

£15 deposit or £65 cash. 1930 Austin heavy 12/4 Saloon.
Balance in 12, 18 or 24 Monthly Payments.

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 Con-
tractors 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.

Founded 1744

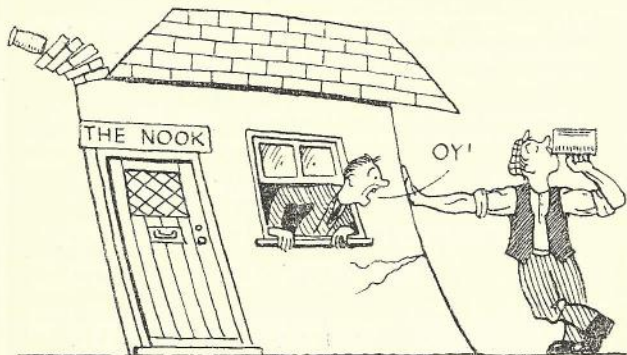
Samson Works,
Park
Sheffield 2
Telephone 21457

LOTS OF HOUSES

A SERIOUS problem has been raised in regard to housing. As a matter of fact I raised it.

I have perceived an unconscious controversy over the subject. Unconscious controversies are a feature of public life. It is a not uncommon thing to find people, particularly politicians and economists, saying opposite things to each other and thinking they are agreeing. In fact, most of them say opposite things in the same speech and think they are agreeing with themselves. I think this is something to do with the eternal scrap that goes on between the conscious and the unconscious minds, if any. But I am not going to stay here all night talking psychology. If you want any of that, come up and see me sometime.

It was the *Daily Herald* that opened the accidental debate by saying, "Building is the quickest, biggest and most profitable way of creating new employment."



*Guinness For Strength?
Not at all. The jerrier-built they are the sooner the builders
can be re-absorbed.*

Now, if you have any sense at all of moral responsibility, public spirit and the things that go with it, you are, of course, aware that, as the *Daily Herald* implies, the main purpose for building houses is to make work. The other and merely secondary purpose is to keep the weather out of doors.

I need not go deeply into the problem of machinery here. Moralists who fear idleness more than other people's physical discomfort used to be afraid that the use of machinery would get all the work done in a few hours and leave the rest of the day for Satan.

But those fears have been proved groundless. Our excellent economic system, based as it is on sound morality—and sound finance, which is the same thing—has finally achieved a victory over that enemy to the immortal soul—the machine. By refusing to allow people enough money to buy the products of the industrial system, it will gradually draw one sin-begotten industry after another to a close, until very soon all the factories will be standing idle while the Government keeps the masses busy digging holes and filling them in again, the difference between Satan and the Government being that one finds mischief for idle hands and the other finds something that can be financed by a bank-loan and repaid by higher taxation.

But it is just here that the problem gets difficult. If the main purpose of housing is to find new employment, then obviously, you will say, we ought to build the houses in the slowest and hardest way possible, so as to make the jobs last as long as possible.

Against that, however, we are faced with the latest demand for the mass production of houses. There is a growing movement in favour of this as a means of curing the slum evil by starting another.

This means building them in the quickest possible way. Newspaper articles are appearing with the suggestion that

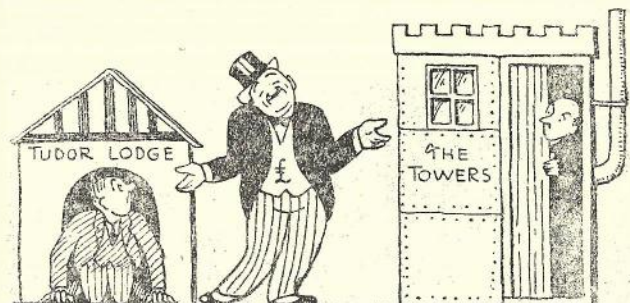
houses can be run up at great speed by the use of standardised parts which are rushed to the site and stuck together on the spot. I agree that this will save a lot of trouble in times of emergency. Whenever a roof blows off or someone leans too heavily and the side of the house falls out, you can just 'phone up for a spare part. Day and night service.

Now, at first sight it looks as though these two ideas—rapid mass production and making work spin out—clash with one another. We appear to be on the verge of one of those bitter controversies on fundamentals which part brother from brother, friend from friend, husband from wife, and cat from canary, and leaves the country riven with internal strife that is only wiped out blood or a cup final that splits it in a different way.

Observing the matter more closely in the light of economic realities, however, we shall see that this is not so.

For the main object of all national enterprise under a sound financial system, is to save money. There will always be plenty of work, for the houses will be built in the cheapest possible way and will have to be rebuilt so soon after they are erected that the unemployment problem will have been solved.

Indeed, I foresee the time when there will be an actual shortage of labour. The Government will pursue its combined policy of economy and labour-absorption so vigorously, that the beginning of a new street will fall down or blow away before the workmen have finished the end of it, so that some workmen will spend their whole lives man and boy ninety-five years come Toosday, building the same street.



*They will give us as much variety as possible for what little
money there is.*

For the further benefit of employment, there will have to be at least twice as many houses as families, because every family will have to have somewhere to go while their house is being rebuilt. This will still be known by the old phrase "slum-clearance," even if they have to move every three weeks. Official phrases never die.

In those happy busy days, the Government's chief problem will be how to determine the degree of house-fragility so that the supply of labour can keep up with the house-falling.

And so jerry-building will come into its own, and yours. A great deal of unjust abuse has been aimed at the jerry-builder in the past. In ancient Babylon he was executed; even to-day he is knighted. Now we see that the jerrier the houses are, the sooner the labour can be re-absorbed, and in the immediate future he will be honoured as the economic saviour of his country.

Some people with fastidious tastes will complain that the domestic architecture of the country will be monotonous. Not at all. Look at the number of different shapes Woolworth's turn out. I'm sure that in the interests of national art, our rulers will give us as much variety as possible for what little money there is. See illustrated list.

YAFFLE.